



DataPro



CORPORATE RATING REPORT

PRECISE LIGHTING LIMITED

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September, 2025

PRECISE LIGHTING LIMITED

Long-Term Rating:

BBB

Short Term Rating: A2

Previous Rating: BBB

Rating Outlook: Positive

Trend: Up

Currency: Naira

Date Issued: 18 Sept., 2025

Valid Till: 17 Sept., 2026

Reference:

Abiodun Adeseyoju, FCA.
Abimbola Adeseyoju
Oladele Adeoye

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EXECUTIVE SUMMARY

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
Turnover	1,704,357	1,100,691	1,043,604	1,013,648	647,160
Pre-Tax Profit	42,950	236,471	329,783	314,629	212,945
Equity	1,150,397	1,131,366	906,838	737,668	283,420
Non-Current Assets	1,011,858	983,643	826,396	459,945	211,039
Total Asset	2,485,855	2,303,611	1,583,752	1,160,445	551,339
Long-term Debt	405,087	500,963	326,410	194,672	100,091

Rating Explanation

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

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

RATING SYNOPSIS

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

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

Overall, the following were observed:

Positive Rating Factors:

- Diversified Revenue Portfolio
- Experienced Management Team
- Good Capitalization

Negative Rating Factors:

- High Input Cost
- Highly Import Dependent

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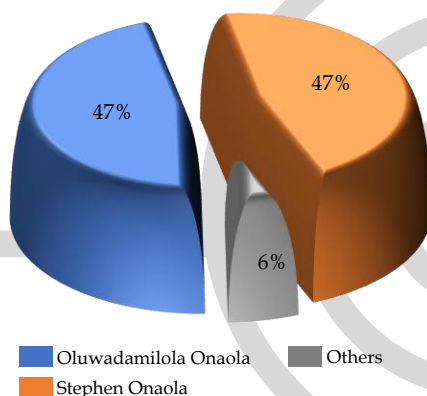
BACKGROUND

Precise Lighting Limited ("The Company") was incorporated on December 19, 2011 and commenced operations on 2nd of January, 2012.

The Company operates as a comprehensive distributor and retailer specializing significantly in a range of lighting products and services for both residential and commercial markets. Its core activities include: *Lighting Solutions, Furniture and Interior Design, Escalators and Lifts* as well as *Gym Equipment and Fitness Solutions*. Its products and services include: interior lighting, exterior lighting, switches and sockets, furniture, interior design services, escalators, fitness equipment and fitness solutions.

Since inception, the Company has successfully provided LED lighting solutions to various commercial and residential projects in Nigeria. Its clients include *Providus Bank, Seagle, Black Bell, Comercio Partners, Minimalist & Co, Indigem Homes, MISA Limited and Grand Square*. Additionally, it has a core workforce of 55 carrying out operational activities.

SHAREHOLDING STRUCTURE



Source: Precise Lighting Ltd

Shareholders with more than 5% stake in the Company are *Mr. Stephen Onaola* and *Mrs. Oluwadamilola Onaola*. Others include *Mr. Frederick Oludotun Ikugbagbe, Mrs. Olaoluwapo Mofolusho Ikugbagbe, Mr. Simeon Onaola, Mr. Mohammed Oriyomi Dauda, Mr. Bangboye Oluyemi*

Idowu and *Mr. Akinkunmi Olagoke Opaleye*.

DIRECTORS' PROFILE

The following served as directors during the year under review; *Mr. Dayo Olaiya* - Chairman; *Mr. Stephen Onaola*-Managing Director/CEO; *Mrs. Oluwadamilola Onaola*; *Mr. Depiver Olarewaju* and *Mrs. Oluremi Ogundairo*

The Directors' profile is as follows.

- Name:** Mr. Dayo Olaiya
Position: Chairman
Profession: Real Estate Developer
Years of Experience: Over 21 years
Year of Board Membership: 2021

2. **Name:** Mr. Stephen Onaola
Position: MD/CEO
Profession: Engineer
Years of Experience: Over 11 years
Education:
 - B.Sc. (Mechanical Engineering) – Leicester University
 - M.Sc. – Leicester University**Job Experience:**
 - Precise Lighting Ltd.**Year of Board Membership:** 2021

3. **Name:** Mrs. Oluwadamilola Onaola
Position: Executive Director
Profession: Business Manager
Years of Experience: Over 11 years
Education:
 - M.Sc. in Business Management
 - LLB. – De Montfort University**Job Experience:**
 - Precise Lighting Ltd.**Year of Board Membership:** 2021

4. **Name:** Mr. Depiver Olarewaju
Position: Non-Executive Director
Profession: Business Consultant
Years of Experience: Over 21 years
Education:
 - B.Sc. in Accounting
 - M.Sc. in Strategy and Planning
 - MBA in International Business**Job Experience:**
 - Legal Entity Controller – Coca-Cola
 - Regional Finance Director – Oracle Corporation
 - Group CFO – Cellulant Corporation**Year of Board Membership:** 2021

5. **Name:** Mrs. Oluremi Ogundairo
Position: Non-Executive Director
Profession: HR Professional
Years of Experience: Over 11 years
Year of Board Membership: 2021

SECTOR REVIEW

Nigeria is one of the leading economies in Africa, with a population exceeding 200 million. In the first quarter of 2025, the Country's Gross Domestic Product (GDP) demonstrated a real-term growth of 3.13% year-on-year, an improvement over the 2.27% growth recorded in Q1 2024. This growth was largely driven by the Services Sector which contributed 57.50% to aggregate GDP and expanded at a rate of 4.33.

The National Bureau of Statistics (NBS) data reveals that the Trade Sector recorded a year-on-year growth of 1.78% in the first quarter of 2025. This marks a decline of 0.53%

from the 2.31% growth recorded in the first quarter of 2024, and 0.26% lower than the 2.04% growth seen in the fourth quarter of 2024. On a quarter-on-quarter basis, the Sector contracted by 14.92%. Trade contributed 18.21% to the nation's GDP in Q1 2025, slightly below the 18.45% contribution in Q1 2024 but an improvement over the 17.18% recorded in Q4 2024.

The Central Bank of Nigeria (CBN) reported that foreign exchange inflows from domestic sources hit a six-year high, reaching \$5.96b in May, 2025, a 62% surge from \$3.67b in April. Domestic sources including exporters, importers, non-bank corporate and individuals, contributed 83.2% of the total, the highest score since 2019.

Although, the CBN unified the foreign exchange market and floated the naira in June 2023, the local currency has experienced significant devaluation while Foreign Direct Investment (FDI) remains lower. As at September 17th 2025, the Naira was trading at ₦1,494.01/\$1 in the official market and ₦1,535.00/\$1 in the parallel market.

To address inflation and maintain economic stability, the CBN's Monetary Policy Committee (MPC) has implemented multiple hikes in the Monetary Policy Rate (MPR), which currently stood at 27.50% as at July 2025. Notwithstanding, inflationary pressures have begun easing. Headline inflation declined from 21.88% in July to 20.12% in August 2025.

The Nigerian lighting industry remains a relatively small contributor to GDP, yet its importance is more significant than the figures suggest. Adoption of LED technologies is rising, solar and other off-grid solutions are expanding and steady construction activity continues to drive demand. These developments position lighting as both a cost-saving measure and a tool for improving productivity.

Despite this progress, the Sector faces persistent challenges. Electricity supply from the national grid remains unreliable, imports dominate the supply chain and low-quality products circulate widely, limiting trust and long-term growth.

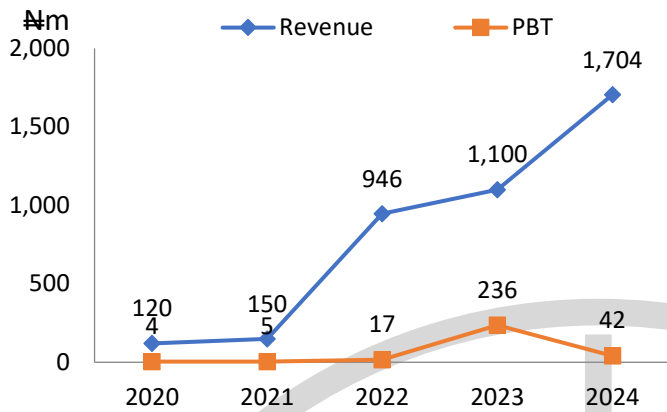
However, ongoing electrification programs and increasing private investment are creating opportunities for change. Better quality control and innovative financing models are gradually strengthening the industry's foundations. With these shifts, lighting is poised to play a more meaningful role in supporting energy access and efficiency in the years ahead.

FINANCIAL PERFORMANCE

• EARNINGS PROFILE

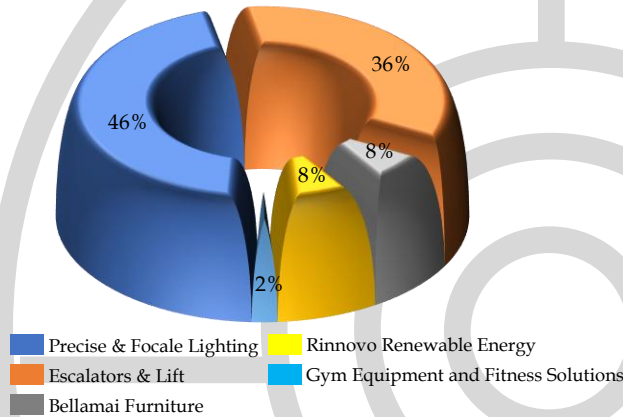
The Company's Revenue continued in an upward trend, reaching ₦1.7b in the financial year 2024. This represented a significant growth rate of 55% as against the preceding year's figure.

REVENUE GROWTH (2020 - 2024)



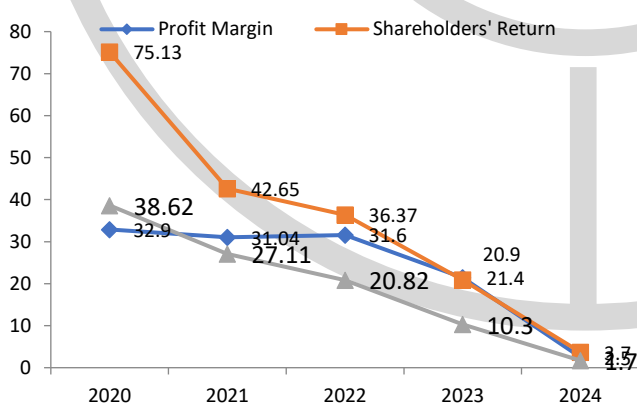
Source: Precise Lighting Ltd

REVENUE BREAKDOWN



Source: Precise Lighting Ltd

PROFITABILITY INDICES (2020 - 2024)



Source: Precise Lighting Ltd

Revenue was generated from Light Fittings, *Bellamai* Furniture, Escalators & Lift, *Rinnovo* Renewable Energy, Gym Equipment and Fitness Solutions as well as Precise & Focale Lighting.

In the financial year, the Company generated ₦1m from delivery charges, contributing to the overall Revenue of ₦1.7b (Yr. 24).

In terms of Cost of Sales, which included Lighting Fittings and Accessories, Expenses totaled ₦988.4m in the year 2024 as against ₦491.5m in the year 2023. This variation resulted in a Gross Profit Margin of 42% (Yr. 24), a decline from 55% (Yr. 23).

In the fiscal year ended 2024, Operational Expenditures rose significantly to ₦542.6m, marking a 76% increase from the prior year. Additionally, Finance Costs related to interest payments reached ₦131.3m in the year 2024, a sharp increase from ₦65.7m in the previous year.

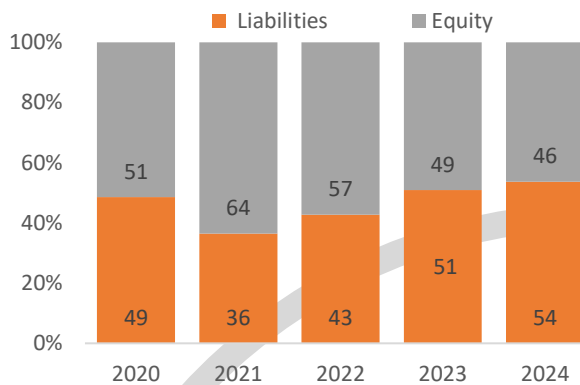
The Company's heightened Operating and Finance Costs exerted pressure on Profit Margin which decreased from 21% (Yr. 23) to 3% (Yr. 24). In absolute value, Pre-Tax Profit amounted to ₦236.5m and ₦43m in the years 2023 and 2024 respectively.

• CAPITALIZATION

The Company's Share Capital was maintained at ₦284.8m in both years 2023 and 2024. This included a Share Premium of ₦282.5m in these periods. However, Retained Earnings grew marginally by 2%, closing at ₦865.6m as at the year ended 2024.

Consequently, Total Equity rose from ₦1.13b in the year 2023 to ₦1.15b in the year 2024. As at July 31, 2025, Total Shareholders' Fund declined to ₦929m.

FUNDING OF OPERATIONS (2020-2024)



Source: Precise Lighting Limited

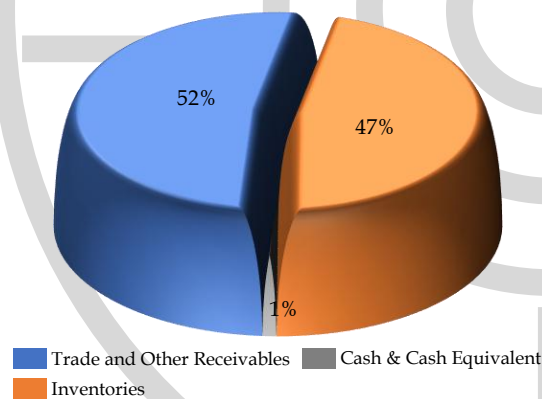
The Company reported Total Assets amounting to ₦2.5b (Yr. 24), reflecting an 8% increase over the previous year. A significant 59% of these Assets were classified as Current in the financial year. Additionally, this Asset class contributed largely to the overall growth in Total Assets value.

As a result of the mismatch between the growth recorded in the Company's Shareholders' Funds and Total Assets, Equity financing of operations decreased to 46% (Yr. 24) from 49% (Yr. 23).

ASSET UTILITY

In the year 2024, the Company's Current Assets represented 59% of the Total Assets utilized in operations. The Current Assets increased by 12%, rising from ₦1.3b (Yr. 23) to ₦1.5b (Yr. 24). This significantly influenced the overall growth in Total Assets.

COMPOSITION OF CURRENT ASSET



Source: Precise Lighting Ltd

The components constituting Current Assets included Inventories, Trade and Other Receivables as well as Cash and Cash Equivalents. Notably, Trade and Other Receivables remained the dominant component of Liquid Assets, representing 52% of the total value.

The Non-Current portion of Total Assets increased from ₦983.6m (Yr. 23) to ₦1b (Yr. 24), with Property, Plants and Equipment (PPE) making up 99% of this segment.

The Company demonstrated a marked improvement in Assets utilization for Revenue generation from 48% (Yr. 23) to 69% (Yr. 24). However, Return on Assets in terms of profit generation declined significantly from 10% (Yr. 23) to 2% (Yr. 24).

LIQUIDITY

Total Liabilities reached ₦1.3b in the year 2024, as against ₦1.2b in the previous year. This change was attributable to Current Liabilities which recorded a substantial rise of 39% (Yr. 24). It comprised Payables, Current Tax Payable and Other Liabilities.

In contrast, Non-Current Liabilities reported a 19% decline, largely due to reductions in Bank Loans. The Company’s Non-Current Liabilities accounted for 30% of its total obligations in the financial year.

Predominantly, Financial Liabilities at Fair Value constituted the bulk of the long-tenured obligations. These were Bank Loans which decreased from ₦481.9m (Yr. 23) to ₦375.9m (Yr. 24).

In absolute terms, Non-Current Liabilities and Current Liabilities amounted to ₦405.1m and ₦930.4m respectively as at the year ended 31st December 2024.

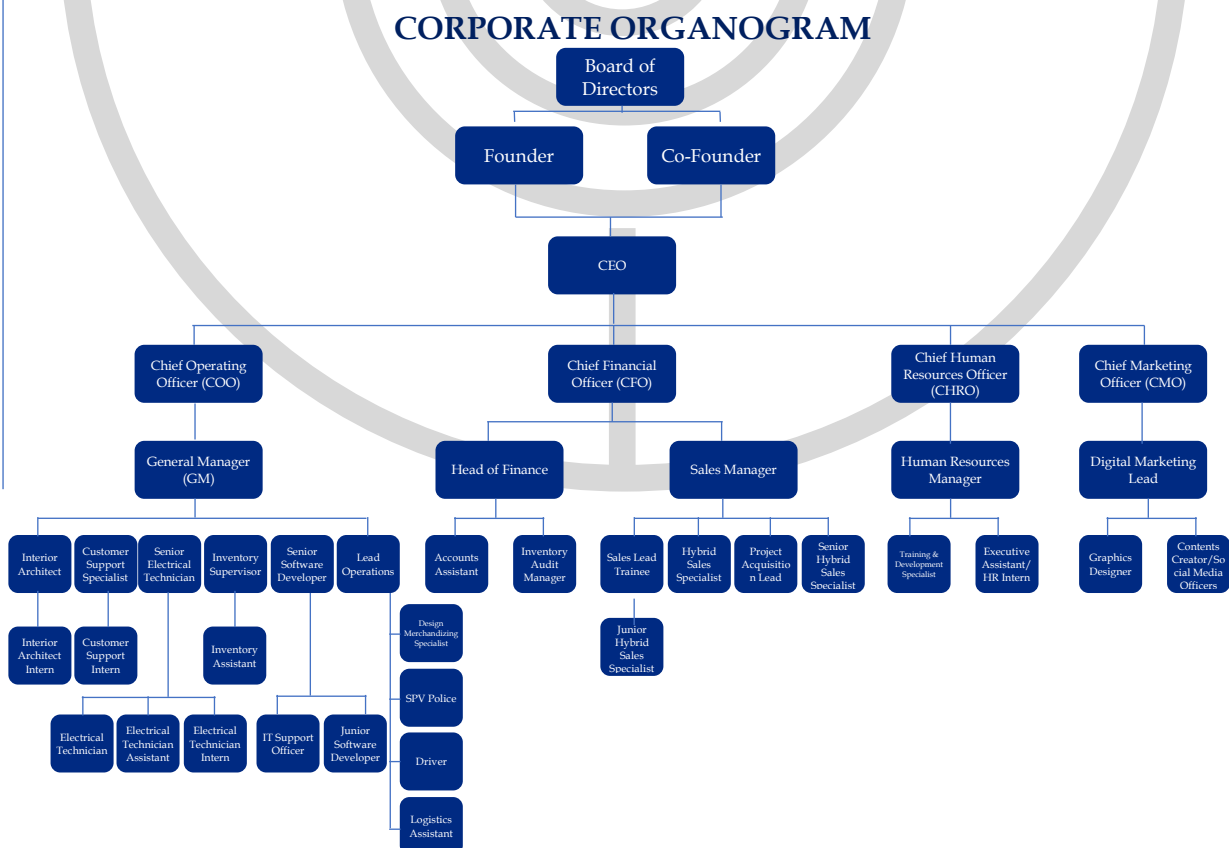
The Company’s Current Assets provided sufficient coverage for its Current Liabilities with a liquidity surplus of ₦543.6m (Yr. 24). Consequently, the Liquidity Coverage Ratio was 158% in the financial year.

CORPORATE GOVERNANCE & RISK MANAGEMENT

The Company’s affairs are governed by its Board of Directors comprising of two (2) Executives and three (3) Non-Executives (including the Chairman).

It recognizes the following major risks: Market Competition, Supply Chain Disruptions, Technological Obsolescence and Regulatory Compliance risks. In line with information provided, the Company has in place measures to deal with these risks.

The Company’s Corporate Organogram is as presented.



Source: Precise Lighting Limited

RISK FACTORS

In the course of our review, we observed the following significant risks:

- **INTEREST RISK**

This is the risk of loss to income arising from adverse changes in Interest Rates.

Based on our review, the Company had Interest Bearing Borrowings from Banks, amounting to ₦375.8m (Yr. 24). Therefore, adverse movement in interest rate could impair profitability.

- **CREDIT RISK**

This is the risk arising from the inability of counterparties to honour their obligations as and when due.

Amount concentrated in the hands of third parties was ₦770.3m as at the year ended 2024. This represented 31% of the Company's Total Assets. Therefore, inability of obligors to pay their debt will impact profitability.

- **IMPORT RELATED RISK**

This is the risk of impediments to operation arising from significant dependence on import of resale items or production inputs.

Based on our review, the Company depends largely on imported items for resale which constituted 90% of its stock in the year 2024. Consequently, disruptions arising from market or logistic risk could affect revenue and profitability.

- **LIQUIDITY RISK**

This is the risk arising from the inability of the Company to pay obligations as and when due.

Based on our review, the Company recorded a Current Ratio of 158% (Yr. 24). This is above the benchmark of 100%.

FUTURE OUTLOOK

The Company's expansion plans on its products and services are as stated:

- **Precise Lighting:** It intends to expand its current store operations in Lagos and explore opening a second store in Abuja.

- **Focale Lighting:** Increase inventory and enhance operations to cater to affordable lighting solutions and open additional stores in strategic locations within Lagos.
- **Bella Mai:** Grow the product range and inventory for luxury furniture.
- **RINNOVO:** Invest in expanding the range of renewable energy products, including solar panels and hybrid inverters.
- **PowerLift Pro:** Enhance stock and distribution of luxury gym equipment.
- **Warehouse Development:** Establish a central warehouse in Lagos for streamlined distribution and logistics. Lease a warehouse in Abuja to support the new store.
- **Retail Expansion:** Open new *FOCALE* stores in key Lagos locations and set up new Precise Lighting store in Abuja.

CONCLUSION


The Rating of the Company is supported by its Diversified Revenue Portfolio, Good Capitalization and Experienced Management Team.

Consequently, we assigned a Rating of **"BBB"**

FINANCES

Financial Position as at

	Dec, 2024		Dec, 2023		Dec, 2022
	₦'000	Δ%	₦'000	Δ%	₦'000
Assets					
Non-Current Assets	1,011,858	2.87	983,643	18.69	828,733
Current Assets	1,473,997	11.67	1,319,968	553.87	201,871
TOTAL ASSETS	2,485,855	7.91	2,303,611	123.52	1,030,604
EQUITY AND LIABILITIES					
Share Capital	284,831	0.00	284,831	0.00	284,831
Retained income	865,566	0.00	865,566	(3527.17)	(25,256)
	1,150,397	0.00	1,150,397	343.18	259,575
LIABILITIES					
Non-Current Liabilities	405,087	-19.14	500,963	64.60	304,354
Current Liabilities	930,371	38.60	671,282	43.84	466,675
Total Liabilities	1,335,458	13.92	1,172,245	52.04	771,029
TOTAL EQUITY AND LIABILITIES	2,485,855	7.03	2,322,642	125.37	1,030,604
Income Statement					
Revenue	1,704,357	54.84	1,100,691	16.24	946,896
Profit Before Tax	42,950	-81.84	236,471	1287.58	17,042
Taxation	(23,919)	100.28	(11,943)	(1.67)	(12,146)
Profit After Tax	19,031	-91.52	224,528	4485.95	4,896

Signed: 
Name: Oladele Adeoye
Designation: Chief Rating Officer
Date: 18th September, 2025

For and on behalf of:
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USER GUIDE

DataPro's credit rating is an opinion of an issuer's/issues overall creditworthiness and its capacity to meet its financial commitment.

Our *short-term* ratings have a time horizon of less than 12 months in line with industry standards reflecting risk characteristics. The ratings place greater emphasis on the liquidity to meet financial commitment in a timely manner.

The long-term risk indicator is divided into 8 bands ranging from AAA through DD. Each band could be modified by + or -. With + representing slightly less risk than -. Such suffixes are not added to the 'AAA' long -term rating category and to categories below 'CCC'. Or to short-term rating older than A1+.

LONG-TERM RATING

Investment Grade

Indicator	Meaning	Explanation
AAA	Lowest Risk.	<i>(Superior)</i> Assigned to companies which have superior financial strength, operating performances and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have a Excellent ability to meet their ongoing obligations.
AA	Lower Risk	<i>(Excellent)</i> Assigned to companies which have excellent financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have a very strong ability to meet their ongoing obligations.
A	Low Risk	<i>(Very Good)</i> Assigned to companies which have very good financial strength, operating performance And profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have a strong ability to meet their ongoing obligation.
BBB	Slight Risk	<i>(Fair)</i> Assigned to companies which have fair financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have an ability to meet their

current obligations, but their financial strength is vulnerable to adverse changes in economic conditions.

Non-Investment Grade

Indicator	Meaning	Explanation
BB	Moderate Risk	<i>(Marginal)</i> Assigned to companies which have, marginal financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion have an ability to meet their current obligation, but their financial strength is vulnerable to adverse changes in economic conditions.
B	High Risk	<i>(Weak)</i> Assigned to companies which have, weak financial strength, operating performance and profile when compared to the standard established by <i>DataPro Limited</i> . These companies, in our opinion have an ability to meet their current obligation, but their financial strength is vulnerable to adverse changes in economic conditions.
CCC	Higher Risk	<i>(Poor)</i> Assigned to companies, which have poor financial strength, operating performance and profile when compared to the standards established <i>DataPro Limited</i> . These companies, in our opinion may not have an ability to meet their current obligation and their financial strength is extremely vulnerable to adverse changes in economic conditions.
DD	Highest Risk	<i>(Very Poor)</i> Assigned to companies, which have very poor financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion may not have an ability to meet their current obligation and their financial strength is extremely vulnerable to adverse changes in economic conditions.

SHORT-TERM RATING

Indicator	Meaning	Explanation
A1+	Highest credit quality	Indicates the strongest capacity for timely payment of financial commitments. May have an added “+” to denote any exceptionally strong credit feature.
A1	Good credit quality	A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.
A2	Fair credit quality	The capacity for timely payment of financial commitments is adequate. However, near term adverse changes could result in reduction to non investment grade.
B	Speculative	Minimal capacity for timely payment of financial commitments, plus vulnerability to near term adverse changes in financial and economic conditions.
C	High default risk	Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon a sustained, favorable business and economic environment. Indicates an entity that has defaulted on all its financial obligations.