
THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ CAREFULLY

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OR THE ACTION TO TAKE ON THIS DOCUMENT, PLEASE CONSULT YOUR STOCKBROKER, ACCOUNTANT, BANKER, SOLICITOR OR ANY OTHER PROFESSIONAL ADVISER FOR GUIDANCE. THIS IS A CONFIDENTIAL DOCUMENT AND CIRCULATION IS RESTRICTED. IT IS INTENDED FOR THE ADDRESSEE ONLY AND THE PROFESSIONAL PARTIES ENGAGED ON THE TRANSACTION. THE TRANSACTION UNDERLYING THIS MEMORANDUM IS INITIATED FOR A PUBLIC COMPANY, RC NUMBER 172093



ADDOSSEER MICROFINANCE BANK LIMITED RC: 749526

₦10,000,000,000

COMMERCIAL PAPER ISSUANCE PROGRAMME

Addosser Microfinance Bank Limited (“**Addosser**” or the “**Issuer**” or the “**Group**”), a private limited liability company incorporated under the laws of the Federal Republic of Nigeria, has established this ₦10,000,000,000 Commercial Paper Issuance Programme (the “**CP Programme**”), under which Addosser Microfinance may from time-to-time issue Commercial Paper notes (“**CP Notes**” 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 ₦10,000,000,000 or its equivalent in any other currency over a three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

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

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

The CP Notes will be issued in dematerialized form, registered, quoted, and traded via the FMDQ Securities Exchange Limited (“**FMDQ Exchange**”) Platform in accordance with the rules, guidelines and such other regulation as prescribed by the Central Bank of Nigeria (“CBN”) and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The Notes will settle via any Central Securities Depository recognized by the Securities and Exchange Commission, acting as Custodian 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 are 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.

LEAD ARRANGERS/LEAD ISSUING AND PLACING AGENTS



ANCHORIA
ADVISORY SERVICES

RC: 1517636

ANCHORIA ADVISORY SERVICES LIMITED
(FORMERLY KAIROS CAPITAL LIMITED)



SCM CAPITAL

RC: 499243

SCM CAPITAL LIMITED

THIS PROGRAMME MEMORANDUM IS DATED 15TH APRIL 2025

TABLE OF CONTENTS

DEFINITIONS AND INTERPRETATIONS	3
IMPORTANT NOTICE AND DISCLAIMER	8
CORPORATE DIRECTORY	9
DIRECTORS AND COMPANY SECRETARY OF THE BANK	10
TRANSACTION PARTIES	11
SUMMARY OF THE PROGRAMME	12
ABOUT THE ISSUER	14
PROFILE OF THE BOARD OF DIRECTORS AND MANAGEMENT TEAM	15
USE OF PROCEEDS	19
REVISED CBN GUIDELINES ON THE ISSUANCES OF THE CPS	20
TERMS AND CONDITIONS OF THE NOTES	22
TAX CONSIDERATIONS	28
RISK FACTORS	29
SETTLEMENT, CLEARING AND TRANSFER OF NOTES	31
PRO FORMA APPLICABLE PRICING SUPPLEMENT	34
EXTRACT FROM ISSUER'S RATING REPORT – DATAPRO LIMITED	39
HISTORICAL FINANCIAL INFORMATION OF ADDOSSER MICROFINANCE BANK LIMITED	40
EXTERNAL AUDITOR'S COMFORT LETTER	43
LEGAL OPINIONS ON THE NOTES	45
STATUTORY AND GENERAL INFORMATION	49

DEFINITIONS AND INTERPRETATIONS

In this Programme Memorandum, unless a contrary indication appears, the following expressions shall have the meanings indicated in the table below. Words in the singular shall include the plural and vice versa, references to a person shall include references to a body corporate, and reference to a gender includes the other gender.

“Agency Agreement”	The Issuing and Placing Agency Agreement and the Collecting and Paying Agency Agreement dated 15 th April 2025, or about the date of this Programme Memorandum executed by the Issuer, the Issuing and Placing Agency Agreement and the Collecting and Paying Agent(s)
“Applicable Pricing Supplement”	The Pricing Supplement applicable to a particular Series or Tranche of Notes which shall provide the final terms and conditions of a specific issue of a Series or Tranche under the Programme
“Arrangers” or “Issuing and Placing Agents” or “IPAs”	Anchoria Advisory Services Limited and SCM Capital Limited and any other Issuing and Placing Agent appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer’s right to terminate the appointment of any Issuing and Placing Agent
“Authorized Participants”	Dealing Members of the FMDQ Securities Exchange Limited who are licensed members authorized to make a market in securities admitted to trade on the FMDQ Exchange platform
“Business Day”	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria
“Business Hours”	8.00am to 5.00pm on any Business Day
“CBN”	Central Bank of Nigeria
“CBN Guidelines”	CBN’s Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 th September 2019, and the CBN Circular of 12 th July 2016 on Mandatory Registration and Listing of Commercial Paper, as amended or supplemented from time to time
“Central Securities Depository” or “CSD”	Central Securities Clearing System PLC or FMDQ Depository Limited (which expression shall include their successors) or any additional or alternative central securities depository recognised or registered by SEC as may otherwise be specified in the Applicable Pricing Supplement.
“CITA”	Companies Income Tax Act Cap C21, LFN 2004 (as amended by the Companies Income Tax Act No 11 of 2007) and the Finance Acts 2019, 2020 and 2021)
“Collecting and Paying Agent” or “CPA”	Zenith Bank PLC as collecting and paying Agent and/or any successor Collecting, and Paying Agent(s) appointed from time to time in accordance with the Agency Agreement
“Commercial Paper”, “CP”, “CP Notes” or “Notes”	Quoted senior unsecured commercial paper notes issued by the Issuer under the CP Programme from time to time and any Applicable Pricing Supplement in form of short-term zero-

	coupon notes held in dematerialized form by the Noteholders through the CSD.
“Conditions or “Terms and Conditions”	Terms and conditions, in accordance with which the Notes will be issued, are 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 ₦10,000,000,000
“Clearing System”	Clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
“Day Count Fraction”	The method of calculating the discount in respect of a Note as specified in the Applicable Pricing Supplement
“Dealing Member”	An FMDQ-licensed member authorized to make a market in securities admitted to trade on the FMDQ platform
“Deed of Covenant”	The Deed of Covenant dated 15 th April 2025, which shall take effect as a deed of poll by the Issuer for the benefit of the holders of the Notes
“Default Rate”	The interest rate equivalent to the daily overnight NIBOR +5% per annum or issue rate +5% per annum (whichever is higher)
“Eligible Investor” or “EI”	An investor that is not a Qualified Institutional Investor (QII) as defined in FMDQ Exchange Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in FMDQ Exchange Rules. Clean CPs (i.e., CPs not backed by guarantees or such other credit enhancement) shall be sold to QIIs and EIs
“Event of Default”	An event of default by the Issuer as set out in Condition 9 of the “Terms and Conditions of the Notes”
“Face Value”	The par value of the Notes
“FMDQ Depository”	A clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
“FMDQ Exchange Rules” or the “CP Rules”	The Commercial Paper Registration and Quotation Rules of FMDQ Exchange dated October 2023 (as may be amended from time to time) and includes rules, guidelines, membership agreements, market bulletins and such other regulations with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time
“FMDQ Exchange” or the Exchange	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for listing,

	quotation, registration, and trading of debt securities amongst others;
“Force Majeure”	Means any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, lockdown, epidemic, pandemic, civil commotion unrest or disturbances, riot, war, embargo, legislation, acts of God, acts of terrorism, and industrial unrest
“Government”	Any federal, state or local government of the Federal Republic of Nigeria
“Holders” or “Note holders”	The several persons for the time being, whose names are shown in the records of the CSD and/or entered in the Register of Noteholders as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders
“Implied Yield”	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement
“Issue Date”	The date upon which the relevant Series/Tranche of the Notes is issued as specified in the Applicable Pricing Supplement
“Issue Price”	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
“Issuer”, “Addosser”, or the “Bank”	Addosser Microfinance Bank Limited
“IPA”	Issuing and Placing Agent
“Issuing and Placing Agency Agreement”	The Issuing and Placing Agency Agreement between the Issuer and the IPAs
"LFN"	Laws of the Federation of Nigeria 2004
"Maturity Date"	The date as specified in each Applicable Pricing Supplement on which the Principal Amount is due
“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"	The Nigerian Naira
‘OTC’	Over the Counter

“Outstanding”	<p>In relation to the Notes, all the Notes issued, other than:</p> <ul style="list-style-type: none"> (i) those Notes which have been redeemed pursuant to these Conditions; (ii) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption moneys have been duly paid in accordance with the provisions of the Agency Agreement and; (iii) those Notes which have become void under the provisions of the Collecting and Paying Agency Agreement.
“PITA”	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011) and the Finance Acts 2019, 2020 and 2021
“Principal Amount”	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
‘Programme Memorandum’	This Programme Memorandum dated 15 th April 2025 which sets out the aggregate size and broad terms and conditions of the Commercial Paper programme
“Qualified Institutional Investor” or “QII”	Include banks, fund/asset managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms, Issuing Houses and any other category of investors as may be determined by the Exchange from time to time
“Redemption Amount”	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date
“Redemption Date”	In relation to any Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Applicable Pricing Supplement
"Register"	A register or such registers as shall be maintained by the Registrar in which are recorded details of Note holders
“Registrar”	The Central Securities Depository or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme.
“Relevant Date”	The payment date of any obligation due on the Notes
“SEC”	The Securities and Exchange Commission
“Series”	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except for their respective Issue Dates, and/or Issue Prices.

“Tranche”	in relation to a Series, those Notes of that Series that are issued on the same date and at the same issue price, thus which are identical in all respects
“Unique Identifier”	A code specifically designated/assigned to identify a CP
“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 overdue payment

IMPORTANT NOTICE AND DISCLAIMER

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 ₦10,000,000,000 (Ten 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 and Eligible Investors.

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

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 or Arranger, that any recipient of this Programme Memorandum or any other information supplied in connection with the CP Programme should purchase any Notes.

To the fullest extent permitted by the law, no representation, warranty or undertaking, express or implied is made and no responsibility is accepted by the Arranger or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arranger and other professional advisers do not accept any liability, whether arising in tort, contract or otherwise (save to the extent permitted by law), in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

Specifically, FMDQ Exchange takes no responsibility for the contents of this Programme Memorandum, nor any other information supplied in connection with this CP Programme makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Programme Memorandum.

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

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

CORPORATE DIRECTORY

Head Office: 32 Lewis Street,
Lagos Island
Lagos State,
Nigeria

Email Address: headoffice@addosser.com

Website: <https://addosser.com/>

DIRECTORS AND COMPANY SECRETARY OF THE BANK

<p>Directors:</p> <p>Executive Director Alhassan Gwaiso</p>	<p>MRS. EMMANUELLA GEORGE UDUKU Acting Chairman 32 Lewis Street Lagos Island Lagos</p> <p>FABIYI ADEBAYO Managing Director 32 Lewis Street Lagos Island Lagos.</p> <p>ADARE AYODEJI Executive Director, Finance 32 Lewis Street Lagos Island Lagos</p>
<p>Company Secretary:</p>	<p>Jackson, Etti & Edu RCO Court, 3-5 Sinari Daranijo Street Off Ajoye Adeogun Victoria Island, Lagos.</p> <p>JACKSON, ETTI & EDU Company Secretary</p>

Addosser Microfinance Bank Limited - N10 Billion Commercial Paper Programme

SUMMARY OF THE PROGRAMME

The following is a summary of the terms and conditions of the Commercial Paper Programme Issue by Addosser Microfinance Bank Limited. This summary draws attention to information contained elsewhere in the Programme Memorandum; it does not contain all the information any prospective investor should consider in making an investment decision. The Prospective investor is therefore advised to read the entire Programme Memorandum.

Terms	Description
Issuer	Addosser Microfinance Bank Limited (“ Addosser Microfinance ” or the “ Bank ”)
Lead Arrangers/ Lead Issuing and Placing Agents	Anchoria Advisory Services Limited (formerly Kairos Capital Limited); SCM Capital Limited
Collecting and Paying Agent	Zenith Bank PLC
Auditor	Tac Professional Parties
Custodian	FMDQ Depository Limited
Solicitors	Allianz Law Firm
Programme	The commercial paper issuance programme established by the Issuer, on its behalf, which allows for the multiple issuances of Notes from time to time under a standardized documentation framework
Programme Size	₦10,000,000,000 (Ten Billion Naira) aggregate principal amount of Notes outstanding at any point in time
Issuance in Series	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement
Issue Price	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
Issue Size	As specified in the Applicable Pricing Supplement
Use of Proceeds	The net proceeds from each issue of Notes will be used solely to support the Issuer’s short term funding requirements, as part of its asset and liability management strategy or as may otherwise be described in the applicable Pricing Supplement.
Interest Payments	Notes shall be issued at a discount and in the form of zero-coupon notes. Thus, the Notes will not bear interest, other than in the case of late payment.
Method of Issue	The Notes may be offered and sold by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement
Maturity Date	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of fifteen (15) days and a maximum of two hundred and seventy (270) days (including rollover, from date of issue). The maturity date of all outstanding CPs shall also not exceed the validity period of the applicable Issuer/CP Programme rating designated at the commencement of the registration of the CP Programme.
Currency of Issue	Nigerian Naira
Redemption	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines
Issuer Rating	The Issuer has been assigned ‘BBB+’ ratings from DataPro Limited
	Pursuant to the CBN Guidelines and FMDQ Exchange Rules, the Issuer or the specific issue itself shall be rated by a rating agency registered in Nigeria or any international rating agency acceptable to the SEC. <i>{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}</i>

Tenor	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of 15 days and a maximum of 270 days, including roll-over from the date of issue. The maturity date of all outstanding 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 Note	Each Note constitutes a direct, unconditional, senior and unsecured obligation of the Issuer. The Notes rank <i>pari passu</i> among themselves and save for certain debts mandatorily preferred by law, with other present and future senior secured obligations of the Issuer outstanding from time to time.
Quotation	The Issuer will Quote Series or Tranche of Notes on the FMDQ Exchange Platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted or listed on the relevant trading platform.
Source of Repayment	The repayment of all obligations under the CP issuance will be funded from the cash flows of the Issuer.
Registration & Quotation	<p>In compliance with the CBN circular on Mandatory Registration and Listing of Commercial Papers issued on 12 July 2016, an application has been made to FMDQ Exchange for the Registration of the Programme.</p> <p>The Issuer may elect at its discretion to have any Series or Tranche of Notes quoted on the FMDQ Exchange platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted on the relevant trading platform</p>
Business Day Convention	Any day other than a Saturday, Sunday or a public holiday declared by the Federal Government of Nigeria, on which banks are open for business in Nigeria
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 Note holders. 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 the laws of the Federal Republic of Nigeria.
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”) and in accordance with the guidelines and procedures of the CSD.

ABOUT THE ISSUER

Addosser Microfinance Bank Limited was incorporated on the 27th of May, 2008. It plays an important role in widening the finance options available to MSMEs by providing finance for their businesses through value added products and services and over the last 15 years, the bank has disbursed repeat loans in excess of ₦104 Billion.

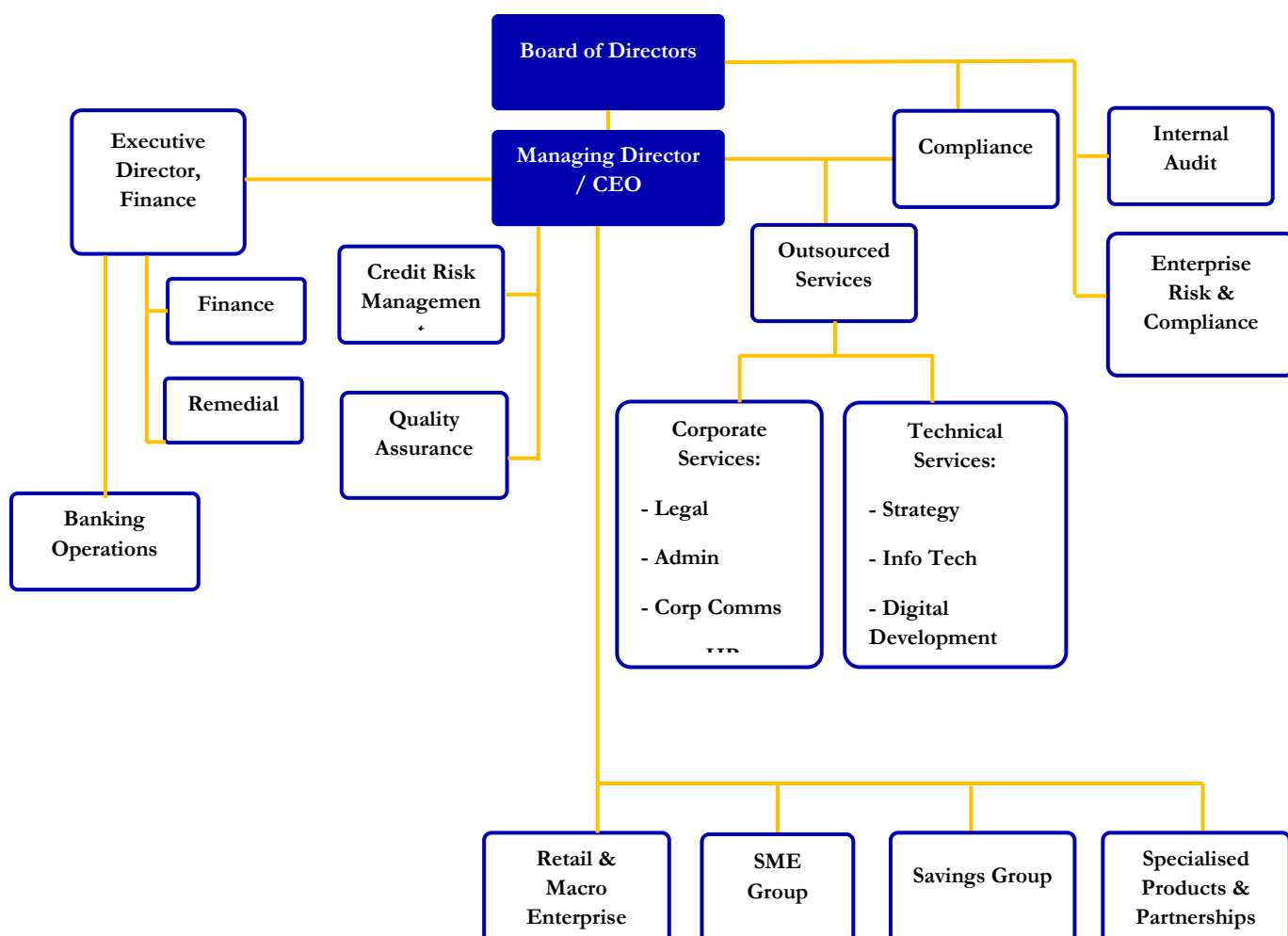
Founded in 2008, Addosser Microfinance Bank Limited is one of the leading Microfinance banks in Nigeria. Through a team of more than 350 employees, Addosser offers a broad range of products and services, to serve its over 177,500 customers through our three business groups: Retail and Microenterprise Banking, SME Banking, and Specialized products & Investments.

Given its commitment to generating value and building relationships with our customers, the Bank stays closely connected to the communities in which it operates and offers tailored support for MSMEs; connecting customers to opportunities, enabling businesses to thrive, and, ultimately, improving the living conditions of everyday people.

Addosser's aim is to be a one stop shop for financial services pushing boundaries to increasing access to finance for MSMEs and individuals through our diverse business mix comprising of Core banking, Fintech, and Insurance.

The Bank's operating license was upgraded from a unit microfinance bank to a state microfinance bank in 2013. With operations that currently span across 24 branches in Lagos, the bank's services has reached a customer base in excess of 177,500 clients with women accounting for over 60% of this number. The bank's Asset size is currently in excess of ₦24 Billion with shareholder funds above ₦3.5 Billion.

COMPANY ORGANISATIONAL STRUCTURE



PROFILE OF THE BOARD OF DIRECTORS AND MANAGEMENT TEAM

BOARD OF DIRECTORS AS OF 3RD OCTOBER, 2024

MRS EMMANUELLA GEORGE UDUKU - ACTING CHAIRMAN

Mrs. Emmanuella Goerge Uduku is an MBA alumnus of the prestigious International Business School – Hult International Business School (2011) with over 14 years of experience in Banking/Finance and Management Consulting both in Nigeria and the USA. She is currently an Independent Non-Executive Director at Addosser Microfinance Bank Limited. She has over the years demonstrated results in business development, entrepreneurship strategy, and strategic planning. She is keen on helping entrepreneurs and SMEs improve their performance and build sustainable businesses that will outlive the founders. She is also the Managing Partner of HillBridge Consulting and a Certified Management Consultant who specializes in strategic planning for SME business growth. Mrs. Emmanuella holds a BSc. in Management Information Systems from Covenant University (2006) and is a fellow of the Institute of Management Consultants Nigeria

MR ADEBAYO FABIYI – MANAGING DIRECTOR

Mr. Adebayo Fabiyi is the current Managing Director of Addosser Microfinance Bank Ltd with over Twenty (20) Years of banking experience in Banking Operations and Human Resource Management. He joined the Bank as one of its pioneer staff in 2008 and was responsible for managing the bank's operations before assuming the role of Executive Director and now Managing Director. Before joining the bank, Mr. Fabiyi worked in institutions such as Ecobank Nigeria Plc for 8 years and Intercontinental Bank Nigeria Plc for 2 years. Mr. Bayo Fabiyi holds a Bachelor's Degree in English Studies from the prestigious Obafemi Awolowo University (1989) and an MBA in International Business from the Lagos State University (1998). He is a member of the Chartered Institute of Bankers of Nigeria.

MR ADARE AYODEJI – EXECUTIVE DIRECTOR, FINANCE

Mr. Ayodeji joined the services of Addosser Microfinance Bank Limited as a pioneer staff and is currently the Executive Director of Finance at Addosser Microfinance Bank Limited. He has over Twenty (20) years of banking experience covering Operations, Finance, Treasury and Investment Management, Internal Control, and Information Technology implementation.

Prior to his position as Executive Director of Finance, he served as the Chief Financial Officer at Addosser for over 8 years. Before joining Addosser, Ayodeji worked at Equity Bank Limited for 3 years and the Intercontinental Bank Limited. He is a member of the Chartered Institute of Bankers of Nigeria (CIBN) and also a certified Microfinance Banker. He holds a Higher National Diploma in Accountancy from the Federal Polytechnic Ado-Ekiti (1998) and is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and alumni of the Lagos Business School.

MANAGEMENT TEAM

MR ADEBAYO FABIYI – MANAGING DIRECTOR

Mr. Adebayo Fabiyi is the current Managing Director of Addosser Microfinance Bank Ltd with over Twenty (20) Years of banking experience in Banking Operations and Human Resource Management. He joined the Bank as one of its pioneer staff in 2008 and was responsible for managing the bank's operations before assuming the role of Executive Director and now Managing Director. Before joining the bank, Mr. Fabiyi worked in institutions such as Ecobank Nigeria Plc for 8 years and Intercontinental Bank Nigeria Plc for 2 years. Mr. Bayo Fabiyi holds a Bachelor's Degree in English Studies from the prestigious Obafemi Awolowo University (1989) and an MBA in International Business from the Lagos State University (1998). He is a member of the Chartered Institute of Bankers of Nigeria.

MR LOOKMAN AGBETOBA – HEAD, SME GROUP

Lookman Agbetoba is an esteemed professional currently serving as the Head of the SME Group. With an impressive career spanning across various roles within the bank. Lookman began his career journey in the bank as an auditor. His exceptional performance in the institution led him to take on the significant responsibility of being the Strategy Officer for the bank.

Prior to joining the bank, Lookman gained valuable experience as an audit trainee at UAC, where he quickly rose through the ranks to become the Performance and Change Manager. Lookman holds a BSc and MSc in Agronomy from the esteemed University of Ibadan. He further expanded his knowledge by earning an additional MSc degree in Industrial & Labour Relations from the University of Lagos, showcasing his commitment to continuous learning and personal growth. He is a member of the chartered Institute of Bankers of Nigeria and also a certified microfinance banker.

MR MAJEDI EMMANUEL – HEAD, RETAIL GROUP

Emmanuel is a member of the prestigious Chartered Institute of Bankers of Nigeria and holds a certification as a Microfinance Banker (MCIB), he has been a microfinance banker over the course of more than 10 years. He is a graduate of geography from University of Ilorin where he holds a Bachelor degree.

Before joining Addosser Microfinance Bank, he was a Relationship Officer at FirstCall Group (Savings and Loans). In 2009, he joined Addosser Microfinance Bank, commencing his journey as a Relationship Officer. Through dedication, determination, and consistent exceptional performance, he swiftly climbed the corporate ladder, ultimately assuming the position of Head of Retail & Micro Enterprises Group in February 2018. His commitment and dedication have earned him numerous accolades, including multiple recognitions as the outstanding staff of the year.

MR BUKOLA ADEBISI – HEAD, CREDIT RISK

Mr. Adebisi holds a B.Sc. and M.Sc. in Statistics from the University of Ilorin. He has over 10 years working experience both in Investment and Credit Risk Management that spans institutions such as AIMS Assets Management Ltd. He worked as a senior Credit Risk Officer in Addosser MFB for over 7 years before assuming his current position as the Head of Credit Risk department. In addition, he is a member of the Chartered Institute of Bankers of Nigeria.

MRS OMOLARA ILIYA – HEAD, COMPLIANCE

Omolara is a highly accomplished professional with an exceptional background and an extensive range of skills and experience. She holds a Higher National Diploma in Accounting.

With over 13 years of industry experience, Omolara has demonstrated her expertise in various areas, including Marketing, Customer Service, Banking Operations, and Credit and Risk Management. Her career journey includes successful tenures at renowned companies such as Clique Nigeria and United Bank for Africa (UBA), where she consistently delivered exceptional results.

In 2008, Omolara joined Addosser Microfinance Bank as one of its pioneer staff members. Since then, she has held several key positions within the organization, showcasing her versatility and dedication. Her roles have included Head of Customer Service Unit, Head of Banking Operations, Credit Analyst, Head of Credit Administration Unit, and Head of Credit and Risk Management Department. Her exceptional performance in these roles led her to her current position as the Head of the Quality Assurance Department of the bank.

She is a member of the Chartered Institute of Bankers of Nigeria (CIBN), Certified Microfinance banker (MCIB) and also a fellow of Association of National Accountant of Nigeria.

MRS MODUPE DAIRO – HEAD, BANKING OPERATIONS

Modupe is a highly accomplished professional with a strong educational background and a wealth of experience in the finance industry. She holds a Higher National Diploma (HND) in Science Laboratory Technology with a focus on Chemistry from the Federal Polytechnic Ilaro in Ogun State and a Master of Business Administration (MBA) degree with a specialization in General Management from Ajayi Crowther University. She's currently pursuing a Doctor of Business Administration (DBA) degree at Ajayi Crowther University in Oyo State.

Prior to joining Addosser Microfinance Bank, Modupe worked in Safetrust Mortgage Bank Ltd, where she held various positions of increasing responsibility. Modupe is a member of Associate Nigerian Institute of Public Relations (ANIPR) and Member Chartered Institute of Administration (MCIA).

MRS JUMOKE ODUYOYE – GROUP HEAD, LEGAL

Jumoke is a seasoned Legal practitioner with over 18 years' post-call experience spanning both private and corporate practice. She began her career in M.A Oyefeso & Co before joining Addosser Microfinance Bank in 2008 and moved

up the rank to become the Group Head, Legal. She played a focal advisory point in a series of financing transactions, credit governance initiatives, property consultancy, collaterals, and debt recovery support.

She is a Law Alumna of the renowned Obafemi Awolowo University (OAU), Ile-Ife and was called to Bar at the Nigerian Law School in 2005. She also obtained a certificate in Theatre Arts in the same Obafemi Awolowo University in 1995. Jumoke is a certified Microfinance Banker and has her Chartered Secretaries and Administrators c in view.

MR AFEEZ THANI – GROUP HEAD, INFORMATION TECHNOLOGY

Afeez is the Group Head, IT at Addosser Investments. He is a highly skilled and experienced IT professional with a proven track record of success. He is responsible for the overall IT strategy and operations at Addosser.

Afeez has over 15 years banking experience serving in different managerial capacities that cuts across functions as a business oriented IT professional. He holds a Bachelor's Degree in Computer Science from Ladoko Akintola University of Technology. He started his career as an intern in the Electronic and Data Processing Unit of Law Union & Rock Insurance of Nigeria Plc and has attended several training, workshops and conferences both locally and internationally. Prior to joining the bank and assuming his current role, he worked with FinaTrust Microfinance bank as the Head IT department.

His areas of expertise include Business Solutions Management, Database Management, Business Analytic, E-Banking and Payment Solutions, Information Technology Infrastructure Management, Digital Financial Services etc. He is responsible for the alignment of the Bank's business strategy with technology and driving the business solutions of the Bank.

MRS OGE EZEDUINOR – HEAD, CORPORATE COMMUNICATIONS

Oge Ezediunor is a seasoned Marketing and Communications professional with almost a decade hands-on experience in Brand management, Advertising, Digital marketing, Events Management, Public and Customer Relations cutting across the Financial and Advertising industry.

She began her career at LTC-JWT, a renowned advertising firm, where she gained invaluable insights into the advertising process. During her tenure, she excelled in managing clients' portfolios across diverse sectors, including Finance, Education, FMCG, and more.

She joined Sterling Bank as a Customer Experience Personnel. In this role, she demonstrated her exceptional skills in resolving customer complaints and ensuring utmost client satisfaction in both private and retail banking of the institution in a bid to enhance the overall customer experience and maintain a positive brand image for the institution.

Oge's career trajectory led her to Addosser, where she initially served as the E-Operations Manager, contributing to the organization's digital operations and strategies. Recognizing her skill sets, she was promoted to her current position as the Lead, Corporate Communications.

Furthermore, Oge holds a Master's degree in Media and Communications, specializing in Marketing Communications from the esteemed Pan-Atlantic University in Lagos. She also obtained a B.Sc degree in Mass Communications from prestigious University of Benin, which provided her with a strong foundation in the field. She is also a certified digital marketing professional which underscores her commitment to staying abreast of the latest trends and best practices in the rapidly evolving digital landscape.

MRS AYODAMOLA ANDAH – GROUP HEAD, HUMAN RESOURCES

Ayodamola Andah is a Human Resources Professional with diverse financial services experiences in HR Operations, Succession Planning, Performance and Talent Management.

She holds an M.A. in Human Resource Management from the University of Leeds Business School, Leeds, United Kingdom and a BSc. in Mass communication. She started her career in 2005 as an Operations Officer with Diamond Bank Plc where she worked for almost 5 years before resigning to pursue her master's degree.

In 2012, she joined First City Monument Bank holding various HR roles ranging from Human Resources Project Officer (2013), Performance and Talent Management Officer (2014), Senior Talent Management Officer (2015), &

Human Resource Business Partner, Lagos and Southwest Regions (2017) as well as Head, Talent & Succession Programme Manager before joining VFD Group as the Group Head of HR in 2020.

She is an associate member of the Senior Certified Professional in Human Resources (SPHRi), Chartered Institute of Personnel Management (CIPM), Strategic Human Resource Management (SHRM) and Prince 2.

MRS OGHENETEGA ENEMUO – GROUP HEAD, TREASURY

Oghenetega Enemu is the Head, Treasury Marketing. She joined the organization with over 11 years banking and investment banking experience having spent most of her earlier years in Standard Chartered Bank and United Bank of Africa (UBA). She later moved to Page Financials where were held various leadership roles in Business Development, Overdraft and Liability Management.

Oghenetega obtained a BSc in Banking and Finance from Benson Idahosa University and has bagged various leadership trainings and certifications in Sales Management, Reputational Risk, Anti-Money Laundering and Terrorist Financing to name a few.

Her career mantra is –‘You don’t close a sale, you open a relationship. Oghenetega’s professional experience includes Funds Management and Investment Management, Bonds and Fixed Income Investments.

MRS BUKOLA ATOKI – HEAD, PROCUREMENT

Bukola is a highly accomplished professional with a strong background in Mathematics. She earned her B.Sc. in Mathematics from the prestigious University of Nnamdi Azikiwe University (NAU) in Awka, Anambra State back in 2006, laying the foundation for her successful career journey. Bukola is also a certified MicroFinance banker (MCIB),

Bukola's career commenced in November 2008 when she joined Addosser MicroFinance Bank Limited as a Customer Service Officer. Her dedication and commitment to excellence quickly earned her recognition, leading to a transition to the Internal Audit department in 2009, where she thrived as an Audit Officer. Her analytical prowess and keen eye for detail made her an invaluable asset to the team.

Demonstrating her versatility and leadership capabilities, Bukola assumed the position of Head of the Customer Service Unit within the Operations department in 2014.

Recognizing her exceptional talent and track record of achievements, Bukola was entrusted with her current role as the Head of the Administration Unit in 2018. With her wealth of experience spanning various key departments within the microfinance sector, Bukola has cultivated a profound understanding of the intricacies involved in running the administration of the industry earning her the position of Head, Procurement and Fleets.

MR HAPPY ONUKELOBI – HEAD, FACILITY MANAGEMENT

Happy is a seasoned professional with a remarkable track record in the realms of Facility management and Project execution. With diverse experiences across esteemed organizations, he has honed his skills and expertise to great levels.

Happy’s academic journey began at Federal Polytechnic Oko, where he earned a Higher National Diploma in Quantity Surveying in 2013. He began his journey in the world of Facilities and Projects management as an intern at Consolidated Construction Company in Awka, Anambra State in 2011. During this formative period, he gained invaluable insights into the construction industry, setting the stage for his future accomplishments.

In 2013, Happy joined Cospac Consultants, Awka, Anambra State, where he assumed a dual role as an efficient Administrative expert and a capable Project Site Manager. Over the span of five years, he demonstrated an innate ability to oversee projects with precision and finesse, ensuring their timely and successful completion.

Happy’s commitment to professional growth and excellence is reflected in his pursuit of certifications. He holds a valuable certification in Office/Workplace Safety from the esteemed Industrial Training Fund (ITF), underscoring his dedication to maintaining safe and conducive environments for both employees and clients.

In his current role as the Head of Facility and Special Projects, he brings together his multifaceted expertise to drive innovation and efficiency within his organization. He possesses an innate ability to identify and execute strategic initiatives that optimize facility operations and enhance project outcomes.

MR OGUGHA MARHO – HEAD, INTERNAL AUDIT

Over the years, Mr Ogugha have honed his expertise in tax audit, forensic audit, and investigation in banking. Prior to joining Addosser Microfinance Bank, he successfully contributed to the growth and success of institutions such as Tosin Fadare & Co, (Chartered Accountants) and Integrated MFB.

Mr Ogugha holds a B.SC in Accounting from the prestigious Delta State University, Abraka. He began his journey at Addosser Microfinance Bank as an audit supervisor before assuming his current position. As an associate member of the Institute of Chartered Accountants of Nigeria (ICAN) and chartered Institute of Bankers of Nigeria, he upholds the highest professional standards in his work.

MR CHIJIJOKE OBIAGWU – HEAD, SPECIALIZED PRODUCTS

Mr. Chijioke Obiagwu is the Head, Specialized Products and Partnerships of Addosser Microfinance Bank. Chijioke has over 15years' experience spanning Banking and related Financial services with core competencies in Product Development & Management, Partnership Creation & Management, Sales & Marketing, amongst others.

He holds a B.Sc in Economics from Imo state university(2003) and a Business Leadership Certification from the prestigious Lagos Business School(2022). He began his career with Profund Securities Limited as a Specialized Relationship Executive and in 2015, joined Accion Microfinance Bank Ltd as a Product Analyst where he rose to become the Value Chain Manager with key focus on Product Development, Budgeting, Relationship & Performance Management.

Chijioke has attended various professional trainings, business development seminars/workshops and lectures both in Nigeria and abroad. He is saddled with the responsibility of managing Addosser Microfinance Bank's Specialized Products & Partnership.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used solely to support the Issuer's short-term funding requirements, as part of its asset and liability management strategy or as may otherwise be described in the applicable Pricing Supplement.

SOURCE 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.

REVISED CBN GUIDELINES ON THE ISSUANCES OF THE CPS

BACKGROUND

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

REGULATORY FRAMEWORK

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

QUALIFICATION

A CP qualifies as a financing vehicle if:

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

SIZE AND TENOR

CPs shall be issued at the primary market for a minimum value of ₦100,000,000 (One Hundred Million Naira) and multiples of ₦50,000,000 (Fifty Million Naira), thereafter.

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

RATING

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

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

INVESTOR 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.

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

FORMS OF MAINTAINING CPS

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

ISSUING, COLLECTING AND PAYING AGENT

Only a deposit money bank or discount house (licensed by the CBN) that is a registered member of the FMDQ Exchange may act as an IPCA for the issuance of a 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 2 (two) weeks from the date of opening of the issue for subscription.
- iv. All CPs issued in Nigeria shall be registered with the clearing system, which shall serve as the custodian of all issues and central depository for all dematerialized instruments.

MANDATORY REGISTRATION & QUOTATION

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

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

COMPLIANCE WITH THE CBN GUIDELINES AND FMDQ EXCHANGE RULES

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines and FMDQ Exchange Rules. A legal opinion confirming adherence to the CBN Guidelines and FMDQ Exchange Rules is incorporated on page 49 of this Programme Memorandum.

COMPLIANCE WITH SECURITIES REGULATION

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

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions which, subject to any amendment and as may be completed, modified, supplemented, varied or replaced, in whole or in part, by the final terms which are contained in the Applicable Pricing Supplement (the "Final Terms"), will govern the Notes to be issued 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 outstanding principal amount not exceeding ₦10,000,000,000 (Ten Billion Naira). Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from, the Deed of Covenant.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

2.1.1 Unless otherwise specified in any Applicable Pricing Supplement, the Notes shall be registered electronically, serially numbered and denominated in a minimum amount of ₦5,000,000 (Five Million Naira) and integral multiples of ₦1,000 (One Thousand Naira) thereafter; and will be sold at such discount from their face amounts as shall be agreed upon by the IPA and the Issuer; and shall have a maturity not exceeding two hundred and seventy (270) days, including the roll over from the Issue Date.

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.

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

2.2 Title

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

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

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

3. Status of the Notes

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

4. Redemption

Subject to Condition 6 (*Event of Default*), the Notes are only redeemable at maturity and will be redeemed at the Face Value specified in the Applicable Pricing Supplement in accordance with the provisions of Condition 5 (*Payments*) below.

5. Payments

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

so paid.

5.1 Method of Payments

- 5.1.1 Payment of the outstanding obligation in respect of the Notes will be made by electronic funds transfer, in Naira to the account of the Noteholder specified in the Register.
- 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 or cheque will be made or addressed to, as the case may be, the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes to such joint Noteholders.
- 5.1.4 In the case of Notes held by a nominee, the nominee shall be paid as the registered Noteholder.
- 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 where evidence of transfer of the funds has been provided.
- 5.1.6 If the Issuer or the CPA 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 or the CPA shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) and the CPA shall not be responsible for any delay arising from making such payment by cheque, provided the payment is made on the maturity date. Such payments by cheque shall be sent by post through a reputable and registered courier operator to the address of the Noteholder as set out in the Register as soon as practicable to ensure payment is received as close to the Relevant Date as possible.
- 5.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the CPA 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.
- 5.1.8 Where the Issuer fails to redeem the Notes on the Redemption Date (and only in this event), interest shall begin to accrue on the Redemption Amount at the Default Rate from the Redemption Date until the date on which all amounts due in respect of such Note have been paid
- 5.1.9 If the Redemption Date is not a Business Day, then the Noteholder thereof shall not be entitled to payment of the Redemption Amount until the next Business Day, and the Noteholder shall not be entitled to any interest, return or other payment in respect of any such delay
- 5.1.10 The Issuer shall ensure there are sufficient funds in its funding account with the Collecting and Paying Agent by 12:00 Noon on the maturity date of the CP, failing which the Issuer shall be in violation of the CP Rules and the Sponsor shall immediately and no later than 1:00 PM notify the Exchange of the Issuer's failure to comply with the obligation

5.2 Payment Day

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

5.3 Closed Periods

No Noteholder may require the transfer of the Notes (i) during the period of five (5) days ending on the Redemption Date; or (ii) following the issuance of a default notice to the Issuer pursuant to

Condition 6.2 (*Action upon Event of Default*).

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:

- 6.1.1 In line with the FMDQ CP Rules, if the Issuer fails to notify FMDQ Exchange (through the IPA) that the Notes have been liquidated and funds have been transferred to all Noteholders by 5:00pm on the Redemption Date
- 6.1.2 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 thirty (30) days following the service on the Issuer of a written notice requiring that breach to be remedied; or
- 6.1.3 Should any representation or warranty made in connection with any documentation supplied by the Issuer in connection with the Programme be in the reasonable opinion of the Arrangers materially incorrect or materially misleading; or
- 6.1.4 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 in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Noteholders; or
- 6.1.5 Should an order be made, or the members of the Issuer pass a resolution for the winding up of the Issuer or the Issuer ceases, or through an official action of its Board threatens to cease, to carry on all or a substantial part of its business or operations; or
- 6.1.6 Any event occurs that 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; or
- 6.1.7 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 ninety (90) days of service by the relevant officer of the court of such attachment, execution or other legal process; or
- 6.1.8 If a writ of execution is issued by any competent court attaching any material or substantial part of the assets belonging to the Issuer and such remains unsatisfied for more than ten (10) Business Days after the date on which it is issued.
- 6.1.9 Failure to take take action: any action, condition or thing (including the obtaining of any consent or approval) now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme is not taken, fulfilled or done, or any such consent, or approval is revoked, modified, withdrawn or withheld or ceases to remain in full force and effect, resulting in the Issuer being unable to perform any of its payment or other obligations in terms of the Notes or the Programme

6.2 Action Upon Event of Default

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

until the debt obligations to the Noteholders have been settled in full.

6.2.3 In addition, each Noteholder shall have the right to exercise all other remedies available to them under the laws of the Federal Republic of Nigeria.

7. REGISTER

7.1 The Register shall be maintained by the CPA/CSD. The Register shall reflect each Tranche and Series of Notes, the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.

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 CPA 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 CPA/CSD to any Noteholder or any person authorised in writing by the Noteholder.

7.4 The CPA/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 to them at their respective addresses of record in the relevant Register of Notes of a Series maintained by the CPA. 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 Exchange, 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 or on the date of publication in national newspapers, or if published more than once or on different dates, on the date of the first publication.

8.2 Notices from the Noteholders

8.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing or via electronic mail and given by lodging the same with the Issuing and Placing Agents at their registered or specified office.

8.2.2 Any change of name or address on the part of the Noteholder shall forthwith be notified to any of the Issuing and Placing Agents who shall inform the CSD to effect the change in the Register.

9. MODIFICATION

9.1 The IPA and the Issuer may agree without the consent of the Noteholders, to any modification of the Terms and Conditions which is of a formal, minor, or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of any law in Nigeria and which in the opinion of the IPA is not prejudicial to the interest of the Noteholders. Notice of such modification shall be published in at least one daily newspaper of general circulation in Nigeria and shall be deemed to have been given and received on the date of first publication.

9.2 Save as provided in Condition 9.1 above, no amendment of the Terms and Conditions may be effected unless:

9.2.1 such amendment is in writing and signed by or on behalf of the Issuer; and

9.2.2 the Exchange is notified of such amendment

9.2.3 such amendment:

9.2.3.1 if it affects the rights, under the Terms and Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than seventy-five percent (75%) of the outstanding Principal Amount of all the Notes; or

9.2.3.2 if it affects only the rights, under the Terms and Conditions, of a particular group (or

groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than seventy-five percent (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 twenty-one (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, agenda 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 ten percent (20%) in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within ten (10) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.dcc vv
- 10.4 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, 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 meetings of the Noteholders.
- 10.5 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 meetings of the Noteholders.
- 10.6 Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meetings 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.
- 10.7 The Chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders requisition a meeting, and the Issuer fails to call such a meeting within ten (10) Business Days of the requisition, then the chairman of the meeting held at the instance of the Noteholders shall be selected by a simple majority of Noteholders present in person or proxy.
- 10.8 At any meeting of Noteholders, two or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one-third of the Principal Amount of outstanding 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.
- 10.9 If thirty (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 fourteen (14) days nor more than twenty-one (21) days thereafter and at the same time and place. At such adjourned meeting, two (2) or more Noteholders present or represented by proxy holding in aggregate not less than one-third of the Principal Amount of outstanding Notes shall form a quorum and shall have the power to pass any resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.
- 10.10 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical

form duly signed by or on behalf of all of the Noteholders.

11. CHANGE OF AGENTS

11.1 Upon receipt of FMDQ Exchange's approval to effect the revision, and following the submission of a formal revision application, the Issuer is entitled to vary or terminate the appointment of the Agents and/or appoint additional or other agents and/or approve any change in the Specified Office through which any agent acts, provided that there will, at all times during the subsistence of the Programme, be an agent with Specified Offices.

11.2 Each Agent acts solely as agent of the Issuer and does not assume any obligation towards or any relationship of agency or trust for or with any Noteholder.. -

12. 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 as a withholding tax rate of 10% is deductible from the discount on the notes issued under the Programme except where the Applicable Pricing Supplement states otherwise.

13. 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.

14. GOVERNING LAW

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

TAX CONSIDERATIONS

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

The Notes issued under the 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 general summary is not intended to be and should not be construed to be tax advice to any particular subscriber. In particular, it does not constitute a representation by the Issuer, its tax advisers or the Arranger on the tax consequences attached 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 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, its tax advisers nor the Arranger shall be liable to any subscriber in any manner for placing reliance upon the contents of this section.

RISK FACTORS

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

RISKS RELATING TO THE COUNTRY

a) Economic Risk

The Nigerian economy is largely dependent on global oil prices and country's level of oil and gas production as the Oil sector remains a major contributor to the GDP. In addition, the Oil sector plays a central role in Nigeria's economy, as it accounts for a substantial portion of its export earnings. This dependence makes the Nigerian economy vulnerable to oil price fluctuations, as many economic sectors and state governments in Nigeria depend upon public spending and private consumption driven by oil revenues.

b) Political Risk

Political risk is the possibility of risk of loss arising, where political or economic conditions or events in a particular country inhibit the ability of counterparties resident in that country to meet their financial obligations. Several significant changes have occurred within the Nigerian political environment since the general elections in February 2023. The administration of President Bola Tinubu was inaugurated in May 2023 and there have been a number of significant policy shifts including removal of fuel subsidy and several operational changes to the country's foreign exchange regime, all of which are aimed at expanding the country's GDP. There continues to be the possibility that further economic and political reforms will be instituted as part of the administration's reform agenda.

c) Foreign Exchange Risk

The Nigerian foreign exchange market has remained volatile following declines in foreign exchange reserves which was largely driven by the nation's low crude oil production and weakened participation of foreign portfolio investments. Further depreciation or devaluation of the Naira may negatively impact the Bank's cost profile, considering the nature of its business.

d) Insecurity Risk

Security remains a major concern for the Nigerian government in 2023. Despite making notable progress in combating insecurity and insurgency in Nigeria and across Africa, the nation grapples with significant security challenges, enduring attacks, and kidnappings, notably in the North-East, North-West, and South-South regions. While, the Federal Government has recently succeeded in limiting the activities of the Boko Haram group, including the recapture of previously controlled territories, the humanitarian situation, on the other hand, has deteriorated. In addition, rising sectarian conflicts in Nigeria's middle belt and eastern regions continue to pose a threat to the country's political stability. The occurrence of an event of political instability, at either State or National level, could have a material adverse effect on Nigeria's economy and the operations of the Issuer.

RISKS RELATING TO THE ISSUER

- a) **Reputational Risk:** The reputation of a company plays a crucial role in determining its business success and profitability. This pattern of reputation having a considerable influence on sales is frequently observed in the construction sector. Consequently, any damage to the group's reputation stemming from other projects or arising from various issues could have a substantial impact on all ongoing projects, including those financed by the proceeds of the CP.
- b) **Credit Risk:** Given unfavorable business circumstances, particularly amidst the ongoing current economic downturn, which has inflicted negative impacts on businesses, there arises a clear concern regarding credit risk. Credit risk pertains to the potential financial situation the Group may incur if a customer or counterparty fails to fulfill their contractual obligations.

- c) **Liquidity Risk:** Liquidity risk entails the possibility that the Group might struggle to fulfill its commitments as they come due. This situation could occur if the buffer provided by liquid assets proves inadequate to cover impending maturing obligations. Liquidity risk is strongly related to other financial risks such as credit risk and market risks, such as interest rate risk, security price risk, etc.
- d) **Operational Risk:** Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally acceptable standards of corporate behaviour.
- e) **Legal Risk:** There exists a possibility that the Bank's counterparties, including suppliers, might not meet their contractual obligations. In the normal course of business, the Issuer could be exposed to legal disputes.

Should these legal proceedings result in significant liabilities, it could adversely affect the Group's business operations, brand perception, and reputation. Regulatory penalties and litigation claims may also affect the Issuer's financial performance in the fiscal year when such expenses are incurred.

Furthermore, unforeseen alterations to relevant laws or regulations, whether preceding or following the transaction's conclusion, cannot be predicted.

RISKS RELATING TO THE NOTES

- a) **Liquidity Risk:** Upon issuance, the Notes may lack an active two-way quote trading market, potentially resulting in limited liquidity. Consequently, Investors might encounter challenges selling the Notes within a transparent and efficient system. While efforts will be made to seek admission and trading of the Notes issued under the Programme on the FMDQ Exchange platform, there is no guarantee of acceptance for these applications, nor certainty that any specific issuance of Notes will be admitted, or that a thriving trading market will emerge. Therefore, the development and liquidity of a trading market for any particular issue of Notes cannot be assured.
- b) **Investment Risk:** Investment risk encompasses the potential decrease in the net realizable value of investment assets due to adverse movements in market prices or specific factors related to the investment, such as reputation. Each investment type carries its own unique set of risks, which can potentially diminish the value of those investments.
- c) **Amendment to Governing Laws:** The Issuer is validly incorporated and established under Nigerian law, as of the date of this Programme Memorandum. However, there is no certainty about how any potential judicial decision or alteration in Nigerian law or its official application or interpretation may affect the Issuer after the date of this Programme Memorandum.
- d) **Ranking:** The Notes will constitute senior unsecured obligations of the Issuer. Therefore, holders of secured indebtedness, if any, will have claims that are prior to the claims of the holders of the Notes, to the extent of the assets securing such indebtedness. Thus, in the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding, the pledged assets would be available to satisfy obligations on the secured indebtedness before any payment could be made on the Notes.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

CLEARING SYSTEM

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

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

AUTHORISED PARTICIPANTS

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

For purposes of Notes issued under this Programme, the Authorised Participants Anchoria Advisory Services Limited, SCM Capital Limited, and any other Authorised Participant as duly appointed by the Issuer.

REGISTRATION

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

CUSTODY AND DEMATERIALIZATION

- i. An Authorised Participant with physical CP notes may decide to dematerialize CP(s) with the CSD by completing the relevant form.
- ii. All holders of CP notes must route these notes through the Authorised Participant who will then submit on the CSD authorised platform in dematerialized form.
- iii. Authorised Participants may also decide to keep the CPs in physical form with the CSD (subject to service agreement with CSD), acting as the Custodian for the issue.
- iv. Authorised Participants can also lodge the CP(s) electronically by using the CSD e-lodgement format.
- v. The Authorised Participants (or Lead Arranger) will advise the CSD, after dematerialization or e-lodgement to transfer CPs to Noteholders' (or their custodians') accounts at the CSD before trading commences.
- vi. The Authorised Participants shall provide the schedule of all the subscribers and their expected holdings to the CSD for distribution. The Authorized Participant will electronically lodge CPs with the CSD and advise

the CSD after lodgment to transfer the CPs to the sub-accounts, individual accounts or custodians accounts of the beneficial owners of the Notes.

- vii. Cut-off time for e-lodgment of CPs is 10.00 a.m. on the day before the value date, and the CSD shall process the same within 24 hours of receipt.

LODGEMENT

- i. An Authorised Participant will electronically lodge the CPs within ten (10) Business Days after the approval for the quotation of the CP on the Exchange and advise the CSD after lodgment to transfer the CPs to the sub-account of the beneficial owners of the Notes.
- ii. The CSD shall process same within 24 (twenty-four) hours of receipt.

REDEMPTION

- i. The Collecting and Paying Agent will submit a letter to the CSD confirming the intention of the Issuer to repay the Noteholders on the Maturity Date by 12.00 noon on the date which is two (2) working days before the Maturity Date.
- ii. The CSD shall expunge (knock-off) matured CPs before the close of Business Hours on the Maturity Date or Redemption Date of the CP.
- iii. The Maturity Date shall be on a Business Day, however if the Maturity Date falls on a public holiday, payment will be made on the following working day.

ROLL-OVER

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

DEFAULT

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

SECONDARY MARKET TRADING (OTC) GUIDELINES

- i. Standard settlement cycle is T+2.

- ii. FMDQ shall submit the confirmed CP trade details on trade day in the specified format via the CSD authorised platform, based on the following settlement timelines:

Same Day Settlement: 12.30 p.m.

T+1 or T+2 Settlements: 3.00 p.m.

- iii. The CSD shall deliver securities and send confirmation of transfers via the CSD authorised platform by 2.00 p.m. on the settlement date to FMDQ Exchange and the Nigeria Inter-Bank Settlement System ("NIBSS") simultaneously. Authorised 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 FMDQ Exchange and CSD simultaneously.
- v. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is three (3) Business Days before the Maturity Date.

REPORTING

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

TRANSFER OF NOTES

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

CASH SETTLEMENT

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

PRO FORMA APPLICABLE PRICING SUPPLEMENT



ADDOSSE MICROFINANCE BANK LIMITED RC 749526

ISSUE OF UP TO ₦2,000,000,000 SERIES 1 COMMERCIAL PAPER

UNDER ITS ₦10,000,000,000

COMMERCIAL PAPER ISSUANCE PROGRAMME

This Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 15th April 2025 issued by Addosser Microfinance Bank Limited in connection with its ₦10,000,000,000 Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the "Programme Memorandum").

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

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

This document has been prepared in accordance with the Central Bank of Nigeria (the "CBN") Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019, the CBN letter to all deposit money banks and discount houses dated 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together with the "CBN Guidelines") and the Commercial Paper Registration and Quotation Rules (the "Rules") of FMDQ Exchange in force as at the date thereof.

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

LEAD ARRANGERS/ LEAD ISSUING AND PLACING AGENTS



ANCHORIA
ADVISORY SERVICES

RC: 1517636

ANCHORIA ADVISORY SERVICES LIMITED



SCM CAPITAL

RC: 499243

SCM CAPITAL LIMITED

THIS PRICING SUPPLEMENT IS DATED 15TH APRIL 2025

PRO FORMA APPLICABLE PRICING SUPPLEMENT

PARTIES

1. Issuer:	Addosser Microfinance Bank Limited (“Addosser Microfinance” or the “Group”)
2. Lead Arrangers/ Issuing and Placing Agents:	Anchoria Advisory Services Limited (formerly “Kairos Capital Limited”) SCM Capital Limited
3. Collecting and Paying Agent:	Zenith Bank PLC
4. Sponsors to the Quotation on FMDQ Exchange:	Anchoria Advisory Services Limited SCM Capital Limited
5. Auditors:	Tac Professional Services
6. Solicitors:	Allianz Law Firm
7. Custodian:	FMDQ Depository Limited

PROVISION RELATING TO THE NOTES

8. Series Number:	1
9. Tranche Number:	1
10. Programme Size:	₦10,000,000,000
11. Aggregate Nominal Amount	₦[●]
12. Face Value:	₦2,000,000,000
13. Discounted Value:	₦[●]
14. Nominal Amount per Note:	₦1,000
15. Issue Price:	[●]
16. Tenor:	270 days
17. Maturity Date:	[●]
18. Final Redemption Amount:	[●]
19. Specified Denomination/Currency:	Nigerian Naira (₦)
20. Status of Notes:	Each Note constitutes a direct, unconditional, senior and unsecured obligation of the Issuer, and the Notes rank pari passu among themselves and save for certain debts mandatorily preferred by law, pari passu with other present and future senior unsecured obligations of the Issuer outstanding from time to time

21. Form of Notes:	Dematerialized
22. Source(s) of Repayment	The repayment of all obligations under the CP issuance will be funded from the cash flows of Addosser Microfinance.
23. Quotation:	FMDQ Securities Exchange Limited
24. 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 Note holders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws
25. Method of Offer:	Fixed Price Offer
26. Book Closing Period:	The Register will be closed from [●] to [●] until the Maturity Date

Zero Coupon Notes

27. a. Discount Rate:	[●]
b. Implied Yield:	[●]
c. Any Other Formula or Basis for Determining Amount(s) Payable:	$PV = FV \cdot (1 - (DR \cdot t / \text{no. of days in the year}))$
28. Day Count Fraction:	Actual / Actual (actual number of days in a month and actual number of days in a year)
29. Business Day Convention:	Any day other than a Saturday, Sunday or a public holiday declared by the Federal Government of Nigeria, on which banks are open for business in Nigeria

Provision Regarding Redemption

30. Redemption/Payment Basis:	Redemption at par
31. Issuer's Early Redemption:	Not applicable
32. Issuer's Optional Redemption:	Not applicable
33. Other Terms Applicable on Redemption:	Not applicable

General

34. Offer Opens:	[●]
35. Offer Closes:	[●]
36. Allotment Date:	[●]
37. Notification of Allotment:	All applicants will be notified through an email and/or by telephone of their allotment by no later than [●]
38. Issue Date:	[●]

39. **Payment Date:** [•]
40. **Details of Bank Account(s) to which Payments are to be made in Respect of the Notes:** Zenith Bank PLC
Acc No: [•]
41. **Settlement Procedures and Settlement Instructions:** Purchases will be settled via direct debit, electronic funds transfer (NIBSS, NEFT, RTGS etc.)
42. **Delivery Date:** The total amount received will be lodged with the Central Securities Depository no later than 1 month after the settlement date
43. **Issuer Rating:** DataPro [BBB+]
Agusto [BBB-]

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no significant change in the financial position of the Issuer since [•] and no material adverse change in the financial position or prospects of the Issuer since [•].

RESPONSIBILITY

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

Signed on this ____ day of 2025

For and on behalf of:

Addosser Microfinance Bank Limited

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

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

ADDOSSEER MICROFINANCE BANK LTD

Long-Term Rating:

BBB⁺

Short Term Rating: A2

Rating Outlook: Stable

Trend: UP

Currency: Naira

Date Issued: 11 July, 2024

Valid Till: 10 July, 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

	2023 ₦'000	2022 ₦'000	2021 ₦'000	2020 ₦'000	2019 ₦'000
Gross Earnings	6,453,927	4,617,374	3,295,880	2,396,114	1,893,122
Profit Before Tax	1,046,546	1,103,934	820,427	547,056	437,767
Shareholders' Funds	3,195,746	2,532,155	1,896,311	1,409,536	1,072,958
Deposit Liabs	15,377,524	9,293,804	6,039,821	5,074,472	3,713,222
Loans & Advances	14,459,409	10,980,183	7,231,078	6,033,845	3,886,319
Total Assets	23,503,269	16,514,995	12,381,290	8,902,178	6,328,647

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 Bank, 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 Bank's Audited and Management Accounts.

The risk factors were assessed using the Bank's Capitalization, Earnings Profile, Liquidity, Corporate Governance, Regulatory Compliance and Sustainability of its current healthy profile in the medium to long term period.

Overall, the following were observed:

Positive Rating Factors

- Good Revenue Portfolio
- Experienced Management Team
- Good Capital Base
- Good Liquidity Profile

Negative Rating Factors

- Macro-economic Constrains
- Sectoral Concentration Risk

This report does not represent an offer to trade in securities. It is a reference source and not a substitute for your own judgment. As far as we are aware, this report is based on reliable data and information, but we have not verified this or obtained an independent verification to this effect. We provide no guarantee with respect to accuracy or completeness of the data relied upon, and therefore the conclusions derived from the data. This report has been prepared at the request of, and for the purpose of, our client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person. Finally, DataPro and its employees accept no liability whatsoever for any direct or consequential loss of any kind arising from the use of this document in any way whatsoever.

HISTORICAL FINANCIAL INFORMATION OF ADDOSSER MICROFINANCE BANK LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2021 ₦'000	2022 ₦'000	2023 ₦'000	H1 2024 ₦'000
Interest Income	3,006,319,300	4,180,127,467	5,884,483,105	3,636,278,614
Interest Expense	(835,122,217)	(1,290,699,511)	(2,085,932,305)	(1,368,406,617)
Net Interest Income	2,171,197,083	2,889,427,956	3,798,550,800	2,267,871,997
Impairment Charges	(21,642,306)	(62,262,313)	(87,790,484)	(12,875,008)
Net Interest Income After Impairment Charges	2,149,554,777	2,827,165,643	3,710,760,316	2,254,996,989
Fee and Commission Income	287,303,758	433,924,082	559,316,553	413,103,588
Fees and commission expenses	-	-	-	(9,325,488)
Net fee and commission income	-	-	-	403,778,100
Other Operating Income	2,256,915	3,322,588	10,127,195	825,000
Exchange Loss	(17,226,196)	(51,171,075)	-	-
Net non-interest income	-	-	-	404,603,100
Net Operating Income	2,421,889,254	3,213,241,238	4,280,204,064	2,659,600,089
Other Operating Expenses	(432,017,870)	(621,866,589)	(914,356,655)	(350,861,716)
Personnel Cost	(1,040,492,027)	(1,321,900,372)	(2,094,867,006)	(1,334,158,930)
Depreciation On Property, Plant and Equipment	(84,422,108)	(115,524,385)	(174,636,920)	(106,145,251)
Amortisation of Intangible Assets	(14,134,288)	(18,534,077)	(20,034,410)	(12,414,783)
Depreciation of Rights of Use	(30,396,223)	(31,482,289)	(27,763,434)	(43,092,069)
Total Operating Expenses	(1,601,462,516)	(2,109,307,712)	(3,231,658,425)	(1,846,672,749)
Profit Before Tax	820,426,738	1,103,933,526	1,048,545,639	812,927,340
Income Tax Expenses	(288,457,285)	(397,664,580)	(467,012,782)	(257,455,738)
Profit For The Year	531,969,453	706,268,946	581,532,857	555,471,602
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Year	531,969,453	706,268,946	581,532,857	555,471,602


STATEMENT OF FINANCIAL POSITION

	2021 ₦'000	2022 ₦'000	2023 ₦'000	H1 2024 ₦'000
<u>ASSETS</u>				
Cash and cash equivalents	2,879,829,328	2,873,179,606	4,765,523,456	363,539,374
Pledges assets	1,246,076,256	1,389,986,013	2,103,990,330	
Investment securities	488,615,841	593,043,578	1,281,406,200	3,497,477,049
Placements with banks	-	-	-	-
Financial assets	-	-	-	1,149,870,870
Loans and advances	7,231,077,614	10,980,187,609	14,459,408,615	18,469,538,242
Other assets	218,748,873	159,775,654	284,826,999	857,274,359
Property, plant and equipment	208,552,397	407,528,364	508,145,831	571,578,189
Intangible assets	48,895,761	37,532,684	28,159,774	39,880,986
Right of use assets	59,493,572	73,761,283	71,807,849	-
Total Assets	12,381,289,642	16,514,994,791	23,503,269,054	24,949,159,069
<u>LIABILITIES</u>				
Deposit Liabilities	6,939,821,246	9,293,804,271	15,377,523,506	18,680,028,937
Lease liabilities	10,200,000	8,000,000	4,000,000	
Other liabilities	116,243,753	175,361,263	382,257,679	682,471,500
Current tax liabilities	276,245,658	405,247,559	413,995,647	270,601,319
Borrowings	3,127,408,390	4,092,949,192	4,091,333,291	1,539,800,379
Deferred tax liabilities	15,060,074.00	7,477,095	38,412,772	38,412,722
Total Liabilities	10,484,979,121	13,982,839,380	20,307,522,895	21,211,314,857
<u>EQUITY</u>				
Share capital	400,000,000	400,000,000	400,000,000	400,000,000
Retained earnings	639,290,427	1,078,027,783	1,404,919,438	1,928,553,337
Statutory reserve	529,620,998	617,904,617	690,596,224	690,596,223
Regulatory reserve	327,399,096	436,223,010	543,172,604	543,172,605
Revaluation exchange reserve		-	157,057,891	175,522,048
Total Equity	1,896,310,521	2,532,155,410	3,195,746,157	3,737,844,213
Total Liabilities and Equity	12,381,289,642	16,514,994,790	23,503,269,052	24,949,159,070

STATEMENT OF CASH FLOWS

	2021 ₦'000	2022 ₦'000	2023 ₦'000	H1 2024 ₦'000
<u>Operating Activities</u>				
Profit before tax	820,426,738	1,103,933,526	1,048,545,640	812,927,340
Adjustments for non cash items:	-			-257,455,738
Unrealised exchange loss		51,171,075	-	
Write-off of property, plant & equipment	2,956,250			
Depreciation of property, plant and equipment	84,422,108	115,524,385	174,636,920	98,102,343
Depreciation of right of use	30,396,223	31,482,289	27,763,434	
Interest accrued during the year	64,836,540	124,477,512	80,156,682	
Prior year adjustments	(5,196,598)			
Amortisation of intangible assets	14,134,288	18,534,077	20,034,410	
Impairment charges	17,562,486	57,505,344	86,292,657	12,875,008
Loan written off	-	4,756,969	1,497,827	-1,004,900
Gain on disposal of property, land and equipment	(109,937)	(1,637,072)	(1,383,584)	312,475,257
	1,029,428,098	1,505,748,105	1,437,543,986	352,968,796
<u>Changes in:</u>				
Treasury bills	(340,047,343)	-	-	194,941,817
Investment securities	-	(105,044,592)	(689,181,048)	2,842,456,601
Pledged assets	(492,986,241)	(145,323,959)	(714,844,918)	
Loans and advances	(1,214,689,939)	(3,804,584,280)	(3,563,854,638)	3,968,845,339
Other assets	(133,988,021)	58,973,219	(125,051,346)	(442,731,015)
Deposit liabilities	1,865,348,905	2,353,983,025	6,083,719,235	352,968,796
Other liabilities	24,630,877	59,117,510	206,896,416	-1,004,900
	(291,731,762)	(1,582,879,077)	1,197,683,701	2,465,051,553
Cashflows generated from/ (used in) operations	737,696,336	(77,130,972)	2,635,227,687	
Income tax paid	(178,602,931)	(276,245,658)	(425,573,022)	
	559,093,405	(353,376,630)	2,209,654,665	
<u>Investing activities:</u>				
Purchase of property, plant and equipment	(131,901,066)	(316,240,569)	(275,259,685)	
Purchase of right of use	(34,028,727)	(45,750,000)	(25,810,000)	
Proceeds on disposal of property, plant and equipment	2,842,647	3,377,290	1,542,627	
Purchase of intangible assets	(25,457,960)	(7,171,000)	(10,661,500)	
Net Cash Flows Utilised in Investing Activities	(188,545,106)	(365,784,279)	(310,188,558)	(99,779,633)
<u>Financing activities:</u>				
Repayment of principal on borrowings	(778,639,329)	(324,615,035)	(1,594,529,905)	
Repayment of interest on borrowings	(193,692,598)	(467,873,778)	(58,497,269)	
Additions to borrowings	1,900,000,000	1,555,000,000	1,724,904,917	
Lease repayment		-	(4,000,000)	
Dividend paid	(40,000,000)	(50,000,000)	(75,000,000)	
Net cash (utilised in)/ generated from financing activities	887,668,073	712,511,187	(7,122,257)	(2,992,359,818)
Net movement in cash and cash equivalents	1,258,216,372	(6,649,722)	1,892,343,850	-627,087,898
Cash and cash equivalents at beginning of the year	1,621,612,956	2,879,829,328	2,873,179,606	5,637,975,191
Cash and cash equivalents at end of the year	2,879,829,328	2,873,179,606	4,765,523,456	5,010,887,293

EXTERNAL AUDITOR'S COMFORT LETTER



TAC Professional Services
• Chartered Accountants •

TAC Professional Services (BN 47785)

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9th of August, 2024

The Chief Executive Officer,
Addosser Microfinance bank Limited,
32, Lewis street,
Lagos Island.

Dear Sir,

Report on Summary of Financial Information

Opinion

The accompanying summary financial information which comprise:

- The statement of financial position as at 31st December 2021, 31 December 2022, 31 December 2023.
- The statement of profit or loss
- The statement of cashflows

The financial information contained in pages 41-43 of the ₦10 billion Commercial Paper Issuance Programme are derived from the financial statement of Addosser Microfinance Bank for the year ended 31st December 2021, 31 December 2022, 31 December 2023.

In our opinion, the accompanying summary financial information are consistent in all material respects with the audited financial statements as at 31st December 2021, 31 December 2022, 31 December 2023. In compliance with the Companies and Allied Matters Act (CAMA) 2020 and the provisions of FMDQ commercial paper quotation rules

Summary of Financial Information


The summary of financial information do not contain all the disclosures required by IFRS Standards issued by the International Accounting Standard Board (IFRS Standards), the Companies and Allied Matters Act (CAMA) 2020 and the financial reporting council of Nigeria Act 2023. Reading summary of financial information and Auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and auditor's report thereon.

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Audited Financial statement

An unmodified audit opinion was expressed in the audited financial statement of Addosser MicroFinance Bank for the years ended 31 December 2021, 31 December 2022, 31 December 2023 by their external auditor Mazars Professional Services. The report also includes the communication of key audit matters. Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the financial statement of each of the year ended.

Director's responsibility

The directors are responsible for the preparation of the summary financial information in accordance with the companies and Allied Matters Act (CAMA) 2020.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial information is consistent in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA 810), Engagements to Report on Summary Financial Statements.

Report on Other Legal and Regulatory Requirements

Their external auditor expressed satisfactory compliance with the requirements of Schedule 5 of the Companies and Allied Matter Act (CAMA) 2020 which includes that;

- I. All the information and explanations required for the purpose of the audit have been obtained
- II. Proper books of account have been kept by the company, so far as appears from the examination of those books
- III. The company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books.

Yours Faithfully,

**For: TAC Professional Service
(Chartered Accountants)**

TUNDE FANIYI
Senior Partner/COO



LEGAL OPINIONS ON THE NOTES



ALLIANCE LAW FIRM

LEGAL PRACTITIONERS, ARBITRATORS, ENERGY & FINANCIAL SERVICES CONSULTANTS

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Port Harcourt Office: Plot 60 Circular Road, Federal Housing Estate
Off Peter Odili Road
Port Harcourt, Rivers State

31st July, 2024

The Managing Director
Kairos Capital Limited
2nd Floor Foresight House
163/165, Broad Street
Lagos Nigeria.

Dear Sir,

SOLICITORS' INDEPENDENT LEGAL OPINION ON THE STATUS OF CLAIMS AND LITIGATIONS FOR AND AGAINST THE ISSUER – ADDOSSER MICROFINANCE BANK LIMITED - ISSUANCE OF UPTO ₦10,000,000,000 (TEN BILLION NAIRA) COMMERCIAL PAPER ISSUANCE PROGRAMME

We write further in our capacity as Transaction Solicitors in respect of the proposed ₦10 Billion Commercial Paper Issuance Programme ("The issue").

1. EXECUTIVE SUMMARY

- 1.1. By a resolution of the Board of Directors of **ADDOSSER Microfinance Bank Limited** ("the "Issuer") executed on 22nd July, 2024 (the "Enabling Resolution"), the Issuer resolved to raise capital through a Commercial Paper Programme of NGN 10,000,000,000 (Ten Billion Naira) Issuance Programme which allows for the multiple issuances of Notes from time to time under a standardized documentation framework.
- 1.2. 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.
- 1.3. The net proceeds from each issue of Notes will be used solely by the issuer to support its short-term funding requirements and working capital, as part of its asset and liability management strategy.



Uche Val Ohi, SAN, LLB, BL, LL.M, MBA, MCLAB (UK), FRCM, FOWC, Managing Partner; Danbello Na'adiyalla, LLB, BL; Saleman Yarusso, LLB, BL; Isaac U. Ohi, LLB, BL, FOWC; Theophilus Odenegbe, LLB, BL; Ebele Iyayi (Mrs.), LLB, BL; ACIPM; Gabriel Onojason, LLB, BL, LL.M; Olusoji Sam Toki, LLB, BL, LL.M (of Counsel); Obinna Onwuchuruba, LLB, BL, LL.M (of Counsel); Damisan U. Ohi, B.Sc, LLB, BL; Mohammed Abubakar Senusi, LLB, BL; Shuhu Muezu, LLB, BL; Albert Adu, LLB, BL, LL.M (Solicitor); Gideon Okpara, LLB, BL, LL.M (PGU); Blessing Ajunwa-Chuko, LLB, BL, ICAN; Ayo Olanfa, LLB, BL; Rose Adaji, LLB, BL, ICAN; Lynda Ugo Ezika, LLB (Solicitor), LL.M (Abroad), BL; John Iba, LLB, BL; Henrietta Ibawuchi, LLB, BL; Okochukwu Enock, LLB (Esq), BL; Pearl Eriyememu, LLB, BL; Chibuzoh Ogbenna, LLB, BL; Adedeyin Fadana, LLB, BL, ICAN; Bernard Eson, LLB, BL, ICAN; Simbiat Abubakar, LLB, BL; Lilian Adot, LLB, BL; Adegoye Noyinoluwa, LLB, BL; Alimi Aishat, LLB, BL; Dada Temidayo, LLB, BL (Lawyer); Vanessa Ohi, LLB (Ken), LL.M, GWUL, BL; Samuel I. Ngwa, LLB, BL; Daniel Adesiyun, LLB, BL.

- 1.4 This opinion is provided after a review of the Reports in respect of claims and litigations involving Addosser Microfinance Bank Limited in compliance with the statutory requirements to disclose all material litigations that may impact the proposed Transaction in connection with The Issue and Issuer.
- 1.5. The objective of this opinion is to highlight our assessment of any ongoing or threatened litigation or claim the outcome of which could adversely affect the fortunes of the company and its impact on the proposed NGN 10, 000, 000, 000 (Ten Billion Naira) Commercial Paper Issuance Programme and to give a professional summation of the total adverse claims and express professional judgment as to the possible outcome of ongoing or threatened litigation or claim on the proposed Commercial Programme.

2. CIVIL LITIGATION AND CLAIMS

- 2.1 From our analysis of the reports in respect to Claims and Litigation, we note that the Issuer provided a schedule of litigation of four (4) cases to which it was involved. We also received a status report letter from The Prestige Consulting LP (Barrister & Solicitors, of 70 (B) Surulere way, Dolphin Estate, Ikoyi Lagos, Nigeria), dated 24th July, 2024, confirming that as at the date of the letter, they were engaged by the Issuer to handle two matters on its behalf which are also contained in the schedule of litigation already provided by the Issuer. The Four matters have been settled in favour of the Issuer as the judgment obtained in Court was in favour of the Issuer and the judgment debtors have complied with the terms of the judgment.
- 2.2 We have examined the status report of the four cases and our analysis are as follows:
 - (a) There are three civil cases bothering on recovery of debts instituted by the Issuer against three of its customers who are indebted to it for various sums within an average threshold of NGN 4,000,000 (Four Million Naira) only). The Issuer secured Judgments in the three recovery matters. Two of the judgment debtors have complied with the judgment by paying the judgment debt owed to the Issuer while enforcement action is ongoing for the third judgment debtor to recover the outstanding sum due from the judgment sum.
 - (b) The fourth case was a criminal instituted by the Commissioner of Police against a customer of the Issuer and his Guarantor for issuance of dud cheque. The criminal matter has been discontinued because the Guarantor has paid the debt owed to the Issuer.
- 2.3 We state that based upon the information provided to us in the letter dated 24th July, 2024 by the external Counsel (The Prestige Consulting LP) and the schedule of litigation matters from the Issuer, Addosser Microfinance Bank Limited is not involved in any subsisting litigation that will have any material impact on or impair its ability to proceed with the proposed NGN 10,000,000,000 (Ten Billion Naira) Commercial Paper Issuance Programme.

2

- 2.4 Except where apparent from documents provided or from this Opinion, we have assumed the accuracy and completeness of the documents and information reviewed and that no other relevant document or information has been withheld and that all documents referred to herein are within the capacity and powers of the makers and are not subject to any further conditions and are not in any way affected by any events or circumstances not explicitly disclosed and that copies of documents supplied are true copies.
- 2.5. For the purpose of this Opinion, we have not conducted any independent verification on the authenticity and completeness of the content of the documents submitted to us and the representations of the Issuer and the Issuer's (The Prestige Consulting LP) contained therein.
- 2.6. We confirm from our independent evaluation of the litigation claim pending against the Issuer that there is no existing, pending or threatened claims, litigations, arbitral proceedings, investigations or administrative proceedings involving the Issuer in the last twelve months preceding this transaction in our opinion material enough to affect the effective management or endangerment of the proposed NGN 10, 000, 000, 000 (Ten Billion Naira) Commercial Paper Issuance Programme if approved, as such the proposed transaction is not likely to be impeded or affected by any adverse claim from a third party.
- 2.7 In view of the above, please find set out hereunder, the text of our opinion on the claims and litigation for verbatim inclusion in the offer document(s):
- (i) "Addosser Microfinance Bank Limited is not involved in any subsisting litigation whatsoever pending or threatened claims, litigations, arbitral proceedings, investigations or administrative proceedings involving the Issuer in the last twelve months preceding this transaction in our opinion material enough to affect the effective management or endangerment of the proposed NGN 10, 000, 000, 000 (Ten Billion Naira) Commercial Paper Issuance Programme. Consequently, the Transaction Solicitor is of the professional judgment that there is no existing claim or litigation, as at the time of this opinion, that could impair or have any adverse effect on the proposed NGN 10, 000, 000, 000 (Ten Billion) Commercial Paper Issuance Programme being undertaken by Addosser Microfinance Bank Limited."
- 2.8. In issuing this opinion:
- i. we do not affirm the completeness and/or accuracy of the information and the contents of the documents made available to the transaction solicitor to the issuer, which was relied upon in preparing the report opinion on claims and litigation; and
- ii. we therefore abjure any liability that may be attributed to the incompleteness or inaccuracy of any documents originated from the Issuer which we have relied upon in this opinion.
- 2.9 We advise accordingly.

3



Yours faithfully,
ALLIANCE LAW FIRM

A handwritten signature in blue ink, appearing to read "A. M. Rokosu".

Akinfolabi Rokosu
(ASSOCIATE PARTNER)

A handwritten signature in blue ink, appearing to read "Gabriel Onojason".

Gabriel Onojason
(PARTNER)

STATUTORY AND GENERAL INFORMATION

AUTHORIZATION

This CP Programme and Notes issued hereunder were approved by the resolutions of the Board of Directors of the Issuer dated 22nd July, 2024.

AUDITORS

Tac Professional Services

COMMERCIAL PAPER OUTSTANDING

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

GOING CONCERN

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

LITIGATION

According to the Solicitors to the Transaction via the Opinion dated 15th April 2025 on the effect of all pending or contemplated claims by or against the Addosser Microfinance Bank Limited.

MATERIAL CONTRACTS

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

- i. The Deed of Covenant dated 15th April 2025 executed by the Issuer as a deed poll in favour of the Noteholders;
- ii. The Collecting and Paying Agency Agreement dated 15th April 2025 executed by the Issuer and the Collecting and Paying Agent; and
- iii. The Issuing and Placing Agency Agreement Dated 15th April 2025 executed by the Issuer and the Issuing and Placing 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.