



Jimcol

Resources Nigeria Limited



PROGRAMME MEMORANDUM

**₦5,000,000,000.00 COMMERCIAL PAPER
ISSUANCE PROGRAMME**

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



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

₦5,000,000,000 Commercial Paper Issuance Programme

Jimcol Resources Nigeria Limited (“Jimcol” or the “Issuer”) a private limited liability company incorporated in Nigeria, has established a ₦5,000,000,000 Commercial Paper Issuance Programme (the “CP Programme”) on 5th December 2024, under which JIMCOL may from time to time issue Commercial Paper Notes (“CP Notes” or the “Notes”), denominated in Nigerian Naira (“Naira” or ₦) as may be agreed between the Issuer and the Arranger (as defined in the section entitled, “Summary of the Programme”), in separate series or tranches subject to the terms and conditions (“Terms and Conditions”) contained in this Programme Memorandum.

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

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

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

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

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

LEAD ARRANGER / ISSUING AND PLACING AGENT



COLLECTING AND PAYING AGENT



THIS PROGRAMME MEMORANDUM IS DATED 5TH DAY OF DECEMBER 2024.

Table of Contents

IMPORTANT NOTICE	2
DEFINITION	3
INCORPORATION OF DOCUMENTS BY REFERENCE	6
SUMMARY OF THE PROGRAMME	7
OVERVIEW OF JIMCOL RESOURCES NIGERIA LIMITED	9
USE OF PROCEEDS	14
REVISED CBN GUIDELINES ON THE ISSUANCE OF CPs.....	15
TERMS AND CONDITIONS OF THE NOTES.....	17
TAX CONSIDERATION	23
RISK FACTORS.....	24
SETTLEMENT, CLEARING AND TRANSFER OF NOTES	26
PROFORMA APPLICABLE PRICING SUPPLEMENT.....	29
AUDITOR'S COMFORT LETTER.....	32
HISTORICAL FINANCIAL INFORMATION OF JIMCOL RESOURCES NIGERIA LIMITED	34
EXTRACT FROM ISSUER'S RATING REPORT	37
LEGAL OPINION ON THE NOTES.....	41
STATUTORY AND GENERAL INFORMATION	47
PARTIES TO THE PROGRAMME	48

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 ₦5,000,000,000 (Five Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

The Issuer shall not require the consent of the Noteholders for the issue of Notes under the Programme. Notes issued under the Programme shall be sold to Qualified Institutional Investors.

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

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

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

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

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

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

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

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

DEFINITION

Abbreviation	Name/Explanation
"Agency Agreement"	The Issuing and Placing Agency Agreement and the Collecting and Paying Agency Agreement dated 5 th Day of December, 2024 or about the date of this Programme Memorandum executed by the Issuer, the Issuing and Placing Agent and the Collecting and Paying Agent(s)
"Agents"	The Collecting and Paying Agent and the Issuing and Placing Agents
"Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme.
"Arranger"	Pathway Advisors Limited
"Board" or "Board of Directors"	The Board of Directors of Jimcol Resources Nigeria Limited
"Business Day"	Any day (excluding Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria) on which banks are open for general business in Lagos, Nigeria.
"Business Hours"	8.00am to 5.00pm on any Business Day
"CAMA"	The Companies and Allied Matters Act (Cap. C20) 2020 as may be amended from time to time.
"CBN"	The Central Bank of Nigeria
"CBN Guidelines"	The CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019 and the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers, as amended or supplemented from time to time.
"CGT"	The Capital Gains Tax as provided for under the Capital Gains Tax Act (Cap.C1) LFN 2004 and as amended by the Finance Act 2023
"CITA"	The Companies Income Tax Act (Cap. C21) LFN, 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007) and the Finance Act 2019, Finance Act 2020, and Finance Act 2021)
"Clean CP"	A CP not backed by a guarantee or such other credit enhancement
"Collecting and Paying Agent" or "CPA"	Wema Bank Plc as Collecting and Paying Agent and/or any successor Collecting and Paying Agent(s) appointed from time to time in accordance with the Agency Agreement
"CP"	Commercial Paper
"CP Notes" or "Notes"	Unsecured and unsubordinated commercial paper securities to be issued by the Issuer in the form of short-term zero-coupon Notes under the CP Programme.
"Conditions" or "Terms and Conditions"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes"
"CP Programme" or "Programme"	The CP Programme described in this Programme Memorandum, pursuant to which the Issuer may issue several, separate Series or Tranches of Notes from time to time with varying maturities and discount rates, provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦5,000,000,000 or its equivalent in any other specified currency.
"Clearing System"	Clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement.
"Central Securities Depository" or "CSD"	Means FMDQ Depository Limited, holding commercial papers either in certificated or uncertificated (dematerialised) forms so that ownership can be easily transferred through a book entry rather than the transfer of physical certificates
"Clean CP"	A CP not backed by a guarantee or such other credit enhancement
"Day count Fraction"	Any such method of calculating the interest/discount in respect of a Note as specified in the Applicable Pricing Supplement.
Default Rate	Means interest rate equivalent to the daily overnight NIBOR + 5% per annum or Issue rate + 5% per annum (whichever is higher).
"Deed of Covenant"	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Issuer in favour of the Noteholders
"Eligible Investors"	An investor that is not a Qualified Institutional Investor as defined in the FMDQ Exchange

	Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the FMDQ Exchange Rules.
“Event of Default”	Means an event of default by the Issuer as set out in Condition 7 of the “Terms and Conditions of the Notes”
“Face Value”	The par value of the Notes
“FGN”	Federal Government of Nigeria
“Financial Adviser”	Pathway Advisors Limited
“FIRS”	Federal Inland Revenue Service
“FMDQ Depository Limited” or “FMDQ Depository”	A clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
“FMDQ Exchange Rules” or the “CP Rules”	The FMDQ Commercial Paper Registration and Quotation Rules issued in October 2023 (as may be amended, from time to time) and such other regulations with respect to the registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time
“FMDQ Exchange Limited” or “FMDQ Exchange” or the “Exchange”	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the SEC, to provide a platform for the listing, quotation, registration, and trading of securities inter alia
“Force Majeure”	Any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism, and industrial unrest
“Government”	Any federal, state, or local government of the Federal Republic of Nigeria
Holder or “Noteholder”	The holder of a Note as recorded in the Register kept by the CSD in accordance with the Terms and Conditions
“Implied Yield”	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement
“Issuer”, “Jimcol”, or the “Company”	Jimcol Resources Nigeria Limited
“Issue Date”	The date upon which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
“Issue Price”	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
“Issuing and Placing Agent” or “IPA”	Pathway Advisors Limited or any successor Issuing and Paying Agent in respect of the Notes, appointed by the Issuer
“LFN”	Laws of the Federation of Nigeria
“Maturity Date”	The date as specified in each Applicable Pricing Supplement on which the Principal Amount is due
“Material Adverse Change”	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme
“Naira”, “NGN” or “N”	The Nigerian Naira
“NIBBS”	Nigeria Inter-Bank Settlement System Plc
“NIBOR”	The Nigerian Inter-Bank Offered Rate
“Noteholders” or “Holder”	The several persons, for the time being, whose names are shown in the records of the CSD and/or entered in the Register of Noteholders as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders
“Notes”	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialized form by the Noteholders through the CSD.
“OTC”	Over the Counter
“Outstanding”	In relation to the Notes, all the Notes issued, other than: <ul style="list-style-type: none"> • those Notes which have been redeemed pursuant to these Conditions • those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption, in accordance with the relevant conditions, has occurred

	and the redemption moneys have been duly paid in accordance with the provisions of this Deed and those Notes which have become void under the provisions of this Deed
“PITA”	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011)
“Pricing Supplement” or “Applicable Pricing Supplement”	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme
“Principal Amount”	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
“Programme”	The N5,000,000,000 (Five Billion Naira) commercial paper issuance programme established by the Issuer which allows for the multiple issuances of Notes from time to time
“Programme Memorandum”	This Programme Memorandum dated 5 th December 2024 which sets out the aggregate size and broad terms and conditions of the CP Programme
“Qualified Institutional Investors”	This includes banks, fund/asset managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms, issuing houses, registrars, financial market infrastructures (FMs), finance companies, financial/investment holding companies, financial/investment advisors and any other category of investors as may be determined by the Exchange from time to time.
“Redemption Amount”	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date
“Redemption Date”	Means, in relation to any Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Applicable Pricing Supplement
Register	A register or such registers as shall be maintained by the Registrar in which are recorded details of Noteholders
“Registrar”	The CSD or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme.
“Relevant Currency”	Naira; being the currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made
“Relevant Date”	The payment date of any obligation due on the Notes
“Relevant Last Date”	The date stipulated by CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered.
“SEC”	The Securities and Exchange Commission
“Series”	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except of their respective Issue Dates, and/or Issue Prices
“Tranche”	Notes which are identical in all respect
“Unique Identifier”	A code specifically designated/assigned to identify a CP
“VAT”	Value Added Tax as provided for in the Value/Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007, the Finance Act, 2019 and the Finance Act, 2020)
“Zero Coupon Note”	A Note which will be offered and sold at a discount to its face value and which will not bear interest, other than in the case of late payment.

INCORPORATION OF DOCUMENTS BY REFERENCE

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

- a. each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme; and
- b. the audited annual financial statements of the Issuer and any audited interim financial statements published subsequent to annual financial statements of the Issuer for the financial years prior to each issue of Notes under this Programme which shall be deemed to be incorporated into, and to form part of, this Programme Memorandum and which shall be deemed to modify and supersede the contents of this Programme Memorandum as appropriate.

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

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

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

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

SUMMARY OF THE PROGRAMME

Programme Issuer:	Jimcol Resources Nigeria Limited
Programme Description	Commercial Paper Issuance Programme
Arranger, Issuing and Placing Agent and Financial Adviser:	Pathway Advisors Limited
Sponsor to the Registration on FMDQ Exchange	Pathway Advisors Limited
Collecting and Paying Agent:	Wema Bank Plc
Auditor:	E.D. Uwojeya & Co.
Registrars/Custodian:	FMDQ Depository Limited
Guarantor	CPs issued under the Programme may be backed by a Guarantor, as stated in the applicable Pricing Supplement
Solicitor:	Stren & Blan Partners
Programme:	The Commercial Paper Issuance Programme established by the Issuer allows for the multiple issuances of Notes from time to time under a standardized documentation framework
Programme Size:	N5,000,000,000 (Five Billion Naira) aggregate principal amount of Notes outstanding at any point in time
Issuance In Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
Issue Size:	As specified in the Applicable Pricing Supplement
Use of Proceeds:	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer for its on-going projects, general corporate purposes and working capital requirements.
Interest Payment:	Notes shall be issued at a discount and in the form of zero-coupon notes. Thus, the Notes will not bear interest, other than in the case of late payment
Source of Repayment:	The repayment of all obligations under the CP issuance will be funded from the operating cash flows of the Company
Method of Issue:	The Notes may be offered and sold by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement
Maturity Date:	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of fifteen (15) days and a maximum of two hundred and seventy (270) days (including rollover, from date of issue). The maturity date of all Outstanding CPs shall fall within the validity period of the most recent Issuer or Programme/Discrete Issue rating filed with the Exchange.
Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate + 5% per annum (whichever is higher)
Currency of Issue:	Nigerian Naira
Redemption:	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines and FMDQ Exchange Rules
Tenor:	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of (15) days and a maximum of (270) days, including roll-over from the date of issue. The maturity date of all outstanding CPs shall fall within the validity period of the most recent Issuer or Programme/Discrete Issue rating filed

	with the Exchange.		
Rating:	The Issuer has been assigned the following national scale rating:		
		Long-term	Short-term
	DataPro Limited	A-	A2
	Agusto & Co Limited	Bbb+	
	Pursuant to the CBN Guidelines and FMDQ Exchange Rules, the Issuer or the specific issue itself shall be rated by a rating agency registered in Nigeria or any international rating agency acceptable to the SEC.		
	A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency		
Status of Notes:	Each Note constitutes a senior unsecured obligation of the Issuer and the Notes rank <i>pari passu</i> among themselves, and save for certain debts mandatorily preferred by law, with other present and future senior unsecured obligations of the Issuer outstanding from time to time		
Registration And Quotation:	In compliance with the CBN circular on Mandatory Registration and Listing of Commercial Papers issued on 12 July 2016, an application has been made to FMDQ Exchange for the Registration of the Programme. The Issuer may elect at its discretion to have any Series or Tranche of Notes quoted on the FMDQ Exchange platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted on the relevant trading platform		
Taxation:	The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws		
Governing Law:	The Notes issued under the Programme and all related contractual documentation will be governed by and construed in accordance with Nigerian law		
Settlement Procedures:	Purchases will be settled via direct debit, electronic funds transfers, NIBBS InstantPayment (NIP), NIBBS Electronic Funds Transfer ("NEFT"), or Real Time Gross Settlement ("RTGS")		

OVERVIEW OF JIMCOL RESOURCES NIGERIA LIMITED

HISTORY AND OVERVIEW

Jimcol Resources Nigeria Limited (“Jimcol” or “the Company”) was incorporated in 1990 as a diversified service provider in the Oil and Gas Industry. The Company’s core business lines include asset integrity and maintenance services covering non-destructive testing (NDT) and rope access services; drilling support services (majorly mudlogging); and training and consultancy services. The Company operates primarily in Nigeria with offices in Rivers, Lagos and Akwa Ibom States. However, in 2023, the Company incorporated in Guyana as part of its geographic diversification plan.

Since its inception, the Company has completed over 25 major contracts and currently has 7 active contracts. Jimcol's clientele includes international oil companies and leading local players such as ExxonMobil, Shell Petroleum Development Company, TotalEnergies, Seplat Energy, Nigerian LNG Limited and Chevron Nigeria, among others. The Company is a major player in the mudlogging subsegment of the drilling and dredging services business, as well as in topside asset integrity and maintenance services.

Jimcol's competitive advantage lies in its capacity to provide training and consultancy services. The Company has leveraged its training facility and the good relationship it has with original equipment manufacturers to develop an in-house workforce capable of replacing expatriates in most of its operations. This has enhanced Jimcol's cost management and provided a significant edge in the contract bidding process.

In the medium term, Jimcol plans to operate its training and consultancy arm as a stand-alone subsidiary serving both the private and public sectors. In 2020, Jimcol was one of two companies commissioned by the Nigerian Content Development and Monitoring Board (NCDMB) to provide the American Society for Non-Destructive Testing (ASNT) Level III Training and Certification for select Nigerians.

Jimcol holds certifications from several accreditation bodies including Bureau Veritas and Lloyd's Register for thickness measurement of hull structure, DNV for thickness measurement of all types and classes of ships, and ABS for the provision of ESP Hull Gauging, validating its expertise in the provision of asset integrity and maintenance services. The Company also has the requisite permit from regulatory authorities to conduct its businesses in Nigeria.




Some Major Clients



Affiliations, Memberships and Certifications



Quality Health and Safety Statistics

  	<p>Jimcol Resources Nigeria Limited implements QHSE Policies and Procedures which create a safe working environment for all staffs and delivers world class service delivery to their Clients. Jimcol operates a Quality Management Systems (in compliance with ISO 9001. This is borne by its excellent HSE statistics as shown graphically below.</p>					
	INCIDENT CLASSIFICATION	2019	2020	2021	2022	2023
	Total Man Hours Worked	150,000	96,048	250,020	311,560	339,084
LWD	0	0	0	0	0	
FATALITY	0	0	0	0	0	
LOST TIME INCIDENCE	0	0	0	0	0	
FIRE	0	0	0	0	0	
PROPERTY DAMAGE	0	0	0	0	0	

SHAREHOLDING STRUCTURE OF THE ISSUER AS OF OCTOBER 1, 2024

S/N	Shareholders	No. of Shares
1	Nwagbara Chijioke Ndubuisi	900,000
2	Nwagbara Uche Ugwuezi	800,000
3	Nwagbara Emeka	300,000
	Total	2,000,000

CORPORATE GOVERNANCE AND BOARD OF DIRECTORS OF THE ISSUER AS OF OCTOBER 1, 2024

As of October 1, 2024, Jimcol has 4 Executive Directors, 3 Independent Non-Executive Directors, 1 Non-Executive Director and the Chairman. The Board formulates broad policies and takes decisions for the management and operations of the company to attain the company's objectives. Profiles of the Board Members are shown below:

Profile of the Directors

A. Nwagbara Ugwuezi Ngozi Uche – Chairman

Ugwuezi Nwagbara is a seasoned geologist with over 30 years of experience in the oil and gas industry. He holds a B.Sc. in Geology from the University of Port Harcourt (1989) and an MBA in Oil & Gas from Coventry University, United Kingdom (2016). Nwagbara began his career at Baker Hughes in Port Harcourt, Nigeria, where he served in various roles including Data Engineer, MWD, and Geosteering Engineer (1991-2003). He then moved to Baker Hughes EHO in Dubai, UAE, as an MWD/LWD Engineer (2004-2009). From 2009 to 2023, he held the position of Director of Oil & Gas at the Revenue Mobilization Allocation and Fiscal Commission. Nwagbara has been serving as Chairman since 2005.

B. Nwagbara Chijioke Ndubuisi – Managing Director

Mr. Ndubuisi is the Managing Director / CEO of Jimcol resources Nigeria Limited. He holds a B. Eng in Civil Engineering from the Federal University of Technology Owerri, Nigeria (1992-1997). He furthered his education with an MBA in Oil & Gas Management from Robert Gordon University, Aberdeen, UK (2012-2014). He also holds other professional certifications with over 30 years of industry experience. He started his professional career as a Quality Engineer with Shell Petroleum Development Company where he spent 9 years covering diverse number of Engineering and Construction projects. He also worked as a Consultant Engineer providing Engineering and Quality Testing Services to Mobil Producing Unlimited and other clients.

Mr. Ndubuisi is a seasoned and experienced business entrepreneur with over 27 years working experience in the Oil & Gas industry. In the last 18 years, he has been the Managing Director of Jimcol Resources Nigeria Limited providing strategic direction and leadership and as a transformational leader he has succeeded in establishing Jimcol as an emerging world-class leader in Asset Integrity, Mudlogging and Drilling Support Services.

C. Agwere Josiah Oghenekaro – ED, Operations

Josiah Agwere Oghenekaro is a seasoned engineer with 30 years of experience in the field. He holds a B.Eng. in Mechanical Engineering from the Federal University of Technology, Owerri, Nigeria (1992-1997) and completed an Executive MBA at Lagos Business School (2016-2017). Oghenekaro is also a certified Project Management Professional accredited by the Nigerian Society of Engineers (NSE). He began his career as a Maintenance Engineer at Schlumberger Geco-Prakla (1995-1998) and later served as a Senior Maintenance Engineer at Schlumberger Sedco-Forex (1998-2003). Currently, he holds the position of Executive Director, Operations.

D. Nwagbara Emeka – Non-Executive Director

Dr. Emeka Nwagbara is a highly experienced medical doctor with 35 years of practice. He obtained his MBBS degree from the University of Ibadan. Dr. Nwagbara has extensive expertise in General Medicine, Obstetrics, and Gynecology. He plays a crucial role in reviewing and making decisions related to Health and Safety Policy Instruments within the organization. With a global practice spanning Nigeria, the Caribbean, and Australia, where he currently practices full-time, Dr. Nwagbara brings a wealth of diverse experience to his position as Director since 1990.

E. Queen Enweremchi Kanu - ED, Corporate Services

Queen is a seasoned and highly sought-after HR professional with over 8 years of management experience adding value across the functional areas of her HR profession. She started her career with Jimcol Resources Nigeria Limited in 2014 as the HR Assistant from where she progressed to the role of the HR Manager, and now an Executive Director, Corporate Services.

She holds MSC in Human Resources Management from Robert Gordon University, MBA in Business Administration from University Canada West Vancouver and also a professional certification in Quality Management System Standard requirement as an Internal Lead Auditor.

She works closely and directly with the senior executives to ensure business objectives are met. She is a passionate people-person focused on building strong relationships, development and engagement of those around her to achieve success.

Her contribution to Jimcol Resources HR department, business activities and the organization at large has resulted in several recognitions both locally and internationally, increased revenue generation and reduced staff turnover. Queen's core strengths are "Responsibility, Strategic, Achiever, Focus & Learner".

F. Birigeni Preye - ED, Technical Services

Birigeni Preye is a seasoned engineer with 12 years of experience specializing in technical services. He holds an MSC in Asset Integrity Management from Robert Gordon University, B.Eng in Electrical/Electronic Engineering from Federal University of Technology, Owerri and a postgraduate degree in Drilling & Well Construction Engineering from NExT Schlumberger, European Learning Centre, France. Preye's career journey includes roles at Rockson Engineering Limited, Total Energies, AO Demarg Nigeria Limited, and Entrepouse Drilling, where he gained valuable expertise in electrical, electronic, and instrumentation engineering. His most recent position as a Technical Consultant in Asset Integrity at Deep Blue Energy Services Limited demonstrates his proficiency and dedication in the field.

Over the last five years, working with a team of result driven professionals, Preye has been able to solve a major challenge in knowledge transfer through an aggressive development of local human capacity (Nigerians) to fill up key technical roles in the Asset Integrity sector of the oil and gas industry while delivering professional services according to industry best practices to the company's clients.

G. Eteh Enyinnaya Chinenye – Independent Non-Executive Director

Enyinnaya Chinenye is a seasoned Geoscience Applications Consultant with 30 years of experience in the field. He holds M.Sc in Applied Geophysics from Rivers State University of Science and Technology and a B.Sc in Geology from the University of Port Harcourt. His career includes notable roles at Shell Petroleum and Nigerian Agip Oil Company, where he has served as a Geologist, Senior Exploration Geoscientist, Regional Exploration Planner, Cluster Lead, and Principal Business Advisor. He also has experience as a G & G Consultant at Landmark Graphics.

H. Udeh Alexander Ofonedu - Independent Non-Executive Director

Udeh Alexander is an experienced professional in Engineering & Technology. He holds a B.Eng degree in Mechanical Engineering from the Federal University of Technology, Owerri, and received technical training at Government Technical College. Throughout his career, he has served in roles such as Instructor at Air Liquide, Maintenance Engineer at Michelin Nig Ltd, and Project Supervisor at Vikens Limited and Baywood Continental Limited.

I. Ananaba Azubuike Kemakolam - Independent Non-Executive Director

Azubieke Ananaba is a lawyer with decades of practice experience both in Nigerian Bar in 1992, admitted Bars of British Columbia and Ontario, Canada in 2005. Presently a member in good standing of the Law Society of Ontario Canada.

Profile of the Management Team

Jimcol's Management Team, led by Mr. Nwagbara Chijioke Ndubuisi, comprises of seasoned professionals with corresponding competencies and skills working together to achieve the objectives of the Company. Other members of the management team are:

A. Nwagbara Chijioke Ndubuisi – See profile above

B. Josiah Agwere Oghenekaro – See profile above

C. Queen Enweremchi Kanu – See profile above

D. Birigeni Preye – See profile above

E. Christian Nwadibia – Chief Finance Officer

Christian Nwadibia is a seasoned finance professional with 11 years of experience. He holds a B.Sc in Accountancy from Nnamdi Azikwe University, Awka (2014), and an MSC in Accountancy from the University of Nigeria, Nsukka (2019). He is also an Associate Chartered Accountant certified by the Institute of Chartered Accountants of Nigeria (2018) and has expertise in ISO 9001:2015 Quality Management System Implementation and Auditing (2019). Christian has worked in various roles including Account Manager at Donkenny Energy Services Limited and Sonafem Agencies Limited, Accountant at Regis Gate Hotel, Factory Accountant at Beloxi Industries Limited, and Cost Accountant at JOF Nigeria Limited. He briefly served as an Accountant at Tiger Foods Limited as well.

D. Chibuike Ajuzieogu – Quality & HSE Manager

Chibuike Ajuzieogu is a seasoned Quality & HSE (Health, Safety, and Environment) Manager with 15 years of experience. He holds a B.A in Philosophy from Nnamdi Azikwe University (2002-2006) and pursued further studies in Human Resource Management, Labour, and Industrial Relations at the University of Lagos (2009-2011). Chibuike has a robust background in HSE, having served as an HSE Officer at Jmsylva Nigeria Limited (2011-2012) and McCxen Limited (2012-2019).

E. Pius Okosun - Manager, Procurement & Business Development

Pius Okosun is a seasoned professional with 15 years of experience in Procurement & Business Development. He holds an MBA in Oil and Gas Management from Coventry University London (2015-2016) and a B.Sc. in Industrial Mathematics from Ambrose Alli University (2008-2012). Pius has held various roles including a Supervisory Role at Mangrovetech Construction Company (2013-2014), and internships at Genesis Oil & Gas Consultants, focusing on Market Research & Development (Oct 2015 – Jan 2016). Additionally, he gained experience as a Sales Promoter at Lebara Communication, London, United Kingdom, while pursuing his studies.

F. Imoh Umoren - Manager, Construction & Fabrication Services

Imoh is a highly experienced professional with 15 years of expertise in Construction & Fabrication Services. He earned a B.Eng. in Mechanical Engineering from Ahmadu Bello University, Zaria (1999-2004) and holds certifications as an ASNT Level III in UT & MT, AP1510, 570 & 653, and AWS Welding Inspector. Imoh has held significant roles including Inspector Engineer at Multi-Tech Oilfield Services Ltd (2016-2018), Fixed Equipment Integrity Engineer at Engineering Automobile Tech Ltd (2008-2012), QA/QC Inspector at Petro Pride Subsea Limited (2015), Offshore Construction Supervisor at Petro Pride Subsea Limited (2015-2016), Inspection Engineer at Noswal Limited Mechanical (2012-2017), and Inspection Manager at NDE Advisor (2017-2019).

G. Ikenna Agbanike - Quality Advisor, Inspection & Testing Services

Ikenna is a Quality Advisor specializing in Inspection & Testing Services with 12 years of experience. He holds a B.Sc in Microbiology from the University of Nigeria, Nsukka (2006-2010) and is certified as an ASNT Level III in PT (Penetrant Testing) & UT (Ultrasonic Testing). Ikenna began his career at Jimcol Resources Nigerian Limited, where he likely honed his skills and expertise in quality assurance and testing protocols.

H. Christian Ebinum - Manager, Drilling Support Services

Christian Ebinum is a seasoned professional with diverse experience in drilling support services and project management. With over a decade of experience, he has held various roles including Senior Project Coordinator and Data Engineer. Christian's background includes extensive work in the oil and gas industry, particularly in Nigeria, where he has demonstrated his expertise in field engineering and service coordination. He holds a Master of Engineering in Electrical and Electronics Engineering from the University of Benin and a Bachelor of Engineering in Electrical Engineering from the University of Nigeria Nsukka. Christian is known for his strong engineering background, motivation, and proficiency in electrical and electronic equipment installation, maintenance, and calibration.

I. Blessing Arthueruduvwo - Accounts Assistant

Blessing is a dynamic accountant with a passion for financial analysis and compliance. Experienced in providing strategic financial information and ensuring accuracy in reporting.

A dedicated professional with a distinction in Accounting from Delta State Polytechnic, Oghara and a member of the Institute of Chartered Accountants of Nigeria.

With three years of hands-on experience in financial management and reporting, budgeting, accounts reconciliation, she has a

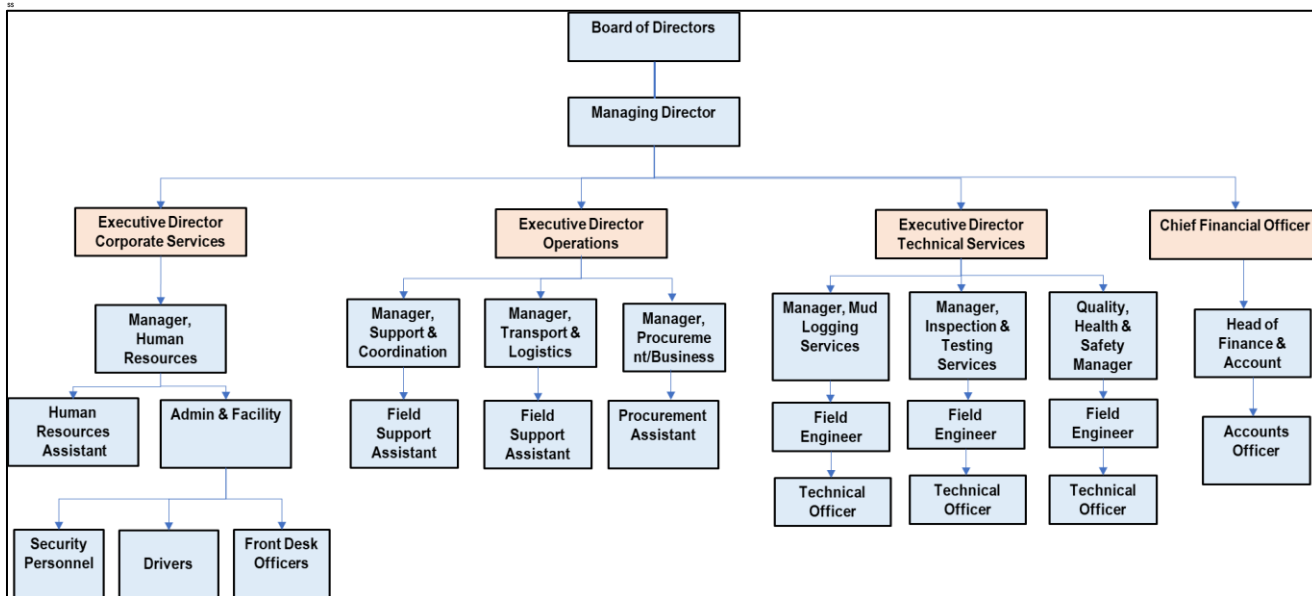
proven track record of delivering results in challenging environments and currently work as an Accountant in Jimcol Resources Nigeria Limited.

Her expertise lies in financial analysis, Accounts Reconciliation, and regulatory compliance amongst others. Extremely proficient in using Microsoft Office and software such as ERP Next and Odoo ERP to streamline processes and improve efficiency.

As a member of the Institute of Chartered Accountants of Nigeria, she upholds high ethical standards and stay updated on accounting regulations and best practices.

ORGANIZATIONAL STRUCTURE

Jimcol’s business operates a hierarchical organizational structure as shown below:



No Material Adverse Change

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

Litigation

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

Use of Proceeds

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

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

Sources of Repayment

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

BACKGROUND

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

REGULATORY FRAMEWORK

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

QUALIFICATION

A CP qualifies as a financing vehicle if:

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

SIZE AND TENOR

CPs shall be issued at the primary market for a minimum value of ₦5,000,000~~0~~ (Five Million Naira) and multiples of ₦1,000 (One Thousand Naira); thereafter.

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

RATING

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

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

INVESTORS IN COMMERCIAL PAPERS

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

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

FORMS OF MAINTAINING CPs

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

ISSUING, COLLECTING AND PAYING AGENT

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

GENERAL REQUIREMENTS

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

MANDATORY REGISTRATION & QUOTATION

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

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

COMPLIANCE WITH THE CBN GUIDELINES AND FMDQ EXCHANGE RULES

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines and FMDQ Exchange Rules. A legal opinion confirming adherence to the CBN Guidelines and FMDQ Exchange Rules is incorporated on page 45 of this Programme Memorandum.

COMPLIANCE WITH SECURITIES REGULATION

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

TERMS AND CONDITIONS OF THE NOTES

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

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

1. Issuance of Notes

The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding the Programme Limit of ₦5,000,000,000.00 (Five Billion Naira). Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from, the Deed of Covenant.

2. Form, Denomination, and Title

2.1 Form and Denomination`

2.1.1 Unless otherwise specified in any Applicable Pricing Supplement, the Notes shall be registered electronically, serially numbered, and denominated in a minimum amount of ₦5,000,000 and integral multiples of ₦1,000 in excess thereof; and will be sold at such discount from their face value amounts as shall be agreed upon by the Issuing and Placing Agent and the Issuer; and shall have a maturity not exceeding 270 (two hundred and seventy) days, including the rollover from the Issue Date.

2.1.2 The Notes issued under this Programme will be denominated in Naira.

2.1.3 The Notes issued will be in the form of short-term Zero-Coupon Notes and will not bear interest, other than in the case of late payment.

2.1.4 The Notes will be delivered to the Issuing and Placing Agent in dematerialized (uncertificated, book-entry) form; shall be registered by the Issuing and Placing Agent with the CSD which shall serve as the custodian and central depository of the Notes; and the Issuing and Placing Agent may deal in the Notes in accordance with the CSD procedures and guidelines.

2.2 Title

2.2.1 Title to the Notes will pass upon credit to the CSD account of the Noteholder.

2.2.2 Transfer of title to the Notes shall take effect in accordance with the rules governing the transfer of title in securities held by the CSD.

2.2.3 The Issuer and the Agent may deem and treat the registered holder of any Note as indicated in the records of the CSD and the IPA as the legal and beneficial owner thereof for all purposes, including but not limited to the payment of outstanding obligations in respect of the Notes, and no liability shall attach to any person for such a determination.

3. Status of the Notes

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

4. Guarantee

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

5. Redemption

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

6. Payments

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

6.1 Method of Payments

- 6.1.1 Payment of the outstanding obligation in respect of the Notes will be made by electronic funds transfer, in Naira, to the account of the Noteholder specified in the Register.
- 6.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Agent. Noteholders shall not be required to present and/or surrender any documents of title to the Agent.
- 6.1.3 In the case of joint Noteholders, payment by electronic transfers or cheque will be made or addressed to, as the case may be, the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes to such joint Noteholders.
- 6.1.4 In the case of Notes held by a nominee, the nominee shall be paid as the registered Noteholder.
- 6.1.5 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 monies have been transferred to the account of the Noteholders
- 6.1.6 If the Issuer or the Agent is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, protest, curfew, lockout, fire explosion, floods, riot, insurrection, war, accident, any act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer or the Agent shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) and the Issuer and the Agent shall not be responsible for any delay arising from making such payment by cheque, as long as such payments are made on the Maturity Date. Such payments by cheque shall be sent by post through a reputable and registered courier operator to the address of the Noteholder as set out in the Register as soon as practicable to ensure payment is received as close to the Maturity Date as possible.
- 6.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the Agent shall be responsible for any loss in transmission and the postal authority shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this condition.

6.2 Payment Day

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

6.3 Closed Periods

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

7. Event of Default

7.1 Event of Default

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

- 7.1.1 Non-Payment: default by the Issuer in the payment of the Redemption Amount to the Noteholders in respect of the Notes on the Maturity Date and the continuance of such default.
- 7.1.2 In line with section 15.2 of the FMDQ Exchange Rules, part payment of the CP value to investors shall also constitute a default
- 7.1.3 Breach of Other Obligations: the Issuer does not perform or comply with any one or more of its other obligations under the Offer Documents which default will affect the capacity of the Issuer to meet its payment obligations and which default has not been remedied for a period of Ten (10) days, after the date on which written notice of such default requiring the Issuer to remedy the same shall have been given to the Issuer by the Issuing, Collection and Paying Agent (except where such default is not capable of being remedied, in which case no such notice as is mentioned above will be required).
- 7.1.4 Seizure/Compulsory Acquisition of Assets: if any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation, or nationalization of all or a material part of the assets of the Issuer.
- 7.1.5 Inability to Pay Debts: the Issuer stops or suspends payment of a substantial part of its debts due to financial difficulties.
- 7.1.6 Enforcement Proceedings: a distress, attachment, execution or other legal process is levied on, or enforced against the whole or a material part of the property, assets or revenues of the Issuer, and such distress, attachment, execution or other legal process is not discharged or stayed within 120 (One Hundred and Five) days of service by the relevant officer of the court of such attachment, execution or other legal process
- 7.1.7 Insolvency: if the If the Issuer initiates bankruptcy or insolvency proceedings or becomes insolvent, or is provisionally or finally sequestrated, or is provisionally or finally wound up, or is unable to pay its debts as they become due, or is placed under provisional or final judicial management, or enters into a scheme of arrangement or compromise with its creditors.
- 7.1.8 Obligations Unenforceable: any of the Notes or the Offer Documents is or becomes wholly or partly void, voidable, or unenforceable.
- 7.1.9 Failure to Notify: In line with section 15.8 of the FMDQ Exchange Rules, in respect of any Tranche or Series, if the Issuer fails to notify FMDQ Exchange (through the IPA) that the Notes have been liquidated and funds have been transferred to all Noteholders by 5:00pm on the Redemption Date
- 7.1.10 If the members of the Issuer pass a resolution for the winding up of the Issuer

7.2 Action upon Event of Default

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

8. Register

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

9. Notices

9.1 Notices to the Noteholders

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

9.2 Notices from the Noteholders

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

10. Modification

- 10.1 The Issuing, Collection, and Paying Agent and the Issuer may agree without the consent of the Noteholders, to any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of any law in Nigeria and which in the opinion of the Issuing and Paying Agent is not prejudicial to the interest of the Noteholders. Notice of such modification shall be published in at least one daily newspaper of general circulation in Nigeria or delivered in accordance with the provisions of Condition 8 (Notices) and shall be deemed to have been given and received on the date of first publication.
- 10.2 Save as provided in Condition 9.1 above, no amendment of the Terms and Conditions may be affected unless:
 - 10.2.1 such amendment is in writing and signed by or on behalf of the Issuer;
 - 10.2.2 the Exchange is notified of such amendments and
 - 10.2.3 such amendment:
 - 10.2.3.1 if it affects the rights, under the Terms and Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% (seventy-five percent) of the outstanding Principal Amount of all the Notes; or
 - 10.2.3.2 if it affects only the rights, under the Terms and Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% (seventy-five percent) of the outstanding Principal Amount of all the Notes held by that group.
- 10.3 Any such modification shall be binding on all the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

11. Meeting of Noteholders

- 11.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 (Five-one) days prior written notice to the Noteholders. The notice required to be given shall be in accordance with clause 8 (Notices). Such Notice shall specify the date, agenda, time of the meeting to be held, and the place for holding the meeting, which places shall be in Nigeria.
- 11.2 Every Director or duly appointed representative of the Issuer may attend and speak at a meeting of the Noteholders but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.
- 11.3 Noteholders holding not less than 10% (ten percent) in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within 10 (ten) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
- 11.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a corporate entity executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporate entity, appoint any person (a "Proxy") to attend and act on his/her or its behalf in connection with any meeting or proposed meeting of the Noteholders.
- 11.5 Any Noteholder which is a corporate entity may by resolution of its directors or other governing body authorize any person to act as its representative (a "Representative") in connection with any meeting or proposed meeting of the Noteholders.
- 11.6 Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the Holder of the Notes to which the appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the Holder.
- 11.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders requisition a meeting, and the Issuer fails to call such a meeting within 10 (ten) Business Days of the requisition, then the chairman of the meeting held at the instance of the Noteholders shall be selected by Noteholders, holding not less than 51% (fifty-one percent) of the outstanding Principal Amount of all the Notes present in person, by representative or by proxy.
- 11.8 At any meeting of Noteholders, two or more Noteholders present in person, by a representative, or by proxy, holding in the aggregate not less than one-third of the Principal Amount of outstanding Notes shall form a quorum.
- 11.9 At any meeting of Noteholders, any resolution put to the vote shall be first decided on a show of hands, unless a poll is

demanded. A poll may be demanded by either the chairman, the Issuer, or one or more Noteholders present in person, by a representative, or by proxy. In the case of equality of votes, the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a holder of a voting certificate or as a proxy or as a representative.

- 11.10 If a poll is demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded. On a poll, each Noteholder present in person or by proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
- 11.11 If 30 (thirty) minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than 14 (fourteen) days nor more than 21 (Five-One) days thereafter and at the same time and place. At such adjourned meeting, 2 (two) or more Noteholders present or represented by proxy holding in aggregate not less than one-third of the Principal Amount of outstanding Notes shall form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum being present.
- 11.12 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical form duly signed by or on behalf of all the Noteholders.

12. Further issues

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

13. Governing Law

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

TAX CONSIDERATION

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

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

RISK FACTORS

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

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

1. RISKS FACTORS RELATING TO THE ISSUER

a) Vessel Wreck/Hijack Risk

This is the risk that the vessel might not be able to come to shore. This can sometimes occur in Nigeria like any other country of the world, this is usually caused by mechanical problems developing in the course of sail. The weather conditions and changes thereafter can also account for the problems. Also, some pirates tend to hijack vessels around the world. They lie in wait for any available ship or vessel.

b) Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncement or specific aviation industry regulations that pertain to the business of the company. The risk types include capital adequacy, licensing, compliance, legal, taxation and financial reporting standards.

c) Compliance Risk

Compliance risk is the risk of legal sanction involving materials losses, financial losses or reputation loss that the company may suffer as a result of its failure to comply with local & international laws, industry-specific regulations, code of conduct and best/good practice.

The Board of Directors are conscious that the energy and maritime industry is highly regulated and that the impact of non-compliance with National & International Laws could lead to heavy penalties and above all, loss of reputation. Therefore, the company's policy is zero-tolerance for default in compliance with regulatory requirements in all its ramifications.

d) Legal Risk

Legal risk is the risk that the company will be exposed to contractual obligation which have not been provided for. The company has a policy of ensuring that all contractual obligation are documented and appropriately evidenced to agreement with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure.

2. RISKS FACTORS RELATING TO THE NOTES

a) Market Price Risk

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

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

b) Interest Rate Risk

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

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

c) Liquidity Risk

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

d) Ranking

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

3. RISKS FACTORS RELATING TO NIGERIA

a) Political Risk

Following the controversial 2023 general elections, the country appears to be settling down for governance. Besides, the diverse political, religious and ethnic landscape in Nigeria that has led to struggles for power between rival groups, continues to hinder the smooth governance of the country. The pastoralist conflict in the North-East and Middle Belt has been escalating and Boko Haram continues to weaken the North-East economy. In the South, Niger Delta pipeline attacks could threaten oil production and the state of the environment.

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

b) Economic Risk

Nigeria has a fast-growing population estimated at over 200 million, making it Africa's most populous country. Feeding this surging population requires a highly productive and efficient food processing industry. Food processing allows for preservation, enhances shelf-life and provides wider access to food. It also creates higher-value products from raw agricultural produce. Despite its importance, Nigeria's food processing sector remains underdeveloped and unable to reach its full potential. The sector suffers from poor infrastructure, lack of financing, inadequate skilled labour, poor electricity supply, and limited technology adoption. Most food processing is done informally by micro-enterprises with low efficiency. Following initial market reforms by the newly inaugurated Tinubu administration, the country has seen the removal of fuel subsidies and the harmonization of the apex bank's foreign exchange market segments. These have led to sustained inflationary pressures and a reduction in the purchasing power of households and businesses alike. The Company's prospects may be impacted by economic headwinds in Nigeria as they could adversely affect the demand for its products.

c) Foreign Exchange Risks

The Nigerian foreign exchange market has witnessed sustained volatility post COVID-19 as the market continued to witness strained foreign exchange supply. This, in addition to the harmonization of the foreign exchange market segments by the Tinubu administration sustained the depreciation of the Naira against the US Dollar. Specifically, Naira shed more than half its value against USD from N307/USD at the beginning of 2020 to N463.38/USD as at June 09, 2023 at the Investors & Exporters Foreign Exchange window. Following the harmonization of the exchange rates, Naira tumbled further to N1,665/USD as at September 16, 2024.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Clearing System

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

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

Authorised Participants

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

For purposes of Notes issued under this Programme, the Authorized Participants are Pathway Advisors Limited and any other bank or any other Issuing House appointed by the Issuer.

Registration

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

Lodgement

- I. The Authorised Participants shall provide the schedule of all the subscribers and their expected holdings to the CSD for distribution. The Authorised Participant will electronically lodge CPs with the CSD and advise the CSD after lodgment to transfer the CPs to the sub-accounts, individual accounts, or custodians accounts of the beneficial owners of the Notes.
- II. The CSD shall process same within 24 hours of receipt.

Redemption

- I. No transactions or trades may be effected for any CPs two (2) working days prior to its maturity date as the Register closes two (2) working days before the Maturity Date.

- II. The Authorized Participants will submit a letter to the CSD confirming the intention of the Issuer to repay the Noteholders on the Maturity Date by noon on the date which is two (2) working days before the Maturity Date.
- III. The Issuer shall ensure that there are sufficient funds in its funding account with the CPA to pay all investors (i.e., including investors that have indicated interest to participate in another CP/NICP issuance within the Programme/ Discrete Issue) by 12:00 noon on the maturity date of the CP, failing which the Issuer shall be in violation of FMDQ Exchange Rules. The CPA shall ensure that funds have been transferred to all CP holders (i.e., excluding investors that have indicated interest in participating in another CP/NICP issuance within the Programme/ Discrete Issue) by 3:00 PM on the maturity date of the CP
- IV. The CSD shall expunge (knock-off) matured CPs on the Maturity Date or Redemption Date of the CP.
- V. The Maturity Date shall be on a Business Day, however, if the relevant Business Day falls on a public holiday, the following Business Day shall be the Maturity Date of the CP.

Roll-Over

- I. All CPs, including rollovers, shall not exceed 270 days (tenor) from the date of issue.
- II. Every rollover of a CP shall be treated or classified as a fresh/separate CP.
- III. Where the issuer is desirous to rollover, the IPA shall be informed no later than three business days before the maturity date of the CP and shall furnish the IPA with the relevant updated document for the re-evaluation of the CP
- IV. Upon receipt of the Issuer/Promoter's intention to Rollover, the IPA shall be required to notify FMDQ Exchange that all investors have been duly informed no later than 3:00 PM, one (1) Business Day prior to the maturity date of the CP
- V. Upon granting approval for rollover, FMDQ Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the new CP unique identifier, subject to receipt of CP rollover fees from the Authorised Participant.
- VI. The CSD shall expunge the existing CP unique identifier from the system and replace them with new codes.

Default

The Exchange shall be notified immediately it is identified that a default is imminent or there is a strong possibility of default. The IPA shall provide reasons for the default or imminent default (e.g., insufficient funds in the funding account to meet payment obligations on the maturity date or inability of CPA to effect payment to investors due to technical issues such as a market disruption or as the case may be)

- I. The Exchange shall make public the default status to the market latest by the date which is one (1) Business Day before the Maturity Date.
- II. The CPA shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all CP holders by 5:00 PM on the Maturity Date, failing which the Issuer shall be deemed to be in default
- III. In the case of (i) above, the CP holdings must remain with the CSD until the CPA pays off the Noteholders and notifies the CSD and the FMDQ Exchange with evidence.
- IV. Thereafter, the CSD will notify the public and expunge the CP from the CSD depository accordingly. CPA pays off the Noteholders and notifies the CSD of the evidence

Secondary Market Trading (OTC) Guidelines

- I. Standard settlement cycle is T+2.
- II. FMDQ Exchange shall submit the confirmed CP trade details on trade day in the specified format via the CSD authorised

platform based on the following settlement timelines:

- a. Same Day Settlement: 12.30 p.m.
 - b. T+1 or T+2 Settlements: 3.00 p.m.
- III. The CSD shall deliver securities and send confirmation of transfers via the CSD's authorised platform by 2.00 p.m. on the settlement date to FMDQ Exchange and the Nigeria Inter-Bank Settlement System ("NIBSS") simultaneously. The Authorised Participant shall state the particular account number where the CP(s) will be settled.
 - IV. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the CSD and the Authorised Participant simultaneously.
 - V. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before the close of business on the date which is five (5) BusinessDays before the Maturity Date.

Reporting

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

Transfer of Notes

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

Cash Settlement

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



JIMCOL RESOURCES NIGERIA LIMITED RC: 159411

Issue of Up to ₦ [●] Series 1 Under its ₦5,000,000,000 Commercial Paper Issuance Programme

This Pricing Supplement must be read in conjunction with the Programme Memorandum dated 5th December 2024 prepared by Pathway Advisors Limited on behalf of Jimcol Resources Nigeria Limited in connection with its ₦5,000,000,000 Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the “Programme Memorandum”).

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

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

This document has been prepared in accordance with the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Paper, issued on 18 November 2009, and the CBN circular to all deposit money banks and discount houses dated 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together with the “CBN Guidelines”) and the FMDQ Exchange Commercial Paper Registration and Quotation Rules (the “Rules”) in force from time to time. The document is not required to be registered with the Nigerian Exchange Limited (“NGX”) or the Securities and Exchange Commission (“SEC”). This document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his/her Banker, Stockbroker, Accountant, Solicitor, or any other professional adviser for guidance immediately.

LEAD ARRANGER / ISSUING AND PLACING AGENT



COLLECTING AND PAYING AGENT



THIS PRICING SUPPLEMENT IS DATED [●] 2024.

PARTIES	
Issuer	Jimcol Resources Nigeria Limited
Collecting and Paying Agent	Wema Bank Plc
Arranger, Issuing & Placing Agent and Financial Adviser	Pathway Advisors Limited
Sponsor to the Quotation on FMDQ Exchange	Pathway Advisors Limited
Auditor	E.D. Uwojeya & Co.
Solicitor	Stren & Blan Partners
Central Securities Depository	FMDQ Depository Limited
PROVISIONS RELATING TO THE NOTE	
Series Number	1
Programme Size	₦5,000,000,000.00
Issued and Outstanding at the date of this Pricing Supplement	NIL
Face Value	[]
Discounted Value	[]
Nominal Amount Per Note	₦1000
Tenor	[]
Issue Date	[]
Maturity Date	[]
Final Redemption Amount	[]
Minimum Subscription	Minimum of ₦5,000,000.00 and multiples of ₦1,000.00 thereafter
Specified Currency	Nigeria Naira (₦)
Status of Notes	Each Note constitutes a direct, unconditional, unsubordinated and secured obligation of the Issuer and the Notes rank <i>pari passu</i> among themselves and, save for certain debts preferred by law, <i>pari passu</i> with all other present and future secured and unsubordinated obligations of the Issuer outstanding from time to time
Sale Restriction	The issuance, sale and transfer of CPs issued under the Programme is restricted to Qualified Institutional Investors as defined in the FMDQ Exchange Commercial Paper Registration and Quotation Rules.
Form of Notes	Uncertificated
Quotation	FMDQ Securities Exchange Limited
Taxation	Please refer to the 'Tax Consideration' section in the Programme Memorandum
Method of Offer	Fixed Price Offer
Use of Proceeds	Working Capital
Source of Repayment	Operating cashflow of the company
Book Closed Period	[]
ZERO COUPON NOTE	
Discount Rate	[]
Implied Yield	[]
Any Other Formula or Basis for Determining Amount(S) Payable	$PV = FV * (1 - (DR * t / \text{actual number of days in a year}))$
Day Count Fraction	Actual/ Actual (actual number of days in a month and actual number of days in a year)
Business Day Convention	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria
PROVISION REGARDING REDEMPTION	
Redemption/Payment Basis	Redemption at par
Issuer's Early Redemption	Not Applicable
Issuer's Optional Redemption	Not Applicable

Other Terms Applicable on Redemption	Not Applicable	
Offer Opens	[]	
Offer Closes	[]	
Allotment Date	[]	
Notification of Allotment	[]	
Settlement Date	[]	
Details of Bank Account to Which Payments Are to be Made in Respect of the Notes	Bank: Account Name: Account Number:	
Settlement Procedure and Settlement Instruction	Purchases will be settled via direct debit, electronic funds transfer (NIBBS, NEFT, RTGS, etc.)	
Issuer Rating	Short Term Rating “A2”, Long term Rating “A-” by DataPro Limited “BBB+” Rating by Agosto & Co Limited	

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no Material Adverse Change in the financial position or prospects of the Issuer since the December 31, 2023 audited accounts.

RESPONSIBILITY

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

Signed at _____ on this _____ day of _____ 2024

For and on behalf of Jimcol Resources Nigeria Limited.

Name: **Ndubuisi Nwagbara**
Capacity: Managing Director
Who warrants his/her authority hereto

Name: **Josiah Agwere**
Capacity: Director
Who warrants his/her authority here



E. D. UWỌJEYA & CO.
(Chartered Accountants)

6, IMB Estate
Off Kala street
Rumukwuta
P.O.B 4222
Portharcourt, Rivers State.
Tel: 08033124590

12 July 2024

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

Dear Sir,

JIMCOL RESOURCES NIGERIA LIMITED ₦5 BILLION COMMERCIAL PAPER ISSUANCE PROGRAMME: REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS OF THE BOARD OF DIRECTORS OF JIMCOL RESOURCES NIGERIA LIMITED

Opinion

The accompanying summary of financial information which comprise the summary statements of financial position as at **31ST December 2020, 2021, 2022, and 2023** the summary of profit or loss and other comprehensive income for the years **2020, 2021, 2022, and 2023** and the summary of cash flows for the years ended, are derived from the audited financial statements of Jimcol Resources Nigeria Limited for the year ended **31ST December 2020, 2021, 2022, and 2023** respectively.

In our opinion, the summary financial information derived from financial statements of Jimcol Resources Nigeria Limited (the "Company") for the years ended **31ST December 2020, 2021, 2022, and 2023** are consistent in all material respect with the financial statements in accordance with the international Financial Reporting Standards, the Companies and Allied Matters Act CAP C20, LFN 2004, the Financial Reporting Council of Nigeria Act 2011.

Summary Financial Statements

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

The Audited Financial Statements and Our Report Thereon

In our opinion the summary of financial information derived from the audited financial statements of Jimcol Resources Nigeria Limited for years ended **31ST December 2020, 2021, 2022, and 2023** are consistent, in all material respects, with those financial statements in accordance with the Companies and Allied Matters Act, CAP C20, LFN 2004.

Director's Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary audited financial information for years ended **31ST December 2020, 2021, 2022, and 2023** in accordance with the Companies and Allied Matters Act, CAP C20, LFN 2004, the Financial Reporting Council of Nigeria Act, 2011 and International Financial Reporting Standards.

Auditors' Responsibility

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

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

Yours faithfully,



DANIEL UWOJEYA (FCA)
[Managing Partner]

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ICAN/000000011742

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HISTORICAL FINANCIAL INFORMATION OF JIMCOL RESOURCES NIGERIA LIMITED

Statement of Financial Position as at December 31, 2023

Statement of Financial Position	2019	2020	2021	2022	2023
	₦'000	₦'000	₦'000	₦'000	₦'000
Non- Current Assets					
Property and equipment	1,120,042	1,233,251	1,153,487	1,875,710	4,332,812
	1,120,042	1,233,251	1,153,487	1,875,710	4,332,812
Current Assets					
Inventories	2,533	2,057	6,516	8,281	6,825
Trade and other receivables	664,031	484,031	771,407	1,045,124	823,647
Prepayments	23,233	2,382	-	-	-
Cash and cash equivalents	61,802	(58,381)	35,271	92,341	540,872
	751,599	430,089	813,194	1,145,746	1,371,344
Total Assets	1,871,641	1,663,340	1,966,681	3,021,456	5,704,156
Equity and Liabilities					
Equity					
Issued share capital	2,000	2,000	2,000	2,000	2,000
Revaluation reserve	242,977	242,977	242,977	242,977	1,952,028
Retained earnings	884,774	810,721	722,243	1,058,533	2,248,100
Total Equity	1,129,751	1,055,698	967,220	1,303,510	4,202,128
Non-current liabilities					
Borrowings	180,960	238,033	151,089	616,436	242,764
Deferred tax liability	-	-	-	-	189,895
Total Non-current liabilities	180,960	238,033	151,089	616,436	432,659
Current Liabilities					
Trade and other payables	411,342	176,256	539,190	790,477	463,529
Borrowings	45,240	102,014	226,633	219,564	308,218
Current income tax payable	104,348	91,339	82,549	91,469	297,622
Total Current Liabilities	560,930	369,609	848,372	1,101,510	1,069,369
Total equity and liabilities	1,871,641	1,663,340	1,966,681	3,021,456	5,704,156

Statement Of Profit or Loss and other Comprehensive Income for the year ended 31 December 2023

Income Statement	2019	2020	2021	2022	2023
	₦'000	₦'000	₦'000	₦'000	₦'000
Revenue	2,217,253	468,663	1,375,769	2,030,398	3,711,913
Operating Cost	(1,195,198)	(331,695)	(523,389)	(844,687)	(1,232,720)
Gross Profit	1,022,055	136,968	852,380	1,185,711	2,479,193
Other operating income	183,395	37,068	106,735	102,018	969,147
Administrative expenses	(429,044)	(278,194)	(287,845)	(571,113)	(1,031,420)
EBIT	776,406	(104,158)	671,270	716,616	2,416,920
Finance Cost	(68,827)	(101,137)	(121,509)	(124,982)	(293,503)
Profit before tax	707,579	(205,295)	549,761	591,634	2,123,417
Tax expense	(104,348)	(2,343)	(82,549)	(91,470)	(297,622)
Profit / (loss) After Tax for the Year	603,231	(207,638)	467,212	500,164	1,825,795

Statement Of Cash Flow for the year Ended 31 December 2023

Statement of Cash Flow	2019	2020	2021	2022	2023
	₦'000	₦'000	₦'000	₦'000	₦'000
CASH FLOW FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax	707,579	(205,295)	549,671	591,634	2,123,417
Prior year adjustment	87,154	133,585	(407,775)	(32,252)	(636,228)
Depreciation charge	60,043	177,084	113,798	113,798	187,218
Loss on Disposal of Fixed Asset	-	-	35,700	-	-
	854,776	105,374	291,394	673,180	1,674,407
WORKING CAPITAL ADJUSTMENTS					
(Decrease)/Increase in Inventories	118	476	(4,459)	(1,765)	1,456
(Increase) in trade and other receivables	144,604	180,000	(287,376)	(273,717)	221,477
Decrease/(Increase) in Current Prepayment	121,792	20,851	2,382	-	-
Increase/(Decrease) in trade and other payables	(171,432)	(235,086)	362,934	251,287	(326,948)
	949,858	71,615	364,875	648,985	1,570,392
Income tax paid	-	-	(91,339)	(82,549)	(91,469)
Net Cash flow from operating activities	949,858	71,615	273,536	566,436	1,478,923
INVESTING ACTIVITIES					
Proceeds from sales of marine equipment	-	-	-	-	27,413
Purchase of properties, plant and equipment	(789,826)	(290,294)	(69,734)	(836,021)	(772,785)
Net Cash flow from investing activities	(789,826)	(290,294)	(69,734)	(836,021)	(745,372)
FINANCING ACTIVITIES					
Borrowings	218,791	347,427	150,700	836,000	-
Repayment	(117,154)	(233,580)	(113,025)	(377,722)	(285,018)
Dividends Paid	(167,289)	-	(147,825)	(131,622)	-
	(65,652)	113,847	(110,150)	326,656	(285,018)
Net increase in cash and cash equivalent	59,484	(120,184)	93,652	57,071	448,531
Cash and cash equivalent at 1 January	2,318	61,803	(58,381)	35,270	92,341
Cash and cash equivalent at 31 December	61,802	(58,381)	35,271	92,341	540,872

JIMCOL RESOURCES NIGERIA 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: 1 July 2024

Expiry Date: 30 June 2025

Previous Rating: N/A

Industry: Oil and Gas Servicing

Outline	Page
Rationale	1
Industry Overview	4
Company Profile	5
Ownership, Mgt & Staff	6
Financial Condition Review	8
Outlook	13
Financial Summary	14
Rating Definition	16

Analysts:

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Agusto & Co. Limited

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Lagos

Nigeria

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RATING RATIONALE

Agusto & Co. hereby assigns a “Bbb+” rating to Jimcol Resources Nigeria Limited (“Jimcol” or “the Company”). The assigned rating reflects the Company’s adequate capacity to meet its maturing obligations, supported by its ability to attract patronage in an industry facing declining investments. The rating also considers Jimcol’s dollar-denominated earnings, its ability to protect its margins via effective cost optimization strategies, and the critical nature of its core service offerings to the oil and gas upstream operators. The rating is however constrained by concentration risk given that Jimcol earns the bulk of its revenue from two clients, significant security risks due to the volatile nature of the oil production hubs where the Company operates, and Jimcol’s concentrated ownership structure.

Jimcol Resource Nigeria Limited offers asset integrity and maintenance services, drilling support services, and training and consultancy services to the Nigerian oil and gas market. Since its inception in 1990, the Company has completed over 25 major contracts for leading international oil companies including ExxonMobil, Chevron and Shell Petroleum Development Company. Jimcol operates in the oil-rich Niger Delta region, known for its volatile security situation. Consequently, the company faces significant security risks, including potential threats to life and property and the possibility of failing to meet contract obligations. The Company mitigates these risks via corporate social responsibility (CSR) activities and targeted recruitment exercises to onboard host community members as staff.

In the financial year ended 31 December 2023 (FYE 2023), Jimcol grew revenue by 83% to ₦3.7 billion. This was attributable to the acquisition of new contracts resulting from increased business development efforts and a competitive bidding strategy. During the same year, Jimcol’s cost-of-sales-to-revenue ratio declined to 33.2% (2022: 41.6%) due to the Company’s ability to optimize its most significant direct cost item – personnel cost. The replacement of expatriates with in-house staff for most of its contracts, and increased productivity per staff led to significant cost-savings. Also, despite inflationary pressures causing a surge in operating costs, the Company’s operating cost-to-sales ratio remained relatively flat at 27.8% (2022: 28.1%), due to revenue growth. Jimcol reported a profit before tax of ₦2.1 billion in 2023 (2022: ₦592 million), with foreign exchange gains contributing 46% of this figure. Consequently, the Company’s pre-tax, pre-interest return on asset (ROA) increased to 42% (2022: 24%) and pre-tax return on equity grew to 94% (2022: 55.8%). Discounting exchange gains, the Company’s ROE and ROA in 2023 remained good at 51% and 20% respectively. In the three years between 2021 and 2023, Jimcol has recorded a

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weighted average return on assets (ROA) of 47% and return on equity (ROE) of 78%, underscoring its good earning capacity.

In the year ended 31 December 2023, Jimcol's operating cash flow (OCF) increased by 156% to ₦1.7 billion, primarily driven by higher post-tax profits. The Company's OCF was sufficient to cover returns to providers of finance 6 times, which we consider adequate. Also, Jimcol's OCF to sales ratio was 48% (2022: 34%), surpassing our benchmark. In the first quarter of 2024 (Q1 2024), the Company's OCF increased to ₦490 million (Q1 2023: 77.5 million) despite a spike in trade receivables attributable to typical first quarter payment delays by clients as they finalize their budgets and accounts. The Company's OCF was sufficient to cover returns to providers of finance 3x. In the near term, we expect Jimcol to continue to generate positive OCF, supported by good earnings and moderate levels of receivables.

As at FYE 2023, Jimcol's spontaneous financing outstripped its trading assets resulting in a financing surplus of ₦121 million, driven majorly by high levels of taxation and other payables. Similarly, the Company recorded working capital available of ₦112 million, leading to an overall working capital surplus of ₦233 million. In the near term, we expect Jimcol's working capital to remain adequate supported by moderate receivables, and significant levels of long-term funds.

In November 2022, Jimcol obtained a term loan of ₦836 million for the purchase of specialized equipment and logistics assets. As a result, Jimcol's finance cost to sales ratio increased to 8% in 2023 (2022: 6%), exceeding our threshold. However, the Company's interest-bearing debt to equity ratio was only 0.4%, and interest cover was 6x, indicating good capacity to meet its maturing obligations. Given Jimcol's plan to raise ₦3 billion in debt capital in the near term to fund the acquisition of a Diving Support Vessel, we expect significant increase in the Company's leverage position.

Jimcol Resources Nigeria Limited plans to deepen its penetration in the subsea segment of the asset integrity and maintenance business. This is expected to increase the Company's earnings especially with the prospect for enhanced scale from the purchase of a Diving Support Vessel. However, the issuance of a ₦3 billion bond to fund the purchase of this vessel will increase the Company's finance cost significantly, thus exerting pressures on its margins. Notwithstanding, we do not anticipate any impairments in the Company's abilities to meet its maturing obligations owing to the weight of its subsisting contracts and the quality of its client base. Also, considering ongoing reforms in the Nigerian oil and gas industry, we expect increased activities by upstream oil and gas companies. This should translate to more opportunities for oil servicing companies. Jimcol, with its track record of executing contracts for key industry players and improved capacity from its expanded equipment and skilled workforce, is positioned to take advantage of these emerging opportunities.

Based on the above, we attach a **stable** outlook to Jimcol Resources Nigeria Limited.



JIMCOL RESOURCES NIGERIA LIMITED

Long-Term Rating:

A⁻

Short Term Rating: A2

Rating Outlook: Stable

Trend: UP

Currency: Naira

Date Issued: 4 June, 2024

Valid Till: 3 June, 2025

Reference:

Abiodun Adeseyoju, FCA.

Abimbola Adeseyoju

Oladele Adeoye

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

EXECUTIVE SUMMARY

	2023 N'000	2022 N'000	2021 N'000	2020 N'000	2019 N'000
Gross Earning	3,711,913	2,030,398	1,375,769	468,663	2,217,253
Profit before Tax	2,123,417	591,634	549,671	(205,295)	707,579
Total Asset	5,704,156	3,021,456	1,966,681	1,663,340	1,871,641
Equity	4,202,128	1,303,510	967,220	1,055,698	1,129,751
Total Liabilities	1,502,028	1,717,947	999,461	607,642	741,890
Fixed Asset	4,332,812	1,875,710	1,153,487	1,233,251	1,120,042

Rating Explanation

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

The Long-Term Rating of 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 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 Revenue Profile
- Very Good Profitability

Negative Rating Factor:

- Clients Concentration Risk

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.

BACKGROUND

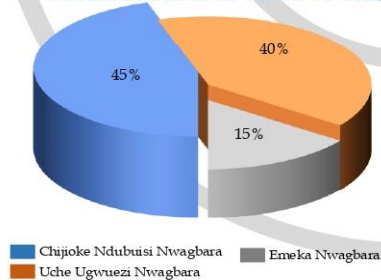
Jimcol Resources Nigeria Limited ("The Company") was incorporated in Nigeria on 5th December, 1990 and commenced business on the same day.

The Company is a diversified Oil & Gas Service provider in Nigeria. It provides support services to Oil exploration companies in Nigeria. Its clients include: *Mobil Producing Unlimited, Shell Petroleum Development Company* and *Chevron Nigeria Ltd.* The Company recently added *First Exploration & Petroleum Development Company, Heritage Oil Limited* and *Nigeria Liquidified Natural Gas (NLNG)*. The operations of the Company is regulated by *Nigeria Upstream Petroleum Regulatory Commission (NUPRC)*.

Specifically, it renders services such as: Asset Integrity Management which covers both topside and subsea, Drilling Support, Training and Consultancy Services.

It is focused on developing Capacity to provide Subsea Services to the Oil & Gas industry by partnering with training organizations across the world including Europe, Asia and the USA. The target of the Company is to domesticate international certification training in Nigeria by partnering with Global bodies that are responsible for certifying Oil & Gas workers. These partners include: *Association of Non-Destructive Testing Practitioners (ANTEP), American Society of Non-Destructive Testing (ASNT), British Institute for Non-Destructive Testing (BINDT) and Oil & Gas Trainer Association of Nigeria (OGTAN)*.

SHAREHOLDING STRUCTURE



Source: *Jimcol Resources Nigeria Limited*

The Company currently controls 3% of the market share in its Underwater Subsea Services. However, its market share in the provision of topside services is presently at 11%.

The registered office of the Company is in Port Harcourt, Nigeria with an average number of 145 employees in the year 2023.

The ownership of its shares is distributed between *Nduubisi Chimaroke Nwagbara, Emeka Nwagbara and Uche Ugwuezi Nwagbara*.



December 06, 2024

Adekunle Alade

The Managing Director

Pathway Advisors Limited
13B Anthony Etukudo Street
Lekki Phase 1
Lagos

Dear Sir,

**LEGAL OPINION IN RESPECT OF THE COMMERCIAL PAPER PROGRAMME OF UP TO
N5,000,000,000.00 (FIVE BILLION NAIRA) BY JIMCOL RESOURCES NIGERIA LIMITED**

1. INTRODUCTION

We are Solicitors to Jimcol Resources Nigeria Limited (“the Issuer”) in respect of the proposed Commercial Paper Issuance Programme of up to N5,000,000,000.00 (Five Billion Naira) (hereinafter referred to as “**the Transaction**”). We have provided our legal opinion on the Transaction below for your perusal

2. TRANSACTION DOCUMENTS

2.1. This legal opinion (“Opinion”) is based on our review of the Memorandum and Articles of Association, and other statutory documents of the Issuer as well as the following documents:

- a) Programme Memorandum;
- b) Pricing Supplement;
- c) Deed of Covenant;
- d) Issuing and Placing Agency Agreement; and
- e) Collecting and Paying Agency Agreement.

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House 22, 21 Road Kado Estate Phase 1, Abuja, Nigeria.

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Web: www.strenandblan.com





The above documents are referred to as “**Transaction Documents**” in this Opinion.

3. **CONFIDENTIALITY**

3.1 The contents of this Opinion are confidential and subject to legal professional privilege. Therefore, neither this Opinion nor any of its contents may be disclosed, copied, referred to or quoted (in whole or in part) without the prior written consent of Stren & Blan Partners, which consent shall only be granted on the express understanding that Stren & Blan Partners shall in no event be liable to any such entity to which it is disclosed.

3.2 Accordingly, this Opinion may only be relied on for the purpose stated above and may not be relied on by any other party other than the Issuer or its designated representatives and advisers.

4. **ASSUMPTIONS ON SOURCES**

4.1. This opinion has been prepared based on the information obtained from documents disclosed or made available by the Issuer.

4.2. We have not sought to establish the accuracy of the information contained in the Transaction Documents or the reliability of the same by reference to independent evidence. However, we are not aware of any of these assumptions being incorrect or misleading.

4.3. Except where apparent from the documents provided, or where otherwise stated in this Opinion, we have assumed the accuracy and completeness of the documents and information reviewed and that no other relevant document or information has been withheld.

4.4. Except where apparent from the documents provided or where otherwise stated, we have also assumed that:

4.4.1 Each party to the Transaction Documents has the right, power and authority and has taken all actions necessary to validly execute and deliver, and to exercise its rights

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and perform its obligations under the relevant document, agreement or arrangement;

- 4.4.2 All signatures and company seals on all documents we have examined or on the relevant originals where we have examined copies are genuine; and
- 4.4.3 that the documents are not subject to any further conditions and are not in any way affected by any event or circumstance not explicitly disclosed.

5. **OPINION**

Based on the above and subject to the qualifications below, we are of the opinion that should the Transaction proceed on the terms as presently contained in the Transaction Documents:

5.1. **LEGAL STATUS OF THE ISSUER**

The Issuer is duly incorporated and validly subsisting under the relevant laws of the Federal Republic of Nigeria.

5.2. **VALIDITY OF TRANSACTION DOCUMENTS**

All Transaction Documents, as presently prepared, shall be valid, binding, and enforceable in line with their terms.

5.3. **CAPACITY OF THE PARTIES**

Each party to the Transaction Documents has, by virtue of its constitutional documents, the capacity and power to enter and perform its obligations under the relevant Transaction Document(s).

5.4. **CONSENT/AUTHORISATIONS**

All parties to the Transaction Documents have obtained the essential consents, authorisations and licences empowering them to execute the respective Transaction Documents.



5.5. REGULATORY COMPLIANCE

To the best of our knowledge from the documents provided to us, the Issuer is not in breach of any legal and regulatory requirements, as of the time of embarking on the Transaction

5.6. LEGAL AND ENFORCEABLE OBLIGATIONS

The Commercial Paper Notes ("CP Notes") constitute legal, valid and binding obligations of the respective parties enforceable against the Issuer in accordance with their terms of issue.

5.7. VALIDITY OF THE DEED OF COVENANT

The Deed of Covenant embodies the Issuer's undertaking to the Noteholders to duly perform and fulfill its obligations in respect of each CP Note. By virtue of Clause 3.3 of the Deed of Covenant, the Issuer shall be liable to the Noteholders for obligations under the CP Notes. The obligations of the Issuer are valid, legal and binding obligations enforceable against the Issuer in accordance with the Deed of Covenant.

5.8. VALIDITY OF THE COLLECTING AND PAYING AGENCY AGREEMENT

The Collecting and Paying Agency Agreement ("CPA Agreement") sets out the rights and duties of the Collecting and Paying Agent ("CPA") in respect of the issuance of the CP Notes. By virtue of Clause 7.1 of the CPA Agreement, the Issuer must ensure there are sufficient funds in the account designated by the CPA to repay any matured CP Notes.

5.9. EFFECT OF ISSUER'S DEFAULT

In the event of the failure of the Issuer to perform its obligations in respect of the CP Notes, the Deed of Covenant makes the Issuer liable to the Noteholders for the Issuer's obligations with respect to the CP Notes.



5.10. **MATERIAL CONTRACTS**

We were not provided with any material contracts by the Issuer, and are thus, of the view that where there are indeed no material contracts, then there are no existing obligations of the Issuer which may impair or negatively impact its capacity to deliver on the Transaction.

6. **QUALIFICATION**

- 6.1. The validity and enforceability of rights and remedies under the Transaction Documents may be subject to limitations imposed by applicable Nigerian bankruptcy, insolvency, reorganisation, administration, moratorium, limitation, prescription and time-bar or other laws affecting the rights of creditors in general and to any provision generally applicable under Nigerian law regarding the invalidation or revision of unfair contract terms.
- 6.2. For the purposes of this Opinion, we have limited our review to matters of Nigerian law. The laws of Nigeria shall also govern any obligations in connection with this Opinion.
- 6.3. This Opinion is expressly limited to the matters stated herein and we render no opinion whether by implication or otherwise as to any other matters.
- 6.4. We have issued this Opinion on the basis that the unsigned Transaction Documents will not deviate materially from the versions we have prepared/reviewed, and we assume no obligation to update or supplement our opinion contained in this document to reflect any facts or circumstances that may come to our attention or any changes in the law that may occur or become effective after the date of this Opinion.

7. **LIABILITY**

- 7.1. This Opinion is addressed exclusively to Pathway Advisors Limited “the Addressee” on the understanding that no other person may use or rely on its contents, or any views expressed in it without our prior written consent. Accordingly, we do not accept any responsibility or bear any duty of care or other liability to any person other than the Addressee in respect of this Opinion.
- 7.2. The Opinion may be included in the Programme Memorandum and may be disclosed in connection with any actual or potential dispute or claim to which the Addressee is a party





in relation to the Transaction on the understanding that any disclosure is made solely for information purposes and not for the purposes of reliance. Accordingly, we do not accept any responsibility or bear any duty of care or other liability in that regard.

8. **CONCLUSION**

We trust that you will find guidance in the foregoing. However, do not hesitate to contact us should you require further clarification.

Thank you.

Yours faithfully,

For: **STREN & BLAN PARTNERS**

A handwritten signature in black ink, appearing to read 'Noble Obasi', is enclosed in a thin black rectangular box.

NOBLE OBASI

Nobleobasi@strenandblan.com

TEAM LEAD

Private Equity, Capital Markets and Mergers & Acquisitions

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STATUTORY AND GENERAL INFORMATION

Authorization

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors Jimcol Resources Nigeria Limited dated 30th May, 2024.

Auditors

E.D. Uwojeya & Co. (Chartered Accountants) acted as auditors of the annual financial statements of the Issuer for the financial years ended December 31, 2020, December 31, 2021, December 31, 2022 and December 31, 2023 and issued qualified reports.

Commercial Paper Outstanding

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

Going Concern

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

Material Contracts

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

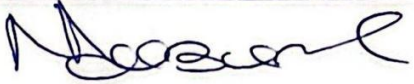




- I. the Deed of Covenant executed by the Issuer as a deed poll in favour of the Noteholders;
- II. the Issuing and Placing Agency Agreement executed by the Issuer and Issuing and Placing Agent;
- III. Collecting and Paying Agency Agreement executed by the Issuer and the Collecting and Paying Agent;

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

Ultimate Borrower

The Issuer is the borrower in respect of the Notes.

PARTIES TO THE PROGRAMME

<p>Issuer</p>	<p>Jimcol Resources Nigeria Limited Km 7 PH Airport-EW Road Link Road, Aluu, Rivers State.</p>  Ndubuisi Nwagbara Managing Director
<p>Arranger, Issuing & Placing Agent and Financial Adviser</p>	<p>Pathway Advisors Limited 13B, Anthony Etukudo Street, Lekki Phase 1, Lagos State.</p>  Adekunle Alake MD/CEO
<p>Collecting & Paying Agent</p>	<p>Wema Bank Plc No. 54 Marina, Lagos Island Lagos State.</p>  OLUWOLE AJIMISINMI DEPUTY MANAGING DIRECTOR
<p>Auditor to the Issuer</p>	<p>E.D. Uwojeya & Co. 6, IMB Estate, Off Kala Street, Rumukwuta, Port Harcourt, Rivers State.</p>  Daniel Uwojeya Managing Partner
<p>Solicitor</p>	<p>Stren & Blan Partners 3 Theophilus Orji Street, Lekki Phase 1, Lagos State.</p>  Noble Obasi Team lead



Jimcol 

