

This Programme Memorandum has been prepared in accordance with the Commercial Paper Registration and Quotation Rules (the "Rules") of FMDQ Securities Exchange Limited in force as at the date thereof. The document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should please consult his/her banker, stockbroker, accountant, solicitor, or any other professional adviser for guidance immediately.



PAYAZA AFRICA LIMITED

RC 1909200

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

₦50,000,000,000 COMMERCIAL PAPER ISSUANCE PROGRAMME

Payaza Africa Limited ("**Payaza**", the "**Issuer**" or the "**Company**"), a private limited liability company incorporated in Nigeria, has established a ₦50,000,000,000 (Fifty Billion Naira) Commercial Paper Issuance Programme ("the CP Programme") on November 14, 2024 under which Payaza may from time to time issue Commercial Paper notes ("**CP**" or "**Notes**"), denominated in Nigerian Naira, in separate series or tranches subject to the terms and conditions ("Terms and Conditions") contained in this Programme Memorandum.

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement applicable to such Series or Tranche (the "Applicable Pricing Supplement"). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦50,000,000,000.00 over a 3-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

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

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

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

ARRANGER/DEALER



RC: 1167339

ISSUING AND PLACING AGENTS



RC: 1167339



RC: 1891922

COLLECTING AND PAYING AGENT



PROVIDUSBANK

RC: 198892

This Programme Memorandum is dated December 12, 2024

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GLOSSARY OF DEFINED TERMS

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

Terms/Abbreviations	Description
“Agency Agreements”	The Collecting and Paying Agency agreements and the Dealer Agreement dated on or about the date of this Programme Memorandum executed by the Issuer and the Agents
“Agents”	The Collecting and Paying Agent and the Issuing and Placing Agent/Dealer.
“Applicable Pricing Supplement”	The pricing supplement applicable to a particular Series or Tranche issued under the CP Programme
“Arranger”	AVA Capital Partners Limited
“Board” or “Directors”	Board of Directors of Payaza Africa Limited
“Business Day”	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for general banking business in Nigeria
“CBN”	Central Bank of Nigeria
“CBN Guidelines”	CBN’s Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11th September 2019, and the CBN Circular of 12th July 2016 on Mandatory Registration and Listing of Commercial Papers as amended or supplemented from time to time
“Central Securities Depository” or “CSD”	FMDQ Depository Limited
“CITA”	Companies Income Tax Act Cap C21, LFN 2004 (as amended by the Companies Income Tax Act No 11 of 2007, the Finance Act 2020, 2021 and 2023
“Commercial Paper”, “CP”, “CP Notes” or “Notes”	<p>Quoted unsecured commercial papers to be issued by the Issuer under the CP Programme in form of short-term zero-coupon notes under the CP Programme</p> <p>Payaza may issue different Series or Tranches of Notes which may be secured, or unsecured or supported by credit enhancement facilities, details of which will be specified in the Applicable Pricing Supplement.</p>
“Conditions” or “Terms and Conditions”	The terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed “Terms and Conditions of the Notes”
“CP Programme” or “Programme”	The CP Programme described in this Programme Memorandum pursuant to which the Issuer may issue several separate Series or Tranches of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦50,000,000,000.00
“CSD Rules”	The rules governing transfer of title in securities held with the CSD

GLOSSARY OF DEFINED TERMS

“Dealer”	AVA Capital Partners Limited and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer’s right to terminate the appointment of any Dealer
“Dealing Member”	An FMDQ Exchange licensed member authorized to make market in securities admitted to trade on the FMDQ Exchange Platform
Default Rate	Means interest rate equivalent to the daily overnight NIBOR + 5% per annum or the Issue rate + 5% per annum (whichever is higher)
“Event of Default”	An event of default by the Issuer as set out in Condition 6 of the “Terms and Conditions”
“Face Value”	The par value of the Notes
"FGN"	Federal Government of Nigeria
“FMDQ Depository” or “FMDQD”	FMDQ Depository Limited
“FIRS”	Federal Inland Revenue Service
“FMDQ Securities Exchange Limited” or “FMDQ Exchange” or the “Exchange”	A securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for, amongst others, listing, quotation, registration, and trading of debt securities.
“FMDQ Exchange Rules” or the “CP Rules”	The FMDQ Exchange Commercial Paper Registration and Quotation Rules, November 2024 (as may be amended from time to time) and such other regulations (including but not limited to Market Bulletins) with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time
“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
“Issuing and Placing Agents”	AVA Capital Partners Limited and Pathway Advisors Limited.
“Collecting and Paying Agent”	Providus Bank Limited.
“ISA”	The Investment and Securities Act, No 29 of 2007, as amended
“Issue Date”	The date on which the relevant Series/Tranche of the Notes is issued as specified in the Applicable Pricing Supplement
“Issue Price”	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
“Issuer” or “Payaza” or the “Company”	Payaza Africa Limited
"LFN"	Laws of the Federation of Nigeria
"Maturity Date"	The date as specified in each Applicable Pricing Supplement in which the Principal Amount is due
“Material Adverse Change”	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme
"Naira", "NGN" or "₦"	The Nigerian Naira
“NIBOR”	Nigerian Inter-Bank Offered Rate
“PITA”	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011, the Finance Acts 2019, 2020, 2021 and 2023)

GLOSSARY OF DEFINED TERMS

“Principal Amount”	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
“Pricing Supplement” or “Applicable Pricing Supplement”	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme
“Programme”	The ₦50,000,000,000.00 (Fifty Billion Naira) commercial paper issuance programme established by the Issuer which allows for multiple issuances of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue will not exceed ₦50,000,000,000.00 (Fifty Billion Naira)
“Programme Memorandum”	This Information Memorandum dated December 12, 2024 which sets out the aggregate size and broad terms and conditions of the CP Programme
“Qualified Institutional Investors” or “QII”	include banks, fund/asset managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms, issuing houses, registrars, financial market infrastructures (FMIs), 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”	In relation to any Series, the date on which redemption monies are due and payable in respect of the Notes as specified in the Applicable Pricing Supplement
“Register”	A register of Noteholders, maintained by the IPA and CSD
“Relevant Currency”	Nigerian Naira
“Relevant Date”	The payment date of any obligation due on the Notes
“Relevant Last Date”	The date stipulated by the CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered
“SEC”	The Securities and Exchange Commission
“SEC Rules”	The Consolidated Rules and Regulations of the Securities and Exchange Commission 2013 (as amended) made pursuant to the ISA
“Series”	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except for their respective Issue Dates, and/or Issue Prices
“Tranche”	Notes which are identical in all respects
“Unique Identifier”	Means 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 and the Finance Acts 2019, 2020, 2021 and 2023)
“Zero Coupon Note”	A Note which will be offered and sold at a discount to its Face Value, and which will not bear interest, other than in the case of late payment

IMPORTANT NOTICES

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time, Notes up to a maximum aggregate amount of ₦50,000,000,000.00 (Fifty 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 who indicated interest in the pioneer Commercial Paper Issue.

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

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

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

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

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

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

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

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

The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof. Investors should review, among other things, the most recent audited annual financial statements of the Issuer prior to taking any investment decision. Notes issued under the Programme shall be restricted to Qualified Institutional Investors who meet the qualification criteria prescribed by FMDQ Exchange from time to time.

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

INCORPORATION OF DOCUMENTS BY REFERENCE

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

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

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

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

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

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

SUMMARY OF THE PROGRAMME

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

TERMS	DESCRIPTION
Issuer:	Payaza Africa Limited
Dealer(s):	AVA Capital Partners Limited and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer's right to terminate the appointment of any Dealer.
Arranger(s)	AVA Capital Partners Limited
Issuing and Placing Agents or "IPA"	AVA Capital Partners Limited and Pathway Advisors Limited
Collecting and Paying Agent	Providus Bank Limited
Auditors	Deloitte
Registrars/Custodian:	Central Securities Depository specified in the Applicable Pricing Supplement
Solicitor:	The New Practice
Programme:	The Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardized documentation framework.
Programme Size:	₦50,000,000,000.00 (Fifty Billion Naira)
Issuance in Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement.
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
Issue rate:	The discount rate at Issuance.
Issue Size:	As specified in the Applicable Pricing Supplement.
Use of Proceeds:	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer for its general corporate purposes.
Interest Payments:	Notes shall be issued at a discount and in the form of Zero-Coupon Notes. thus, the Notes will not bear interest, other than in the case of late payment.
Source of Repayment:	The repayment of all obligations under the Programme will be funded from the cash flow of Payaza Africa Limited
Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or Issue Rate + 5% per annum (whichever is higher).
Currency of Issue:	Nigerian Naira.

SUMMARY OF THE PROGRAMME

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

DESCRIPTION OF PAYAZA AFRICA LIMITED

HISTORY

Payaza Africa Limited (“Payaza” or the “Company”) was founded in 2022 and based in Lagos, Nigeria. The Company emerged from a team of visionaries aiming to establish Africa's leading trusted provider of payment solutions. This initiative facilitates smooth and seamless transactions worldwide, underscoring the commitment to excellence and innovation. With a significant presence across the United States of America, Canada, East and West Africa, Payaza is strategically positioned to address the increasing demand for modern, user-friendly payment platforms. The Company is dedicated to enabling businesses of all sizes to process payments securely and efficiently, thereby empowering them to thrive in the global market.

OPERATIONS

Payaza is a sophisticated merchant-enabling platform that simplifies transactions for merchants through a variety of payment methods—such as card payments, USSD, QR codes, virtual accounts, bank transfers, payment links and mobile money. Payaza caters to both online and offline merchants. Payaza allows easy integration into digital platforms or direct transactions, ensuring quick and efficient execution. Committed to improving the customer experience, Payaza continuously adapts to meet the dynamic needs of the marketplace while setting new industry standards in payment solutions.

SHAREHOLDING STRUCTURE

The Company is majorly owned by **Mr Seyi Ebenezer** who holds 70% of its Total Shares. Other significant Shareholders are: **Akinyele Philips Blessing**, **Ekwonna Tochukwu**, and **Atomori Tolulope Dorcas** with 15%, 10% and 5% shareholding respectively.

Payaza Shareholding Structure as at November 2024

Shareholder	Shares held	Percentage holding
Seyi Ebenezer	1,400,000,000	70%
Akinyele Philip Blessing	300,000,000	15%
Ekwonna Tochukwu	200,000,000	10%
Atomori Tolulope Dorcas	100,000,000	5%

GROWTH

Payaza has experienced growth by rapidly expanding its global customer base, fuelled by a commitment to customer satisfaction and payment solutions. Since inception, the Company has onboarded over 5,000 merchants and accumulated a total transaction volume of about US\$7.013 billion.

LICENSES

The company operates in over 19 countries across Africa, Asia, Middle East and North America, offering a wide range of services and solutions tailored to meet diverse market needs. Payaza has secured multiple operational licenses and certifications across various jurisdictions to ensure compliance with global standards.

In Africa, Payaza holds a Payment Service Provider (PSP) license in Nigeria and Tanzania and a Pursuing Payment Service Provider license in several countries, including Rwanda, Ghana, Mozambique, Zimbabwe, the Democratic Republic of Congo, Kenya. Additionally, Payaza is registered as a Money Service Business in all 50 states of the United States and hold a license from the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) to operate as a Money Service Business in Canada. Payaza also has Payment Service Provider licence in the United Arab Emirates.

The company has also earned significant certifications from leading financial institutions, including MasterCard and Visa, affirming its commitment to industry best practices.

In terms of operational excellence, Payaza holds several ISO certifications in Nigeria, including ISO 27001 (Information Security Management), ISO 27032 (Cybersecurity), ISO 22301 (Business Continuity Management), ISO 27017 (Cloud Security), ISO 9001 (Quality Management), ISO 27701 (Privacy Information Management System) along with PCI DSS Compliance Certification and NDPR Audit Certification, ensuring the highest standards of data protection, security, and quality. To show its commitment to operational efficiency, Payaza has achieved the highest level of conformity with regulatory requirements and ISO international best practices, as independently audited by Deloitte, with all metrics evaluated meeting the general compliance standards.

These licenses and certifications reinforce Payaza's commitment to maintaining regulatory compliance, enhancing security, and delivering reliable, cutting-edge payment solutions across its markets.

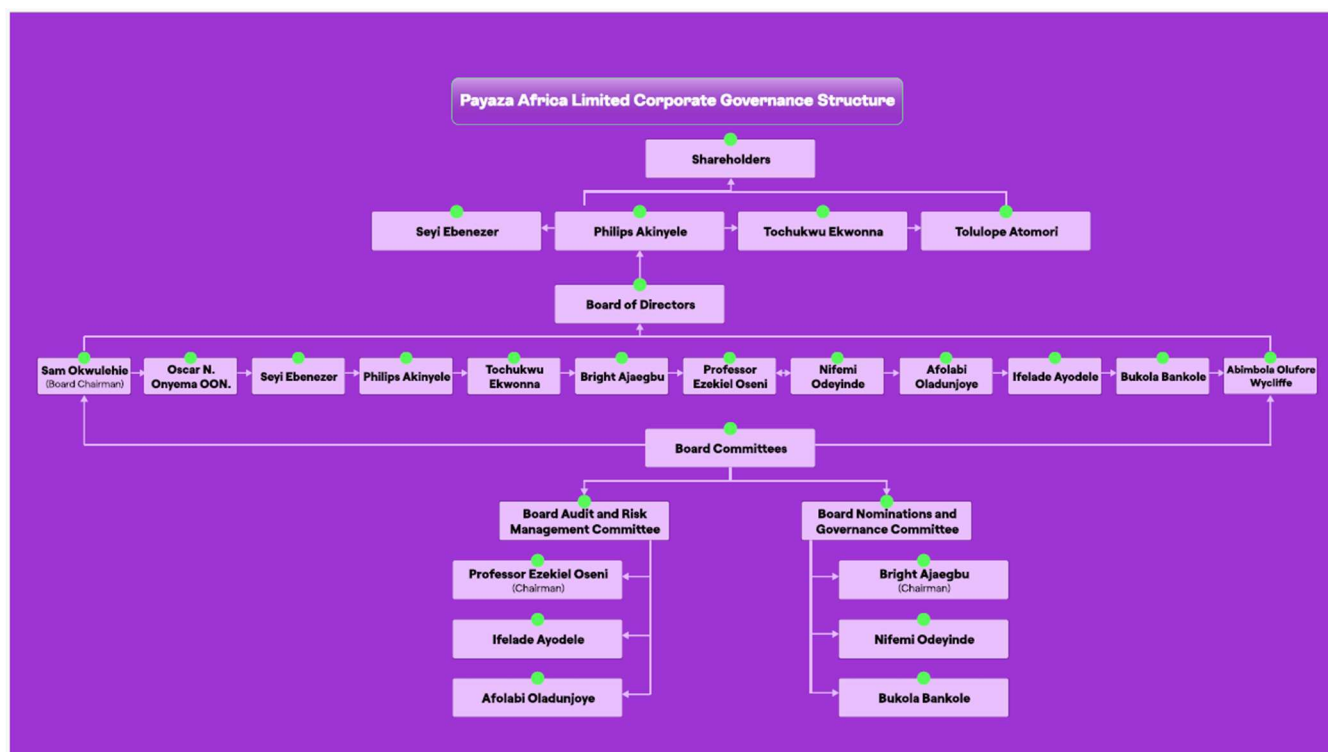
PRODUCTS AND SERVICES

Payaza focuses on addressing the evolving challenges faced by businesses through tailored fintech solutions, with a strong emphasis on exceptional customer service and transaction integrity. It demonstrates a deep understanding of clients' unique needs, ensuring seamless integration and providing comprehensive support to maximize benefits. Its suite of collection covers the needs of online and offline SMLs through: Direct API Integration, Dashboard

access, Payment links and Branches

1. **Payouts:** Payaza Payout is an advanced solution that simplifies business payout processes, enabling seamless management of bulk and instant payments. This innovative platform helps streamline financial operations and save time, ensuring efficient and hassle-free transactions for recipients.
2. **Collections:** A one stop solution for the seamless receiving of payments from customers, globally. Mainly for E-commerce platforms, Instant payouts and collections.
3. **Branches:** This product is an efficient fund collection tool that features a centralized dashboard, allowing users to manage transactions across multiple branches or franchises seamlessly. It is ideal for multi-branch management, franchise operations, and facilitating invitations for branch members.
4. **Payment Links:** This product allows businesses to sell and receive instant payments through customized payment pages that can be shared with customers via links. It includes features such as customizable payment pages, the use of QR codes, and the ability to utilize links multiple times.
5. **End-to-end Payment Gateway:** Payaza's end-to-end payment processing unifies every stage of the payment journey within a single, streamlined system. Unlike traditional systems that depend on multiple third-party services, our solution integrates all aspects of payment processing—from initiation and authorization to settlement—into one cohesive platform.
6. **Web Checkout and SDK:** This tool enables retailers to effortlessly integrate payment processing into their apps or websites through customizable forms. It supports customizable checkout forms, integrates smoothly into web and app environments, and offers options for recurring payments and saving credit cards.
7. **Eventporte:** Eventporte is built on Payaza's advanced infrastructure, this innovative ticketing platform equips event creators with powerful tools to seamlessly organize, promote, and sell tickets for their events.

CORPORATE GOVERNANCE STRUCTURE



CORPORATE GOVERNANCE

To enhance corporate governance, the following substantive committees with delegated responsibilities have been established:

- The Nomination and Remuneration Committee
- Audit and Risk Committee

S/N	Names	Board Committee	
		Audit and Risk Management Committee	Nomination and Remuneration Committee
1	Prof. Ezekiel Oseni	Member	-
2	Ifelade Ayodele	Member	-
3	Afolabi Oladunjoye	Member	-
4	Bright Ajaegbu	-	Member
5	Nifemi Odeyinde	-	Member
6	Bukola Bankole	-	Member

The responsibilities of the board committees are highlighted below:

Committee	Responsibilities
Audit and Risk Committee	<p>The Audit and Risk Committee assists the Board in meeting legal and regulatory obligations related to independence, financial literacy, and accounting expertise. While management is responsible for preparing financial statements, the External Auditors audit them in compliance with accepted accounting principles.</p> <p>The Committee oversees the accurate preparation of financial information, including financial reporting, cash flow statements, and disclosures, on both an annual and quarterly basis. It ensures the implementation of appropriate procedures and controls to address concerns about internal checks and mechanisms.</p> <p>The Committee also reviews and recommends the Company's risk management policies and framework to the Board, supporting the oversight of the risk management strategy. It is responsible for</p>

DESCRIPTION OF PAYAZA AFRICA LIMITED

	ensuring the adequacy and effectiveness of risk management and internal controls.
Nomination and Remuneration Committee	<p>The Committee is tasked with the following responsibilities:</p> <ol style="list-style-type: none"> 1. Identifying qualified candidates for director and senior management roles, recommending their appointment or removal, and evaluating each director's performance. 2. Formulating criteria for assessing the qualifications, independence, and positive attributes of directors, and recommending a remuneration policy for directors, senior management, and employees to the Board. 3. Ensuring the remuneration policy: <ul style="list-style-type: none"> o Attracts, retains, and motivates directors of the required calibre. o Aligns remuneration with performance, setting clear performance benchmarks. o Balances fixed and incentive pay to reflect both short-term and long-term performance goals. 4. Developing and reviewing a succession plan for directors, senior management, and key employees. 5. Establishing criteria for evaluating the performance of independent directors and other board members. 6. Recommending to the Board the remuneration for senior management.

The Board as of November 2024

The Board provides overall guidance and policy direction to the management, acts on behalf of the shareholders in the overall interest of the stakeholders and is accountable to the shareholders. It prides itself in its people with a blend of experience and knowledge cutting across the various business lines of the company.

The Board is made up of the following people:

Sam Okwulehie

Sam is the Chairman of the Board of Directors for Payaza Africa, He is currently the CEO of LATC, overseeing strategic direction and managing its portfolio companies and investments. With nearly two decades of global experience in aviation and logistics, he previously served as Country Manager (Cameroon) for Kenya Airways/KLM, where he revitalized operations, boosted capacity and revenue, and secured the airline's #1 market share. As Area Vice President (Europe & USA), he managed \$300 million in revenue from London and represented the airline on the SkyTeam Alliance board. Sam holds a BA in History and International Relations from Lagos State University and is an alumnus of Université de Paris, Harvard, and Columbia Business Schools.

Oscar N. Onyema

Oscar N. Onyema, OON, is the Chairman of Central Securities Clearing System PLC (CSCS) and a renowned leader in the Nigerian and global capital markets. He has held several pivotal roles, including CEO of the Nigerian Stock Exchange (NSE) from 2011 to 2021 and Chairman of NG Clearing Limited. Onyema has served on the boards of key institutions such as PENCOM, FMDQ OTC, and the Chartered Institute of Stockbrokers (CIS). Internationally, he sits on the London Stock Exchange Group Africa Advisory Group and Thomson Reuters Africa Advisory Network. He was also President of the African Securities Exchanges Association and Chairman of WACMIC.

An alumnus of Harvard, Wharton, and INSEAD, Onyema holds a BSc from Obafemi Awolowo University and an MBA from Baruch College. His achievements include Nigeria's Officer of the Order of the Niger (OON) and recognition as one of Forbes' Top 10 Most Powerful Men in Africa (2015).

Seyi Ebenezer

Oluwaseyi is a commercial banking expert with over 15 years' experience in driving new business opportunities, innovation and growth in the financial services industry. Seyi is the MD/CEO of Payaza Africa limited – a payment gateway infrastructure company with presence in 13 African countries, Canada, USA and UAE.

Prior to founding Payaza, Seyi was a senior management staff at Keystone bank Nigeria where he led the corporate Banking and South region of the business. He is reputed for leading various Capital and debt deals for medium and large corporates spanning sectors such as oil & gas, real estate, fintech, ecommerce, logistics etc. culminating to over \$450 million. Seyi is a chartered accountant, having started his career at KPMG before going on to lead an accelerated banking career. Seyi holds an MBA from Lagos Business school, a certificate in Finance from Havard. Seyi is in his second year of his Executive MBA program at Kellogg School of Management, Northwestern University, Illinois, USA.

Tochukwu Ekwonna

Tochukwu is an analytical commercial banking and payments professional with a distinguished career spanning over 11 years and a brief stint in the pharmaceutical industry. His career is marked by a blend of entrepreneurial spirit and corporate discipline, driving financial innovation and sustainability in high growth environments. He has been instrumental in substantial trade finance transactions, spearheading debt capital market fundraising in the banking

DESCRIPTION OF PAYAZA AFRICA LIMITED

sector; developing and retaining a strong corporate customer portfolio.

Philips Akinyele

Dynamic Chief Technology officer with over 10 years of transformative leadership in software engineering and Fintech. Pioneered scalable digital products and payment solutions, driving multi-million-dollar transaction volumes and corporate efficiencies. He is adept at building and mentoring high performance teams, fostering innovation and spearheading operational excellence. His educational background includes a Master's degree in Information Technology from the University of Lagos, and he is currently pursuing an Executive MBA from MIT Sloan School of Management.

Abimbola Olufore Wycliffe

Abimbola Olufore Wycliffe is an accomplished executive with over 25 years of expertise in corporate governance, business restructuring, and process reengineering. Currently serving as Head of Investment and Technology Promotion for Nigeria at UNIDO, she drives strategic reforms across Africa. With degrees from the University of Ibadan and Warwick Business School, plus certifications in logistics and supply chain management, she has excelled in energy roles at Power Africa, Schlumberger, and Shell Nigeria. A champion for sustainability, Ms. Wycliffe founded the African Child Safety Foundation and advocates for women in clean tech, earning recognition for her leadership and economic impact.

Oladunjoye Afolabi

Oladunjoye Afolabi is a finance professional with over 14 years of experience driving financial excellence and strategic growth in multinational organizations. He excels in investment analysis, financial reporting, and leadership, consistently delivering revenue and EBITDA growth. Known for securing high-value contracts, optimizing systems, and providing innovative solutions to complex challenges, Afolabi prioritizes operational excellence and collaboration. A skilled communicator and strategic thinker, he has a strong track record of achieving clean audit reports and leading impactful initiatives that create lasting business value.

Ajaegbu-Bright Chigozie

Mr. Ajaegbu is the Managing Director of Bucch Energy Limited, leading its strategic growth. With over 19 years in Oil & Gas Engineering and freight management, he has a strong record of enhancing productivity and profitability. He managed a multi-million-dollar lubricant company for 17 years and is a Chemistry graduate from the University of Port Harcourt and a Lagos Business School alumnus (Class of 2015). He has served on the board of 78 Finance Limited and other prominent businesses. As a venture investor, he supports seed companies, providing strategic guidance for sustainable growth across Nigeria and Africa.

Bukola Bankole

Bukola is a Partner at TNP, an Andersen Global collaborating law firm in Nigeria, where she leads the Private Equity, Mergers & Acquisitions, Corporate Finance, and Capital Markets Practices. As Chairman of the NBA-SBL Mergers, Acquisitions, and Corporate Reorganisations Committee, she advises financial institutions, private equity fund managers, venture capitalists, and companies on corporate finance transactions. With expertise across industries and jurisdictions, Bukola delivers tailored, value-driven solutions to clients. She is dedicated to promoting investment in Africa by connecting international companies with local partners and scaling FinTech firms to drive economic growth and expand access to underserved communities.

Prof. Ezekiel Oseni, FRCM

Professor Ezekiel Oseni is a distinguished finance professional and academic, serving as Special Assistant to the CEO of the Bank of Industry and Founder of Lexar Business Support Limited. Formerly the Chief Risk Officer at the Bank, he implemented its Enterprise-wide Risk Management Framework, improving its credit ratings with Fitch, Moody's, and Agosto Co. He automated risk processes and established the Internal Control and Audit Division. An Adjunct Lecturer at the University of Lagos, he specializes in entrepreneurship. With a Ph.D. in Business and Applied Economics, Professor Oseni is a Certified Risk Manager, Chartered Accountant, and published author in global journals.

Nifemi Odeyinde

Oluwanifemi (Nifemi) Odeyinde is a seasoned HR professional with over a decade of experience in the FMCG, Shipping, and Technology sectors across Africa and the Middle East. She began her career at Procter & Gamble, holding leadership roles in HR Services and Talent Acquisition. She later served as HR Business Partner for Sub-Saharan Africa and Maghreb at Johnson & Johnson and Senior HR Manager for West & Central Africa at Hapag-Lloyd. Currently, Nifemi is the Employee Relations and HR Compliance Manager for Sub-Saharan Africa at Amazon. She holds a degree and MBA from Obafemi Awolowo University and is HRCI-certified.

Ifelade Ayodele

Ifelade Ayodele is the CEO and Founder of Blaaz, a cross-border payments company transforming financial transactions across Africa, Canada, the USA, and Europe. Previously, he led management consulting engagements at Accenture UK, focusing on cost optimization and technology transformation for commercial banking clients globally. Ifelade has a diverse background in Banking, Venture Capital, Management Consulting, and Payments. In 2021, he played a key role in the rapid launch and scaling of Alerzo's digital payment solution. A global professional with experience across multiple continents, he is an alumnus of HEC Paris.

PROFILE OF MANAGEMENT TEAM

Seyi Ebenezer – MD/CEO

Oluwaseyi is a commercial banking expert with over 15 years' experience in driving new business opportunities, innovation and growth in the financial services industry. Seyi is the MD/CEO of Payaza Africa limited – a payment gateway infrastructure company with presence in 13 African countries, Canada, USA and UAE.

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Tochukwu Ekwonna – Chief Financial Officer

Tochukwu is an analytical commercial banking and payments professional with a distinguished career spanning over 11 years and a brief stint in the pharmaceutical industry.

His career is marked by a blend of entrepreneurial spirit and corporate discipline, driving financial innovation and sustainability in high growth environments. He has been instrumental in substantial trade finance transactions, spearheading debt capital market fundraising in the banking sector; developing and retaining a strong corporate customer portfolio.

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Tolulope Dorcas Atomori – Chief People Officer

Human Resources generalist with more than seven years of human resources experience with development, implementation and administration of human resources policies and procedures to ensure compliance with employment laws. Tolulope possesses exceptional general management and interpersonal skills with the ability to interface with all levels of management.

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 Company for its general corporate purposes. 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, unless otherwise specified in the Applicable Pricing Supplement.

Background

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, the CBN on 18 November 2009, issued the CBN Guidelines which were subsequently updated and circulated on 11 September 2019.

Regulatory Framework

Issuance of and investment in CPs by banks and discount houses in Nigeria is subject to the provisions of the CBN Guidelines and the FMDQ Exchange Rules. The provisions applicable to CPs under the CBN Guidelines are as highlighted below:

Qualification

A CP qualifies as a financing vehicle if:

- i. the issuer has 3 years audited financial statements, the most current not exceeding 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 ₦100,000,000 and multiples of ₦50,000,000 or as otherwise determined. Furthermore, they shall be issued for maturities of between 15 days and 270 days, including rollover, from the date of issue. The interest or discount element on maturing CPs may not be capitalised and rolled over.

Rating

Either the issuer of CP or the specific issue shall have an investment grade rating (minimum of BBB-) 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 Clearing Agent.

Investors in Banker's Acceptances and 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.

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. This provision notwithstanding, the CP Notes shall be issued and held in dematerialised form with the CSD in accordance with the terms of this Programme Memorandum.

Issuing and Paying Agent

Only a deposit money bank and discount house may act as an IPA 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 the period of two (2) weeks from the date of opening of the issue for subscription.
- iv. All CPs issued in Nigeria shall be registered with the Clearing Agent, which shall serve as the custodian of all issues and central depository for all dematerialised instruments.

Compliance with the CBN Guidelines

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines. A legal opinion confirming adherence to the CBN Guidelines is incorporated on page 40 of this Programme Memorandum.

Compliance with Securities Regulations

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 nine months from the date of issuance from registration with the SEC.

Mandatory Registration & Quotation

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

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

TERMS AND CONDITIONS OF THE NOTES

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

1. 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 ₦50,000,000,000.00 (Fifty 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 nominal amount of ₦1,000 per Note.

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

2.1.3 Notes issued will be in the form of Zero-Coupon Notes and will not pay interest prior to final maturity.

2.1.4 Notes will be issued through book-entry deposit by crediting the CSD account of applicants and a Register of Noteholders shall be maintained by the IPA and the CSD.

2.2 Title

Title to the Notes will pass upon credit to the CSD account of the Noteholder. Transfer of title to Notes shall be effected in accordance with the rules governing transfer of title in securities held by the CSD. The Issuer may deem and treat the registered holder of any Note who is registered in the records of the CSD and the Register as the absolute owner thereof for all purposes, including but not limited to the payment of any outstanding obligation in respect of the Notes.

3. STATUS OF THE NOTES

Each Note constitutes a direct, unconditional, unsubordinated and unsecured obligation of the Issuer and the Notes rank *pari passu* without any preference among themselves. The payment obligations of the Issuer shall, save for such exceptions as may be provided by applicable legislation in relation to preferential statutory payments, at all times rank at least equally with all present and future unsecured and unsubordinated indebtedness and monetary obligations of the Issuer.

4. REDEMPTION

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

5. PAYMENTS

The Face Value of the Notes will be paid to the Holders shown on the Register at the close of business on the Relevant Last Date. The registered Holder shall be the only person entitled to receive payments in respect of the Note and the Issuer will be discharged by payment to, or to the order of, the registered Holder in respect of each amount so paid.

TERMS AND CONDITIONS OF THE NOTES

5.1 Method of Payments

- 5.1.1 Payment of the outstanding obligations in respect of the Notes will be made by electronic funds transfer, in the Relevant Currency.
- 5.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Collecting and Paying Agent. Noteholders shall not be required to present and/or surrender any documents of title to the Collecting and Paying Agent.
- 5.1.3 In the case of joint Noteholders, payment by electronic transfers will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.
- 5.1.4 In the case of nominees, the nominee shall be paid as the registered Noteholder, which payee shall in turn transfer such funds to the holders of the beneficial interests.
- 5.1.5 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note.
- 5.1.6 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, lockout, fire explosion, floods, riot, war, accident, 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 shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice). Such payments by cheque shall be sent through a reputable and registered courier operator to the address of the Noteholder as set forth in the Register.
- 5.1.7 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.

5.2 Payment Day

Payment shall be made on a Payment Business Day. If the due date for payment of any amount in respect of the Notes is not a Payment Business Day, then the Noteholder thereof shall not be entitled to payment of the amount due until the next Payment Business Day. The Holder shall not be entitled to any further interest or other payment in respect of such delay.

6. EVENT OF DEFAULT

6.1 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:

if the Issuer fails to make payment in full by the Maturity Date;

- 6.1.1 if the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for a period of 14 days following the service on the Issuer of a written notice requiring that breach to be remedied;
- 6.1.2 should any, representation, warranty or undertaking made in connection with any documentation supplied by the Issuer be, in the Arranger's opinion, materially incorrect;
- 6.1.3 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;
- 6.1.4 should the shareholders of the Issuer pass a resolution for the winding up of the Issuer;

- 6.1.5 if the Issuer acts in any way which may have a material adverse effect on the Issuer's business, financial condition or assets, or its ability to perform its obligations under the Issue;
- 6.1.6 if an attachment, execution or other legal process is levied, enforced upon, issued on or against a material or substantial part of any assets of the Issuer and is not discharged or stayed within 90 days of service by the relevant officer of the court of such attachment, execution or other legal process; or
- 6.1.7 if a writ of execution is issued by any competent court attaching any material or substantial part of assets belonging to the Issuer and such remains unsatisfied for more than 9 Business Days after the date on which it is issued.
- 6.1.8 If the Issuer failed to notify FMDQ Exchange by 5:00 PM on the maturity date in writing that the CP has been liquidated and that funds have been transferred to all CP holders on the maturity date of the CP and failure to provide evidence of settlement of all investors to the Exchange on the maturity date

6.2 Action upon Event of Default

Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if the Issuer withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction.

Upon the occurrence of an Event of Default, the Issuer shall pay Noteholders interest at the Default Rate until the debt obligations to the Noteholders have been settled in full. In addition, the Noteholder shall have the right to exercise all other remedies available to them under the laws of Nigeria.

7. REGISTER

- 7.1 The Register shall be maintained by the IPA and the CSD. The Register shall reflect the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.
- 7.2 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 Collecting and Paying Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 7.3 The Register shall be open for inspection during the normal business hours of the IPA and CSD to any Noteholder or any person authorised in writing by the Noteholder.
- 7.4 CSD shall alter the Register in respect of any change of name, address or bank account number of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

8. NOTICES

8.1 Notices to the Noteholders.

- 8.1.1 All notices to the Noteholders will be valid if mailed by pre-paid registered mail to them at their respective addresses of record in the relevant register of Notes of a Tranche maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of the CBN, the CSD or such other regulatory authority as may be applicable to the Notes.
- 8.1.2 Any notice shall be deemed to have been given on the second day after being so mailed, the date of delivery or on the date of first publication in national newspapers.

8.2 Notices from the Noteholders

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

9. MODIFICATION

- 9.1 The Arranger 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 is not prejudicial to the interest of the Noteholders.
- 9.2 Save as provided in condition 9.1 above, no amendment of the Terms and Conditions may be effected unless:
- i. such amendment is in writing and signed by or on behalf of the Issuer;
 - ii. the Exchange is notified of such amendment; and
 - iii. such amendment:
 - 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% of the outstanding Principal Amount of all the Notes; or
 - 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% of the outstanding Principal Amount of all the Notes held by that group.
- 9.3 Any such modification shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

10. MEETING OF NOTEHOLDERS

- 10.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 days prior written notice to such Noteholders. The notice is required to be given in terms of Condition 8 (Notices). Such notice shall specify the date, place and time of the meeting to be held, which place shall be in Nigeria.
- 10.2 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.
- 10.3 Noteholders holding not less than 10% 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 convene such a meeting within 10 days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
- 10.4 Notices of meeting convened by the Noteholders in Condition 10.3 above shall be sent to the Issuer at the same time it is dispatched to the Noteholders.
- 10.5 A Noteholder may by an instrument in writing (a "**Form of Proxy**") signed by the holder or, in the case of a corporation executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a "**Proxy**") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.
- 10.6 Any Noteholder which is a corporation, may by resolution of its directors or other governing body authorise any person to act as its representative (a "**Representative**") in connection with any meeting or proposed meeting of the Noteholders.
- 10.7 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.

- 10.8 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 request a meeting, and the Issuer fails to convene such a meeting within 10 days of such request, then the chairman of the meeting held at the instance of the Noteholders, shall be selected by a majority of Noteholders present in person or Proxy.
- 10.9 At any such meeting, two or more Noteholders present in person, by Representative or by Proxy, holding in aggregate not less than 1/3 of the Principal Amount of Notes shall form a quorum. On a poll, each Noteholder present in person or by Proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
- 10.10 If within 30 minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than 14 days nor more than 21 days thereafter and at the same time and place. At such adjourned meeting one or more Noteholders present or represented by Proxy shall form a quorum and shall have power to pass any Special Resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.

11. FURTHER ISSUES

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

12. GOVERNING LAW

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.

RISK FACTORS

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

BUSINESS AND OPERATIONAL RISK

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

LIQUIDITY RISK

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

MARKET AND INTEREST RATE RISK

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

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

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

RISKS RELATING TO THE COMMERCIAL PAPERS

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

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

Liquidity risk for the Commercial Paper

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

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

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

Tax risk

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

Exchange rate risks

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

Legality of Purchase

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

Change of Law

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

Credit ratings may not reflect all risks

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

TAX CONSIDERATIONS

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

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

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

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Registration

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

Lodgement

- i. The Authorized Participant will electronically lodge CPs with the CSD and advise the CSD after lodgement to transfer the CPs to the sub-accounts, individual accounts, or custodians accounts of the beneficial owners of the Notes.
- ii. The CSD shall process same within 24 hours of receipt.

Redemption

- i. Register closes two (2) working days before maturity date (MD - 2).
- ii. The IPA will submit a letter to the CSD confirming the intention of the Issuer to repay the holders of the CP on the maturity date by 12 noon on MD - 2.
- iii. The IPA will also provide the Exchange an acceptance/approval letter for redemption.
- iv. The CSD shall expunge (knock-off) matured CP(s) on the maturity/redemption date of the CP.
- v. Maturity must be on a business day, however if the maturity date of a CP falls on a public holiday, the ensuing working day shall be the maturity date of the CP.
- vi. 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 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)
- vii. In the event of item (vi) crystalising, the Note holdings must remain with the CSD until the CPA pays.
- viii. off the holders of the Notes. The CPA shall notify the CSD of the payments and provide evidence of pay-off. Thereafter, the CSD will expunge the Notes accordingly.

Roll-Over

- i. All CPs, including roll-overs shall not exceed 270 days (tenor) from the date of issue.
- ii. Every roll-over of a CP issue shall be treated or classified as a fresh/separate CP.
- iii. Upon granting approval for rollover, the Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish the Exchange and CPA/Dealer with the new Unique Identifier, subject to receipt of CP rollover fees from the CPA/Dealer.
- iv. The CSD shall expunge the existing Unique Identifier from the system and replace with the new codes.

Default

- i. The IPA/Dealer shall notify the Exchange immediately it is identified that a default is imminent or there is a strong possibility of default
- ii. The Exchange shall make public the default status to the market latest by MD - 1.
- iii. In case of (i) above, the CP holdings must remain with the CSD until the ICPA pays off the CP holders and notifies the CSD and the Exchange with evidence.
- iv. Thereafter, the Exchange will notify the public and expunge the CP from the Depository accordingly.

Secondary Market Trading (OTC) Guidelines

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

Reporting

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

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Transfer of Notes

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

Cash Settlement

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



PAYAZA AFRICA LIMITED

RC 1909200

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

₦50,000,000,000 COMMERCIAL PAPER ISSUANCE PROGRAMME

Payaza Africa Limited (“**Payaza**”, the “**Issuer**” or the “**Company**”), a private limited liability company incorporated in Nigeria, has established a ₦50,000,000,000 (Fifty Billion Naira) Commercial Paper Issuance Programme (“the CP Programme”) on November 14, 2024 under which Payaza may from time to time issue Commercial Paper notes (“**CP**” or “**Notes**”), denominated in Nigerian Naira, in separate series or tranches subject to the terms and conditions (“Terms and Conditions”) contained in this Programme Memorandum.

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement applicable to such Series or Tranche (the “Applicable Pricing Supplement”). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦50,000,000,000.00 over a 3-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

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

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

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

ARRANGER/DEALER



RC: 1167339

ISSUING AND PLACING AGENTS



RC: 1167339



RC: 1167339

COLLECTING, AND PAYING AGENT



PROVIDUSBANK

RC: 198892

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Terms	Description
Issuer	Payaza Africa Limited
Arranger(s)	AVA Capital Partners Limited
Issuing and Placing Agents "IPA"	AVA Capital Partners Limited Pathway Advisors Limited
Collecting and Paying Agent	Providus Bank Limited
Sponsor to the Quotation on FMDQ Exchange	AVA Capital Partners Limited
Solicitor	The New Practice
Auditor	Deloitte
Central Securities Depository	FMDQ Depository Limited
Series Number	[●]
Programme Size	₦ 50,000,000,000.00
Aggregate Nominal Amount	₦ 50,000,000,000.00
Face Value	₦ [●]
Discounted Value	[●]
Nominal Amount Per Note	₦1,000.00
Issue Price	[●]
Tenor	[●]
Maturity Date	[●]
Final Redemption Amount	[●]
Minimum Subscription	₦5,000,000.00 and multiples of ₦1,000.00 thereafter
Specified Currency	Nigerian Naira (₦)
Status of Notes	Each Note constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank pari passu among themselves, and with other present and future senior unsecured obligations of the Issuer outstanding from time to time

PRO FORMA APPLICABLE PRICING SUPPLEMENT

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

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Issue Date	[●]
Notification of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than [●]
Payment Date	[●]
Details of Bank Account(s) to which Payments are to be made in Respect of the Notes	[●]
Settlement Procedures and Settlement Instructions	[●]
Delivery Date	[●]

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no material adverse change in the financial position or prospects of the Issuer since the 2023 audited accounts.

RESPONSIBILITY

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

Signed on this 12th day of December, 2024.

For and on behalf of Payaza Africa Limited:

Name:

Capacity: Authorised Signatory

Who warrants his/her authority hereto

Name:

Capacity: Authorised Signatory

Who warrants his/her authority hereto

AUDITOR'S COMFORT LETTER



P. O. Box 965
Marina
Lagos
Nigeria

Deloitte & Touche
Civic Towers
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island
Lagos
Nigeria

Tel: +234 (1) 904 1700
www.deloitte.com.ng

26 November 2024

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

Dear Sirs,

CONFIRMATION OF GOING CONCERN STATUS OF PAYAZA AFRICA LIMITED

Payaza Africa Limited (the "Company") is in the process of establishing a ₦50,000,000,000 (Fifty Billion Naira) Commercial Paper Issuance Programme.

We confirm that we served as Auditors to Payaza Africa Limited for the period ended 31 December 2023. We issued unmodified audit opinion for period mentioned above.

Based on our audit of the financial statements of the Company for the period ended 31 December 2023 and information provided by management, at the time of those audits to support their ability to continue as a going concern, we confirm that the financial statements of the period were prepared on a going concern basis indicating that the company has the ability to continue as a going concern. Our audit opinion for the period was issued with no modification relating to any going concern issue.

This letter has been prepared only for the purposes of compliance with the rules and regulations of SEC regarding the issuance of the commercial paper.

Based on the evidence obtained and together with the outcome of our assessment of the company's ability to continue as a going concern, we can confirm that nothing has come to our attention that causes us to believe that the Company will not continue as a going concern in the next twelve (12) months subsequent to financial period ended 31 December 2023.

Yours faithfully,

Joshua Ojo, FCA - FRC/2023/ICAN/00000000849
For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria

26 November 2024



The list of Partners and Partner equivalents is available in our office

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

<i>(In '000 Naira)</i>	YTD Sept2024 (Unaudited)	2023 (Audited)
Revenue from rendering of services	17,486,484	9,471,055
Cost of sales	631,276,101	(5,174,474)
Gross Profit	16,855,208	4,296,581
Other Income	376,618	(2,651,544)
Total Operating Income	17,231,827	6,948,125
Employee Benefits	(1,029,419)	470,253
Depreciation Expense	(37,429)	(12,830)
Amortisation Expense	(224,062)	298,750
Administrative Expense		913,768
Finance Cost		220,000
Other Operating Expense	1,715,044	
Operating Expenses		1,917,601
(Loss)/Profit before Income tax expense	14,225,872	5,030,524
Tax Credit/(Expense)	4,580,296	1,731,382
(Loss)/Profit after Income tax expense	9,645,576	(3,299,142)
Other Comprehensive Income		-
Total comprehensive income, net of the tax for the year	9,645,576	(3,299,142)

STATEMENT OF FINANCIAL POSITION

	YTD Sept 2024 (Unaudited)	2023 (Audited)
Assets		
Non-Current Assets		
Property, Plants & Equipments	209,230,518	101,786,000
Long-term Investment	2,400,000,000	-
Intangible assets	2,763,433,800	2,688,747,000
	5,372,664,318	196,117,289
Current Assets		
Cash and Cash equivalents	13,178,278,231	14,354,382,000
Loan Receivables	-	90,000,000
Prepayment	-	18,000,000
Receivables	1,917,019,231	3,230,348,000
Other assets	-	-
	15,095,297,462	17,692,730,000
Total Assets	20,467,961,780	20,483,263,000
Current Liabilities		
Trade Payables	219,066,710	8,371,472,000
Other liabilities	2,688,746,400	-
Accruals and Other Payables	-	73,130,000
Related Party Payable	-	6,908,137,00
Deferred Tax Liability	-	991,927,000
Tax Payable	4,580,296,229	739,455,000
Total Current Liabilities	7,488,109,338	17,084,121,000
Non-Current Liabilities		
Equity		
Ordinary Share Capital	100,000,000	100,000,000
Retained Earnings	12,879,852,442	3,299,142,000
Total Equity	12,979,852,442	3,399,142,000
Total Liabilities and Equity	20,467,961,780	20,483,263,000

STATEMENT OF CASH FLOWS

(In '000 Naira)

	YTD Sept 2024 (Unaudited)	2023 (Audited)
Cash Flows from Operating Activities		
(Loss)/Profit before Income tax expense	14,225,872.36	3,299,142
Adjustment for:		
Depreciation	37,429.04	12,830
Effect of foreign exchange	-	1,534,924
Amortization	224,062.20	298,750
Income tax expenses	-	1,731,382
Cash flows used in operations	13,964,381.12	6,877,028
Changes in working capital		
Increase in trade, other receivables and prepayment	1,470,669.23	(3,248,348)
Increase in other payables	2,878,740.45	73,130
Increase in other assets	-	(90,000)
Increase in trade	-	8,371,472
Increase in Related Party payable	-	6,908,137
Income tax paid	(339,509.67)	-
Net Cashflows from Operating activities	15,032,942.68	18,891,418
Cashflows from investing activities		
Purchase of property and equipment	(142,110)	(114,617)
Acquisition of intangible assets	(2,987,496)	(2,987,496)
Net Cashflow from Investing Activities	(3,129,606)	(3,102,113)
Cashflow from financing Activities		
Proceeds from share capital issued	-	100,000
Retained earnings	-	-
Net Cashflow from financing activities	-	100,000
Net Increase in Cash and Cash Equivalents	12,405,409.24	15,889,305
Effect of foreign exchange	-	(1,534,924)
Cash and cash equivalent at 1 January	772,868.98	-
Cash and Cash Equivalent at the end of the Year	13,178,278.23	14,354,382



CREDIT RATING ANNOUNCEMENT

GCR assigns ratings of BBB_(NG)/A3_(NG) to Payaza Africa Limited on its strong financial profile balanced against a modest competitive position, Outlook Stable

Rating action

Lagos, 14 November 2024 – GCR Ratings (GCR) has assigned national scale long-term and short-term issuer ratings of BBB_(NG) and A3_(NG) respectively to Payaza Africa Limited, with the Outlook accorded as Stable.

Rated entity	Rating class	Rating scale	Rating	Outlook
Payaza Africa Limited	Long-term issuer	National	BBB _(NG)	Stable
	Short-term issuer	National	A3 _(NG)	

Rating rationale

The ratings assigned to Payaza Africa Limited (Payaza or the company) reflects its solid earnings, ungeared position, strong liquidity, as well as its diversified business line and the expansion into key markets. However, the ratings are curtailed by its modest competitive position, given its short track record.

Payaza is incorporated and licenced in Nigeria as a payment solution service provider and international money transfer operator, offering payment gateway services for both online and offline businesses. The company has presence in 13 other African countries, the United Arab Emirates, United Kingdom, with money services business accreditation in United States of America and Canada. Payaza has strong partnerships with international financial institutions and payment processors such as Visa and Mastercard, in addition to a scalable payment gateway and multicurrency capability. While the competitive position is constrained by its modest niche within the broader financial service sector and the limited track record, having operated for barely two years, we have positively considered the diversified business line and expanding footprints, growing product offerings, as well as its proprietary payment gateway. Looking forward, the company is increasing focus on small and medium-sized enterprises (SMEs) to increase its payment transaction volume and support earnings growth.

Our assessment of sustainability is currently neutral to the ratings. However, we note that the company is susceptible to technological disruptions and cyber-attack, as activities are mainly through online platforms. As such, the occurrence of any disruptions which adversely impact operation, and consequently constrain earnings, could lead to a negative adjustment. Furthermore, we would like to see stronger independent oversight over management and board decisions, as the company's three shareholders are also the executive directors.

PAYAZA AFRICA LIMITED

Long-Term Rating:

BBB⁺

Short Term Rating: A1

Rating Outlook: Stable

Trend: Even

Currency: Naira

Date Issued: 30 Aug., 2024

Valid Till: 29 Aug., 2025

Reference:

Abiodun Adeseyoju, FCA.
Abimbola Adeseyoju
Oladele Adeoye

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

EXECUTIVE SUMMARY

	Jan-July 2024 N'000	July 2022- Dec 2023 N'000
Gross Earnings	13,392,220	12,122,599
Profit/(Loss) Before Tax	10,681,256	5,030,525
Shareholders' Funds	10,544,124	3,399,142
Non-Current Assets	2,613,417	2,790,533
Total Assets	28,818,054	20,483,263

Rating Explanation

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

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

RATING SYNOPSIS

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

The qualitative information used were based on industry and market intelligence including public information. The quantitative information were 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 current healthy profile in the medium to long term period.

Overall, the following were observed:

Positive Rating Factors:

- Strong Revenue Profile
- Good Liquidity
- Strong Brand Presence

Negative Rating Factors:

- Macro Economic Constraints
- Short-Time Operating Experience

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.



28th November 2024

Ava Capital Partners Limited
10B, Cameron Road
Ikoyi
Lagos.

Dear Sirs,

**OPINION ON PENDING AND THREATENED LITIGATION IN RESPECT OF
PAYAZA AFRICA LIMITED'S ESTABLISHMENT OF A ₦50, 000,000,000.00 (FIFTY
BILLION NAIRA) COMMERCIAL PAPER ISSUANCE PROGRAMME**

We confirm that we are not aware of any pending or threatened claims involving Payaza Africa Limited (the "Issuer") which are material to the transaction or likely to have any material adverse effect on the Issuer or the transaction.

The directors of the Issuer have also indicated that they are not aware of any pending and or threatened claims or litigation involving the Issuer.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'Abimbola Abegunde'.

Abimbola Abegunde

LEGAL OPINION ON THE NOTES

We are Transaction Solicitors to Payaza Africa Limited (the “Issuer”) in its proposed establishment of a ₦50,000,000,000.00 (Fifty Billion Naira) Commercial Paper Issuance Programme (the “Programme”).

We have provided our legal opinion below on the Programme.

1. The Documents

This legal opinion is based on our review of the following documents:

- 1.1 Programme Memorandum;
- 1.2 Deed of Covenant;
- 1.3 Issuing and Placing Agency Agreement; and
- 1.4 Collection and Paying Agency Agreement.

The documents listed above are referred to below as the “Transaction Documents”. Capitalized terms not defined here shall have the same meaning as used in the Transaction Documents.

2. Sources

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.

In respect of each of the materials provided to us, we have assumed that:

- 2.1 any information was, when supplied (and continues to be), true, accurate and not misleading;
- 2.2 all signatures and company seals on all documents we have examined or on the relevant originals where we have examined copies are genuine;
- 2.3 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 and perform its obligations under the relevant document, agreement, or arrangement.

3. 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:

3.1 *Validity of Transaction Documents*

All Transaction Documents will upon execution, be valid, binding, duly stamped (where necessary) and enforceable in line with their terms.

3.2 *Capacity of the Parties*

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

3.3 *Consent and Filings*

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

3.4 *Legal and Enforceable Obligations*

The CP Notes and the Transaction Documents constitute legal, valid, and binding obligations of the respective parties enforceable against each party in accordance with their respective terms.

3.5 *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.

3.6 *Validity of the Collection 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 5.1 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.

3.7 *Validity of the Issuing and Placing Agency Agreement*

The Issuing and Placing Agency Agreement (“IPA Agreement”) sets out the rights and duties of the Issuing and Placing Agent (“IPA”) in respect of the issuance of the CP Notes in Clause 3 and 4 of the IPA Agreement.

3.8 *Effect of Issuer’s Default*

In the event of the failure of the Issuer to perform its obligations under the CP Notes, the Issuer will remain liable to the Noteholders for its obligations under the CP Notes.

4. Qualification

- 4.1 The validity and enforceability of rights and remedies under the Transaction Documents may be subject to limitations imposed by applicable Nigerian bankruptcy, insolvency, reorganization, 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.
- 4.2 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.
- 4.3 This opinion is expressly limited to the matters stated in the same and we render no opinion whether by implication or otherwise as to any other matters.
- 4.4 We have issued this opinion on the basis that the unsigned Transaction Documents will not deviate materially from the versions we have 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 law that may occur or become effective after the date of this opinion.

5. Addressee

- 5.1 This legal opinion is addressed exclusively to AVA Capital Partners Limited 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 Addressees in respect of this opinion.
- 5.2 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 Addressees are parties 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.

GENERAL INFORMATION

AUTHORISATION

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Payaza Africa Limited dated November 14th 2024.

AUDITORS

Deloitte acted as the Auditor of the annual financial statements of the Issuer for the financial year ended December 2023, and was responsible for the audit, and issued unqualified reports.

COMMERCIAL PAPER OUTSTANDING

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

If any event occurs as a result of which the above statement is no longer true and accurate, the Issuer will give notice thereof to the Noteholders in accordance with Condition 8

GOING CONCERN

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

LITIGATION

Following a letter of confirmation from the Issuer addressed to The New Practice dated 25 November 2024, The New Practice is of the opinion that there are no actual or threatened litigation claims by or against the Issuer which would have a material effect on the operating licence of the Issuer or this transaction

MATERIAL CONTRACTS

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

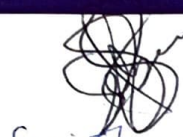




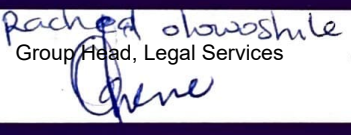
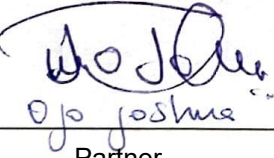
- i. the Deed of Covenant dated December 12, 2024 executed by the Issuer as a deed poll in favour of the Noteholders.
- ii. the Dealer Agreement dated December 12, 2024 executed by the Dealer/Arranger and the Issuer; and
- iii. the Collecting and Paying Agency Agreement dated December 12, 2024 executed by the Issuer and the Collecting and Paying Agent.

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

ULTIMATE BORROWER

The Issuer is the borrower in respect of the Notes.

PARTIES TO THE TRANSACTION

ISSUER	
 Seyi Ebenezer Managing Director	PAYAZA AFRICA LIMITED 1 ST FLOOR, 301, JIDE OKI STREET, VICTORIA ISLAND, ETI-OSA, LAGOS STATE
ARRANGER(S)	
 Efe Shaire Director	AVA CAPITAL PARTNERS LIMITED 3 GLOVER ROAD, IKOYI, LAGOS, NIGERIA
ISSUING AND PLACING AGENT	
 Efe Shaire Director	AVA CAPITAL PARTNERS LIMITED 3 GLOVER ROAD, IKOYI, LAGOS, NIGERIA PATHWAY ADVISORS LIMITED 13, ANTHONY ETUKUDO AVE. LEKKI PHASE 1 LAGOS, NIGERIA
	 Chief Executive Officer
SOLICITOR TO THE ISSUER	
	THE NEW PRACTICE 50, RAYMOND NJOKU STREET, IKOYI, LAGOS NIGERIA Baba Alokolaro Managing Partner
COLLECTING AND PAYING AGENT	
 Rachael Olowosho Group Head, Legal Services	PROVIDUS BANK LIMITED 724, ADETOKUNBO ADEMOLA STREET, VICTORIA ISLAND, LAGOS, NIGERIA
AUDITOR	
 Ojo Joshua Partner	DELOITTE CIVIC TOWERS, PLOT GA 1, OZUMBA MBADIWE AVENUE LAGOS, NIGERIA.