

This Programme Memorandum has been prepared in accordance with the guidelines of the Central Bank of Nigeria ("CBN") guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on September 11, 2019, and the CBN circular to all deposit money banks and discount houses dated July 12, 2016 on the Mandatory Registration and Listing of Commercial Papers (together the "CBN Guidelines") and the Commercial Paper Registration and Quotation Rules of the FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") in force as at the date hereof. This document is important and should be read carefully. If you are in any doubt about its content or the action to take, kindly consult your Stockbroker, Accountant, Banker, Solicitor or any other professional adviser for guidance immediately. This Programme Memorandum has been seen and approved by the Executive Management of TGI Foods SPV Plc who jointly and individually accepts full responsibility for the accuracy of all information given.



TGI FOODS SPV PLC

₦100,000,000,000 COMMERCIAL PAPER ISSUANCE PROGRAMME

TGI Foods SPV Plc ("**TGI Foods SPV**", or "**the Issuer**"), a public limited liability company incorporated in Nigeria, has established a ₦100,000,000,000 (One Hundred Billion Naira) Commercial Paper Issuance Programme (the "**CP Programme**"), under which TGI Foods SPV may from time to time issue Commercial Paper Notes ("**CP Notes**" or "**Notes**"), denominated in Nigerian Naira, ("**Naira**" or "**₦**") or in such other currency as may be agreed between the Issuer and the Dealer and Arranger (as defined in the section entitled, "**Summary of the Programme**"), in separate series or tranches subject to the terms and conditions ("**Terms and Conditions**") contained in this Programme Memorandum.

Each Series or Tranche (as defined under the Terms and Conditions) will be issued in such amounts, and will have such discounts, periods of maturity and other terms and conditions as set out in the Pricing Supplement applicable to such series or tranche (the "**Applicable Pricing Supplement**"). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦100,000,000,000 (One Hundred Billion Naira) over the three-year period that this Programme Memorandum, including any amendments or supplements thereto, shall remain valid.

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

This Programme Memorandum, the Applicable Pricing Supplement and the CP Notes have not been and will not be registered with the Securities and Exchange Commission ("**SEC**"), or under the Investments and Securities Act, No. 29 of 2007 (as amended).

The CP Notes issued under this programme shall be issued in dematerialised form, registered, quoted and traded over the counter via the FMDQ Exchange platform in accordance with the Rules, Guidelines and such other regulations with respect to the issuance, registration and quotation of Commercial Papers as may be prescribed by the CBN and FMDQ Exchange from time to time, or any other recognised trading platform as approved by the CBN. The securities will be settled via the FMDQ Depository Limited, acting as custodian and clearing agent for the CP 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 material change in the condition of the Issuer, material mistake, omission or inaccuracy relating to the information included in this Programme Memorandum, the Issuer will prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of CP Notes.

DEALER AND ARRANGER/ISSUING AND PLACING AGENT



CHAPEL HILL DENHAM

RC 1381308

COLLECTING AND PAYING AGENTS



RC: 6250



RC 150224

THIS PROGRAMME MEMORANDUM IS DATED JULY 24, 2024.

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1. IMPORTANT NOTICE

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of ₦100,000,000,000 (One Hundred Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum. The Issuer shall not require the consent of the Noteholders for the issue of additional Notes under the Programme.

To the best of the knowledge and belief of the Issuer and promoters (who have taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this Programme Memorandum is correct and does not omit any material facts likely to affect the import of such information. The Issuer accepts responsibility for the information contained in this Programme Memorandum. The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates all information which is reasonably material in the context of the CP Programme and the offering of the Notes, that the information contained in this Programme Memorandum and the Applicable Pricing Supplement 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.

To the fullest extent permitted by law, the Dealer and Arranger and other professional advisers make no representation, warranty or undertaking, express or implied, and accept no responsibility for the contents of this Programme Memorandum or for any other statement, made or purported to be made by the Dealer and Arranger or other professional advisers on their behalf in connection with the Issuer or the CP Programme or issue and offering of the Notes. The Dealer and Arranger and other professional advisers accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save to the extent permitted by law) which it might otherwise have in respect of this Programme Memorandum or any such statement.

Notes issued under the Programme shall be restricted to Qualified Institutional Investors and Eligible Investors who meet the qualification criteria prescribed by FMDQ Exchange from time to time. 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, unless explicitly delivered by the Issuer.

No representation, warranty or undertaking, express or implied is made and no responsibility is accepted by the Dealer and Arranger, or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Dealer and Arranger and other professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme is intended to provide a basis for any credit or other evaluation or should be considered as a recommendation or the rendering of investment advice by the Issuer or the Dealer and Arranger that any recipient of this Programme Memorandum or any other information supplied in connection with the CP Programme should purchase any Notes.

Each person contemplating the purchase of any Notes 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 financial statements of the Promoters prior to taking any investment decision. All currency risks assumed by investors upon purchase of the Notes are borne by the individual investors. The Dealer and Arranger and the CPAs are under no obligation to seek recovery or initiate any action against the Issuer.

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.

2. DEFINITIONS

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

Terms/Abbreviations	Description
"Agency Agreement(s)"	The Issuing and Placing Agency Agreement executed by the Issuer and the IPA and the Collecting and Paying Agency Agreement executed by the Issuer and the CPAs both dated on or about the date of this Programme Memorandum.
"Applicable Pricing Supplement" or "Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme.
"Authorised Participants"	Dealing Members of the FMDQ Exchange who are licensed members authorised to make market in securities admitted to trade on the FMDQ Exchange platform.
"Board" or "Directors"	The Board of Directors of TGI Foods SPV
"Business Day"	Any day (excluding Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria) on which banks are open for business.
"CBN"	The Central Bank of Nigeria.
"CBN Guidelines"	The CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019 and the CBN Circular of 12th July, 2016 on Mandatory Registration and Listing of Commercial Papers, as amended or supplemented from time to time.
"CITA"	The Companies Income Tax Act (Cap. C21) LFN, 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007 and the Finance Acts.
"Commercial Paper", "CP", "CP Notes" or "Notes"	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialised form by the Noteholders through the CSD.
"Collecting and Paying Agents" or "CPAs" or "Agents"	First Bank of Nigeria Limited and Zenith Bank Plc as Collecting and Paying Agents and/or any successor Collecting and Paying Agent(s) appointed from time to time in accordance with the Agency Agreement.
"Conditions" or "Terms and Conditions"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes".
"CP Programme" or "Programme"	The ₦100,000,000,000 (One Hundred Billion Naira) commercial paper issuance programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardised documentation framework.
"Central Securities Depository" or "CSD"	FMDQ Depository Limited
"CSD Securities Account"	A securities account maintained by a Noteholder with the CSD.
"Day Count Fraction"	Such method of calculating the interest/discount in respect of a Note as specified in the Applicable Pricing Supplement.

"Dealer and Arranger"	Chapel Hill Denham Advisory Limited and any other additional dealer and arranger appointed pursuant to the Dealer and Arranger Agreement from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any dealer pursuant to the Dealer and Arranger Agreement. Appointed dealer(s) and arranger(s) will be disclosed in the Applicable Pricing Supplement for each issuance under the Programme.
"Dealer and Arranger Agreement"	The Dealer and Arranger Agreement dated on or about the date of this Programme Memorandum entered between the Issuer and the Dealer and Arranger.
"Deed of Covenant"	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Promoters in favour of the Issuer and the Noteholders.
"Default Date"	The date on which the written notice of the Event of Default is served to the Issuer
"Default Rate"	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate + 5% per annum (whichever is higher).
"Eligible Investor" or "EI"	An investor that is not a Qualified Institutional Investor as defined in the FMDQ Exchange Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the FMDQ Exchange Rules
"Event of Default"	An event of default as set out in sub-clause 4.6 of the "Terms and Conditions".
"Executive Management"	The executive members of the Board.
"Face Value"	The par value of the Notes.
"FMDQDL"	FMDQ Depository Limited.
"FMDQ Exchange" or the "Exchange"	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the SEC to provide a platform for, amongst others, listing, quotation, registration and trading of securities.
"FMDQ Exchange Rules" or the "CP Rules"	The FMDQ Exchange Commercial Paper Registration and Quotation Rules, October 2023, as may be amended or supplemented 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
"Finance Acts"	The Finance Acts, 2019, the Finance Act, 2020, the Finance Act, 2021 and Finance Act 2023.
"Force Majeure"	Any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer, which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism and industrial unrest.
"Implied Yield"	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement.
"ISIN"	International Securities Identification Number.
"Issuer", or "TGI Foods SPV" or "the Company"	TGI Foods SPV Plc
"Issue Date"	The date on which the relevant Series or Tranche of the Notes is issued as specified in the Applicable Pricing Supplement.
"Issue Price"	The price at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.

"Issuing and Placing Agency Agreement"	Chapel Hill Denham Advisory Limited as Issuing and Placing Agent and/or any successor Issuing and Placing Agent appointed in accordance with the Agency Agreement dated on or about the date of this Programme Memorandum entered between the Issuer and the IPA.
"Issuing and Placing Agent" or "IPA"	Chapel Hill Denham Advisory Limited
"LFN 2004"	The Laws of the Federation of Nigeria 2004.
"Maturity Date"	The date as specified in each Applicable Pricing Supplement on which the Principal Amount is due.
"Naira" or "₦" or "NGN"	Nigerian Naira, the lawful currency of Nigeria.
"NIBOR"	Nigerian Inter-Bank Offered Rate.
"Nigeria"	The Federal Republic of Nigeria.
"Noteholder" or "Holder"	The holder of a Note as recorded in the Register in accordance with the Terms and Conditions.
"OTC"	Over the Counter
"Outstanding"	in relation to the Notes, all the Notes issued, other than: <ul style="list-style-type: none"> (i) those Notes which have been redeemed pursuant to the provisions of the Terms and Conditions; (ii) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption moneys have been duly paid in accordance with the provisions of the Terms and Conditions; and (iii) those Notes which have become void under the provisions of the Terms and Conditions.
"PITA"	Personal Income Tax Act (Chapter P8) LFN 2004 (as amended by the Personal Income Tax (Amendment) Act of 2011 and the Finance Acts)
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
"Programme Memorandum"	This Programme Memorandum dated July 24, 2024, providing detailed particulars of the Programme and broad terms and conditions of the CP Programme
"Promoters"	WACOT Rice Limited and West African Soy Industries Limited
"Registrar"	The CSD or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme.
"Qualified Institutional Investor" or "QII"	include 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 at the Maturity Date.
"Register"	The register to be maintained by the CSD in which are recorded details of Noteholders.
"SEC"	The Securities & Exchange Commission

"Series"	A series of Notes issued by the Issuer comprising one or more Tranches, having identical terms on issue and expressed to have the same series number but may not have the same Issue date and Issue price.
"Tranche"	In relation to a Series, Notes which are identical in all respects
"TGI Group" or the "Group"	Tropical General Investments Group
"Unique Identifier"	A code specifically designated/assigned to identify a CP.
"VAT"	The Value Added Tax as provided for in the VAT Act
"VAT Act"	Value Added Tax Act (Chapter V1) LFN, 2004 (as amended by the Value Added Tax (Amendment) Act No. 12 of 2007 and the Finance Acts).
"WACOT Rice Limited" or "WACOT Rice"	WACOT Rice Limited, one (1) of the two (2) promoters of TGI Foods SPV
"WHT"	Withholding Tax as provided for in section 78(2) of CITA and section 70 of PITA.
"WASIL" or "West African Soy Industries Limited"	West African Soy Industries Limited, one (1) of the two (2) promoters of TGI Foods SPV
"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.

3. INCORPORATION OF DOCUMENTS BY REFERENCE

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

1. Each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme;
2. The audited annual financial statements (and notes thereto) and any unaudited interim financial statements published subsequent to such annual financial statements of the Promoters for the financial years/periods 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, complete and/or supersede the contents of this Programme Memorandum as appropriate.

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

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

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

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

4. TRANSACTION OVERVIEW

The information contained in this section is a summary of certain aspects of the Programme and the principal features of the Commercial Paper. This summary does not contain all the information that you should consider before investing in any particular Series of the Commercial Papers under this Programme nor does it purport to be complete. Therefore, it should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented in the remainder of this Programme Memorandum, the detailed provisions of each of the Programme documents and the applicable Pricing Supplement. Investors should read the entire Programme Memorandum carefully, especially the risks involved in investing in any particular Series of Commercial Papers under this Programme which are discussed under "Risk Factors" on pages 32 to 34:

Issuance of Commercial Papers

The Issuer will issue Commercial Papers from time to time which at any point in time the Face Value of the Notes in issue and outstanding will not exceed the maximum amount of ₦100,000,000,000 (One Hundred Billion Naira) under the Commercial Paper Issuance Programme.

Subject to provisions of the Applicable Pricing Supplement on the Use of Proceeds under each Series of the Commercial Papers, the proceeds of the Commercial Papers will be used to support the Promoters' short-term financing requirements.

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

1. **This Programme Memorandum:** this outlines material information on the Issuer, the framework of the Programme and general terms and conditions of the issuance of the Commercial Paper;
2. **The Applicable Pricing Supplements:** this provides material information on the Issuer; as well as the final pricing terms relating to each Series of Commercial Papers;
3. **The Deed of Covenant:** this sets out the obligations framework and general terms and conditions of the Commercial Papers to be issued under each Series of the Programme;
4. **The Agency Agreement:** this delineates the terms of engagement and the respective roles of the IPA and the CPAs in the Programme and Issuance under each series of the Programme;
5. **The Master Notes Issuance Agreement:** this provides the terms in regard to the issuance of the Notes by the Promoters from the Issuer; and
6. Any other supplemental document designated to apply to the Commercial Papers and required by the Exchange for the registration of the Programme.

Limited Recourse Obligations

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

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

5. SUMMARY OF THE PROGRAMME

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

Terms	Definitions
Issuer	TGI Foods SPV Plc
Programme Description	The Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardised documentation framework
Programme Size	₦100,000,000,000 aggregate principal amount of Notes outstanding at any point in time during the validity period of the Programme
Issuance in Series	The Notes will be issued in Series and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Date and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement
Dealer and Arranger	Chapel Hill Denham Advisory Limited, and any other additional Dealer and Arranger appointed pursuant to the Dealer and Arranger Agreement from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer and Arranger pursuant to the Dealer and Arranger Agreement. Appointed Dealer(s) and Arranger(s) will be disclosed in the Applicable Pricing Supplement for each issuance under the Programme.
Issuing and Placing Agent or IPA	Chapel Hill Denham Advisory Limited
Collecting and Paying Agents or CPAs	First Bank of Nigeria Limited and Zenith Bank Plc
Auditor	Crowe Dafinone Chartered Accountants
Solicitors	G. Elias
Central Securities Depository	FMDQ Depository Limited or such other central securities depository specified in the Applicable Pricing Supplement
Use of Proceeds	The net proceeds from each issue of Notes under the Programme will be used to support the Promoters' short-term working capital and funding requirements, or as may otherwise be described in the Applicable Pricing Supplement.
Issue Price	The price at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
Issue Size	As specified in the Applicable Pricing Supplement.
Source of Repayment	The repayment of all obligations under the Programme will be funded from the cash flows of the Promoters, unless otherwise specified in the Applicable Pricing Supplement
Method of Issue	The Notes may be offered and sold to Eligible Investors or QIIs by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement.
Maturity Date	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of 15 days and a maximum tenor of 270 days (including rollover, from date of issue).
Interest Payments	Notes issued will be in the form of Zero-Coupon Notes or as specified in the Applicable Pricing Supplement.
Default Rate	Interest rate equivalent to the daily overnight NIBOR+ 5% per annum or issue rate + 5% per annum (whichever is higher) for each day the default remains outstanding.

Currency of Issue	Nigerian Naira (₦)
Redemption	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines and FMDQ Exchange Rules.
Promoter Rating	WACOT Rice, the first promoter has been assigned rating of Bbb and A- respectively by Agosto & Co and DataPro Limited; WASIL, the second promoter has been assigned rating of Bbb and A- respectively by Agosto & Co and DataPro Limited;
Status of Notes	Each Note constitutes a direct, unconditional, unsubordinated and unsecured obligation of the Issuer and the Notes rank pari passu among themselves and, save for certain debt obligations mandatorily preferred by law, pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time.
Tenor	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of 15 days and a maximum of 270 days, including roll-over from the date of issue. The maturity date of all outstanding CP 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.
Quotation	The Issuer will quote all Series or Tranches issued on the FMDQ Exchange' platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation or listing of any Series or Tranche quoted or listed on the relevant trading platform.
Taxation	Refer to the section of this Programme Memorandum headed "Tax Considerations".
Settlement Procedures	The Notes will be settled via direct debit, electronic funds transfers, NIBBS Instant Payment ("NIP"), NIBBS Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS") and in accordance with the guidelines and procedures of the CSD.
Going Concern	The Company is a going concern and can in all circumstances be reasonably expected to meet its commitments
Governing Law	The Notes issued under the Programme and all related contractual documentation will be governed by and construed in accordance with Nigerian law.

6. OVERVIEW OF TGI FOODS SPV PLC

TGI Foods SPV Plc was incorporated in Nigeria on March 22, 2024 (with registered number 7413631), as a public limited liability company with its registered office at 1, TGI Close, Ilupeju Industrial Estate, Apapa - Oworonshoki Expressway, Lagos. The Issuer has no subsidiaries or affiliates. The Issuer has been established as a special purpose vehicle with no business operations of its own, other than to raise or borrow money by the establishment of programmes of bonds, notes and other debt instruments including short term securities amongst others. The share capital of the Issuer is ₦100,000,000 (One Hundred Million Naira) divided into 100,000,000 (One Hundred Million) ordinary shares of ₦1.00 each. 100% of the issued shares are held by the Promoters on a 50:50 basis.

The objects of TGI Foods SPV are set out in Clause 3 of its Memorandum of Association and as follows:

- a. to raise or borrow money by the establishment of programmes for bonds, notes and other debt instruments including short term securities.
- b. to secure the payment of money raised or borrowed with the whole or any part of the undertaking, property, assets and rights of the company, both present and future, generally in such other manner and on such terms as may seem expedient.
- c. if applicable, to pay interest on any money so raised or borrowed.
- d. to issue any of the company's debt or equity instruments for such consideration and on such terms as may be thought fit and to secure and guarantee the performance by the company of any such obligation or liability it may undertake, and to redeem or pay off any such instrument
- e. the company may do all such things as may be considered incidental or conducive to the attainment of the above objects or any of them.

Incorporation and Share Capital Details

Share Capital History

As of March 31, 2024, TGI Foods SPV has a share capital of ₦100,000,000.00 divided into 100,000,000 ordinary shares of ₦1.00 each, which has been issued and fully paid.

Ownership Structure

S/N	Shareholders	No. of Ordinary Shares Held	% Holding
1	WACOT Rice Limited	50,000,000	50%
2	West African Soy Industries Limited	50,000,000	50%
Total		100,000,000	100%

Principal Activities

The principal activities of the Issuer will be to raise and borrow money for the Promoters through the issue of bonds, notes, CPs, debenture, debenture stock, other debt instruments including short term securities or perpetual annuities. This will be done in accordance with the terms of this Transaction. Copies of the Memorandum and Articles of Association of the Issuer may be inspected at the registered office of the Issuer.

The Issuer has not engaged, since its incorporation, in any activities other than those incidental to its incorporation and registration as a PLC, the authorisation and issue of the securities and of the other documents and matters referred to or contemplated in this document to which it is or will be a party and matters which are incidental or ancillary to the foregoing. The Issuer's activities are restricted by its Memorandum and Articles of Association and the terms of the Transaction documents.

Board of Directors as of March 31, 2024

Name	Business Address
Cornelis G. Vink (MFR)	1 TGI Close Ilupeju-Industrial Estate Apapa-Oworonshoki Expressway Lagos
Rahul Savara	1 TGI Close Ilupeju-Industrial Estate Apapa-Oworonshoki Expressway Lagos
Farouk M. Gumel	1 TGI Close Ilupeju-Industrial Estate Apapa-Oworonshoki Expressway Lagos
Oluremi Oni	1 TGI Close Ilupeju-Industrial Estate Apapa-Oworonshoki Expressway Lagos

Profiles of the Directors and Company Secretary

Cornelis G. Vink (MFR) - Chairman

Mr. Vink is a Dutch national and the Founder and Chairman of TGI Group, a multinational conglomerate headquartered in Lagos, with operations in more than 12 countries across Africa, the Middle East and Asia. TGI Group began operations four decades ago and has significant investments in various sectors including food and beverages, chemical manufacturing, poultry farming, fish trawling, real estate, agribusiness, and financial services.

Rahul Savara – Executive Director

Mr Savara is the Group Managing Director of TGI Group. Throughout his career spanning over 37 years in Nigeria, he has demonstrated strong entrepreneurial and leadership skills in setting up and managing diverse business portfolios across several geographies.

He is a member of the Nigerian Agribusiness Group, the Institute of Directors of Nigeria, and a Fellow of the Institute of Chartered Accountants of India.

Farouk M. Gumel – Executive Director

Mr Gumel is the Vice Chairman of TGI Group as well as the Chairman of WACOT Rice Limited. He has over two decades of cognate experience spanning consulting, audit, corporate finance, advisory services, and asset management. He is also the erstwhile Chairman of the Nigeria Sovereign Investment Authority (NSIA) and Union Bank of Nigeria. He is a former Partner and Head of PricewaterhouseCoopers' (PwC) West African Advisory/Consulting business.

Oluremi Oni – Executive Director

A Group Executive Director at Tropical General Investments Group (TGI), overseeing investments, capital-raising, and operational strategies. He is the Chairman of the Nigeria National Pension Commission (PENCOM) and a former Non-Executive Director at Titan Trust Bank.

GFS Corporate Services Limited (Company Secretary)

GFS Corporate Services Limited ("GFS") is a corporate service firm. GFS was incorporated as a limited liability company on August 1, 2016, by the Corporate Affairs Commission to provide top notch company secretarial and support services to its clients. GFS comprises lawyers and chartered secretaries who are passionate and focused on providing timely and practical solutions to the needs of our clients. GFS also provides tailored solutions to the needs of its clients at the highest level of professionalism.

Employees

The Issuer has no employees.

Indebtedness

The Issuer has no indebtedness as at the date of this Programme Memorandum other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein.

Material Contracts

Apart from the Transaction Documents to which it is a party, the Issuer has not entered into any material contracts except in the ordinary course of its business.

No Material Adverse Change

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

Financial Information

The Issuer has no audited accounts since it was incorporated in March 2024.

Claims and Litigation

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

7. OVERVIEW OF THE PROMOTERS

WACOT Rice Limited

Introduction

WACOT Rice Limited is a rice processing company that operates an integrated state-of-the-art rice mill in Argungu, Kebbi State, Nigeria. The mill is one of the largest rice mills in sub-Saharan Africa and sources paddy from various paddy producing states across Nigeria. The Rice Mill Plant was commissioned in August 2017 by the then Acting President of Nigeria, Professor Yemi Osinbajo, and was built on approximately 10 hectares of land, using world renowned state-of-the-art machinery to get the best quality finished rice which is at par with imported rice. The mill boasts of an annual milling capacity of 120,000 Metric Tonne (MT), with paddy storage capacity exceeding 70,000MT, including 6 silos of 3,000MT capacity each, processed rice storage with an 8,000MT warehouse and Eco-friendly production (First in Nigeria to have co-power generation plant of 1 MW per hour, using steam turbine to generate electricity from paddy husk), and a robust procurement network reaching out to thousands of farmers.

WACOT Rice recently launched another 120,000MT integrated rice mill facility, while it is a separate entity, the new facility will help expand the reach of the Big Bull brand.

Operations – Production & Manufacturing

WACOT Rice processes paddy in six stages to produce the Premium Parboiled Big Bull Rice.

- i. Cleaning – Paddy is destoned, and metallic contaminants are removed by a magnetic separator.
- ii. Parboiling – Paddy is soaked in a tank and the temperature is raised. Care is taken to regulate the temperature accurately, as this will affect the brittleness of the grains.
- iii. Drying & Tempering – Parboiled paddy is allowed to gradually decrease in temperature while moisture content is dropped significantly in preparation for hulling.
- iv. Hulling – The dried paddy is hulled to remove the rice husk from the kernel. The husk is used as fuel to power the boiler.
- v. Whitening, Polishing & Sortexing – The hulled rice is passed through abrasive whiteners to improve the aesthetic quality of the rice and then polished. The rice grains are sortexed to improve the homogeneity of the processed rice.
- vi. Packing – The rice is bagged in 50kg bags, 25kg bags, 10kg bags, 5kg bags, 2.25kg pouches or even 750g pouches.

The Company has a stringent credit policy to manage working capital. 91% of paddy procurement is done through large farmers, paddy aggregators and local buying agents (LBAs), with terms of payment after delivery on quality satisfaction. This approach is aided by purchasing paddy mostly from Kebbi, Niger, and Sokoto states which are close to the factory. 9% buying is on cash model to keep pricing in control and take advantage of opportunistic buying. WACOT Rice also collects paddy from out-grower farmers engaged under the sustainability programme, in excess of agri-inputs supplied to them on credit at the commencement of the production season. This is part of its long-term sustainability strategy aimed at incorporating resilience at all levels of the value chain.

Products, Sales and Marketing

WACOT Rice Products

WACOT Rice Limited's main product is Parboiled Milled Rice processed at state-of-the-art manufacturing facility in Kebbi State. The major raw material is paddy originating from the bountiful paddy fields of Nigeria. WACOT Rice Limited produces two main brands of rice as detailed below:

a. Big Bull Rice

Big Bull Rice is a premium quality non-sticky parboiled rice that is naturally high in vitamins and minerals. Big Bull Rice is available in different SKUs:

- i. Bulk packs (B2B): 25kg and 50kg bags
- ii. Consumer packs: ₦100 pack, 750g, 2.25kg, 5kg, 10kg packs



Figure 1: Big Bull Rice

Big Bull Consumer Packs:

- To provide a hygienic proposition to loose rice. The buying behaviour is for people to buy certain traditional quantities of loose rice using available measures such as milk cans, paint tubs etc. The SKU sizes mimic these portions to keep the routines of the buying process consistent.
- WACOT Rice has 4 main SKUs: Affordable entry pack of ₦100 (accessible price point), Frequency pack (750g and 2.25kg), Upsize pack (5kg) and Upscale pack (10kg)
- The objective is to be present across channels to provide the consumer access to branded packaged rice. This is done via presence in modern trade, HORECA, neighbourhood stores, open markets, and e-commerce outlets.

b. Patriot Rice

Patriot Rice is a non-sticky, clean, stone-free rice with high swelling capacity. It is available in 50kg bags only.

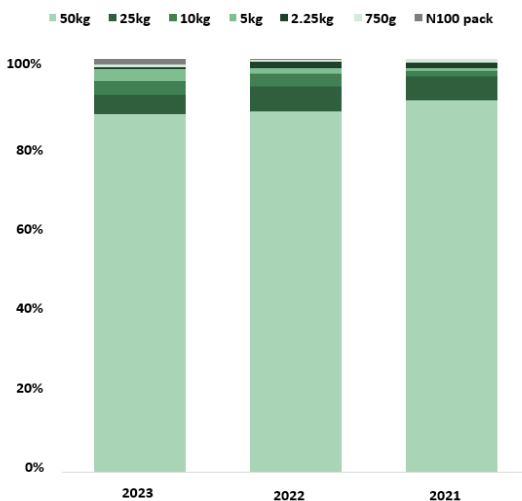


Figure 2: Patriot Rice

Sales & Marketing

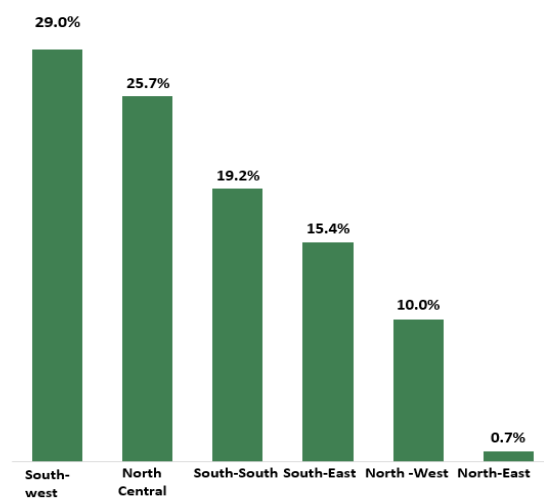
WACOT Rice serves all categories of customers through various product sizes. The Big Bull premium portfolio of rice products range from the regular 50kg bag to smaller SKUs such as 10kg and 5kg packs. The 2.25kg and 750g pouches ensure that the products are affordable to all levels of customers. WACOT Rice recently launched the ₦100 value pack for quick one-meal preparations and the consumer packs are now redesigned as Big Bull “Gold” which uses the gusset feature to have an upright shelf presence. To capture the lower levels of the pyramid of consumers, Patriot 50kg rice was introduced to serve as a value brand. As Nigeria’s leading parboiled rice brand, Big Bull is sold in markets nationwide through its sister company TGI Distri Limited which possess a robust sales and distribution infrastructure aimed at expanding the brand reach. The contribution of consumer packs (10kg and below) has doubled over the past 2 years to 8.5% as the company keeps on diversifying their product offerings. WACOT Rice products are sold in all regions of the country, with more than 60% of sales is in the south.

Figure 3: Product Sales Mix



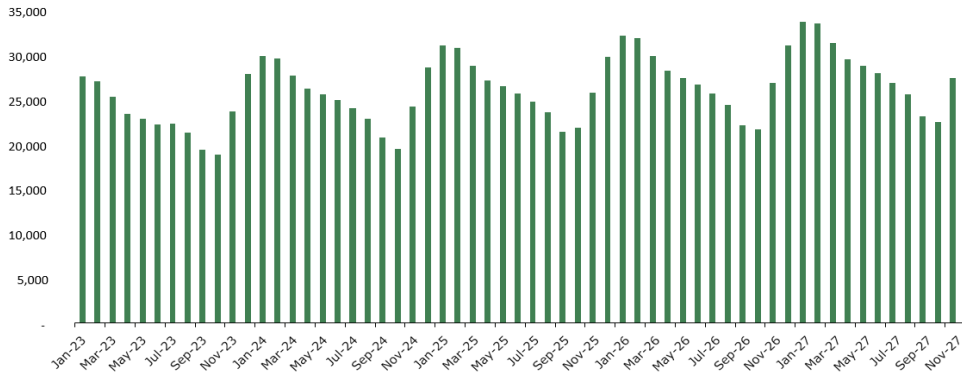
Source: WACOT Report

Figure 4: Sales Contribution by Region



In terms of procurement, WACOT Rice procures about 125,000 MT of paddy annually for processing. Paddy price is expected to exceed ₦350,000 per MT by the end of 2024. Historical trend shows peak procurement season is May to July and October to January. However, due to the seasonal nature of rice cultivation, WACOT Rice must stockpile paddy during the harvest seasons.

Figure 5: Working Capital Seasonality for Paddy Procurement (₦'mn)



Source: WACOT Report

OUT-GROWERS FARMING, SUSTAINABILITY FARMING AND INTEGRATION STRATEGIES

WACOT Rice Limited is engaged in various activities aimed at enhancing productivity and output of the Nigerian rice sector. The following below have been identified as the out-growers farming, sustainability farming and integration initiatives of WACOT Rice Limited:

- WACOT Rice has a strong out-grower farming program to meet part of its paddy processing requirements. The out-grower program primarily supports farmers with interest-free agri-input financing, crop protection, capacity building training, extension services, mechanisation support and guaranteed offtake at harvest. WACOT Rice’s impact-driven out-grower program is promoting financial inclusion and prosperity for rice farmers. This consistent support over the years has resulted in farmers recording an average 4-5MT/ha from a prior yield of only 2MT/ha, and hence, WACOT Rice has entered strategic partnerships with relevant institutions to provide insurance services, financial inclusion, and climate smart agriculture and agroforestry trainings. For context, in 2020, WACOT Rice Limited partnered with the USAID–Trade Hub on a US\$10 million co-investment project to support an additional 5,143 new smallholder farmers under its structured out-grower program over a 3-year period. The project incorporates key indicators of the WACOT Rice out-grower program across provision of agri-input finance and capacity building to beneficiary smallholders while advancing women and youth inclusion, job creation, yield growth, improved crop production technologies and climate smart agriculture.
- WACOT Rice is strongly committed to integration strategies to promote rice production, including, improved parboiling technology to improve the after-cook properties of rice, making it fluffy and non-sticky, as well as the deployment of modern Sortex technology to ensure 100% removal of foreign matter and stones from finished rice. Furthermore, the company is collaborating with Global Alliance for Improved Nutrition (GAIN) and the United Nations World Food Programme (WFP) on the Promoting Rice Fortification in Nigeria (PRiFN) project. PRiFN is aimed at creating enabling environment and building business case for the uptake of and in support of the realization of the Federal Government of Nigeria’s ambitions on rice fortification. Under this programme, WACOT Rice was selected as the best facility in Kebbi State for piloting the project to produce fortified rice by setting up an advanced blending facility.
- WACOT Rice provides technical support to Lagos State Government on the Imota Rice Mill. In October 2022, the company signed an agreement with Lagos State Government on the Imota Rice Mill, as technical partner, managing the operations of the rice mill.
- WACOT Rice has continuously invested in sustainable development, meeting with the Sustainable Development Goals. The plant and machinery used by WACOT Rice are designed and installed to minimise impact on the environment. Captive co-generation plant to ensure that power is drawn at a minimum level from the grid, development of a steam-driven turbine system to generate green energy to power the rice mill, and water recycling and waste treatment technology to reduce environmental footprint. WACOT Rice has a Health and Safety Environment Policy to govern the production process as well as an Environment Impact Assessment Certificate issued by the Federal Ministry of Environment.

SHAREHOLDING STRUCTURE

As of December 31, 2023, the 1,000,000,000 ordinary shares of ₦1.00 each in the issued ordinary share capital of WACOT Rice are beneficially held as follows:

Shareholder	Number of Shares	% Holding
Tropical General Investment Limited (BVI)	532,150,000	53.22
Tropical General Global Investments Limited (BVI)	466,850,000	46.69
Jerome O. Shogbon	900,000	0.09
Cornelis G. Vink (MFR)	100,000	0.01
Total	1,000,000,000	100%

The Board and Management Team of WACOT Rice Limited as of December 31, 2023

Board of Directors

Farouk Gumel – Chairman

Same as mentioned above in *page 13*

Cornelis G. Vink (MFR) – Non-Executive Director

Same as mentioned above in *page 13*

Rahul Savara - Executive Director

Same as mentioned above in *page 13*

Jerome Shogbon - Executive Director

Group Executive Director at TGI Group. He is an alumnus of Illinois State University, USA where he obtained a BSc (Business Administration) and MBA (Finance & Administration). He is a professional member of IPMN (Nigerian Immigration Service) and member of Ikoyi Club 1938. He has over 40 years of professional experience spanning administration, liaison, HR, Industrial Relations & Strategic Management.

Management Team

Neeraj Kumar – Chief Executive Officer

Neeraj joined WACOT Rice Limited in 2018. He has over 29 years of experience covering grain handling and storage, paddy processing and packaging, and rice milling technology. He is highly skilled in operations and project management, value engineering, process design and optimisation, and people management. Prior to joining WACOT Rice Limited, Neeraj was Deputy General Manager (Operations) at Adani Wilmar (Rice Division) in Punjab, India. He has worked with various organisations including India Gate Rice, Mr. Miller (REI Agro), Amira Foods India, and Best Foods Limited. He holds a Bachelor's degree in Production Engineering from Marathwada University, Aurangabad, India.

Dr. Umar F. Mohammed – Head, Human Resources & Admin

Umar joined WACOT Rice Limited in 2019. He is responsible for overall HR strategy, managing all administrative activities, employee life cycle, reward management and performance management processes. He has over 22 years' experience spanning manufacturing, agribusiness, FMCG, management consultancy, engineering, and construction industries. Previous organisations include Flour Mills of Nigeria Plc (2017–2019), Valenz Holdings Limited (2012–2017), and Dansa Foods Limited (2007–2012). Umar is an Accredited Management Trainer with the Centre for Management Development (CMD); holds a PhD in Strategic Management from the European American University; and is a Full Member of the Chartered Institute of Personnel Management.

Prakash Pandey – Head, Plant Operations

Prakash joined the company in 2015. He has over 27 years' experience including 17 years in Africa involving rice projects, sesame hulling and factory operations, and covering activities such as project management, quality management, cost control, supply chain, and administration. Prior to joining WACOT Rice Limited, Prakash was Project Manager (Rice Projects) of Avnash Industries

Ghana Limited. He also worked at Gambia Food and Feed Industry (General Manager), Olam Nigeria Limited (Deputy Manager), and Amira Foods Limited (Assistant Production Manager). Prakash holds a B. Tech in Agricultural Engineering (Punjab Agricultural University), Post Graduate Diploma in Business Administration (Symbiosis Institute, Pune).

Thaddeus Babu – Head, Engineering

Thaddeus Babu holds a Bachelor of Engineering (Mechanical Engineering) from Annamalai University, Tamil nadu, India; and an MBA (Human Resources) from Madurai Kamaraj University, Madurai, Tamil Nadu, India. He is a certified Boiler Operation Engineer (by Tamil Nadu Board) and a licensed engineer. Thaddeus joined WACOT Rice Limited in 2021. He has experience in plant operation and maintenance, innovation and productivity, engineering, operations and project management, and energy management. Thaddeus has worked for various companies, serving as Project Manager at PEC, Deputy General Manager – Engineering at Sir Shadilal Distillery, Operations Manager at Fujairah Cements, and Deputy Manager at EID Parry Limited.

Mukhtar Gazali – Head, Finance and Accounts

Mukhtar is a graduate of Economics from Ahmadu Bello University, Zaria, and a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). Mukhtar is a finance professional with over 24 years' experience and exposure in diverse industries. He has worked in the areas of treasury operation and management, financial control and reporting, factory accounting and supply chain finance, revenue assurance, financial planning and analysis, financial management and audit. Prior to joining WACOT Rice Limited in 2018, Mukhtar worked with Kano Electricity Distribution Company PLC, Muhtari Dangana & Co Chartered Accountants, and Nigerian Telecommunications Limited.

Ibrahim Asimiyu – Head, Paddy Procurement

Ibrahim is the Head of Paddy Procurement where he is responsible for ensuring that the major raw material (paddy) used by WACOT Rice is always available for production. He leads a team of over 50 field men across the country. Ibrahim joined WACOT Rice Limited in 2019 from Oceans Trans and Trading International where he was the Procurement and Logistics Manager. He has more than 14 years of experience that cuts across logistics, warehousing, sales and procurement. Ibrahim holds an HND in Mechanical Engineering from Federal Polytechnic Offa, Kwara State. He has attended several professional development courses in Supply Chain Management both locally and internationally.

Kassim Abdulraheem – Outgrower Manager

Kassim has an MSc. in Environmental Engineering from the University of Ibadan and B.Eng. (Hons.) in Agricultural and Environmental Resources Engineering from the University of Maiduguri. He is also a Member of Nigeria Society of Engineers. Kassim joined the company in 2022. His role involves actioning WACOT Rice Limited's Corporate Responsibility and Sustainability (CRS) initiatives. Before joining WACOT Rice Limited, he worked as a Technical Sales Representative at Jubaili Agrotec. Kassim has over 6 years of experience in social responsibility, technical salesmanship, and research work. He also worked as a Research Farm Technical Assistant at the International Institute of Tropical Agriculture (IITA).

Devendra Singh Adhikari – Head, Quality Assurance

Devendra holds a BSc from the Kumaon University and an MSc from the University of Nainital. He has also undergone diverse training in product development, processing techniques, labelling, regulatory and statutory requirements, and ISO Certification. Having joined WACOT Rice Limited in 2016, Devendra leads a team of personnel responsible for product and process quality control of rice business. He has over 22 years' experience in rice processing, quality control, research, and development across leading basmati rice exporters and manufacturing companies in India and overseas.

WEST AFRICAN SOY INDUSTRIES LIMITED (“WASIL”)

Introduction

West African Soy Industries Limited is actively involved in the meticulous processing of soy and various oilseeds and nuts. Distinguished as a leader in the industry, WASIL operates a cutting-edge, specialised manufacturing facility for multi-oilseed processing and fats, ranking as the largest of its kind in Africa. The facility boasts an annual crushing capacity of 225,000 metric tons and a refining capacity of 250,000 metric tons. Strategically situated in Sagamu, Ogun State, Nigeria, the manufacturing process utilises raw materials sourced from farmers across several Nigerian states, including Kaduna, Katsina, and Niger. In addition to its core processing activities, WASIL engages in the soybean value chain through its out-grower farming initiatives.

This involves the provision of high-quality agricultural inputs to farmers and the procurement of farm produce through off-take arrangements. WASIL is dedicated to enhancing farmers' yield through the implementation of Yield Enhancement Techniques (YET) and provides training to women on best practices in Shea collection and primary processing. WASIL's product portfolio includes edible oils, with the widely acclaimed Golden Terra Soy Oil enjoying popularity nationwide. As part of its comprehensive processing approach, the company manufactures high-protein soybean meal, a sought-after product in both the domestic animal feed market and international markets.

Positioning itself as a key player in the Nigerian soybean industry, WASIL articulates a vision to become the country's most valuable food processor and consumer brand in the domains of oils, specialised fats, and proteins. This ambition aligns with the global trends in soybean production and consumption, as highlighted by data from the United States Department of Agriculture (USDA), with increase in global soybean production to 370 million metric tons in 2022, compared to 358 million metric tons in 2021. Furthermore, data from USDA FAS shows world production of soybeans at 396,725million metric tons in 2023. WASIL's contribution to the total production of soybeans in Nigeria is estimated around 6%.

WASIL, processing approximately 200,000 metric tons of soybeans annually, plays a pivotal role in the development of the Nigerian soybean industry by serving as a reliable market for soybeans cultivated by local farmers. The company stands out as a significant player in the agro-processing sector, contributing to the local and global soybean industry through its advanced manufacturing facilities, comprehensive engagement in the soybean value chain, diverse product portfolio, and commitment to industry development and sustainability.

Manufacturing Process and Facilities

WASIL boasts a sophisticated and state-of-the-art manufacturing process and facilities for the processing of soy and other oilseeds and nuts. WASIL's commitment to quality and efficiency is evident in its operations, which involve multiple stages of processing to transform raw materials into high-quality edible oils and protein-rich soybean meal. This underlines the company's capability to process significant volumes of soy and oilseeds to meet market demands:

1. Raw Material Sourcing

The manufacturing process begins with the strategic sourcing of raw materials, primarily soybeans, from farmers across various states in Nigeria. WASIL establishes relationships with farmers in regions such as Kaduna, Katsina, Niger, and others to ensure a consistent and reliable supply of high-quality soybeans. This proactive approach to raw material sourcing is crucial for maintaining the quality and quantity required for the production process. Part of the soybean requirement comes from the company's out-grower program and part from open market procurement. Also, the company's machinery is sourced from best-in-class equipment manufacturers such as Desmet, Thermax, Alfa-Laval, GSI etc.

2. Crushing and Extraction

Once the soybeans arrive at the manufacturing facility in Sagamu they undergo a crushing process to extract oil. The facility is equipped with machinery capable of handling an annual crushing capacity of 225,000 metric tons. This stage involves mechanically pressing the soybeans to extract the 20% oil content, leaving behind soybean meal.



Figure 6 – Seed Crushing Unit



Figure 7 – Oil Extraction Facility

3. Refining

The extracted oil then goes through a refining process to ensure it meets the highest quality standards. The refining capacity of 250,000 metric tons per year allows WASIL to process and purify the oil, removing impurities and undesirable elements. The refining process contributes to the production of high-quality edible oils that meet consumer expectations and industry regulations.



Figure 8 – Oil Refinery

4. Vegetable Oil Production (Soy oil)

WASIL is well positioned to enhance Nigeria's edible vegetable oil production by strategically acquiring refinery assets. This move by WASIL is pivotal in addressing the nation's growing deficit in vegetable oil, contributing significantly to the evolution of the domestic vegetable oil industry. Globally, China, the European Union, India, the United States, and Indonesia stand out as the leading consumers of vegetable oils. Despite Nigeria currently ranking 13th in this global context, the country has witnessed a notable surge in consumption, with an average annual growth rate of 7.5% over the past five years. The current annual consumption of vegetable oils in Nigeria stands at approximately 3.5 million metric tons, a figure projected to increase in the foreseeable future. This anticipated growth is attributed to factors such as population expansion, escalating incomes, and shifting dietary preferences. In 2021, Nigeria's vegetable oil production reached 1.23 million metric tons, followed by a rise to 1.34 million metric tons in 2022 and a further increase to 1.45 million metric tons in 2023. This encompasses the production of various types of vegetable oils, including soybean oil, palm oil, and groundnut oil.

Soybean oil holds a prominent position in Nigeria's vegetable oil landscape, constituting 25% of the total vegetable oil production in the country, as reported by the Federal Ministry of Agriculture and Rural Development (FMARD). WASIL's strategic efforts to acquire and optimise refinery assets align seamlessly with the nation's aspirations to bolster its vegetable oil production and address the increasing demand driven by economic growth and evolving consumer preferences.

5. Soybean Meal Production

Soybean is a versatile crop with a wide range of applications, making it a vital component of Nigeria's food security strategy. Soybean meal, derived as a by-product of soybean oil extraction from soybean seeds, serves as a valuable protein supplement in both food and animal feeds. The heightened consumption of soybean meal in recent years is primarily driven by the demands of the poultry and fishery markets. In the formulation of poultry feed, soybean meal typically constitutes a significant portion, ranging from 20% to 30%. Similarly, it contributes 20% to the composition of fish feed. Despite the escalating demand emanating from the poultry and fishery sectors, the production of soybean meal has yet to adequately meet the rising market needs. In 2018, the production of soybean meal from processed soybean seeds amounted to 680,000 tons in Nigeria. However, this figure falls significantly short of the burgeoning demand, which stood at 2.2 million tons during the same period. This disparity underscores the existing gap between production capacities and the increasing requirements within the soybean meal market in the country.

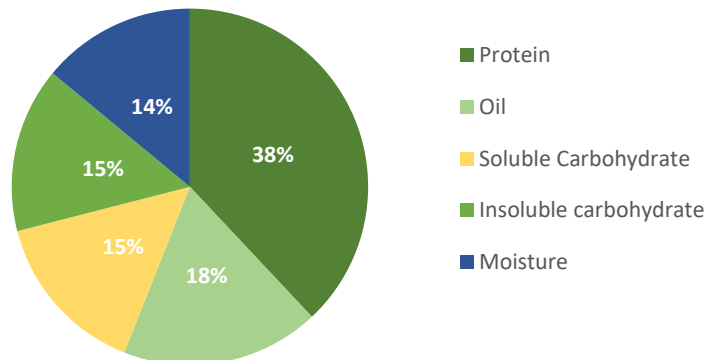


Figure 9 – Proximate Analysis of Soybean Meal

6. Quality Control and Assurance

Throughout the manufacturing process, WASIL places a strong emphasis on quality control and assurance. The company implements rigorous testing and inspection procedures to ensure that its products meet or exceed industry standards. This commitment to quality is essential for maintaining the trust of consumers and business partners alike.

Product Portfolio

WASIL has a diverse product portfolio that encompasses a range of edible oils and high-protein soybean meal. The company's product offerings cater to both domestic and international markets, demonstrating its commitment to delivering high-quality

products derived from soy and other oilseeds. Products include, Soybean meal, Soya Lecithin, Processed Soybeans, Soya Fatty acid, Refined Soybean oil, Refined palm oil, Acid oil, Refined palm kernel oil.

Golden Terra Soy Oil

WASIL produces Golden Terra Soy Oil, a popular and widely recognized edible oil. This product is sold across Nigeria, indicating its popularity and acceptance in the domestic market. The Golden Terra Soy Oil is characterised by its quality, taste, and nutritional properties, meeting the preferences of consumers for cooking and culinary purposes.



Figure 10 – Golden Terra Soy Oil

High-Protein Soybean Meal

In addition to edible oils, WASIL manufactures high-protein soybean meal. This soybean meal serves as a crucial ingredient in animal feed production. The high-protein soybean meal is not only supplied to domestic animal feed producers, meeting the nutritional needs of the local livestock industry, but it is also exported to international markets, contributing to WASIL's global reach.



Figure 11 – Soybean Meal

Value Addition

WASIL's export of high-protein soybean meal indicates a strategic approach to expanding its market reach beyond the borders of Nigeria. By participating in international markets, WASIL contributes to meeting the global demand for high-quality soy-based products, particularly in the animal feed industry.

Focus on Oils, Specialised Fats, and Proteins; WASIL articulates a vision to be Nigeria's most valuable food processor and consumer brand in oils, specialised fats, and proteins. This vision reflects the company's strategic positioning in the food-processing sector, emphasising a comprehensive range of products to meet diverse consumer and industry needs. WASIL's product portfolio reflects a comprehensive processing approach, starting from the extraction of edible oils to the production of high-protein soybean meal. This approach adds value to the soybeans processed by the company, minimising waste and maximising utility.

Soybean Value Chain Engagement

WASIL's Soybean Value Chain Engagement refers to the company's active involvement and strategic participation in various stages of the soybean production process, from cultivation to processing and distribution. The soybean value chain encompasses the entire lifecycle of soybeans, from planting and harvesting to processing, marketing, and ultimately delivering products to consumers. WASIL has implemented a holistic approach to engage with different stakeholders in the soybean value chain, contributing to the sustainable development of the industry.

1. Out-Grower Farming Initiatives

WASIL collaborates with local farmers through the out-grower farming initiatives. In this model, the company provides participating farmers with high-quality agricultural inputs such as seeds, fertilisers, and technology, aiming to enhance crop productivity and yield. This engagement creates a mutually beneficial relationship, ensuring a stable and quality supply of soybeans for WASIL's processing operations.

2. Off-Take Arrangements

As part of its commitment to supporting local farmers and ensuring a consistent supply of raw materials, WASIL establishes off-take arrangements. These agreements involve the company committing to purchasing the harvested soybeans from the participating farmers at predetermined prices. This not only provides a guaranteed market for the farmers but also strengthens the overall stability of the soybean supply chain.

3. Yield Enhancement Techniques (YET)

WASIL is actively involved in educating farmers on Yield Enhancement Techniques (YET). These techniques aim to improve crop yield and overall agricultural productivity. Through training and knowledge-sharing initiatives, farmers are equipped with skills and best practices to optimise their soybean cultivation methods. This not only benefits the farmers but also ensures a higher quality and quantity of soybeans for WASIL's processing facilities.

4. Community Development and Training

In addition to engaging with farmers, WASIL extends its involvement to community development initiatives. The company provides training to women on best practices in Shea collection and primary processing. This not only contributes to the empowerment of women in the community but also enhances the overall efficiency and sustainability of agricultural practices related to soybean production.

5. Integration of Processing and Marketing

WASIL's value chain engagement is comprehensive, integrating both processing and marketing aspects. By actively participating in the entire value chain, from the cultivation of soybeans to the production of edible oils and soybean meal, WASIL ensures a streamlined and efficient process that maximises the utility of soybeans and minimises waste.

6. Market Expansion and Global Reach

Beyond local engagement, WASIL's vision includes becoming Nigeria's most valuable food processor and consumer brand in oils, specialised fats, and proteins. The company actively participates in international markets by exporting high-protein soybean meal. This global engagement aligns with the broader goals of contributing to the global demand for soy-based products.

Shareholding Structure

As of December 31, 2023, the 4,000,000,000 ordinary shares of 50k each in the issued ordinary share capital of WASIL are beneficially held as follows:

Shareholder	Number of Shares	% Holdings
Tropical General Investments Limited, (BVI)	1,033,208,420	25.8302%
Tropical General Global Investments Limited, (BVI)	2,966,781,580	74.1695%
Jerome O. Shogbon	10,000	0.0003%
Total	4,000,000,000	100%

The Board and Management Team of WASIL as of December 31, 2023

Board of Directors

Cornelis G. Vink – Chairman

Same as mentioned above in *page 13*

Rahul Savara – Executive Director

Same as mentioned above in *page 13*

Farouk M. Gumel – Executive Director

Same as mentioned above in *page 13*

Jerome Shogbon – Executive Director

Same as mentioned above in *page 17*

Management Team

Deepanjan Roy – Chief Executive Officer

Deepanjan has a Graduate Engineering degree in Food and Dairy Technology and a master's degree in business from the Indian Institute of Management, Ahmedabad. He was previously the Vice President of CHI Franchise at The Coca Cola Company's Africa Operating Unit. Before then, he was the Managing Director of CHI Limited which is the largest Still Beverage and Value-Added Dairy player in West Africa. He has worked extensively in the foods, beverage and dairy sectors in West Africa and has over 24 years of experience in creating and managing consumer product businesses in emerging markets.

Ramesh Babu Muriki – Chief Financial Officer

Ramesh has over 24 years of professional experience spanning roles including Finance, Accounts, Strategic Financial Planning & Budgetary Control, Fund Sourcing & Management, Auditing, Taxation and Statutory Compliances. Prior to joining WASIL in 2020, he was the Chief Financial Officer at Romson Oil Field Services Limited and TGI Nigeria Limited. He is a Chartered Accountant (with focus in Accounts, Finance & Taxation) from the Institute of Chartered Accountants of India. Ramesh holds an MSc in Financial Management and a Certificate in Business Excellence from Columbia Business School.

Albert Olutoye Thomas – Head, Human Resources

Albert is the Head of Human Resources at WASIL, having joined from Berger Paints Nigeria Plc in July 2021. He holds a BSc in Sociology from Lagos State University as well as a Post Graduate Certificate in Strategic Human Resource Management from University of Roehampton, United Kingdom. He comes with over 21 years of professional experience in human resource management, administration management, talent acquisition, organisational change management, staff development and people planning & advisory. He is an associate member of CIPD UK and CIPM Nigeria.

Miryalaguda Venkata Krishna – Director of Operations

Krishna brings on board more than 36 years of professional experience, out of which he has devoted 27 years to TGI Group, serving across various companies including WACOT Limited and Fludor Benin. He has expertise in the processing of various oil seeds, such as cotton seeds, soybeans, shea nut, palm kernels, and rice bran. He started his career in India with Ravi Vegetable Oil Industries for 3 years, from where he joined Afcot Nigeria Ltd for 6 years before joining TGI Group. He holds a BSc. in Oil & Fats Technology.

Daniel Dorah – National Head of Sales

Daniel joined WASIL in 2019 and possesses over 21 years of experience and a proven track record of driving business and growth in both new and mature markets, nationally and internationally. Daniel holds a BSc in Business Administration from De La Grace University, Benin Republic in 2018 and holds HND in Marketing at Ibadan in 2010. He is also a full member of the National Institute of Marketing.

Alase Mufutau Ayodeji – Procurement Manager

Alase possess more than 21 years of experience procurement, logistics, sales and operations, and currently leads the procurement function at WASIL. He holds a BSc in Economics, an MBA in Finance as well as various certifications including ACIS and ACIPSMN.

8. USE OF PROCEEDS

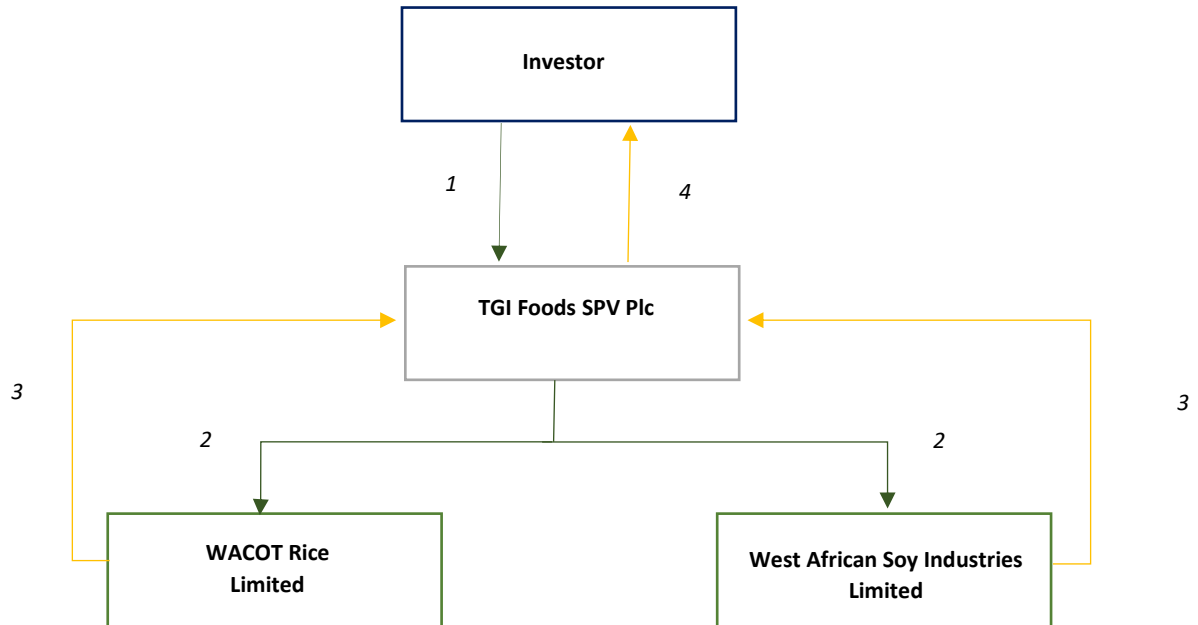
Use of Proceeds

The net proceeds from each issue of Notes will be used to support the Promoters' short-term working capital and funding requirements, or as may otherwise be described in the Applicable Pricing Supplement.

Sources of Repayment

The repayment of all obligations under the Programme will be funded from the operating cash flows of the Promoters in its ordinary course of business, unless otherwise specified in the Applicable Pricing Supplement.

Transaction Structure



1. Investors transfer issue proceeds into a dedicated account in favour of the Issuer.
2. The Issuer on-lends the issue proceeds to the Promoters through a notes issuance.
3. Repayment (face value) is made by the Promoters to the SPV.
4. The SPV remits face value of the issuance to Investors.

9. TERMS AND CONDITIONS OF THE NOTES

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

1. INTERPRETATION

- 1.1 Unless otherwise defined herein or unless the context otherwise requires, capitalised terms used but not defined in this Deed shall have the meaning ascribed to them in the Programme Memorandum.
- 1.2 References to documents, instruments and agreements, including without limitation, this Deed and any document referred to in this Deed are references to such documents, instruments and agreements as extended, renewed, modified, amended, varied or supplemented from time to time.
- 1.3 References to statutory provisions shall be construed as references to any orders, regulations, instruments or other subordinate legislation made under the relevant statute and those provisions as respectively amended, consolidated, extended or re-enacted or as their application is modified by other provisions from time to time, whether before or after the date of this Deed.
- 1.4 References to persons include reference to natural persons, firms, franchises, companies, corporations, associations, organisations and trusts, their respective lawful permitted successors, assigns or transferees, in each case whether having a separate legal personality.
- 1.5 References to clauses and sub-clauses are to the clauses and sub-clauses of this Deed.
- 1.6 The headings are inserted for convenience only and shall not affect the construction of this Deed.
- 1.7 Words denoting one gender include all genders.
- 1.8 Words denoting the singular include the plural and *vice versa*.

2. STATUS AND CONSTITUTION OF THE NOTES

- 2.1 Each Note constitutes a direct, unconditional, unsubordinated, and unsecured obligation of the Issuer and the Promoters and the Notes 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 Promoters and the Issuer outstanding from time to time.
- 2.2 The Issuer and the Promoters hereby constitute the Notes as the direct, unconditional, unsubordinated, and unsecured obligations of both the Issuer and the Promoters, and each of the Promoters and the Issuer covenants in favour of each Noteholder that it will duly perform and comply with the obligations expressed to be undertaken by it in this Deed, the Programme Memorandum, each Applicable Pricing Supplement in respect of any series of the Notes and any relevant Transaction Document.

3. UNDERTAKINGS BY THE PROMOTERS AND THE ISSUER

- 3.1 Pursuant to clause 2.2 above, the Promoters and the Issuer hereby undertake in favour of the Beneficiaries that they will duly perform and comply with the obligations expressed to be undertaken by them under each Notes and in the Conditions (and for this purpose any reference in the Conditions to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to this provision).
- 3.2 The Promoters and the Issuer undertake that they shall comply with all applicable laws and regulations, and do all acts necessary for the legal and efficient running of the business of each of the Promoter and the Issuer as a going concern, particularly to keep the Issuer in existence during the entire term of the Programme including but not limited to ensuring that no winding-up, insolvency or similar proceedings in any jurisdiction are instituted by the Promoters against the

Issuer for so long as any sum is outstanding under any series of the Programme, that the requisite meetings are held and the necessary returns are filed under the Companies and Allied Matters Act, 2020 (as amended) as well as all acts necessary for the issuance of the Notes.

- 3.3 The Promoters and the Issuer agrees that no amalgamation, subdivision, reconstruction, or other change in the status of the Promoters and the Issuer shall be interpreted to avoid any obligations imposed herein on the Promoters and the Issuer, and in the event of any change in the status of the Promoters and the Issuer, the successors-in-title and assigns of the Promoters and the Issuer shall be held and deemed responsible for the performance of the obligations imposed hereunder and they shall do all acts and things within their powers which are necessary to give effect to their obligations under this Deed.
- 3.4 The Issuer further undertakes that it shall utilize the proceeds of the Notes for the purposes as set out in this Programme Memorandum.

4. PAYMENT OBLIGATIONS

In consideration of the Noteholders' purchase of the Notes, the Issuer and the Promoters irrevocably and unconditionally undertake on behalf of the Noteholders, that they will be responsible for the prompt settlement of the payment obligations of the Issuer to the Noteholders, with respect to the Notes.

4.1 *Payment to the Agents*

- 4.1.1 The Agents shall give not less than ten (10) Business Days written notice to the Issuer, prior to each date on which any payment in respect of any Notes becomes due, of the amount due in respect of such Notes on such date.
- 4.1.2 The Issuer shall ensure there are sufficient funds in its funding account with the CPA(s) to pay all investors by 12:00 Noon on the maturity date of the CP failing which the Issuer shall be in violation of the CP Rules.

4.2 *Pre-advice of Payment*

The Issuer shall procure that the bank through which the payment to the Agents required by Clause 4.1 (*Payment to the Agents*) is to be made shall irrevocably confirm to the Agents by authenticated SWIFT message no later than 12.00 noon (local time in the city of the Agents' specified office) on the third (3rd) Business Day before the due date for any such payment that it will make such payment.

4.3 *Notification of Failure to Pre-advice Payment*

The Agents shall forthwith notify the Issuer if they have not received the confirmation referred to in Clause 4.2 (*Pre-advice of Payment*) by the time specified for its receipt.

4.4 *Payment by Agents*

Subject to the receipt of payment by the Agents from the Issuer under Clause 4.1 (*Payment to the Agents*), the Agents shall make payments of the amounts due in respect of the Notes to the Noteholders on or before 12:00 noon on the Maturity Date failing which the Issuer shall be in violation of the FMDQ Exchange Rules.

4.5 *Late Payment by Issuer*

- 4.5.1 The Sponsor shall immediately and no later than 1:00 pm notify FMDQ Exchange of the Issuer's failure to comply with its payment obligation on the Maturity Date.
- 4.5.2 If any payment to be made by the Issuer under Clause 4.1 (*Payment to the Agents*) is not made on its due date, the Issuer shall be deemed to be in default. and interest shall begin to accrue on the Redemption Amount at the Default Rate from the date on which the Redemption Amount becomes due and payable until the date on which all amounts due in respect of such Note have been paid

4.6 *Default and Default Payments*

- 4.6.1 The following shall constitute a default by the Issuer:
- (a) failure by the Issuer to make payment in full by the Maturity Date
 - (b) partial payment by the Issuer of sums due to the Noteholders in respect of the Notes on the Maturity Date; and

- (c) where a Noteholder does not agree to a rollover, failure by the Issuer to repay such Noteholder the relevant sums due on the Notes, on the relevant Maturity Date,
- (d) failure of the Issuer to notify the FMDQ Exchange (through the) in respect of each Tranche or Series that the Notes have been liquidated and payments have been made to all the Noteholders on or before 5:00pm on the Maturity Date.
- (e) if the Issuer initiates bankruptcy or insolvency proceedings or becomes insolvent, or is provisionally 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
- (f) should the shareholders of the Issuer pass a resolution for the winding up of the Issuer
- (g) if an attachment, execution or other legal process is levied, enforced upon, issued on or against a material or substantial part of any assets of the Issuer and is not discharged or stayed within 90 days of service by the relevant officer of the court of such attachment, execution or other legal process
- (h) if any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation, or nationalisation of all or a material part of the assets of the Issuer

Upon the occurrence of the foregoing default events (excluding clause 8.6.1(a)), the Issuer shall pay the Noteholders interest on the Principal Amount at the Default Rate until all payments to the Noteholders in respect of the Notes have been settled in full.

4.7 *Method of Payment to Agents*

All sums payable to the Agents hereunder shall be paid in the currency in which such sums are denominated and immediately available or same day funds to the Issue Proceeds Account (or such other account with such bank as the Agents may from time to time notify the Issuer).

- 4.7.1 Only Noteholders named in the Register as at the close of business on the date specified in the applicable Pricing Supplement after which transfer of the Notes will not be registered, shall be entitled to payment of amounts due and payable in respect of the Notes
- 4.7.2 Payment of outstanding obligations in respect of the Notes will be made by electronic funds transfer.
- 4.7.3 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Collecting and Paying Agent. Noteholders shall not be required to present and/or surrender any documents of title to the Collecting and Paying Agent.
- 4.7.4 In the case of joint Noteholders, payment by electronic transfers will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations to joint Noteholders under the Notes.
- 4.7.5 In the case of nominees, the nominee shall be paid as the registered Noteholder, which payee shall in turn be responsible for transferring such funds to the holders of the beneficial interests.
- 4.7.6 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note where the Issuer or CPA has provided evidence that the money was transferred into the account of the Noteholder.

5. DEPOSIT OF DEED OF COVENANT

This Deed shall be deposited with and held by the Issuing and Placing Agent until the date on which all the obligations of the Issuer under or in respect of the Notes, including, without limitation, its obligations under this Deed, have been discharged in full. The Issuer hereby acknowledges the right of every Noteholder to the production of this original Deed or the issuing of copies thereof.

6. TAXES

The Promoters shall pay all stamp, registration and other taxes and duties, including any interest and penalties thereon or in connection therewith, which are payable upon or in connection with the execution and delivery of this Deed, and shall indemnify each Noteholder against any claim, demand, action, liability, damages, cost, loss or expense, including, without limitation, legal fees and any applicable value added tax, which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same. For the avoidance of doubt, the Promoters and/or the Issuers shall not be responsible for the taxes chargeable on the interest earned by the Noteholders following their subscription to the Notes.

7. COVENANTS OF THE PROMOTERS AND THE ISSUER

- 7.1 The Promoters and the Issuer hereby covenants with the Noteholders and undertakes that as long as any of the Notes remain outstanding and at all times during the continuance of this Deed, except as may otherwise be agreed in writing by the Noteholders:
- 7.1.1 they shall not without the express written consent of the relevant Noteholders, (such consent not to be unreasonably withheld or delayed) create or permit to subsist, or agree or purport to permit to subsist any encumbrance(s) on the Notes established under the Programme Memorandum and any Applicable Pricing Supplement;
 - 7.1.2 they shall faithfully perform at all times any and all covenants, undertakings, stipulations and provisions on its part to be performed as provided herein and in any Transaction Document; and
 - 7.1.3 each Noteholder shall have the benefit of the terms and conditions of the Notes which are stated in the Programme Memorandum and/or the Applicable Pricing Supplement as if they had been incorporated *mutatis mutandis* into this Deed.

8. INDEMNITY

The Promoters irrevocably and unconditionally agree as a separate and independent obligation to indemnify the Issuer immediately with or without demand, from and against any loss, cost, expense or liability of any kind that may be incurred by the Issuer, or brought against the Issuer as a result of the Issuer failing to perform the payment obligations of the Issuer to the Noteholders, with respect to the Notes duly and punctually, or as a result of any of the payment obligations being or becoming void, voidable, unenforceable or ineffective against the Issuer for any reason whatsoever, whether known to the Issuer or not.

9. SUBORDINATION

- 9.1 In consideration of the Noteholders continuing to hold the Notes, the Promoters hereby agree and covenant with the Issuer that so long as the Notes remain outstanding, they shall not without the prior written consent of the Issuer (such consent not to be unreasonably withheld) nor shall any person on behalf of or appointed by them:
- 9.1.1 take or receive from the Issuer, except as it relates to the issuance of and subscription to the Notes, any cash, set-off or in any other manner whatsoever, any payment or repayment of the whole or any part of monies owed to the Promoter by the Issuer nor any proceeds from any security thereof; or
 - 9.1.2 sue for or institute any legal or other proceedings to recover all or any part of the monies owed to the Promoters by the Issuer, nor issue any petition for any receivership, winding up procedure or dissolution in relation to the Issuer.

10. GENERAL

- 10.1 **Deed Poll:** This Deed shall take effect as a deed poll for the benefit of the Noteholders from time to time.
- 10.2 **Benefit:** This Deed is to the benefit of the Issuer and each Noteholder and its subsequent successors and assigns, if any, each of which shall be entitled severally to enforce this Deed against the Promoters and the Issuer. Nothing in this Deed or in the Notes, express or implied, shall give to any person, other than the Noteholders hereto and their successors

and assigns hereunder and, where specified herein, the beneficial owners of the Notes, any benefit or any legal or equitable right, remedy or claim under this Deed.

10.3 **Assignment:** The Promoters and/or the Issuer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations under this Deed, but each Noteholder shall be entitled to assign all or any of its rights and benefits under this Deed.

10.4 **Severability:** If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

TITLE TO ENTRIES

10.5 Any Noteholder may protect and enforce its rights arising out of this Deed in respect of any Note held by such Noteholder without the necessity of using the name of or obtaining any authority from any predecessor in title.

10.6 A Noteholder will be entitled to receive payment of all amounts due to it with respect to each Note held by it to the exclusion of any other person; and payment in full by the Issuer to a Noteholder shall discharge the Issuer from all obligations in respect of such Note.

EVIDENCE

10.7 Statements issued by the CSD as to the name of the Noteholder and aggregate number of Notes standing to the CSD account of any person shall be conclusive and binding for all purposes (save in the case of manifest error) and such person shall be treated by the Issuer as the legal and beneficial owner of such aggregate number of Notes for all purposes.

PAYMENTS

10.8 All sums payable under this Deed shall be paid:

10.8.1 free of any restriction or condition; and

10.8.2 free and clear of and (except to the extent required by law) without any deduction or withholding for or on account of any tax imposed, levied, collected, withheld or assessed by or within the Federal Republic of Nigeria.

11. NOTICES

11.1 **Address for notices:**

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

11.1.2 All notices and other communications to the Promoters and the Issuer hereunder shall be made in writing (by letter or email) and shall be sent to them or to such other address or email, or for the attention of such other person or department as the Promoters or the Issuer have notified to the Noteholders in the manner prescribed for the giving of notices in connection with the Notes.

11.2 **Effectiveness:** Every notice or other communication sent in accordance with Clause 11.1 shall be effective if sent by letter, upon receipt by the Promoters or the Issuer; provided, however, that any such notice or other communication which would ordinarily take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding Business Day.

11.3 **Electronic communication:**

11.3.1 Any communication to be made between the Promoters or the Issuer and Noteholders under or in connection with this Deed may be made by electronic mail or other electronic means, if the Promoters and the relevant Noteholder:

11.3.1.1 agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

11.3.1.2 notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

11.3.1.3 notify each other of any change to their address or any other such information supplied by them.

11.3.2 Any electronic communication made between the Promoters or the Issuer and the relevant Noteholder will be effective only when actually received in readable form and if acknowledged to have been received by the recipient.

12. REPRESENTATIONS AND WARRANTIES

Each of the Issuer and the Promoters hereby represent and warrant to and covenant with each Noteholder that:

(a) it has all corporate powers, and has taken all necessary corporate or other steps, to enable it to execute, deliver and perform this Deed and that this Deed constitutes a legal, valid and binding obligation enforceable in accordance with its terms; and

(b) as long as any of the Notes remain outstanding and at all times during the continuance of this Deed, except as may otherwise be agreed in writing by the Noteholders, it shall perform at all times any and all covenants, undertakings, stipulations and provisions on its part to be performed as provided herein and in any Transaction Document.

13. LAW AND JURISDICTION

13.1 **Governing law:** This Deed is governed by and shall be construed in accordance with Nigerian law.

13.2 **Jurisdiction:** The Issuer and the Promoters agree for the benefit of the Noteholders that the courts of Nigeria shall have jurisdiction to hear and determine any suit, action or proceedings ("**Proceedings**"), and to settle any disputes, which may arise out of or in connection with this Deed ("**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

13.3 **Appropriate forum:** The Issuer and the Promoters irrevocably waives any objection which they might now or hereafter have to the courts of Nigeria being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

13.4 **Consent to enforcement,** etc: The Issuer and the Promoters consent generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever of any order or judgment which is made or given in such Proceedings.

13.5 **Waiver of immunity:** To the extent that the Issuer and each Promoter may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment, whether in aid of execution, before judgment or otherwise, or other legal process and to the extent that such immunity, whether or not claimed, may be attributed in any such jurisdiction to the Issuer and/or each Promoter or its assets or revenues, the Issuer and/or each Promoter agrees not to claim immunity and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

10. TAX CONSIDERATIONS

Under relevant tax laws, income accruing in, derived from, brought into, or received in Nigeria in respect of dividends, interest, royalties, discounts, charges or annuities is subject to tax. The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

In 2010, Nigeria's taxation landscape underwent a major change as the FGN announced that it would exempt certain taxes on all categories of bonds (including corporate bonds) and short-term government securities such as treasury bills. The FGN approved a waiver of capital gains tax and income tax on all forms of debt instruments and the legislative and administrative processes required to give legal effect to the waivers save for the waiver on capital gains tax have been implemented.

In furtherance of the waiver, the FGN issued the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011 (the "CIT Order"), which exempted securities issued by corporate bodies from tax imposed under the CITA for a period of ten years from the effective date of the CIT Order being January 2, 2012. Given that the CIT Order expired on January 2, 2022 and was not extended, discounts on short-term securities held by corporate entities will be subject to withholding tax. Corporate Noteholders will be subject to CIT on all commercial papers purchased at a discount.

Where there is taxable income made by a company or individual when it purchases such commercial paper at a discount (i.e. the difference between the discounted value and the face value of the commercial paper), which income is taxable under CITA and would have been taxable under PITA but for the provisions of the Personal Income Tax (Amendment) Act, 2011. The effect of the Personal Income Tax (Amendment) Act, 2011 is to exempt otherwise taxable income earned by holders of short-term debt securities issued by corporate bodies from the imposition of Personal Income Tax.

However, following the expiration of the 10-year exemption granted by the Honorable Minister of Finance, under a notice titled the Personal Income Tax (Exemption of Holders of Bonds and Short-Term Government Securities) Notice (dated January 2, 2012), and further to a notice by the Lagos State Internal Revenue Service (LIRS) titled "Payment of Personal Income Tax on Profit from Bonds and Short-Term Government Securities (dated June 28, 2022)", PIT is now applicable on income derived and interest earned by individuals and non-limited liability entities resident in Lagos State from bonds and short-term securities in accordance with the Personal Income Tax Act, LFN 2004 as amended by the Exemption of Holders of Bonds and Short-Term Government Securities Notice, 2011, with effect from January 2, 2022, except for bonds issued by the Federal Government of Nigeria.

In relation to capital gains tax, whilst there is no capital gains tax payable upon the disposal of any Nigerian government securities (i.e. federal, state and local government bonds) in Nigeria, under the provisions of the Capital Gains Tax Act, Chapter C1 LFN 2004, as amended by the Finance Act of 2019, 2020, 2021 and 2023 ("CGT Act"), capital gains tax is chargeable on gains derived from the sale of bonds and debt instruments other than Nigerian government securities.

Furthermore, the proceeds from the disposal of Notes were exempt from tax chargeable under the VAT Act by virtue of the Value Added Tax (Exemption of the Proceeds of the Disposal of Government and Corporate Securities) Order 2011, commencing from January 2, 2012 ("VAT Exemption Order"). This exemption was for a period of ten (10) years from the date of the VAT Exemption Order, and this lapsed on January 1, 2022. However, the Finance Act, 2020 now excludes securities from the payment of VAT. As such, the Notes will not be liable to VAT even with the expiration of the VAT Exemption Order.

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

11. 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.

RISK FACTORS RELATING TO NIGERIA

The Promoters' operations are predominantly conducted in Nigeria, where most of their customers also reside. Accordingly, the Promoters' business, the result of operations, and/or financial condition depend significantly on the economic and political conditions prevailing in Nigeria. There is a risk that changes in the macroeconomic and political climate of the country may adversely affect the value of the Issuer's securities.

a. **There are risks related to political instability, security, religious differences, ethnicity and regionalism in Nigeria.**

In recent times, Nigeria has witnessed considerable unrest, terrorism and political and religious conflicts. Divisions based on geography can be magnified by religious differences, particularly between the North, which has a predominantly Muslim population, and the South, which has a predominantly Christian population. These regional affiliations have in the past contributed to and may continue to contribute to political and religious tension. Tribalism has also been a major issue in Nigeria for decades as the country is home to over 250 ethnic groups, each with its unique culture and traditions. Insecurity is another challenge that Nigeria is grappling with. Sectarian conflicts in the Middle Belt and Northern Nigeria continue to pose a threat to Nigeria's security.

Additionally, there is a growing sense of disillusionment, particularly among the youth, who are frustrated with the government's inability to address the country's numerous challenges. This disillusionment could manifest in the form of protests or violence, which could threaten the country's stability. Until the Federal Government can address the root of the problems that contribute to these challenges (such as poverty, low level of education, religious intolerance, weak enforcement of law and order and insecurity), these risks are expected to remain prominent in the country.

b. **Macroeconomic risks may result in a decline in Promoters' performance.**

With oil revenues comprising a substantial portion of export income, Nigeria's finances are impacted by fluctuations in crude oil prices, a factor largely beyond its control. Another pressing macroeconomic risk is the persistent rise in inflation, which rose to 33.20% in March 2024. The June inflation print shows worse-than-expected inflationary pressures, due to higher-than-expected food inflation (40.01% as at March 2024, and 37.92% in February 2024). The Promoters are directly affected by the concurrent challenges of elevated inflation and increasing interest rates, which have a direct impact on both its operational and financial activities. Moreover, the continual depreciation of the Naira exposes the Promoters to potential losses arising from their unhedged foreign currency positions.

RISKS FACTORS RELATING TO THE PROMOTERS

a. **Business Risks**

These are the risks associated with the business activities of the Promoters:

- **The Promoters may be affected by product liability claims or otherwise be subject to adverse publicity**
The Promoters may be affected by product liability claims resulting from tampering by unauthorised third parties, product contamination or spoilage, including the presence of foreign objects, substances, chemicals, and other agents, or residues introduced during the growing, storage, handling or transportation phases. In addition, any significant product liability claim against the Promoters could also subject the Promoters to adverse publicity. Furthermore, the Promoters may be subject to adverse publicity relating to other matters, including, but not limited to, product quality, brands, complaints and production facilities. Adverse publicity may negatively impact the Promoters' reputation, regardless of whether or not the allegations are valid.

b. **Regulatory Risks**

These are the risks brought about through adherence to regulation governing the sector, which may have a negative impact on the way the Promoters operate - The Promoters' operations may be affected by unfavourable governmental trade policies and regulations in both Nigeria and countries from which it exports its finished goods.

c. **Environmental Risks**

These are losses that may arise due to significant natural occurrences in the environment. The operations of the Promoters are exposed to certain environmental challenges which include but are not limited to pollution, environmental degradation, global warming, severe flooding and other natural hazards:

- **Any major natural disaster may significantly affect the day-to-day operations of the Promoters and may result in severe damage beyond the Promoters' control and adversely affect the Promoters' business**

The nature of environmental risks is that they are often sudden, unpredictable and unforeseen. Although the Promoters feel that they have sufficient processes and safety measures in place to prevent and effectively respond to accidents that may occur as a result of changes in the environment, there is no guarantee that such processes will prevent all accidents, which may impose a variety of liabilities and adversely affect the Promoters' business.

- Rising terrorist attacks and community clashes across the country, especially in the North-Eastern part of Nigeria is a risk to most businesses. However, the federal and state governments have intensified efforts aimed at reducing the level of terrorist attacks.

d. **Legal Risks**

The Promoters in the ordinary course of business may become vulnerable to litigation, which could arise from the type and nature of contractual agreements entered into by the Promoters. Where proceedings lead to a substantial legal liability, this could have a detrimental effect on the Promoters' business, results, operations, reputation and financial position. There is also the risk that the Promoters may not perform its obligations, thereby exposing them to litigation.

Modifications affecting any applicable law or regulations, whether before or after the completion of the transaction, cannot be anticipated.

f. **Macroeconomic Risk**

There is a general macroeconomic risk related to operating a business in Nigeria. Nigeria's economy is highly dependent on global commodity prices i.e. crude oil prices, which constitute a major source of the country's foreign currency earnings and government revenue. Nigeria's reliance on oil production as its major income source has led to serious implications for its economic policy management. Commodity prices have historically been very volatile, and such high levels of volatility may continue in the future. Macroeconomic volatility and inflationary pressures ultimately lead to less income for consumers.

g. **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market interest rates.

The Promoters are exposed to interest rate risk because they borrow funds at both fixed and floating interest rates. They conduct sensitivity analyses that are determined based on the exposure to interest rates for borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

h. **Political Risks**

Political risks are innate in the political culture or terrain of a country e.g. electoral violence. Sectarian conflicts in the Middle Belt, Eastern and Northern Nigeria continue to pose a threat to Nigeria's political stability. Incidents of kidnapping and other violent crimes have been reported frequently in recent times, contributing to the environment's security challenges.

k. Risk of Substitutes

Consumers could be price sensitive, and in the event that the Promoters pass the cost to consumers, there is a high likelihood of them switching to competitors, thereby leading to a loss in market share.

RISK FACTORS RELATING TO THE NOTES

a. Market Price Risk

Changes in market price of commercial papers in the regulated market depends on supply and demand for commercial papers and changes in interest rates in the market. Excess demand for commercial papers could lead to a higher price, and excess supply could lead to a decrease in the price of commercial paper notes. In case of higher interest rates in the market, commercial paper holders could request a higher return on the notes, which in turn could lead to a lower price of the notes in the regulated market. In case of lower interest rates in the market, commercial paper holders could expect lower return to their notes, which in turn could lead to a higher price of commercial papers in the regulated market. Each investor needs to assess the market prior to trading their Notes.

b. Liquidity Risk

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending on the market for similar securities, general economic conditions and the financial condition of the Issuer. Although applications will be made for Notes issued under the Programme to be admitted and traded on the FMDQ Exchange platform, there is no assurance that such applications will be accepted, that any particular issue of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular issue of Notes.

c. Interest Rate Risk

The Notes could be offered at a fixed rate benchmarked against treasury bills. Noteholders will however be exposed to potential risks as the Notes may vary inversely with changes in prevailing interest rates. That is, where the interest rates rise, the prices of fixed rate securities fall and when interest rates drop, the prices increase. Accordingly, the extent of the fall or rise in the prices is a function of the existing interest, days to maturity and the increase or decrease in the level of the prevailing interest rates. Increased interest rates which frequently accompany inflation and/or a growing economy are also likely to have a negative effect on the price of the Notes.

12. SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

CLEARING SYSTEM

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

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

AUTHORISED PARTICIPANTS

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

For the purposes of Notes issued under this Programme, the Authorised Participant are Chapel Hill Denham Advisory Limited and any other dealer and arranger appointed by the Issuer.

REGISTRATION

- i The Authorised Participant is required to register with the CSD before dealing in CPs. Where CP custody and depository services are required:
 - (a) Authorised Participants shall complete the FMDQDL Participant Application form as applicable and shall be required to submit proof of the appropriate FMDQ Exchange membership along with the completed form.
 - (b) Noteholders are required to route their account opening applications and transactions through the Authorised Participant who would then notify the CSD to create a relevant sub-account for the Noteholder.
- ii The CSD will assign a unique identification number (the "Trade Member Code") to the Authorised Participant and also open the account(s) requested by the Authorised Participant.
- iii FMDQ Exchange will request for the CP to be registered with the CSD, who in turn will furnish the exchange and the Authorised Participant with the Unique Identifier for the registered CP, to receipt of CP registration fees from the Authorised Participants.
- i 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 with and advise the CSD after lodgement to transfer the CPs to the sub-account of the beneficial owners of the Notes and the CSD shall process same.

REDEMPTION

- i. No transactions or trades may be effected for any CPs five (5) working days prior to its maturity date as the Register closes two (2) working days before Maturity Date.
- ii. The Authorised Participant will submit a letter to the CSD confirming the intention of the Issuer to repay the Noteholders on the Maturity Date by 10.00 am on or before the second (2nd) Business Day prior to the Maturity Date.
- iii. The Issuer shall timeously make available to the Agents, sufficient monies to enable the Agents to effect payment on the Issuer's behalf of any redemption monies due at least two (2) days before the Maturity Date or such other time as may be agreed, in respect of the Notes.

- iv. The Issuer shall ensure that there are sufficient funds in its funding accounts with the CPA to pay all investors by 12:00 Noon on the maturity date of the CP, failing which the Issuer shall be in violation of these FMDQ Exchange Rules.
- v. The Authorised Participant must notify the CSD to expunge (knock-off) matured CPs at the latest by 3.00pm on the Maturity Date of the CP.
- vi. The Maturity Date must be on a Business Day, however, where this falls on a public holiday, the ensuing business day shall be the Maturity Date of the CP.
- vii. In case of default by the Issuer, the Issuer shall immediately and no later than 1:00 pm notify FMDQ Exchange of its inability and failure to comply with its payment obligation on the Maturity Date.
- viii. The CPA shall ensure that funds have been transferred to all CP holders by 3:00 pm on the maturity date of the CP.

ROLL-OVER

- i There shall be no automatic rollover of the Notes.
- ii Where the issuer is desirous to rollover, the IPA shall be informed no later than five (5) 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.
- iii The maturity of the Notes, including the rollover period shall not exceed 270 days as required under the Guidelines
- i Every roll-over of a CP shall be treated or classified as a fresh/separate CP.
- The CSD shall expunge the existing Unique Identifier from the system and replace with new codes.
- 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 (1) business day prior to the maturity date of the Notes. Upon receipt, FMDQ Exchange shall confirm approval.

DEFAULT

- i Where the Issuer has identified that a default is imminent and shall be unable to repay the Noteholders and the CP will be in default status, the Authorised Participant shall immediately notify the FMDQ Exchange as well as the CSD. The Noteholders shall also be notified, no later than 1.00pm, at least two (2) Business Days before the Maturity Date.
- ii The Exchange shall make public the default status to the market..
- iii In case of (i) above, the CP holdings must remain with the CSD until the IPA/CPA pays off the Noteholders and notifies the CSD and FMDQ Exchange with evidence.
- i Thereafter, the CSD will notify the public and expunge the CP from the CSD accordingly.
- The IPA shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all Noteholders by 5:00 pm on the maturity date, failing which the Issuer shall be deemed to be in default.

SECONDARY MARKET TRADING (OTC) GUIDELINES

- i The Authorised Participant will submit commercial paper transaction schedules to the CSD in hard and soft copies by latest 3:00 p.m. of the day of the trade or as specified within the rules of the CSD.
- ii CP transactions are to be submitted to the CSD by the applicable cut-off time on the settlement date and the Authorised Participant is to state the particular account number where the CP(s) should be traded from or deposited into.

- iii The CSD shall deliver securities and send confirmation of transfers via the authorised platform by 2.00p.m on the settlement date to the Nigeria Inter-Bank Settlement System ("NIBSS") and to the Exchange simultaneously.
- i NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the CSD, and the Authorised Participant simultaneously.
- Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is five Business Days before the Maturity Date.

REPORTING

- i The CSD will effect the transfer of CPs on the settlement date as advised by the buyer and seller ("Transaction Parties") and also keep records of consideration for each transaction.
- ii The CSD will advise the Authorised Participant or the Exchange for onward communication to the Authorised Participant, as applicable, of successful and failed transactions on each settlement day.
- iii The Authorised Participant and Noteholders can ascertain their CP balances after each day's trade via the CSD's website (if applicable).

TRANSFER OF NOTES

Title to beneficial interest in the Notes will pass on transfer thereof by electronic book entry in the CSD securities account 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, National Electronic Funds Transfer or any other transfer mode agreed by the Transaction Parties and recognised by the CBN.

13. PRO FORMA APPLICABLE PRICING SUPPLEMENT



TGI FOODS SPV PLC

RC 7413631

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

This Pricing Supplement must be read in conjunction with the Programme Memorandum, originally dated [•] 2024 prepared by Chapel Hill Denham Advisory Limited on behalf of TGI Foods SPV Plc in connection with its ₦100,000,000,000 (One Hundred Billion Naira) Commercial Paper Issuance Programme (“the Programme Memorandum”), as amended and/or supplemented from time to time.

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

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

This document has been prepared in accordance with the Central Bank of Nigeria (the “CBN”) Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019, the CBN Letter to all Deposit Money Banks and Discount Houses dated 12 July 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 Exchange Limited (“FMDQ Exchange” or the “Exchange”).

The document is not required to be registered with the Nigerian Exchange Group or the Securities and Exchange Commission. This document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his/her/its banker, stockbroker, accountant, solicitor or any other professional adviser for guidance immediately.

DEALER AND ARRANGER/ ISSUING AND PLACING AGENT



CHAPEL HILL DENHAM

RC 1381308

COLLECTING AND PAYING AGENTS



RC: 6250



RC: 150224

THIS PRICING SUPPLEMENT IS DATED [•] 2024

PARTIES

1.	Issuer	TGI Foods SPV Plc
2.	Promoters	WACOT Rice Limited and West African Soy Industries Limited
3.	Dealer and Arranger	Chapel Hill Denham Advisory Limited
4.	Collecting and Paying Agents	First Bank of Nigeria Limited and Zenith Bank Plc
5.	Issuing and Placing Agent	Chapel Hill Denham Advisory Limited
6.	Sponsor to the quotation on FMDQ Exchange	Chapel Hill Denham Advisory Limited
7.	Auditor	Crowe Dafinone Chartered Accountants
8.	Central Securities Depository	FMDQ Depository Limited
9.	Legal Counsel	G. Elias

PROVISIONS RELATING TO THE NOTES

10.	Series Number	[●]
11.	Tranche Number	[●]
12.	Programme Size	
	(a) PROGRAMME SIZE	[₦100,000,000,000]
	(b) ISSUED AND OUTSTANDING NOTES AT THE DATE OF THE PRICING SUPPLEMENT	[●]
13.	Aggregate Nominal Amount	[●]
14.	Face Value	[●]
15.	Discounted Value	[●]
16.	Nominal Amount per Note	[●]
17.	Issue Price	[●]
18.	Tenor	[●]
19.	Maturity Date	[●]
20.	Final Redemption Amount	[●]
21.	Minimum Subscription	[●]
22.	Specified Denomination / Currency	Nigerian Naira (₦)
23.	Status of Notes	Senior Unsecured
24.	Form of Notes	Dematerialised
25.	Use of Proceeds	The net proceeds from each issue of Notes will be used to support the Promoters' short-term working capital and funding requirements, or as may otherwise be described in the Applicable Pricing Supplement.

26.	Source(s) of Repayment	[●]
27.	Quotation	[●]
28.	Taxation	[Please refer to the 'Tax Considerations' section of the Programme Memorandum]
29.	Method of Offer	[●]
30.	Book Closed Period	The Register will be closed from [●] until the Maturity Date

ZERO COUPON NOTES

31.	(a) DISCOUNT RATE ("DR")	[●]
	(b) IMPLIED YIELD	[●]
	(c) ANY OTHER FORMULA OR BASIS FOR DETERMINING AMOUNT(S) PAYABLE	[●]
32.	Day Count Fraction	[●]
33.	Business Day Convention	[●]

PROVISIONS REGARDING REDEMPTION

34.	Redemption/Payment Basis	[Redemption at par] [other (specify)]
35.	Issuer's Early Redemption	[Applicable/Not applicable]
36.	Issuer's Optional Redemption	[Applicable/Not applicable]
37.	Other terms applicable on Redemption	[●]

GENERAL

38.	Offer Opens	[●]
39.	Offer Closes	[●]
40.	Allotment Date	[●]
41.	Notification of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than [●]
42.	Settlement date	[●]
43.	Issue Date	[●]
44.	Payment Date	[●]
45.	Details of bank account(s) to which payments are to be made in respect of the Notes	[●]
46.	Settlement Procedures and Settlement Instructions	[●]
47.	Delivery Date	[●]
48.	Issuer Rating	[●]

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no materially adverse change in the financial position or prospects of the Promoters since their incorporation.

RESPONSIBILITY

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

Signed on this [●] day of [●]

For and on behalf of

TGI FOODS SPV PLC

Name
Director
Who warrants his/her authority hereto

Name
Director
Who warrants his/her authority hereto

14. AUDITOR'S COMFORT LETTER



Crowe Daffinore
15 Ekele Ferri Pearce Street
Off Kofo Abayomi Street
Victoria Island
Lagos, Nigeria
+234 703 408 9471
+234 815 088 7019
01 8309324
info@crowe.ng
www.crowe.ng

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

Dear Sir,

RE: TGI FOODS SPV PLC N100 BILLION COMMERCIAL PAPER ISSUANCE PROGRAMME; REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS OF THE BOARD OF DIRECTORS OF WACOT RICE LIMITED AND WEST AFRICAN SOY INDUSTRIES LIMITED

Opinion:

The accompanying summary financial information comprising the summary statements of financial position as at 31st December, 2022, 31st December, 2021 and 31st December, 2020, the summary of profit or loss and other comprehensive income for the years 31st December, 2022, 31st December, 2021 and 31st December, 2020, and the summary of cash flows for the years ended, are derived from the audited financial statements of WACOT Rice Limited and West African Soy Industries Limited for the years ended 31st December, 2022, 31st December, 2021 and 31st December, 2020, respectively.

In our opinion, the summary financial information derived from the financial statements of WACOT Rice Limited and West African Soy Industries Limited (the "Company") for the years ended 31st December, 2022, 31st December, 2021 and 31st December, 2020 are consistent in all material respects with the financial statements in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria Act No.6,2011.

Summary Financial Statements:

The summary financial statements do not contain all disclosures required by the International Financial Reporting Standards, Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria Act No.6, 2011, applied in the preparation of the audited financial statements of WACOT Rice Limited and West African Soy Industries 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 WACOT Rice Limited and West African Soy Industries Limited.

The Audited Financial Statements and Our Report Thereon:

We expressed an unmodified audit opinion on the audited financial statements for the year ended 31st December, 2022, 31st December, 2021 and 31st December, 2020 in our report dated 14th June, 2023, 14th June, 2022 and 7th June, 2021 respectively for WACOT Rice Limited and 26th June, 2023, 28th June, 2022 and 26th July, 2021 respectively for West African Soy Industries Limited.

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The financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the financial statements.

Director's Responsibility for the Summary Financial Statements:

The Directors are responsible for the preparation of the summary audited financial information for the years ended 31st December, 2022, 31st December, 2021 and 31st December, 2020 in accordance with the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act, 2011, and International Financial Reporting Standards and the FMDQ commercial paper quotation rules.

Auditors' Responsibility:

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


Omolola Samuel
Engagement Partner
FRC/2012/PRO/ICAN/004/00000000358
For: Crowe Dafinone
Chartered Accountants
3rd April 2024



15. AUDITED FINANCIAL STATEMENTS OF THE PROMOTERS

The financial information set out on pages 44 to 49 of this Programme Memorandum has been extracted from the audited annual financial statements of the Promoters and is available at the specified registered address of the Issuer. This section should be read and construed in conjunction with any audited interim financial statements published subsequently, for the financial years prior to each issue of Notes under this Programme.



STATEMENT OF PROFIT OR LOSS FOR THE YEARS ENDED 31 DECEMBER 2023, 2022, 2021 AND 2020 FOR WACOT RICE LIMITED

PROFIT & LOSS STATEMENT (₦'000)	2023	2022	2021	2020
Revenue	65,205,747	40,354,086	33,526,478	26,242,189
Cost of sales	(55,135,958)	(32,152,492)	(26,759,232)	(19,510,635)
Gross profit	10,069,789	8,201,594	6,767,246	6,731,554
Selling and distribution expenses	(74,779)	(96,242)	(75,217)	(519,751)
Administrative expenses	(4,242,585)	(2,824,248)	(2,538,666)	(2,391,035)
Other income	201,000	225,482	233,502	112,664
Operating profit	5,953,425	5,506,586	4,386,865	3,933,432
Finance costs	(3,456,065)	(1,640,727)	(1,139,754)	(679,517)
Profit before taxation	2,497,360	3,865,859	3,247,111	3,253,915
Income tax	(881,566)	338,026	394,873	385,662
Profit for the year	1,615,794	4,203,885	3,641,984	3,639,577
Other Comprehensive Income:				
Revaluation Surplus	31,143,531	-	-	-
Tax	(3,114,353)	-	-	-
Total comprehensive income for the year	29,644,972	4,203,885	3,641,984	3,639,577
Basic earnings per share (Naira)	1.62	4.20	6.83	6.83



STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED 31 DECEMBER 2023, 2022, 2021 AND 2020 FOR WACOT RICE LIMITED

STATEMENT OF FINANCIAL POSITION (₱'000)	2023	2022	2021	2020
Non Current Assets				
Property Plant and Equipment	47,064,229	14,870,443	14,593,972	15,430,275
Right of Use Asset	117,417	133,785	1,667	11,696
Total Non Current Assets	47,181,646	15,004,228	14,595,639	15,441,971
Current Assets				
Inventories	30,197,635	23,674,352	14,242,605	7,335,123
Trade and other receivables	19,223,808	12,892,428	2,230,772	1,274,958
Prepayments	234,844	157,910	57,183	38,175
Cash and bank balance	7,034,621	782,992	4,908,343	6,399,283
Total Current Assets	56,690,908	37,507,682	21,438,903	15,047,539
Total Assets	103,872,554	52,511,910	36,034,542	30,489,510
Equity and Liabilities				
Equity:				
Share capital	1,000,000	1,000,000	533,150	533,150
Retained Earnings	20,375,404	17,954,401	12,945,307	8,498,114
Revaluation reserve	30,954,828	3,730,859	4,536,068	5,341,277
Total Equity	52,330,232	22,685,260	18,014,525	14,372,541
Non-current liabilities:				
Borrowings	-	-	-	-
Deferred tax liabilities	5,178,051	1,303,162	1,641,382	2,036,417
Deposit for shares	91,950	91,950	91,950	91,950
Total Non-Current Liabilities	5,270,001	1,395,112	1,733,332	2,128,367
Current liabilities:				
Borrowings	43,000,000	26,478,827	13,581,233	12,956,589
Trade and other payables	3,151,290	1,952,518	2,705,290	1,032,013
Current tax payables	121,031	193	162	-
Total Current Liabilities	46,272,321	28,431,538	16,286,685	13,988,602
Total Liabilities	51,542,322	29,826,650	18,020,017	16,116,969
Total Equity and Liabilities	103,872,554	52,511,910	36,034,542	30,489,510



STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2023, 2022, 2021 AND 2020 FOR WACOT RICE LIMITED

CASH FLOW STATEMENT (₹'000)	2023	2022	2021	2020
Cash Flows from Operating Activities:				
Operating profit	5,953,425	5,506,586	4,386,865	3,933,432
Adjustments for items not involving movement of fund				
Depreciation	1,473,715	1,346,135	1,305,158	1,285,428
Depreciation on right of use asset	17,501	7,037	10,029	35,590
Profit/(Loss) on disposal	-	(5,076)	12,537	38
Impairment	2,804	-	755	(493)
Bad debt written off	182,049	9,549	-	-
	7,629,494	6,864,231	5,715,344	5,253,995
Movements in working capital:				
(Increase)/ (Decrease) in inventories	(6,523,283)	(9,431,747)	(6,907,482)	(2,475,658)
(Increase)/(Decrease) in trade receivables & other receivables	(6,488,632)	(11,120,517)	(956,569)	(548,639)
Increase/ (Decrease) in trade and other payables	1,171,172	(303,625)	1,673,277	(244,255)
(Increase)/ (Decrease) in prepayments	(76,934)	(100,727)	(19,008)	(12,707)
Net Cash Generated from Operations	(4,288,183)	(14,092,385)	(494,438)	1,972,736
Tax paid	(193)	-	-	-
Net Cash Inflow from Operating Activities	(4,288,376)	(14,092,385)	(494,438)	1,972,736
Cash Flows from Investing Activities:				
Purchase of property, plant and equipment	(355,300)	(880,256)	(208,454)	(149,659)
Capital work in progress	(2,168,670)	(760,504)	(292,906)	(390,891)
Proceed from sale of property, plant and equipment	-	5,932	-	114
Payment for right of use asset	(1,133)	(139,155)	-	(8,333)
Transfer from property, plant and equipment	-	17,300	19,967	-
Net Cash Outflows from Investing Activities	(2,525,103)	(1,756,683)	(481,393)	(548,769)
Cash flows from Financing Activities:				
Loan received	102,380,000	35,897,594	7,518,515	12,415,062
Loan repayment	(85,858,827)	(23,000,000)	(6,893,870)	(12,607,832)
Finance costs	(3,456,065)	(1,640,727)	(1,139,754)	(679,517)
Increase in Share Capital	-	466,850	-	-
Net Cash (Outflow)/Inflow from Financing Activities	13,065,108	11,723,717	(515,109)	(872,287)
Net Increase in cash and cash equivalents	6,251,629	(4,125,351)	(1,490,940)	551,680
Cash and cash equivalents as at the beginning of the year	782,992	4,908,343	6,399,283	5,847,603
Cash and Cash Equivalents as at 31st December	7,034,621	782,992	4,908,343	6,399,283



STATEMENT OF PROFIT OR LOSS FOR THE YEARS ENDED 31 DECEMBER 2023, 2022, 2021 AND 2020 FOR WEST AFRICAN SOY INDUSTRIES LIMITED

PROFIT & LOSS STATEMENT (₦'000)	2023	2022	2021	2020
Revenue	140,215,689	105,381,197	80,666,268	41,848,054
Cost of sales	(113,472,886)	(88,003,108)	(68,497,001)	(33,685,826)
Gross profit	26,742,803	17,378,089	12,169,267	8,162,228
Administrative expenses	(6,394,843)	(5,388,359)	(4,276,806)	(3,116,782)
Distribution expenses	(632,258)	(433,456)	(674,988)	(248,281)
Other income	5,839,989	28,775	141,310	392,265
Depreciation	-	-	-	-
Operating profit	25,555,691	11,585,049	7,358,783	5,189,430
Finance costs	(14,585,002)	(6,091,770)	(3,086,740)	(3,956,692)
Profit before taxation	10,970,689	5,493,279	4,272,043	1,232,738
Income tax	(764,770)	518,176	570,261	139,258
Profit after taxation	10,205,919	6,011,455	4,842,304	1,371,996
Other comprehensive income:				
Revaluation Surplus	51,409,674	-	-	-
Tax	(5,140,967)	-	-	-
Other comprehensive income (net of tax)	46,268,707	-	-	-
Total comprehensive income for the year	56,474,626	6,011,455	4,842,304	1,371,996
Basic earnings per share (Naira)	2.55	1.50	2.38	0.67



STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED 31 DECEMBER 2023, 2022, 2021 AND 2020 FOR WEST AFRICAN SOY INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION (₦'000)	2023	2022	2021	2020
Non-Current Assets				
Property Plant and Equipment	72,940,088	22,872,148	23,894,054	22,617,080
Right of Use Asset	242,457	215,393	148,613	195,657
Deferred tax Assets	-	1,129,178	610,726	40,251
Total Non-Current Assets	73,182,545	24,216,719	24,653,393	22,852,988
Current Assets				
Inventories	68,000,280	59,531,275	42,392,719	28,652,304
Trade and other receivables	50,486,458	19,292,195	3,892,663	9,199,371
Prepayments	630,258	377,690	257,438	258,719
Cash and bank balance	6,414,106	385,952	6,516,546	1,782,026
Total Current Assets	125,531,102	79,587,112	53,059,366	39,892,420
Total Assets	198,713,647	103,803,831	77,712,759	62,745,408
Equity and Liabilities				
Equity				
Share capital	2,000,000	2,000,000	1,016,604	1,016,604
Share premium	1,440,000	1,440,000	1,440,000	1,440,000
Retained Earnings	23,323,056	13,117,137	7,390,023	2,547,719
Revaluation Surplus	46,268,707	-	-	-
Total Equity	73,031,763	16,557,137	9,846,627	5,004,323
Non-Current Liabilities				
Borrowings	22,638,886	34,048,836	24,280,000	30,000,000
Deferred tax liabilities	4,776,010	-	-	-
Total Non-Current Liabilities	27,414,896	34,048,836	24,280,000	30,000,000
Current liabilities				
Borrowings	87,990,318	44,505,859	35,665,450	24,968,095
Trade and other payables	10,276,121	8,651,482	7,808,752	2,641,991
Lease liability	-	-	115,714	99,796
Tax liability	549	40,517	(3,784)	31,203
Total Current Liabilities	98,266,988	53,197,858	43,586,132	27,741,085
Total Liabilities	125,681,884	87,246,694	67,866,132	57,741,085
Total Equity and Liabilities	198,713,647	103,803,831	77,712,759	62,745,408



STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2022, 2021 AND 2020 FOR WEST AFRICAN SOY INDUSTRIES LIMITED

CASH FLOW STATEMENT (₦'000)	2023	2022	2021	2020
Cash flows from operating activities				
Operating profit	25,555,691	11,585,049	7,358,783	5,189,430
Adjustments for items not involving movement of fund				
Depreciation of PPE	1,842,730	1,789,334	1,554,504	1,198,950
Depreciation of leased assets	162,435	138,223	108,156	108,047
Impairment Charge / (write back)	325,852	(8,395)	(59,102)	92,268
Transfer of PPE	4,194	-	60,686	-
Loss on disposal of Property, Plant & Equipment	(17,373)	510	-	-
	27,873,529	13,504,721	9,023,027	6,588,695
Movements in working capital:				
(Increase)/decrease in inventories	(8,469,005)	(17,138,557)	(13,740,415)	(4,838,183)
(Increase)/decrease in trade receivables and other receivables	(31,514,438)	(15,391,137)	5,365,810	(5,626,450)
Decrease in trade and other payables	1,624,639	733,882	5,166,761	896,235
(Increase)/decrease in prepayments	(252,568)	(120,252)	1,281	(177,767)
Lease liability	-	(86,689)	15,918	16,328
Cash outflow from operations	(10,737,843)	(18,498,032)	5,832,382	(3,141,142)
Tax paid	(274)	(131,467)	(35,201)	(9,614)
Withholding tax utilised	(40,243)	-	-	-
Net cash outflows from operating activities	(10,778,360)	(18,629,499)	5,797,181	(3,150,756)
Cash flows from investing activities				
Purchase of property, plant and equipment	(519,021)	(770,131)	(2,892,164)	(1,152,341)
Proceed from disposal of property, plant and equipment	25,527	2,193	-	-
Additions to Lease assets	(189,499)	(234,028)	(61,112)	-
Net cash outflows from investing activities	(682,993)	(1,001,966)	(2,953,276)	(1,152,341)
Cash flows from financing activities				
Borrowings	32,074,509	18,609,245	4,977,355	8,776,426
Finance costs	(14,585,002)	(6,091,770)	(3,086,740)	(3,956,692)
Shares Issued in the Year	-	983,396	-	480,000
Deposit for shares	-	-	-	-
Share premium	-	-	-	1,440,000
Net cash (Outflow)/inflow from financing activities	17,489,507	13,500,871	1,890,615	6,739,734
Net increase in cash and cash equivalents	6,028,154	(6,130,594)	4,734,520	2,436,637
Cash and cash equivalents as at the beginning of the year	385,952	6,516,546	1,782,026	(654,611)
Cash and cash equivalents as at 31st December	6,414,106	385,952	6,516,546	1,782,026

16. MANAGEMENT ACCOUNTS OF THE PROMOTERS

The financial information set out on pages 50 to 55 of this Programme Memorandum has been extracted from the Quarter 1 2024 Unaudited Management Accounts of the Promoters and is available at the specified registered address of the Issuer. This section should be read and construed in conjunction with any audited interim financial statements published subsequently, for the financial years prior to each issue of Notes under this Programme.



STATEMENT OF PROFIT OR LOSS THE PERIOD ENDED 31ST MARCH 2024 - WACOT RICE LIMITED

WACOT RICE LTD.

MANAGEMENT ACCOUNTS

Profit and Loss account for the period ended 31st March, 2024 (Unaudited)

(=N= '000)

Particulars	YTD MAR 2024(ACTUAL)
Turnover	16,765,491
Cost of Goods Sold	(12,593,238)
Gross Profit	4,172,253
Employee Cost	(459,666)
Training cost	(9,384)
Advertisement	(157,639)
Selling and distribution expenses	(22,269)
Administration Overheads	(681,775)
Depreciation	(770,770)
EBIT	2,070,749
Net Finance Charges	(1,123,538)
Profit/(Loss) before Tax	947,211
EBITDA	2,841,519

Neeraj Kumar

(Managing Director)

Sagar Basu

(Chief Financial Officer)



STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31ST MARCH 2024 - WACOT RICE LIMITED

WACOT RICE LTD.

MANAGEMENT ACCOUNTS

Balance Sheet as at 31st March, 2024 (Unaudited)

(=N= '000)

Particulars	MAR-24
	Mgt. Accts.
Assets	
Non-current assets	
Property, plant and equipment	45,459,309
	45,459,309
Current Assets	
Inventories	12,959,465
Trade & Other Receivables	29,239,434
Other Current Assets	1,722,991
Cash & Bank Balance	5,616,029
	49,537,919
Total Assets	94,997,228
Liabilities	
Non-Current Liabilities	
Long term borrowings	
Deferred Tax Liabilities	1,303,162
	1,303,162
Current Liabilities	
Short term borrowings	36,000,000
Trade and other Payables	669,633
	36,669,633
Total Liabilities	37,972,796
Equity	
Share Capital	1,000,000
Deposit against shares	91,950
Revaluation reserve	32,958,303
Retained Earnings	22,974,179
Total Equity	57,024,432
Total Equity and Liabilities	94,997,228

Neeraj Kumar

(Managing Director)

Sagar Basu

(Chief Financial Officer)



STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31ST MARCH 2024 - WACOT RICE LIMITED

Wacot Rice Limited
For the Quarter ended 31st March 2024

Statement of cash flows

	Q1-2024 N'000
Cash flow from operating activities	
Operating profit	2,070,749
Adjustments for:	
Depreciation of property plant and equipment	1,463,683
Depreciation on leased assets	4,375
Writeback/impairment (expected credit loss)	
Transfer of property, plant & equipment	
Loss on disposal of property, plant & equipment	
	<u>3,538,807</u>
Movement in Working capital	
(Increase)/Decrease in inventories	17,746,643
(Increase)/Decrease in Trade receivables	(13,260,952)
Increase/(Decrease) in Trade and other payables	(1,319,136)
Increase/(Decrease) in Prepayment	
Increase/(Decrease) in lease liability	
Cash inflow/outflow from operation	<u>6,705,362</u>
Tax paid	
Net cash flow from operating activity	<u>6,705,362</u>
Cash flow from Investing activities	
Purchase of property, plant & equipment	(321,426)
Proceeds from disposal of property, plant & equipment	
Additions to leased Assets	
Net cash out flow from investing activity	<u>(321,426)</u>
Cash flow from financing activity	
Borrowings	(7,000,000)
Finance Costs	(1,123,538)
Increase in shares	
Net cash flow from financing activities	<u>(8,123,538)</u>
Net increase in cash and cash equivalent	(1,739,602)
Cash and cash equivalent at the beginning of the year	7,355,631
Cash and cash equivalent as at 31st March 24	<u>5,616,029</u>

Neeraj Kumar
(Managing Director)

Sagar Basu
(Chief Financial Officer)



STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31ST MARCH 2024 - WEST AFRICAN SOY INDUSTRIES LIMITED

WEST AFRICAN SOY INDUSTRIES LIMITED	
MANAGEMENT ACCOUNTS	
Profit and Loss account for the period ended 31st March, 2024	
Particulars	Mar-24
Turnover	40,933,861
Cost of Goods Sold	(32,388,012)
Gross Profit	8,545,848
Other Income	21,411
Sales & Distribution	(349,900)
Administration Overheads	(959,352)
EBITDA	7,258,008
Depreciation	(411,491)
EBIT	6,846,517
Net Finance Charges	(4,395,848)
Profit/(Loss) before Tax	2,450,669


Deepanjan Roy
Managing Director


Ramesh Babu Munki
Chief Financial Officer



STATEMENT OF FINANCIAL POSITION THE PERIOD ENDED 31ST MARCH 2024 - WEST AFRICAN SOY INDUSTRIES LIMITED

WEST AFRICAN SOY INDUSTRIES LIMITED	
MANAGEMENT ACCOUNTS	
Balance Sheet as at 31st March, 2024	
	Mar-24
Assets	
Non-current assets	
Property, plant and equipment	69,627,762
Deffered Tax Asset	1,129,178
Right of Use Asset	147,965
	70,904,905
Current Assets	
Inventories	81,525,890
Trade & Other Receivables	48,177,134
Prepayment	5,650,553
Cash & Bank Balance	3,913,493
	139,267,071
Total Assets	210,171,976
Liabilities	
Non-Current Liabilities	
Long term borrowings	19,180,942
	19,180,942
Current Liabilities	
Short term borrowings	104,100,000
Lease Liability	
Trade and other Payables	8,623,795
Current income tax liabilities	40,243
	112,764,038
Total Liabilities	131,944,981
Equity	
Share Capital	2,000,000
Share Premium	1,440,000
Revaluation Reserve	48,186,008
Retained Earnings	26,600,988
Total Equity	78,226,995
Total Equity and Liabilities	210,171,976


Deepanjan Roy
Managing Director


Ramesh Babu Mufiki
Chief Financial Officer



STATEMENT OF CASH FLOWS THE PERIOD ENDED 31ST MARCH 2024 FOR - WEST AFRICAN SOY INDUSTRIES LIMITED

WEST AFRICAN SOY INDUSTRIES LIMITED
Management Accounts
For the year period ended 31 March, 2024

Statement of cash flows	Mar-24
	₦'000
Cash flows from operating activities	
Operating profit	6,846,516
	<u>6,846,516</u>
Adjustments for:	
Depreciation of property plant and equipment	411,491
	<u>7,258,007</u>
Movements in working capital:	
Increase in inventories	(13,597,381)
(Increase)/Decrease in trade and other receivables	535,557
Increase in trade and other payables	(687,306)
(Increase)/Decrease in prepayments	(4,280,082)
(Decrease)/Increase in Lease liability	
Cash inflow/ (outflow) from operations	<u>(10,771,204)</u>
Tax paid	-
Net cash flows from operating activities	<u>(10,771,204)</u>
Cash flows from investing activities	
Purchase of property, plant and equipment	(316,505)
Proceeds from disposal of property, plant and equipment	-
Additions to Lease assets	-
Net cash outflows from investing activities	<u>(316,505)</u>
Cash flows from financing activities	
Borrowing	14,548,127
Finance costs	(4,395,848)
Increase in shares	-
Net cash inflows from financing activities	<u>10,152,279</u>
Net increase in cash and cash equivalents	<u>(935,431)</u>
Cash and cash equivalent as at beginning of the year	4,848,923
Cash and cash equivalent as at 31st March	<u><u>3,913,493</u></u>


Deepanjan Roy
Managing Director


Ramesh Babu Muriki
Chief Financial Officer

WACOT RICE LIMITED

Long-Term Rating:

A-

Short Term Rating: A2
 Rating Outlook: Stable
 Trend: UP
 Currency: Naira
 Date Issued: 31 Jan., 2024
 Valid Till: 30 Jan., 2025

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 ₦2000	2021 ₦2000	2020 ₦2000	2019 ₦2000	2018 ₦2000
Gross Earnings	40,904,086	33,526,676	26,242,189	20,200,143	16,241,432
Profit Before Tax	3,865,859	3,267,111	3,220,915	1,488,625	26,225
Equity	22,685,260	18,014,525	14,372,541	10,732,964	8,052,217
Long Term Debt	1,395,112	1,753,332	2,128,367	14,514,029	5,249,200
Total Asset	52,511,911	36,054,542	30,486,510	27,672,620	29,512,667
Non Current Assets	15,004,225	14,595,639	15,441,971	16,214,258	16,594,592

Rating Explanation

The Short-Term Rating of A1 indicates Good Credit Quality and satisfactory capacity for timely payment of financial commitments.

The Long-Term Rating of A- indicates Low Risk. It shows Very Good Financial Strength, Operating Performance and Business Profile when compared to the standard established by DataPro. This Company, in our opinion, have a strong ability to meet its ongoing obligations.

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:

- Experienced Management Team
- Good Liquidity
- Good Earning Profile

Negative Rating Factor:

- Low Asset Utilization

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.

WEST AFRICAN SOY INDUSTRIES LTD

Long-Term Rating:

A⁻

Short Term Rating: A1
 Rating Outlook: Stable
 Trend: UP
 Currency: Naira
 Date Issued: 16 Dec., 2023
 Valid Till: 15 Dec., 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
Turnover	105,381,197	80,666,268	41,848,054	19,300,689	18,814,413
Pre-Tax-Profit	5,493,279	4,272,043	1,232,738	367,631	606,257
Shareholders Fund	16,557,137	9,562,286	5,004,523	1,712,327	1,429,585
Non-Current Assets	24,216,718	24,653,395	22,852,988	22,967,393	11,550,735
Total Asset	103,803,831	77,712,759	62,745,408	50,875,115	34,463,175

Rating Explanation

The Short-Term Rating of A1 indicates *Good Credit Quality* and satisfactory capacity for timely payment of financial commitments.

The Long-Term Rating of A⁻ indicates *Low Risk*. It shows Very Good Financial Strength, Operating Performance and Business Profile when compared to the standard established by DataPro. This Company, in our opinion, has strong ability to meet its current obligations.

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:

- Experienced Management Team
- Strong Earnings Growth
- Good Liquidity Position
- Good Brand Presence

Negative Rating Factors:

- High Debt Profile
- High Finance Cost

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.

WEST AFRICAN SOY INDUSTRIES LIMITED

Issuer Rating:

Bbb

A company with satisfactory financial condition and adequate capacity to meet its obligations as and when they fall due relative to all other issuers in the same country.

Outlook: Stable

Issue Date: 12 April 2024

Expiry Date: 30 June 2024

Previous Rating: N/A

Industry: Agriculture
 Processing (Soybean)

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Rating Definition	15

Analysts:

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Agusto & Co. Limited

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RATING RATIONALE

Agusto & Co. hereby assigns a "Bbb" rating to West African Soy Industries Limited ("West African Soy", "WASIL" or "the Company"). The assigned rating reflects WASIL's good profitability, bolstered by its improving capacity utilisation, increasing global demand for soybeans for food and feed use, adequate liquidity cover, and satisfactory operating cash flow supported by its strong earnings capacity. The rating is further strengthened by the Company's continuous operational and cost improvements, facilitated by its ability to leverage the route-to-market channels of its associate companies for product distribution. However, the rating is constrained by the Company's rising leverage profile and persistent working capital deficiency due to sustained inventory investments and a high level of intercompany receivables. In assigning the rating, we also considered WASIL's concentrated ownership structure and the susceptibility of its future earnings to shrinking consumer discretionary spending, commodity price fluctuations and the adverse effects of climate change on soybean output.

West African Soy Industries Limited is an agro-industrial company engaged in the processing and trading of soybeans and its derivatives. The Company is a member of Tropical General Investments Group ("TGI" or "the Group"), a diversified corporation with investments in the agro-processing, pharmaceuticals, chemicals, fishing and livestock, oilfield services, food processing and consumer goods industries. WASIL markets edible soya oil under its Golden Terra Brand to customers throughout Nigeria, utilising its associate Company, TGI Distri Limited. In addition, WASIL sells soybean meal, a byproduct of its oil refining process, directly to feed millers and food processors within Nigeria. To further extend its geographical reach and enhance its revenue sources, the Company also exports soybean derivatives to international markets through its sister company - Vink Corporation.

In the financial year ended 31 December 2022 (FYE 2022), West African Soy's revenue rose to ₦105.4 billion (2021: ₦80.7 billion), reflecting upward price reviews and higher volume sales amidst strong local and international demand for soybeans and its derivatives. Buoyed by the substantial revenue growth and improvements in operational and supply chain efficiencies, including higher production capacity utilisation and lower logistical expenses achieved through the utilisation of the distribution networks of its associate companies, WASIL's gross and operating profit margins rose to 16.5% and 11%, respectively in FYE 2022 (2021: 15.1%; 8.9%).

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WACOT RICE LIMITED

Issuer Rating:

Bbb

A company with a satisfactory financial condition and adequate capacity to meet its obligations as and when they fall due relative to all other issuers in the same country.

Outlook: Stable

Issue Date: 25 January 2024

Expiry Date: 30 June 2024

Previous Rating: N/A

Industry: Rice Milling

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Ownership, Mgt & Staff	6
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Financial Summary	12
Rating Definition	15

Analysts:

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RATING RATIONALE

Agusto & Co. hereby assigns a "Bbb" rating to WACOT Rice Limited ("WACOT" "WRL" or "the Company"). The rating reflects the Company's good profitability metrics despite the challenging operating environment in the country, good cash flow position supported by sustained net earnings growth and moderate leverage. The rating also considers the Company's good position in the rice milling value chain, the strong domestic demand for locally milled rice, which we expect to continue to positively impact WACOT's business in the near to medium term and a stable, qualified and experienced management team. Nonetheless, the rating is constrained by the Company's inadequate working capital amid sustained inventory investments as well as the waning disposable income of consumers. The rating is also moderated by increasing difficulties in sourcing paddy amid the prevailing macroeconomic headwinds coupled with the global commodity (including rice) price fluctuations and the attendant impact on direct costs.

WACOT Rice Limited, a member of the Tropical General Investments (TGI) Group is a fully integrated agro-industrial entity. The Company sources and processes paddy into milled rice, which is sold under the "Big Bull" and "Patriot" rice brands. WACOT leverages the robust distribution network of TGI Distri Limited and sells the bulk (80%) of its product via the related party, while the balance of 20% is sold directly to customers, through wholesalers. WRL operates a 120,000 metric tonnes (MT) per annum rice milling plant in Argungu, Kebbi State. WACOT has continued to strengthen its partnership with various farmer groups in the country via its out-grower programme and currently has over 5,000 farmers under this initiative. WRL purchases paddy from these farmers through buy-back arrangements at harvests.

In the financial year ended 31 December 2022, WACOT Rice Limited's revenue rose by 20% year-on-year to approximately ₦40.4 billion, reflecting the upward price adjustments and volume growth during the year. Despite the impact of higher inflationary pressures, WACOT's direct cost-to-sales ratio remained flat at 79.7% in 2022 (2021: 79.8%) due mainly to the much-improved revenue performance in the year, translating to a gross profit margin of 20.3% (2021: 20.2%). The operating profit margin inched up to 13.1% in 2022 (2021: 12.4%) while its pre-tax profit margin remained flat at 9.6% (2021: 9.7%) despite the higher funding costs. Overall, WRL's pre-tax-pre-interest return on assets (ROA) moderated to 11.3%

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April 23, 2024

The Directors
TGI Foods SPV Plc
1, TGI Close, Ilupeju-Industrial Estate
Apapa-Oworonshoki Expressway
Lagos, Nigeria

Dear Madams/Sirs,

Re: Legal Opinion with respect to the ₦100,000,000,000 (One Hundred Billion Naira)
Commercial Paper Issuance Programme by TGI Foods SPV Plc

1. INTRODUCTION

1.1 We have acted as legal counsel in respect of the ₦100,000,000,000 (One Hundred Billion Naira) Commercial Paper Issuance Programme by TGI Foods SPV Plc (the "Issuer") (the "Programme").

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

1.2.1 "Agents" means Chapel Hill Denham Advisory Limited in its capacity as the issuing and placing agent (the "Issuing and Placing Agent") and dealer and arranger (the "Dealer and Arranger"), and First Bank of Nigeria Limited and Zenith Bank Plc in their capacities as the collecting and paying agents (the "Collecting and Paying Agents") in connection with the Programme;

1.2.2 "CAC" means the Corporate Affairs Commission;

1.2.3 "CBN" means the Central Bank of Nigeria;

1.2.4 "Collecting and Paying Agency Agreement" means the agreement of the same name dated on or about the date hereof and executed by the Collecting and Paying Agents and the Issuer;

1.2.5 "Dealer and Arranger Agreement" means the agreement of the same name dated on or about the date hereof and executed by the Issuer and the Dealer and Arranger.

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

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- 1.2.7 “**FMDQ Exchange Rules**” means the FMDQ Exchange Commercial Paper Registration and Quotation Rules issued in October 2023 as may be amended and/or supplemented from time to time;
- 1.2.8 “**Guidelines**” means the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on September 11, 2019 as may be amended and/or supplemented from time to time, Guidelines for the Regulation and Supervision of Institutions offering Non-Interest Financial Services in Nigeria, AAOIFI Standards, and the Central Bank of Nigeria Circular dated July 12, 2016 titled “Mandatory Registration and Listing of Commercial Papers”;
- 1.2.9 “**Issuing and Placing Agency Agreement**” means an agreement of the same name dated on or about the date hereof and executed by the Issuing and Placing Agent and the Issuer;
- 1.2.10 “**Nigerian Courts**” means the Supreme Court of Nigeria, the Court of Appeal, the Federal High Court and the various State High Courts;
- 1.2.11 “**Nigerian Law**” includes without limitation any statutes or regulations made or imposed by any Nigerian authority and any treaty or international convention, which the Federal Republic of Nigeria has ratified and incorporated into domestic law;
- 1.2.12 “**Notes**” means the debt instruments issued by the Issuer under the Programme;
- 1.2.13 “**Noteholders**” means the persons who have invested in the Notes and “**Noteholder**” shall be construed accordingly;
- 1.2.14 “**Programme Memorandum**” means the memorandum dated on or about the date hereof disclosing details of the Programme for the issuance by the Issuer of Notes for tenors not exceeding two hundred and seventy-days (270) days;
- 1.2.15 “**Promoters**” means WACOT Rice Limited (“**WACOT**”) and West African Soy Industries Limited (“**WASIL**”);
- 1.2.16 “**SEC**” means the Securities and Exchange Commission established pursuant to the Investments and Securities Act, 2007 (as amended); and
- 1.2.17 “**Transaction Documents**” means the Programme Memorandum, the applicable pricing supplement to be issued under the Programme, the Deed of Covenant, the Collecting and Paying Agency Agreement, the Issuing and Placing Agency Agreement, and the Dealer and Arranger Agreement.

2. DOCUMENTS

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

- 2.1 a copy of the Certificate of Incorporation of the Issuer;
- 2.2 a copy of the Memorandum and Articles of Association of the Issuer;
- 2.3 copies of the Certificates of Incorporation of each of the Promoters;
- 2.4 copies of the Memorandum and Articles of Association of each of the Promoters;
- 2.5 copies of the rating report issued by (a) Agosto & Co Limited dated January 25, 2024 and April 12, 2024, in respect of the WACOT and WASIL respectively; and (b) DataPro Limited dated January 31, 2024 and December 16, 2023 in respect of WACOT and WASIL respectively;
- 2.6 the written resolution of the board of directors of the Issuer passed on March 28, 2024, authorizing the management of the Issuer to apply for and obtain all necessary approvals and sign all documents required to execute the Programme;
- 2.7 the resolution of the board of directors of the WACOT and WASIL passed on March 28, 2024 and March 28, 2024 respectively, authorizing the management of the each of the Promoters to apply for and obtain all necessary approvals and sign all documents required to execute the Programme; and
- 2.8 the Transaction Documents.

3. SCOPE

- 3.1 This Opinion is confined to Nigerian Law as interpreted and applied by Nigerian Courts and we neither express nor imply any opinion on any matter in-so-far as it may be affected by the law of a country other than Nigerian Law, or as to matters of fact. We express no opinion nor make any comment on the content, adequacy or sufficiency of the commercial terms negotiated by the parties to the Transaction Documents.
- 3.2 Except for the enquiries at the CAC conducted on December 19, 2023 on WASIL's file and December 19, 2023 on WASCOT's file, we have not assisted in the investigation or verification of the facts, or the reasonableness of any assumption or statement of opinion (including, without limitation, as to the solvency of any other person expressed to be a party to the Transaction Documents or any other person), contained in the Transaction Documents or in determining whether any material fact has been omitted therefrom.

4 EXTENT OF REVIEW AND EXAMINATION

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

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

5 ASSUMPTIONS

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

5.1 Genuineness and Authenticity

5.1.1 the genuineness of all signatures and seals on all and any document reviewed by us;

5.1.2 the completeness and conformity to the originals of all Transaction Documents and other documents supplied to us as certified, electronic, faxed or photocopies;

5.1.3 the genuineness and authenticity of all approval letters, consents and authorizations sighted;

5.1.4 the genuineness and authenticity of all documents in the files of the Issuer at the CAC;

5.1.5 the accuracy and completeness of all corporate minutes, resolutions, certificates and records which we have seen;

5.1.6 the accuracy of all representations of facts expressed in or implied by the documents we have examined;

5.1.7 as at the date of search at the CAC, the documents in the file of the Promoters' held at the CAC were the most recent records of the Promoters;

5.1.8 the absence of any amendments or variations to the terms of the Transaction Documents and the authenticity of the originals of such Transaction Documents;

5.1.9 that each of the Transaction Documents has been duly authorised, and duly executed, by or on behalf of the parties thereto and that the performance thereof is within the capacity and powers of the parties thereto;

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5.1.10 that the terms of the Transaction Documents are or will be observed and performed by the Issuer; and

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

5.2 Completeness

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

5.3 Good Faith, etc.

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

5.4 Consents

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

5.5 Restrictions

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

6. OUR OPINION

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

6.1 Enforceability

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

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

- 6.1.2 There has been obtained and there is in full force and effect every consent, approval or authorization by any Nigerian authority which is either necessary or desirable in connection with:
- (i) the execution by the Issuer or the Promoters of any of the Transaction Documents; or
 - (ii) the validity or enforceability of any of the Transaction Documents.
- 6.1.3 All the Transaction Documents are governed by Nigerian Law and constitute obligations of the parties thereto that are legal, valid, and binding upon the parties and enforceable against the parties in accordance with their terms.
- 6.1.4 Without prejudice to Clause 6.1.3 above, all the Transaction Documents are in a proper form to be enforced under Nigerian Law and would be recognised by Nigerian Courts as constituting legal, valid, and binding obligations of the parties thereto, enforceable against the parties thereto in accordance with their terms.
- 6.1.5 Each Note when issued by the Issuer will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with its terms.
- 6.1.6 It is not necessary in order for any Noteholder to exercise or enforce any of its rights under the Transaction Documents that it should be licensed, registered, resident or otherwise authorized to carry on any business in Nigeria.

6.2 Legal Status of the Issuer and Promoters

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

¹ We say to the best of our knowledge because winding-up petitions (including other analogous steps) are filed and heard before the courts and there are no systematic records of court filings to allow for such a check. Public notice of such events only occurs when such an order is published in the newspapers or filed at the CAC. However, based on our search carried out at the CAC on the Promoters on December 19, 2023, no order or resolution for any administration, suspension of payments, receivership, winding-up or similar insolvency proceedings has been registered in relation to the Issuer nor has there been registered any notice of the appointment of an administrator, receiver, liquidator or similar insolvency representative over any part of the assets, business or undertaking of the Issuer, or notice of any application for such an appointment.

6.3 Authorisation

- 6.3.1 The Issuer and each Promoter have the full power, authority and capacity to execute, deliver, perform and observe the terms and conditions of the Transaction Documents to which it is a party.
- 6.3.2 All corporate and other actions that are necessary or advisable to authorise the Issuer and the Promoters to enter into, execute, deliver, perform and observe the terms and conditions of the Transaction Documents have been taken.
- 6.3.3 The resolutions referred to under Clause 2 (*Documents*) are valid under the respective constitutional documents of the Issuer and the Promoters and under the laws of Nigeria. The resolutions are sufficient corporate authorization for each of the Issuer and the Promoter to execute the Transaction Documents to which it is a party and to carry out all relevant transactions; and the resolutions need not be filed, recorded nor registered with any authority in Nigeria.

6.4 SEC Matters

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

6.5 CBN and FMDQ Exchange Compliance

- 6.5.1 The Notes have been issued in compliance with the Guidelines and the FMDQ Exchange Rules.
- 6.5.2 Each of the Promoters has been rated as required by and in compliance with the Guidelines and the FMDQ Exchange Rules.

6.6 Exchange Control Compliance

- 6.6.1 The issuance of the Notes in Nigerian Naira is permitted by law.
- 6.6.2 Residents and non-residents of Nigeria may deal in, invest in, acquire or dispose of the Notes.
- 6.6.3 Non-residents of Nigeria who have brought funds into Nigeria for subscription to the Notes through approved and lawful channels may upon liquidating their investment in the Notes repatriate the proceeds of their investment upon presentation of certificates of capital importation issued in respect of the funds brought into Nigeria.
- 6.6.4 Nigerian Courts will give judgment in foreign currency.

6.7 Registration

- 6.7.1 Other than the stamping of the Transaction Documents at the Stamp Duties Office of the Federal Inland Revenue Service, it is not necessary or desirable for any further action to be taken in the future (including the making of any registrations or filings) in order to preserve as a matter of law, the interests of the Noteholders.
- 6.7.2 Save for the stamping of the Transaction Documents, no consent, licence, authorization or similar approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body is required in Nigeria for the due execution, delivery and performance by the Issuer of the Transaction Documents.

6.8 Insolvency

- 6.8.1 Subject to bankruptcy and insolvency laws generally applicable in bankruptcy or insolvency proceedings involving the Issuer and the Promoters, the obligations of each of the Issuer and the Promoters under the Transaction Documents will remain valid, binding and enforceable.
- 6.8.2 Subject to bankruptcy and insolvency laws generally applicable to Nigerian companies and banks in particular, upon the maturity of the Notes, in the event that that the Issuer is unable to discharge any of its obligations to the Noteholders, the unsatisfied Noteholders as creditors of the Issuer are entitled to apply for the winding up of the Issuer on the ground of the Issuer's inability to pay its debts.
- 6.8.3 The Notes are unsecured, and no security interests have been created in favour of the Noteholders by any Transaction Documents.
- 6.8.4 Upon the insolvency of the Issuer, Nigerian Law would treat the Noteholders as unsecured creditors of the Issuer for all purposes.

6.9 Tax Matters

- 6.9.1 The Issuer may be entitled or required to withhold tax on payments to any Noteholder on the zero-coupon Notes.
- 6.9.2 The Noteholders may be required to pay income taxes on the discount enjoyed on the Notes.²

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

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

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

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

6.10 *Pari passu* ranking

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

6.11 Choice of Law and Jurisdiction

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

6.12 Dispute Resolution

The submission to arbitration by the parties under the Issuing and Placing Agency Agreement, the Collecting and Paying Agency Agreement and the Dealer and Arranger Agreement are permitted under the laws of Nigeria and an arbitral award rendered by a recognised arbitral tribunal would be enforced by the courts of Nigeria as a legal, valid, and binding submission to arbitration subject to the provisions of the Arbitration and Mediation Act, 2023.

6.13 Miscellaneous

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

6.13.2 The Transaction Documents do not contain any provision or provide for any transaction or other action which could have the consequence of making the Noteholders liable in Nigeria in respect of any debt, liability or obligation of the

³ Finance Act, 2020.

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

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Issuer or the Promoters or in respect of any non-compliance by the Issuer or the Promoters with any Nigerian Law.

7. QUALIFICATIONS

This opinion is subject to the following qualifications:

- 7.1 that an obligation or document is enforceable means that the obligation or document is of a type and form which Nigerian Courts generally will enforce. It does not mean that the obligation or document can necessarily be enforced in all circumstances and with regard to a final judgment or award, certain defences to its application or grounds for setting it aside may be accepted or applied, in spite of an agreement to the contrary;
- 7.2 a judgment given in any foreign currency may be satisfied by the payment of the Naira equivalent thereof at the time of payment;
- 7.3 the assessment of stamp duties on documents by the Stamp Duties Office is erratic and largely untested in Nigeria Courts;
- 7.4 upon the presentation of a winding-up petition against a Nigerian company, proceedings commenced against it to enforce a liability may be stayed or restrained by a Nigerian Court;
- 7.5 no attachment or execution can be levied against the assets of a Nigerian company after the commencement of its winding-up;
- 7.6 the enforcement of the rights of the parties under the Transaction Documents may with the passage of time become statute-barred under the limitation laws of the Federal Republic of Nigeria; and
- 7.7 the power of Nigerian Courts to order specific performance of an obligation or to order any other equitable remedy is discretionary and, accordingly, a Nigerian Court might make an award of damages where specific performance of an obligation or any other equitable remedy was sought.

8. BENEFIT OF OPINION

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

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

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

Yours faithfully,



For G. Elias.

19. GENERAL INFORMATION

AUTHORISATION

This CP Programme and Notes issued hereunder were approved by the resolution of the board of directors of TGI Foods SPV, WACOT and WASIL all dated March 28, 2024.

GOING CONCERN

The Promoters are at the date hereof a going concern and can be reasonably expected to meet all their obligations as and when they fall due.

AUDITOR

Crowe Dafinone Chartered Accountants acted as auditors of the annual financial statements of the Promoters for the financial years ended 31 December 2022, 2021, and 2020 and has in respect of those years for which it was responsible for the audit, issued unqualified reports.

COMMERCIAL PAPER OUTSTANDING

Neither the Issuer, WACOT nor WASIL has any commercial paper outstanding as at the date of this Programme Memorandum. Within the financial year ending 31 December 2023, the Issuer does not anticipate the amount of CPs to be issued to exceed the Programme Size.

CLAIMS AND LITIGATION

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

MATERIAL CONTRACTS

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

- i The Issuing and Placing Agency Agreement dated July 24, 2024 executed by the Issuer and the IPA;
- ii The Collecting and Paying Agency Agreement dated July 24, 2024, executed by the Issuer and the CPA;
- iii The Deed of Covenant dated July 24, 2024, executed by the Promoters as a deed poll in favour of the Issuer and the Noteholders;
- i The Dealer and Arranger Agreement dated July 24, 2024, executed by the Issuer and the Dealer and Arranger; and
- The Master Notes Issuance Agreement dated July 24, 2024, executed by the Issuer and the Promoters

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 Promoters are the borrower in respect of the Notes.

20. PARTIES TO THE TRANSACTION

ISSUER



TGI FOODS SPV PLC

1, TGI Close Ilupeju-Industrial Estate
Apapa-Oworonshoki Expressway
Lagos Nigeria

Remi Oni
Director

PROMOTERS



WACOT RICE LIMITED

1, TGI Close Ilupeju-Industrial Estate
Apapa-Oworonshoki Expressway
Lagos Nigeria

Farouk Grmel
Chairman.



WEST AFRICAN SOY INDUSTRIES LIMITED
Flower Gate Mixed Development Scheme,
Abeokuta-Sagamu Expressway,
Areke Village, Sagamu,
Ogun State.

Rahyel Savara
DIRECTOR

DEALER AND ARRANGER / ISSUING AND PLACING AGENT



CHAPEL HILL DENHAM

CHAPEL HILL DENHAM ADVISORY LIMITED
10 Bankole Oki Street
Ikoyi, Lagos
Nigeria

Inlole Adeleke
Director.

Tosin Adewuyi
Executive Director

COLLECTING AND PAYING AGENTS



RC: 6250

FIRST BANK OF NIGERIA LIMITED
36 Marina, Lagos Island
Lagos



RC: 150224

ZENITH BANK PLC
87 Ajose Adeogun Street,
Victoria Island, Lagos

Nosa Awusa
Deputy General Manager

Nosa B.A

AUDITORS



CROWE DAFINONE CHARTERED ACCOUNTANTS

15 Elsie Femi Pearse Street
Victoria Island
Lagos

Ogheneruona Dibie

Audit partner

SOLICITORS

G. ELIAS

Segun Omoregie
Partner

G ELIAS

6 Broad Street
Lagos Island