

₦5,000,000,000.00 (Five Billion Naira) Commercial Paper Issuance Programme

Finceptive Limited ("**Finceptive**", or the "**Issuer**" or the "**Company**"), a private liability company incorporated in Nigeria has established this ₦ 5,000,000,000 (Five Billion Naira) Commercial Paper Issuance Programme (the "**CP Programme**"), under which Finceptive may from time to time issue Commercial Paper notes ("**CP Notes**" or "**Notes**"), denominated in NGN (₦), in separate series or tranches subject to compliance with all relevant laws and in accordance with the terms and conditions ("**Terms and Conditions**") contained in this Programme Memorandum (the "**Programme Memorandum**").

Each Series and each Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the pricing supplement applicable to such series or tranche (the "**Applicable Pricing Supplement**"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the CP Programme shall not exceed ₦5,000,000,000 (Five Billion Naira) over the three-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 Notes issued under this Programme shall be issued in dematerialized form, registered, quoted and traded over the counter via the FMDQ Securities Exchange Limited ("**FMDQ Exchange**") platform in accordance with the rules, guidelines and such other regulations with respect to the issuance, registration and quotation of commercial paper as have been and may be prescribed by the Central Bank of Nigeria ("**CBN**") and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The CP Notes issued under the Programme will be settled via FMDQ Depository Limited ("**FMDQ Depository**"), acting as Central Securities Depositories.

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 the Programme Memorandum, the Issuer will prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of Notes. This Programme Memorandum has been approved by the Board of Directors of the Issuer and they individually and jointly accept full responsibility for the accuracy of all information given.

This Programme Memorandum has been prepared in accordance with the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued September 11, 2019, and the CBN Circular to all deposit money and discount houses dated July 11, 2016 on Mandatory Registration and Listing of Commercial Paper (together the "**CBN Guidelines**") and the Commercial Paper Registration and Quotation Rules (the "**FMDQ Exchange Rules**" or the "**Rules**") of FMDQ Exchange in force as at the date thereof. The document is important and should be read carefully, if any recipient is in any doubt about its contents or the actions to be taken, such recipient should please consult his/her banker, stockbroker, accountant, solicitor and/or any other professional adviser for guidance immediately.



RC:600461

ARRANGER

COLLECTION AND PAYING AGENT



PROVIDUSBANK

RC: 198892

THIS PROGRAMME MEMORANDUM IS DATED 10TH OF APRIL 2025

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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 Agreements”	The Issuing and Placing Agency Agreement, and the Collecting and Paying Agency Agreement.
“Agusto”	Agusto & Co.
“Applicable Pricing Supplement”	The pricing supplement applicable to a particular series or tranche of Notes issued under the CP Programme.
“Arranger”	Cordros Capital and any other additional arranger appointed pursuant to the Dealer Agreement from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer’s right to terminate the appointment of any Arranger pursuant to the Dealer Agreement
“BA”	Banker’s Acceptance
“Board” or “Directors”	Board of Directors of Finceptive Limited.
“Business Day”	Any day other than a Saturday, Sunday, or a public holiday on which commercial banks are open for business in Lagos, Nigeria.
“Business Hours”	8.00 am to 5.00 pm on any Business Day.
“CAMA”	Companies and Allied Matters Act, 2020 (as may be amended from time to time).
“CBN”	Central Bank of Nigeria.
“CBN Guidelines”	CBN’s Guidelines on the Issuance and Treatment of Banker’s Acceptances and Commercial Paper, issued on 11th September 2019, and the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers as amended or supplemented from time to time.
“CGT”	Capital Gains Tax as provided under the Capital Gains Tax Act, 1967(as amended by the Finance Acts).
“CITA”	Companies Income Tax Act, 1977 (as amended by the Companies Income Tax Act No 11 of 2007 and the Finance Act 2023).
“Collection and Paying Agent” or “CPA”	Providus Bank Limited and any successor Collecting and Paying Agent(s)
“Collecting and Paying Agency Agreement”	The agreement dated on or about the date of this Programme Memorandum between the Issuer and the Collecting and Paying Agent.
“Commercial Paper” or “CP Notes” or “Notes”	Quoted senior unsecured commercial paper notes to be issued by the Issuer in the form of short-term zero-coupon notes under the CP Programme.

“Conditions” or “Terms and Conditions”	Terms and conditions, in accordance with which the Notes will be issued, set out in the section 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 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 Five Billion Naira (₦5,000,000,000.00).
“Central Securities Depository” or “CSD”	FMDQ Depository Limited.
“Day Count Fraction”	Such method of Calculating the interest/discount as specified in the applicable Pricing Supplement.
“Deed of Covenant”	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Issuer in favour of the Noteholders.
“Dealer Agreement”	The Dealer and Arranger Agreement dated on or about the date of this Programme Memorandum between the Issuer and the Dealers;
“Dealers”	Cordros Capital Limited, and any other additional Dealer appointed pursuant to the Dealer Agreement from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer’s right to terminate the appointment of any Dealer pursuant to the Dealer Agreement.
“Face Value”	The par value of the Notes.
“FGN”	Federal Government of Nigeria.
“Finance Acts”	the Finance Act 2019, the Finance Act 2020, the Finance Act 2021 and the Finance Act 2023
“FIRS”	Federal Inland Revenue Service.
“FMDQ Depository Limited” or “FMDQ Depository” or “FMDQD”	The central securities depository
“FMDQ Exchange” or the “Exchange”	FMDQ Securities Exchange Limited is a securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for, amongst others, listing, quotation, registration and trading of debt securities.
“FMDQ Exchange Rules”	The FMDQ Exchange Commercial Paper Registration and Quotation Rules issued in November 2024 (as may be amended from time to time) and such other regulations (including but not limited to Market Bulletins) with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time.

“Force Majeure”	Any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, lockout, plague, epidemic, pandemic, outbreak of infectious disease or any other public health crisis, including quarantine or other restrictions, riot, war, embargo, legislation, acts of God, acts of terrorism, and industrial unrest.
“Implied Yield”	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement.
“Issuer”	Finceptive Limited.
“Issue Date”	The date upon which the relevant Series/Tranche of Notes is issued as specified in the Applicable Pricing Supplement.
“Issue Price”	The price at which the relevant Series/Tranche of Notes is issued, as specified in the Applicable Pricing Supplement.
“Issuing and Placing Agency Agreement”	The Agreement dated on or about the date of this Programme Memorandum between the Issuer and the Issuing and Placing Agent.
“Issuing and Placing Agent” or “IPA”	Cordros Capital Limited and any successor Issuing and Placing Agent appointed in accordance with the Agency Agreement.
“Lead Arranger”	Cordros Capital Limited.
“Maturity Date”	The date as specified in each Applicable Pricing Supplement on which the Principal Amount is due.
“Naira or NGN or ₦”	The Nigerian Naira, the lawful currency of Nigeria.
“Nigeria”	The Federal Republic of Nigeria and “Nigerian” shall be construed accordingly.
“Notes”	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialised form by the Noteholders through the CSD
“Noteholder”	The holder of a Note as recorded in the Register in accordance with the Terms and Conditions.
“Outstanding”	In relation to the Notes, all the Notes issued, other than: 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 this Deed and those Notes which have become void under the provisions of this Deed
“OTC”	Over the Counter.
“PITA”	Personal Income Tax Act, 1993 (as amended by the Personal Income Tax (Amendment) Act of 2011 and the Finance Acts).

“Principal Amount”	The nominal amount of each Note, as specified in the Applicable Pricing Supplement.
“Programme Memorandum”	This information memorandum dated 10 TH of April 2025 details the aggregate size and broad terms and conditions of the CP Programme.
“Qualified Institutional Investor” or “QII”	Banks, fund/asset managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms, Issuing houses, registrars, financial market infrastructure (FMIs), finance companies, financial/investment holding companies, financial/investment advisors and any other category of investors as may be determined by the Exchange from time to time.
“Redemption Amount”	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date.
“Redemption date”	Means, in relation to any Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these conditions and the Applicable Pricing Supplement
“Register”	The register of Noteholders, maintained by the Issuing and placing Agents.
“Relevant Currency”	Naira.
“Relevant Date”	The payment date of any obligation due on the Notes.
“Relevant Last Date”	The date stipulated by the CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered.
“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.
“SMEs”	Small and Medium Enterprises
“Special Resolution”	A resolution passed by at least three-fourths (3/4) majority of the total number of Noteholders at any point in time.
“Tranche”	Notes which are identical in all respects.
“Unique Identifier”	A code specifically designated/assigned to identify a CP.
“Validity Period”	The three (3) year period commencing from 2025 to 2028, during which the CP Programme is valid. Provided that the tenor of every issue (including any rollover of such issue) shall not exceed two hundred and seventy (270) days
“VAT”	Value Added Tax as provided for in the Value Added Tax Act, 1993 (as amended by the Value Added Tax Act No 12 of 2007 and the Finance Acts, and as may be amended from time to time).
“WHT”	Withholding Tax as provided for in section 78(2) of CITA and Section 70 (2) PITA.
“Zero Coupon Note”	A Note which will be offered and sold at a discount to its Face Value and which will not bear interest, other than in the case of late payment.

IMPORTANT NOTICES

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of ₦5,000,000,000 (Five Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

The Issuer shall not require the consent of the Noteholders for the issue of Notes under the Programme. Notes issued under the Programme shall be restricted to Qualified Institutional Investors who meet the qualification criteria prescribed by FMDQ Exchange from time to time.

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 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 material in the context of the CP Programme and the offering of the Notes, and that the information contained in this Programme Memorandum is true and accurate in all material respects and is not misleading and that there are no other facts the omission of which would make this document or any of such information misleading in any material respect.

To the fullest extent permitted by law, none of the Arrangers and other professional advisers accept any responsibility for the contents of this Programme Memorandum or for any other statement, made or purported to be made by any of the Arrangers or on their behalf in connection with the Issuer or the issue and offering of the Notes. Each of the Arrangers and other professional advisers accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save to the extent precluded by law) which it might otherwise have in respect of this Programme Memorandum or any such statement.

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

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 by the Issuer, the Arrangers or any other professional adviser that any recipient of this Programme Memorandum or any other information supplied in connection with the CP Programme should purchase any Notes.

Each person contemplating the purchase of any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the credit worthiness, of the Issuer and the terms of the offering and its own determination of the suitability of any such investment and any other factors which may be relevant to it in connection with such investment. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme constitutes the rendering of financial or investment advice or an offer or invitation by, or on behalf of, the Issuer, each of the Arrangers or any other professional adviser, 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. None of the Arrangers and the other professional advisers expressly or impliedly undertake to review the financial information or affairs of the Issuer during the life of the Programme. Investors should review, among other things, the most recent audited annual financial statements of the Issuer prior to making any investment decision. The Commercial Paper is a NGN denominated instrument and all currency risks assumed by investors upon purchase of the Commercial Paper issue are borne by the qualified institutional investors.

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

INCORPORATION OF DOCUMENTS BY REFERENCE

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

1. each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme;
2. the audited annual financial statements of the Issuer (and notes thereto) and any audited interim financial statements published subsequent to such annual financial statements of the Issuer for the financial years prior to each issue of Notes under this Programme; and
3. any supplements and/or amendments to this Programme Memorandum circulated by the Issuer from time to time in accordance with the Programme Memorandum.

which shall be deemed to be incorporated into, and to form part of, this Programme Memorandum and which shall be deemed to modify and supersede the contents of this Programme Memorandum as appropriate.

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

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

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

The Issuer will provide, at its registered office, as set out in this Programme Memorandum, free of charge to each prospective investor upon request, a copy of any of the documents deemed to be incorporated herein by reference, unless such documents have been modified or superseded (and which documents may at the Issuer's option be provided electronically). Requests for such documents shall be directed to the Issuer at its registered office as set out in this Programme Memorandum.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete, and is taken from and qualified in its entirety by the remainder of this Programme Memorandum and the Applicable Pricing Supplement:

ISSUER:	Finceptive Limited
PROGRAMME DESCRIPTION:	Domestic Commercial Paper Issuance Programme.
SIZE OF PROGRAMME:	Five Billion Naira (₦ 5,000,000,000.00) 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 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.
SPONSOR	Cordros Capital Limited
DEALER / ARRANGER	Cordros Capital Limited
COLLECTING AND PAYING AGENT:	Providus Bank Limited
AUDITOR:	Baker Tilly Nigeria
SOLICITOR:	Koya & Kuti
REGISTRARS/CUSTODIAN:	FMDQ Depository Limited
USE OF PROCEEDS:	The net proceeds from each issue of Notes will be used to augment the Issuer's working capital requirements and for the Issuer's business or as may otherwise be described in the Applicable Pricing Supplement.
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).

SUMMARY OF THE PROGRAMME

INTEREST PAYMENTS:	Notes issued will be in the form of Zero-Coupon Notes and will not pay interest prior to final maturity
SOURCE OF REPAYMENT:	The CP Notes will be paid from the cashflow from the Issuer.
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
ISSUING AND PLACING AGENT	Cordros Capital Limited
CURRENCY OF ISSUE:	The Notes issued under this Programme will be denominated in Naira.
REDEMPTION:	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines and FMDQ Exchange Rules.
RATING:	Pursuant to the CBN Guidelines and FMDQ Exchange Rules, either 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 CBN. The Issuer has been assigned a long-term national rating of “Bbb-” by Augusto and “BBB” by DataPro. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.
STATUS OF THE NOTES:	Each Note constitutes a senior, direct, unconditional, unsubordinated and unsecured obligation of the Issuer and the Notes rank <i>pari passu</i> among themselves and, save for certain debt obligations preferred by law, <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time.
QUOTATION:	The Issuer will quote all Series or Tranches issued on FMDQ Exchange’s platform or any other recognised trading platform/exchange. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation or listing of any Series or Tranche quoted or listed on the relevant trading platform.
TAXATION:	Refer to the section of this Programme Memorandum titled “ <i>Tax Considerations</i> ”.
GOVERNING LAW:	The Notes issued under the Programme and all related contractual documentation will be governed by and construed in accordance with Nigerian law.

CBN GUIDELINES ON ISSUANCE OF CP NOTES

BACKGROUND

On 11th September 2019, the CBN revised its circular titled “Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers” (the “**Guidelines**”), in an attempt to facilitate the effective and efficient functioning of the Nigerian money market and provide a regulatory framework for the issuance of **CP Notes** and **Banker’s Acceptance** in Nigeria.

REGULATORY FRAMEWORK

Issuance of CP Notes in Nigeria is subject to the provisions of the Guidelines. The provisions applicable to CP Notes 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 (18) months from the last financial year end; and
- ii. The issuer has an approved credit line with a Nigerian bank acting as a Collecting and Paying Agent, where the bank guarantees the issue.

SIZE AND TENOR

CP Notes 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 CP Notes may not be capitalised and rolled over.

RATING

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

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

INVESTORS IN COMMERCIAL PAPERS

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

CBN GUIDELINES ON ISSUANCE OF CP NOTES

FORMS OF MAINTAINING CP NOTES

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

ISSUING, COLLECTING AND PAYING AGENT (ICPA)

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 ICPA for the issuance of a CP.

GENERAL REQUIREMENTS

- i. CP Notes 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 CP Notes shall be completed within the period of 2 (two) weeks from the date of opening of the issue for subscription.
- iv. All CP Notes issued in Nigeria shall be registered with the CSD, which shall serve as the custodian of all issues and central depository for all dematerialised instruments.

MANDATORY REGISTRATION AND QUOTATION

CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers requires CP Notes to be registered and quoted on an authorised securities exchange. Accordingly, banks are prohibited from transacting in CP Notes (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 the FMDQ Exchange has cleared it for the quotation of CP Notes in Nigeria.

COMPLIANCE WITH THE CBN GUIDELINES AND FMDQ 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 48 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 of the Notes to be issued by the Issuer under the Programme. The provisions of the Applicable Pricing Supplement to be issued in respect of any Note are incorporated by reference herein and will supplement these Terms and Conditions for the purposes of that Note. The Applicable Pricing Supplement in relation to any Series of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions contained herein, replace or modify the following Terms and Conditions for the purpose of such Series of Notes.

CONDITION 1

CURRENCY, FORM, TITLE AND DENOMINATION

1.1 Issue and Currency

- 1.1.1 The Notes may be issued from time to time by the Issuer in Tranches pursuant to the Programme. A Tranche of Notes may, together with a further Tranche or Tranches, form a Series of Notes issued, provided that the aggregate Principal Amount of all Notes outstanding under the Programme at any one point in time does not exceed the Programme size. The Applicable Pricing Supplement for each Tranche/Series of Notes is (to the extent relevant) incorporated herein for the purposes of those Notes and supplements these Conditions. The Applicable Pricing Supplement may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of those Notes.
- 1.1.2 The Noteholders are by virtue of their subscription to, or purchase of, the Notes deemed to have notice of and are entitled to the benefit of and are subject to all the provisions of the Applicable Pricing Supplement and the Deed of Covenant.
- 1.1.3 The Notes shall be registered electronically and serially numbered.
- 1.1.4 Notes issued under the Programme will be zero-coupon Notes.
- 1.1.5 The Notes may be issued in the relevant Currency.

1.2 Form and Title

- 1.2.1 The Notes will be issued in uncertificated (dematerialised or book entry) form, which shall be registered with a separate securities identification code with the CSD.
- 1.2.2 Title to the Notes passes upon credit to the CSD account of the Noteholder. The CSD statement of account shall be conclusive and binding for all purposes save in the case of manifest error and such Noteholder shall be treated by the Issuer and the Collecting and Paying Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes and no person will be liable for so treating the Noteholder.

1.3 Denomination

- 1.3.1 The aggregate Principal Amount of the Notes will be as specified in the Applicable Pricing Supplement.
- 1.3.2 The minimum denominations of Notes denominated in other currencies will be in accordance with any applicable legal and regulatory requirements.

1.4 Closed Periods

No Noteholder may require the transfer of the Notes: (i) during the period of fifteen (15) days ending on the relevant Redemption Date; (ii) following the issuance of default notice to the Issuer pursuant to Condition 9 (Events of Default); or (iii) following the Relevant Last Day.

TERMS AND CONDITIONS OF THE NOTES

CONDITION 2

STATUS OF THE NOTES

- 2.1 Each Note constitutes a direct, unconditional, unsubordinated and senior unsecured obligation of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Notes shall, save for such obligations as may be mandatorily preferred by applicable legislation relating to creditor's rights, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

CONDITION 3

REDEMPTION

- 3.1 Unless previously redeemed or purchased and cancelled as specified below, the Notes will be redeemed at the Redemption Amount, specified in or determined in the manner specified in the Applicable Pricing Supplement, on the Redemption Date subject to the provisions contained in Condition 4 (Payments).

CONDITION 4

PAYMENTS

- 4.1 Only Noteholders named in the Register as at the close of business on the relevant Last Day shall be entitled to payment of amounts due and payable in respect of Notes. The Noteholder shall be the only person entitled to receive payments in respect of Notes and the Issuer will be discharged by payment to, or to the order of the Noteholder in respect of each amount so paid.
- 4.2 Payments of any outstanding obligation regarding the Notes will be made in the Relevant Currency by electronic funds transfer to the specified bank account of the Noteholder.
- 4.3 In the case of joint Noteholders, payment by electronic transfers will be made to the account of the first-named Noteholder in the Register. Payment by electronic transfer to the first-named Noteholder in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.
- 4.4 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) of any such amounts made payable to the relevant Noteholder.
- Such payments by cheque shall be sent by post through a reputable and registered courier operator to the address of the Noteholder of registered Notes as set forth in the Register on the maturity date or, in the case of joint Noteholders of registered Notes, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note. Cheques shall be posted by registered post.
- 4.5 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.
- 4.6 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.

TERMS AND CONDITIONS OF THE NOTES

- 4.7 On the Redemption Date, payment shall only be made to the Noteholders if the Issuer has made funds available to the Collecting and Paying Agent.
- 4.8 In respect of payments relating to Notes under a Tranche, (notwithstanding that such Notes may have the same Issue Date), where the total Discount Amount payable by a Noteholder in respect of the said Notes has not been received by the relevant Issue Date but is at the discretion of the Issuer accepted within 5 (five) Business Days thereof, the Discount Amount payable by the Noteholder in respect of such Notes shall be adjusted to reflect the reduced tenor of the investment as applicable.

CONDITION 5

TRANSFER OF NOTES

- 5.1 All Notes issued under the Programme in dematerialized or immobilized (book entry) form may be transferred only in accordance with the rules of the relevant CSD.
- 5.2 The Notes shall be transferred on the FMDQ Exchange in accordance with the rules and regulations of the FMDQ Exchange.

CONDITION 6

REGISTER

- 6.1 The Register shall be maintained by the IPAs and CSD. The Register shall reflect the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes held by each Noteholder and the Issue Date.
- 6.2 Statements issued by the CSD as to the aggregate number of Notes standing to the CSD account of any person shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer and the Collecting and Paying Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 6.3 The Register shall be open for inspection during the normal business hours of the Registrar to any Noteholder or any person authorised by the Noteholder.
- 6.4 Each Tranche or Series shall be registered in the applicable Register.
- 6.5 The 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 Conditions.

CONDITION 7

TAXATION

- 7.1 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. With the expiration of the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order, 2011, this commercial paper will be subject to WHT where the Noteholder is a company liable to companies income tax.

CONDITION 8

PRESCRIPTION

- 8.1 The Notes will become void unless presented for payment in respect of the Redemption Amount within 3 (three) years from the appropriate Relevant Date.

CONDITION 9**EVENTS OF DEFAULT**

Upon the happening of any of the following events ("events of default") which 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 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. In addition, the Noteholders shall have the right to exercise all other remedies available to them under the laws of Nigeria.

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

- 9.1 **Non-Payment or Part-Payment:** the Issuer fails to make payment or makes part-payment by the Redemption Date in respect of any Tranche or Series of Notes,
- 9.2 **Breach of other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Notes which default is incapable of remedy or where capable of remedy, is not remedied within thirty (30) days after written notice of such default shall have been given to the Issuer at its specified office; or
- 9.3 **Breach of Representation:** any representation, warranty or undertaking made in connection with any documentation supplied by the Issuer pursuant to the Programme is in the reasonable opinion of the Arrangers, materially incorrect or misleading; or
- 9.4 **Winding-Up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer, or the Issuer applies or petitions for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or a substantial part of its business or operations, 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
- 9.5 **Insolvency:** the Issuer is, or is deemed by law or a court of competent jurisdiction to be insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; or
- 9.6 **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out, on or against a material or substantial part of the property, assets or revenues of the Issuer, and such distress, attachment, execution or other legal process is not discharged or stayed within 90 (ninety) days; or

TERMS AND CONDITIONS OF THE NOTES

9.7 **Failure to 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 for the issuance of the Notes 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 for the issuance of the Notes.

9.8 In line with section 15.8 of the FMDQ Exchange Rules, in respect of any Tranche or Series, if the Issuer fails to notify FMDQ Exchange (through the IPA) that the Notes have been liquidated and funds have been transferred to all Noteholders by 5:00pm on the Redemption Date

CONDITION 10

NOTICES

10.1 Notices to the Noteholders

10.1.1 All notices to the Noteholders will be valid if mailed to them at their respective addresses of record contained in the relevant Register. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the CBN Guidelines, the FMDQ Exchange Rules or the rules and guidelines of such other regulatory authority as may be applicable to the Notes.

10.1.2 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.

10.2 Notices from the Noteholders

10.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing and given by lodging the same, with the Issuing and Placing Agent.

10.2.2 Any change of name or address on the part of the Noteholder shall forthwith be notified to the Issuer and subsequently, the Register shall be altered accordingly following notifications to the IPAs and CSD.

TERMS AND CONDITIONS OF THE NOTES

CONDITION 11

CHANGE OF THE AGENT

- 11.1 The Issuer is entitled to vary or terminate the appointment of the Issuing and Placing Agent, Collecting and Paying Agent 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, and a formal application for the revision of transaction parties has been filed with the Exchange and approved.
- 11.2 The Issuing and Placing Agent and the Collecting and Paying Agent act solely as agents of the Issuer and do not assume any obligation towards or any relationship of agency or trust for or with any Noteholder.

CONDITION 12

MODIFICATION

- 12.1 The Arranger may agree with the Issuer, without the consent of the Noteholders to any modification of any of these Conditions which is of a formal, minor or technical nature or is made to correct a manifest error, or to comply with the mandatory provisions of any law in Nigeria and which is not materially prejudicial to the interests of the Noteholders.
- 12.2 Save as provided in Condition 12.1 above, no amendment of the Conditions may be effected unless;
- (i) such amendment is in writing and signed by or on behalf of the Issuer; and
 - (ii) the Exchange is notified of such amendments:
- (a) If it affects the rights, under the Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% (seventy-five percent) of the outstanding Principal Amount of all the Notes; or
 - (b) If it affects only the rights, under the Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% (seventy-five percent) of the outstanding Principal Amount of all the Notes held by that group.
- 12.3 Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified to the Noteholders, as soon as practicable in accordance with Condition 10 (Notices).

CONDITION 13

MEETINGS OF NOTEHOLDERS

- 13.1 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 accordance with Condition 10 (Notices). Such Notice shall specify the date, place and time of the meeting to be held, which place shall be in Nigeria.
- 13.2 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.
- 13.3 Two (2) or more Noteholders holding or representing by proxy a simple majority of the Principal Amount of the Notes that are outstanding for the time being, 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) days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.

TERMS AND CONDITIONS OF THE NOTES

- 13.4 A Note may by an instrument in writing (a **“Form of Proxy”**) signed by the Noteholder or, in the case of a corporation executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a **“Proxy”**) to act on his or its behalf in connection with any meeting or proposed meetings of the Noteholders.
- 13.5 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 meeting of the Noteholders.
- 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.
- 13.6 The Chairman of the meeting of the Noteholders shall be appointed by the Issuer or majority of Noteholders present in person or proxy. The procedures to be followed at the meeting shall be as determined by the Chairman subject to the remaining provisions of this Condition 13. Should the Noteholders request a meeting, and the Issuer fails to convene such a meeting within 10 days of such request, then the Chairman of the meeting held at the instance of the Noteholders, shall be selected by a majority of Noteholders present in person or Proxy.
- 13.7 At any such meeting, two (2) or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one-third (1/3rd) of the principal amount of Notes shall form a quorum. On a poll, each Noteholder present in person or by proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
- 13.8 If within 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, one or more Noteholders present or represented by proxy shall form a quorum and shall have power to pass any special resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.
- 13.9 A resolution in writing duly signed by 75% (seventy-five percent) of the Noteholders for the time being outstanding, shall be as effective for all purposes as a Special 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.

CONDITION 14

FURTHER ISSUES

- 14.1 The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Notes (the **“Additional Notes”**) having terms and conditions which are identical to any of the other Notes already issued under the Programme (the **“Existing Notes”**) or the same in all respects save for their respective issue prices, issue dates and aggregate Principal Amounts, so that the Additional Notes shall be consolidated by the Issuer to form a single Series with the Existing Notes.

CONDITION 15

GOVERNING LAW

- 15.1 The provisions of these Conditions and the Notes are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria.

TAX CONSIDERATIONS

The tax consequences of investments in the Notes are broadly summarised below. The summary is not intended and should not be construed, to be tax advice to any particular investor. 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 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, and/or any accrued interest on the redemption monies to be paid to Noteholders may be taxed in accordance with applicable Nigerian tax laws such as the Companies Income Tax Act, 2004 (as amended),

Pursuant to the Companies Income Tax Act, 2004 (as amended), the Issuer shall be required by law to withhold tax on the difference between the discounted value and the face value of the commercial papers. This requirement to deduct withholding tax is without exception as regards corporate entities and the Issuer shall be obliged to deduct the tax in accordance with the applicable Nigerian laws.

Furthermore, in the event of disposal of the Notes held, the proceeds from the sale of the Notes are exempt from the tax imposed under the Value Added Tax Act, 2004 (as amended) ("VAT Act") by virtue of the Finance Act 2020. This is because securities are specifically excluded from the definition of "goods and services" under the VAT Act. Consequently, VAT is not required to be paid on the Notes. All gains derived from the disposal of the Notes will also remain subject to capital gains tax in compliance with the Capital Gains Tax Act, Cap C1 LFN 2004 (as amended).

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

RISK FACTORS

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

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

RISK RELATING TO THE COUNTRY

Economic Risk

The Nigerian economy is largely dependent on global oil prices and the 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. Deterioration of major economic variables could adversely impact the operations of the Company.

Political Risk

The diverse political, religious and ethnic landscape in Nigeria has led to struggles for power between rival groups, which has consistently hindered the smooth governance of the country. The risks related to political instability, continued criminal activities including banditry, kidnapping, security challenges as well as political and religious tensions in the country could adversely impact Nigeria's economy and by extension, the operations of the Company.

Foreign Exchange Risks

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 direct and portfolio investments. Further depreciation or devaluation of the Naira may negatively impact the Company's cost profile, considering the nature of its business.

Tax laws, Rules, and Regulations

There can be no assurance that tax laws, rules, and regulations (or interpretations thereof) will not change, possibly with retroactive effect, or that Nigeria tax authorities may not otherwise successfully assert positions contrary to those taken by the Issuer. In any such case, the Issuer may be required to operate in a less tax-efficient manner and incur costs and expenses to restructure its operations which in each case could negatively impact its operations.

RISK FACTORS

RISK RELATED TO THE ISSUER

Credit Risk

The issuer faces the risk that SMEs default on the loans provided to them. SMEs may struggle to repay if their cash flow is disrupted or if they encounter financial difficulties.

Market Risk

Fluctuations in market demand can impact on the businesses in the supply chain. If demand for the products declines, it can adversely affect the abilities of the SMEs to pay the financing provided by Finceptive Limited.

Operational Risk

This involves risks related to the internal processes of the companies in the value chain. Inefficiencies or failures in operations can lead to delays and financial losses.

Regulatory Risk

Changes in regulations or compliance requirements can impact how value chain financing operates, potentially increasing costs or limiting access to funding.

Supply Chain Disruption

Events such as natural disasters, political instability, or pandemics can disrupt the supply chain, impacting the stability of companies to operate and repay financing.

Liquidity Risk

If the company lacks sufficient liquid assets, it may struggle to meet short-term obligations, affecting its ability to repay loans.

Reputation Risk

If a value chain financing company is associated with businesses that have poor practices or ethics, it may suffer reputational damage, impacting its ability to attract new investors or clients.

RISK FACTORS

RISK RELATED TO THE FINANCE INDUSTRY

Systemic Risk

This concerns the risk that the failure of one financial institution might lead to a crisis in the entire financial system.

Interest Rate Risk

Fluctuations in interest rates can affect the income of financial institutions, particularly institutions that rely on interest from loans.

Currency Risk

For companies operating internationally, changes in exchange rates can impact the profitability of transactions in foreign currencies.

Technological Risk

With the rise of financial technologies, institutions face exposure to cyberattacks and technological failures that can compromise their operations.

Fraud Risk

This includes criminal activities whether internal or external, that can lead to significant financial losses.

RISK FACTORS

RISK RELATED TO THE REAL ESTATE INDUSTRY

Market Risk

The value of property may fluctuate due to changes in the economy, interest rates, or market conditions. An economic downturn can lead to a decrease in demand for real estate properties. An increase in interest rates would lead to an increase in borrowing costs, this would make it more expensive for buyers to finance their homes.

Legal Risk

Property transactions can involve complex legal issues, including zoning laws, title disputes and lease agreements. Contravening any of these regulations can lead to costly legal battles and even loss of property.

Environmental Risk

Properties can be affected by environmental issues such as contamination or natural disasters. These can lead to significant repair costs and liability issues.

Liquidity Risk

Real estate is not as liquid as other investments. Selling a property can take an extended period to complete. Also, other market conditions can affect how quickly a property can be sold.

RISK FACTORS

RISK RELATED TO THE TRANSPORT INDUSTRY

Infrastructural Risk

Inadequate road infrastructure and poorly maintained roads can lead to various issues, such as increased vehicle wear and tear, higher fuel consumption and longer travel times. This can result in delays and additional costs for transport companies. Alos, bad roads can increase the risk of accidents, jeopardizing the safety of drivers, cargoes and passengers.

Insecurity

Issues such as armed robbery, kidnapping, and vandalism can pose serious threats to both passengers and cargo. These security challenges can led to increased operational costs for transport companies, as they may need to invest in additional security measures or insurance.

Operational Risk

This involves issues related to the day-to-day operations of transport services, such as delays, equipment failures, and accidents. Inefficiencies can lead to increased costs and diminished service quality.

Environmental Risk

The transport industry is heavily influenced by environmental regulations and the need for sustainable practices. Companies may face risks related to emissions regulations or the impact of climate change on operations.

RISK FACTORS

RISK RELATED TO THE AGRICULTURE INDUSTRY

Climate Change

The effects of climate change are becoming increasingly evident, with unpredictable rainfall patterns, rising temperatures, and extreme weather events like droughts and floods. These changes can severely impact crop growth cycles, reduce yields and threaten food security.

Pests and Diseases

The agriculture sector is vulnerable to various pests and diseases that can devastate crops and livestock. Farmers often lack the resources for effective pest management, leading to significant losses.

Insecurity

Rising insecurity, including banditry and farmer-herder conflicts, poses a serious threat to agricultural activities. Farmers may be forced to abandon their lands due to violence, while the fear of attacks can deter investment in farming. This instability disrupts food production and supply chains.

Market Access

Many farmers face challenges in accessing markets due to inadequate infrastructure, such as poor roads and lack of storage facilities. This can lead to post-harvest losses as farmers are unable to transport their goods to markets in a timely manner, ultimately affecting their income.

Land Degradation

Unsustainable agricultural practices, such as over-farming and deforestation, contribute to land degradation. Soil erosion and nutrient depletion can reduce agricultural productivity over time, making it difficult for farmers to sustain their livelihoods.

Financial Constraints

Many farmers in Nigeria struggle to access credit and financial services, which limits their ability to invest in modern farming techniques, equipment and seeds. Without adequate funding, farmers may rely on outdated methods that yield lower productivity.

RISK FACTORS

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RISK RELATED TO THE OIL AND GAS INDUSTRY

Security Risk

The Oil and Gas Industry is prone to attacks by militant groups, leading to pipeline vandalism, oil theft and attacks on facilities. These security threats can disrupt production and lead to financial losses.

Regulatory Risk

The Oil and Gas Industry is subject to complex regulations that can change frequently. Navigating these regulations can be challenging for companies, potentially leading to compliance issues and fines.

Environmental Risks

Oil spills and gas flaring have significant environmental impacts, affecting local communities and ecosystems. This can lead to legal liabilities and damage to a company's reputation.

Operational Risks

The Oil and Gas Industry involves complex operations that carry inherent risks, including accidents, equipment failures, and health and safety issues for workers.

Community Relations

Conflicts with local communities over land use, environmental degradation and revenue sharing can lead to protests and disruptions in operations.

RISK FACTORS

RISKS FACTORS RELATING TO THE NOTES

Market Price Risk

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

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

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

Liquidity Risk

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

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 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 dematerialised form and will not be represented by any certificate or written instrument. As stipulated by the CBN Guidelines, each Series or Tranche of Notes will be held in custody by the CSD, either in the name of the beneficial owner or 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 (as defined below) who will follow the electronic settlement procedures prescribed by the CSD.

AUTHORISED PARTICIPANTS

The CSD will maintain central securities account for the Collecting and Paying Agent/Issuing and Placing Agent and the 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 the purposes of Notes issued under this Programme, the Authorised Participants are Cordros Capital Limited, Providus Bank Limited, any other bank or dealer or arranger appointed by the Issuer

REGISTRATION

- i. The Authorised Participant is required to register with the CSD before dealing in CP Notes.
- ii. Noteholders are required to route their account opening applications and transactions through the Authorised Participant, 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 CP Notes.
- 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 Symbol and ISIN Codes for the registered CP, subject to receipt of CP registration fees from the Authorised Participant
- v. The CSD will re-open the existing ISIN code for all Tranches with same maturity dates, however new ISIN codes will be issued for Tranches with different maturity dates.

LODGEMENT

- i. The Authorised Participant will electronically lodge CP Notes with the CSD and advise the CSD after lodgement to transfer the CP Notes to the sub-account of the beneficial owners of the Notes.
- ii. The CSD shall process same within 24 (twenty-four) hours of receipt.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

REDEMPTION

- i. No transactions or trades may be effected for any CP Notes 5 (five) working days prior to its maturity date.
- ii. The Authorised Participant will submit a letter to the CSD confirming the intention of the Issuer to repay the Noteholders on the Maturity Date by 12.00 noon on the date which is 2 (two) Business Days before the Maturity Date.
- iii. The Authorised Participant must notify the CSD to expunge (knock-off) matured CP Notes latest by 3.00pm on the Maturity Date of the CP.
- iv. In case of default by the Issuer, the Issuing and Placing Agent and the Collecting and Paying Agent must notify the CSD and FMDQ latest by 3.00pm on the Maturity Date to make public, the default status of the CP to the market.
- v. In case of (iv) above, the CP must remain with the CSD until the CPA pays off the Noteholders and notifies the CSD and the FMDQ with evidence.
- vi. Thereafter, the CSD will notify the public and expunge the CP accordingly.

Roll-Over

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

DEFAULT

- a. The Exchange shall be notified immediately it is identified that a default is imminent or there is a strong possibility of default. The IPA shall provide reasons for the default or imminent default (e.g., insufficient funds in the funding account to meet payment obligations on maturity date or inability of CPA to effect payment to investors due to technical issues such as a market disruption or as the case may be)
- b. The CPA shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all CP holders by 5:00 PM on the Maturity Date, failing which the Issuer shall be deemed to be in default
- c. In the case of a default event, the CP holdings must remain with the CSD until the CPA pays off the Noteholders and notifies the CSD and the FMDQ Exchange with evidence

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 authorised platform by 2.00 p.m. on the settlement date to the Nigeria Inter-Bank Settlement System ("**NIBSS**") and to the FMDQ simultaneously.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

- iv. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the CSD, and the Authorised Participant simultaneously.
- v. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is five (5) Business Days before the Maturity Date.

REPORTING

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

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 either via Real Time Gross Settlement, National Electronic Funds Transfer or any other transfer mode agreed by the Transaction Parties and recognised by the CBN.



**Issue of [Aggregate Nominal Amount of Series/Tranche] [Title of Notes]
Under its ₦5,000,000,000 (Ten Billion Naira) Commercial Paper
Issuance Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 10th of April 2025 prepared on behalf of FINCEPTIVE LTD in connection with its ₦5,000,000,000 (Five Billion Naira) Domestic Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the “**Programme Memorandum**”).

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

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

PARTIES	
1. ISSUER	Finceptive Limited
2. DEALER / ARRANGER	Cordros Capital Limited
3. ISSUING AND PLACING AGENT	Cordros Capital Limited
4. SPONSORS	Cordros Capital Limited
5. COLLECTING AND PAYING AGENT	Providus Bank Limited
6. RATING AGENCIES	Agusto & Co, DataPro
7. AUDITORS	Baker Tilly Nigeria
8. SOLICITORS	Koya & Kuti
9. CSD	FMDQ Depository Limited
PROVISIONS RELATING TO THE ISSUE	
10. SERIES NUMBER	[]
11. TRANCHE	[]
12. (a) PROGRAMME SIZE	₦5,000,000,000.00
(b) ISSUED AND OUTSTANDING AT THE DATE OF THE PRICING SUPPLEMENT	[]
13. AGGREGATE NOMINAL AMOUNT	[]
14. FACE VALUE	[]

PRO FORMA APPLICABLE PRICING SUPPLEMENT

15. DISCOUNTED VALUE	<input type="checkbox"/>
16. NOMINAL AMOUNT PER NOTE	<input type="checkbox"/>
17. ISSUE PRICE	<input type="checkbox"/>
18. TENOR	<input type="checkbox"/>
19. MATURITY DATE	<input type="checkbox"/>
20. FINAL REDEMPTION AMOUNT	<input type="checkbox"/>
21. SPECIFIED DENOMINATION	<input type="checkbox"/>
22. SPECIFIED CURRENCY	<input type="checkbox"/>
23. STATUS OF NOTES	<input type="checkbox"/>
24. FORM OF NOTES	<input type="checkbox"/>
25. LISTING	<input type="checkbox"/>
26. TAXATION	<input type="checkbox"/>
27. METHOD OF OFFER	<input type="checkbox"/>
28. BOOK CLOSED PERIOD	The Register will be closed from [] to [] until the Maturity Date

ZERO COUPON NOTES

29. (a) DISCOUNT RATE ("DR")	<input type="checkbox"/>
(b) IMPLIED YIELD	<input type="checkbox"/>
(c) ANY OTHER FORMULA OR BASIS FOR DETERMINING AMOUNT(S) PAYABLE	<input type="checkbox"/>
30. DAY COUNT FRACTION	<input type="checkbox"/>
31. BUSINESS DAY CONVENTION	<input type="checkbox"/>

PROVISIONS REGARDING REDEMPTION

32. REDEMPTION/PAYMENT BASIS	[Redemption at par] [other (specify)]
33. ISSUER'S EARLY REDEMPTION	[Applicable/Not applicable]
34. ISSUER'S OPTIONAL REDEMPTION	[Applicable/Not applicable]
35. OTHER TERMS APPLICABLE ON REDEMPTION	<input type="checkbox"/>

GENERAL

36. OFFER OPENS	<input type="checkbox"/>
37. OFFER CLOSES	<input type="checkbox"/>
38. ALLOTMENT DATE	<input type="checkbox"/>
39. NOTIFICATION OF ALLOTMENT	All applicants will be notified through an email and/or telephone of their allotment no later than []
40. PAYMENT DATE	<input type="checkbox"/>
41. DETAILS OF BANK ACCOUNT(S) TO WHICH PAYMENTS ARE TO BE MADE IN RESPECT OF THE NOTES	<input type="checkbox"/>
42. SETTLEMENT PROCEDURES AND SETTLEMENT INSTRUCTIONS	<input type="checkbox"/>
43. DELIVERY DATE	<input type="checkbox"/>

PROFORMA APPLICABLE PRICING SUPPLEMENT

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no significant change in the financial position of the Issuer since [insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts].

RESPONSIBILITY

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

Signed at _____ on this _____ day of _____ []

For and on behalf of
FINCEPTIVE LIMITED

Name
Capacity: Director
Who warrants his/her authority hereto

Name
Capacity: Director
Who warrants his/her authority hereto

OVERVIEW OF Finceptive Limited

1. Background

Finceptive Limited (“Finceptive”, or “the Company”) was incorporated on 22 July 2021 as a value chain financing company in Nigeria. The Company’s principal business activities involve the provision of innovative financing solutions that bridge the gap between suppliers, buyers, and financiers.

Finceptive’s range of services includes invoice discounting, supply chain financing, and accounts receivable financing, designed to help businesses of all sizes unlock trapped liquidity, improve cash flows, and accelerate their growth. By leveraging on the Company’s expertise in financial technology and deep understanding of the complexities of global supply chains, Finceptive empowers its clients to achieve greater financial flexibility, reduce risk, and gain a competitive edge in their respective markets.

Since its inception, Finceptive has:

- Provided over ~~N44~~ billion in funding to SMEs, supporting the creation of hundreds of jobs.
- Supported over 35,000 SMEs, promoting financial inclusion and economic development.
- Helped SMEs increase their revenues by an average of 20%, enabling them to gain access to more opportunities and expand their operations.

The company is also expanding its forays to the agricultural, real estate and oil and gas industry.

Shareholding Structure

The table below shows the shareholders of the issued share capital of Finceptive Limited as at 31st of January, 2025.

Shareholders	Number of shares	Percentage Holding
Anerobi Ogochukwu	150, 000,000	50%
Akanbi Adenike	150,000,000	50%

OVERVIEW OF FINCEPTIVE LTD

Corporate Governance

The Board

The Board of Directors is responsible for the Company's governance and is accountable to shareholders for creating and delivering sustainable value through the management of the Company's business. The Board defines the Company's long-term goals and strategies and sets forth the principles and directives for the resulting corporate policies.

In accordance with best practices, the Board currently comprises five (5) Directors made up of the chairman, one (1) Independent Director, two (2) Non- Executive Directors and two (2) Executive Directors. The Board is also supported by senior executives who actively participate as an integral part of all Board and management committees.

S/N	Name	Designation
1	Remi Ohiořenoya	Board Chairman / Non-Executive Director
2	Ogochukwu Anerobi	Chief Executive Officer
3	Akanbi Adenike Abiodun	Executive Director
4	James Akinwale Ola	Independent Director
5	Olawale Akinnawonu	Non-Executive Director

Profile of Directors as at 10TH of January, 2024.

Remi Ohiořenoya – Board Chairman

Remi Ohiořenoya is the Chairman of Finceptive Limited and boasts of over two decades of experience in software development, project management, and strategic leadership. He is a highly accomplished professional with a stellar reputation in the business world. He also sits on the board of SystemSpecs Limited.

Ogochukwu Anerobi – Chief Executive Officer

Ogochukwu Anerobi is the CEO of the Company. She co-founded it in 2021 as a Financial services company in Lagos Nigeria to provide funding to businesses to bridge the gap in Supply chain business, enabling buyers and suppliers to optimize their working capital.

She has 13 years of experience in finance and strategy under her belt. She has managed and delivered key transformational projects in business strategy, finance, and technology at Access Bank PLC. She has also managed the Global Supply Chain arm of a pan-African Institution with annual budgets exceeding \$500million.

Akanbi Adenike Abiodun - Executive Director

Akanbi Adenike Abiodun is the Company's Chief Operating Officer and Co-Founder. She possesses fourteen (14) Years in Finance and Global Supply Chain Management. Akanbi has experience spanning over a decade across Financial and Regulatory Reporting, Cost Management, and International Trade with Access Bank PLC and Keystone Bank PLC.

James Akinwale Ola – Independent Director

James Akinwale Ola is a transformational leader with over 20 years of experience driving strategic growth, operational excellence, and sustainable performance in the oil and gas industry. He has a proven track record of delivering multi-billion-dollar projects, improving profitability, and fostering collaborative cultures. Expertise spans upstream, midstream, and downstream operations, with a strong focus on ESG, digitalization, and innovation.

Olawale Akinnawonu – Non-Executive Director

Olawale Akinnawonu is a seasoned director with a distinguished career, spanning 19 years in Supply Chain Management, leveraging expertise in production, and efficient distribution drive business growth

OVERVIEW OF FINCEPTIVE LTD

and stakeholder value. He is skilled in navigating complex regulatory environments, building high-performing teams, and executing successful M&A strategies. Olawale is passionate about embracing technology and sustainability to shape the future of finance. He sits on the board of Vaughan Crest Limited. He has a BSc in Finance from the University of Ibadan, and has attended several executive programs from leading universities including Wharton.

OVERVIEW OF FINCEPTIVE LTD

Profile of Management Team

Ogochukwu Anerobi – Chief Executive Officer

Ogochukwu is the co-founder and CEO of Finceptive Limited. In 2021, she co-founded Finceptive Limited a Financial services company in Lagos Nigeria that provides funding to businesses to bridge the gap in Supply chain business, enabling buyers and suppliers to optimize their working capital.

She has 13 years of experience in finance and strategy under her belt. She has managed and delivered key transformational projects in business strategy, finance, and technology at Access Bank PLC. She has also managed the Global Supply Chain arm of a pan-African Institution with annual budgets exceeding \$500million.

Denike Akanbi- Chief Operations Officer

Denike has over 12 cognate years of experience in Finance and Global Supply Chain Management. She has experience spanning over a decade across Financial and Regulatory Reporting, Cost Management, and International Trade with Access Bank PLC and Keystone Bank PLC. Denike brings her expertise to bear in supporting companies in supply chain to grow successfully. She studied Computer Science and Information Technology at Bowen University 2010.

Adedoyin Allen- Chief Investment Officer

Adedoyin is a seasoned finance professional with over 14 years of capital market experience. She is an Associate of the Chartered Institute of Stockbrokers (CIS) and an Authorized Dealing Clerk of the Nigerian Stock Exchange. She has worked with Core Trust, Meristem Stockbrokers, and Afriinvest. She holds a CFA Diploma, a B.Sc. in Economics from Bowen University, and an M.Sc. in Management from the University of Lagos.

Ayo Thomas- Head, Risk Management

Ayo is a seasoned risk management professional, a National Institute of Credit Administration member, and certified Chartered Banker (MCP), he brings strategic leadership and decision-making to the dynamic financial sector. He has held key management roles in financial institutions, developing effective risk frameworks that ensure compliance, mitigate risks, and drive growth.

.Emmanuella Ojarikre – Head, Finance

Emmanuella is a seasoned finance professional with over eight (8) years of experience in financial planning, analysis, and management. she brings a high level of expertise in driving financial growth, optimizing costs, and improving profitability to the Company.

Aderenle Fela-Thomas – Head, Sales

Aderenle is a graduate of the University of Lagos. He has extensive experience in Sales and Marketing that cuts across various industries including Media, IT, FMCG and Finance.

Anuoluwapo Joshua – Head, Growth and Marketing

Anuoluwapo is a result-driven marketing expert with a proven record of boosting brand profiles and driving revenue growth. She holds a BSc in Entrepreneurship from the American University of Nigeria and an MSc in Marketing from the University of Lagos

AUDITOR'S COMFORT LETTER

OLAWOLE AKINBOBOLA & CO

(CHARTERED ACCOUNTANTS)

AKURE OFFICE
29, Hospital Road,
Akure. ☎ :230708

ABUJA OFFICE
Plot 2001 Sokode Crescent,
Off Michael Opara Street,
Wuse Zone 5, Abuja FCT
P.M.B 5094 Wuse Abuja.
☎ :09/5235530

HEAD OFFICE
21, Anfani Street,
Opp. Odunlakin Hospital
Off Ring Road, Ibadan.
☎ :02/2317725,
📞 08034061912,
08177076366,
08076762480

Your Ref:..... Our Ref:..... Date:.....

3rd February, 2025.

The Managing Director,
Exchange Place,
FMDQ Security Exchange Limited,
35, Idowu Taylor Street,
Victoria Island,
Lagos.

Dear Sir,

External Auditor's Comfort Letter on Finceptive Limited

We, the gentlemen of this firm duly accredited by the Institute of Chartered Accountants of Nigeria (ICAN), hereby issued this letter at the request of Finceptive Limited in relation to its proposed Commercial Paper (CP) program. We Olawole Akinbobola & Co (Chartered Accountant) served as the external auditors for Finceptive Limited for 2021 financial year.

Our engagement involved the independent audit of the company's financial statements for the period under review. This audit was conducted in compliance with International Standards on Auditing (ISAs) as established by the International Auditing and Assurance Standards Board (IAASB). Our approach ensured a thorough assessment of the financial statements to determine whether they present a true and fair view and are free from material misstatements.

Following our audit review, we confirmed that Finceptive Limited has maintained financial stability and remains a going concern. The company possesses the requisite financial capacity to sustain operations and meet its obligations as they become due. This conclusion is based on the company's financial performance, liquidity position, and operational strength over the audited period.

It is important to note that this letter is based strictly on our audit of the financial statements for the year ended 2021 and does not extend to any unaudited information there in.

In our professional judgment, based on the audited financial statements and our engagement scope, Finceptive Limited has prudent financial management and a solid operational foundation, positioning it to meet its obligations related to the proposed Commercial Paper program for the year under review.

For further inquiries or additional clarification, please feel free to contact us.

Yours faithfully,


Chief Clement Olawole Akinbobola FCA
Principal Partner
Olawole Akinbobola & Co.
(Chartered Accountants)
Ibadan, Nigeria



AUDITOR'S COMFORT LETTER



4th Floor- Kresta Laurel Complex,
376, Ikorodu Road,
Maryland,
Lagos.

Tel: +234 (0)903-161-3983 and
08023378194

E-mail: btntag@bakertillynigeria.com

Website: www.bakertilly.ng

12 December, 2024

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

Dear sir/madam,

External Auditor's Comfort Letter on Finceptive Limited

We, Baker Tilly Nigeria, a firm of Chartered Accountants duly registered with the Financial Reporting Council of Nigeria (FRCN) and the Institute of Chartered Accountants of Nigeria (ICAN), have been engaged as the external auditors of Finceptive Limited since 2022 financial year. This letter is provided at the request of Finceptive Limited in connection with the issuance of a Commercial Paper (CP) program.

Scope of Work

Our role as the external auditors involves the independent examination of the financial statements of Finceptive Limited for the financial years ended 2022 and 2023. Our audits have been conducted in accordance with International Standards on Auditing (ISAs) as issued by the International Auditing and Assurance Standards Board (IAASB). These standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error.

Financial Position of Finceptive Limited

Based on our audit of the financial statements for the periods 2022 and 2023, we confirm that Finceptive Limited has maintained its status as a going concern. Finceptive Limited's financial records indicate that it has sufficient resources to continue its operations for the foreseeable future and to meet its financial obligations as they fall due. This assessment is based on Finceptive Limited's historical performance, financial structure, and available resources.

AUDITOR'S COMFORT LETTER



- 2 -

Management Integrity and Governance

We have also reviewed the corporate governance practices and internal control environment as part of our audit procedures. We can confirm that the management team and board of directors have demonstrated integrity and transparency in their dealings, which is consistent with best practices in corporate governance.

Limitations

This letter does not constitute an assurance or certification of the future financial performance of Finceptive Limited. Our work is limited to the scope of the audited financial statements, and we accept no responsibility for any decisions made based on this letter beyond its intended purpose.

Conclusion

In our professional opinion, based on the audited financial statements and the scope of our engagement, Finceptive Limited has maintained sound financial practices and demonstrates the capacity to fulfill its obligations under the proposed Commercial Paper issuance.

Should you require further clarification or additional information, please do not hesitate to contact us.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Oluwale O. Ogundeji", written over a horizontal line.

Oluwale O. Ogundeji
Senior Partner

HISTORICAL FINANCIAL INFORMATION

The financial information set out on pages 37 to 39 of this Programme Memorandum has been extracted from the audited annual financial statements of the Issuer and is available at the office of the Issuer. This section should be read and construed in conjunction with any audited interim financial statements published subsequently, for the financial years prior to each issue of Notes under this Programme.

Income Statement for the year ended 31 December 2021, 2022 and 2023

	2021 N'000	2022 N'000	2023 N'000
Interest Income	1,014,954	1,366,060	1,223,343
Interest expense	(274,380)	(694,548)	(419,655)
Gross Profit	740,574	671,512	803,688
Other operating income	25,035	311,176	654,743
Provision for Impairment on loans		(74,232)	(24,184)
General and administrative	(205,552)	(155,089)	(379,702)
Profit Before Tax	560,057	753,367	1,054,545
Taxation	(27,717)	(244,844)	(348,000)
Information Technology Levy		(7,534)	(10,545)
Police Trust Fund Levy	-	-	-
Profit for the year after tax	532,340	500,989	696,000
Other Comprehensive income:	-	-	-
Total comprehensive income for the year:	<u>532,340</u>	<u>500,989</u>	<u>696,000</u>

HISTORICAL FINANCIAL INFORMATION

Statement of Financial Position as at 31 December 2021, 2022 and 2023

	2021 N'000	2022 N'000	2023 N'000
ASSETS			
Current Assets			
Cash and cash equivalents	2,018,695	21,445	626,216
Loans and Receivables	1,587,000	3,637,367	6,566,355
Prepayments & other receivables	-	1,282,734	2,295,200
Short-term Investment	<u>1,718,500</u>	<u>1,349,674</u>	<u>985,000</u>
	<u>5,324,195</u>	<u>6,291,220</u>	<u>10,472,771</u>
Non-Current Assets			
Investment in subsidiary	-	11,282	11,572
Intangible assets	52,500	51,875	355,920
Property, plant and equipment	<u>17,130</u>	<u>19,514</u>	<u>135,808</u>
Total non-current assets	<u>69,630</u>	<u>82,671</u>	<u>503,300</u>
Total Assets	<u>5,393,825</u>	<u>6,373,891</u>	<u>10,976,071</u>
Current Liabilities			
Borrowings	1,347,800	1,881,262	5,290,711
Trade and other payables	17,910	370,048	838,426
Current tax payable	<u>17,500</u>	<u>268,878</u>	<u>388,926</u>
Total current liabilities	<u>1,383,210</u>	<u>2,521,188</u>	<u>6,518,063</u>
Non-Current Liabilities			
Borrowings	2,498,500	1,839,599	1,222,904
Deposit for shares	<u>1,049,000</u>	<u>1,049,000</u>	<u>1,607,000</u>
Total non-current liabilities	<u>3,547,500</u>	<u>2,888,599</u>	<u>2,829,904</u>
Total liabilities	<u>4,930,710</u>	<u>5,409,787</u>	<u>9,347,967</u>
Equity			
Ordinary share capital	1,000	1,000	1,000
Retained earnings	<u>462,115</u>	<u>963,104</u>	<u>1,627,104</u>
	<u>463,115</u>	<u>964,104</u>	<u>1,628,104</u>
Total equity & liabilities	<u>6,373,891</u>	<u>5,393,825</u>	<u>10,976,071</u>

HISTORICAL FINANCIAL INFORMATION

Statement of Cash Flows for the year ended 31 December 2021, 2022 and 2023

	2021 N'000	2022 N'000	2023 N'000
Operating profit before working capital	544,817	844,479	1,098,410
Changes in working capital:			
Changes in loans and advances	(708,300)	(2,124,599)	(2,953,172)
Changes in prepayment and other receivables	-	(1,282,734)	(1,012,466)
Changes in trade and other payables	1,130	352,138	239,426
Changes in short-term investment	<u>605,000</u>	<u>368,826</u>	<u>364,674</u>
Net cash outflow from operating activities	<u>167,353</u>	<u>1,841,890</u>	<u>2,263,128</u>
Cash flow from investing activities			
Investment in subsidiary		(11,282)	(290)
Purchase of Tangible Assets	1,100	(18,639)	(142,425)
Cost of developing Intangible assets	<u>(27,500)</u>	<u>-</u>	<u>(308,140)</u>
Net cash outflow from investing activities	<u>(28,600)</u>	<u>(29,921)</u>	<u>(450,855)</u>
Cash flow from financing activities			
Capital	280,000	-	558,000
Borrowings	598,750	(105,439)	2,792,754
Dividend paid	<u>(212,936)</u>	<u>-</u>	<u>(32,000)</u>
Net cash in / (out) flow from financing activities	<u>665,814</u>	<u>(105,439)</u>	<u>3,318,754</u>
Net increase / decrease in cash and cash equivalent	469,861	(1,997,250)	604,771
Cash and cash equivalent at beginning	<u>1,548,833</u>	<u>2,018,695</u>	<u>21,445</u>
Cash and cash equivalent at end	<u>2,018,694</u>	<u>21,445</u>	<u>626,216</u>

EXTRACT FROM ISSUER’S RATING REPORT

The following information is an extract from the rating report prepared by **Agusto & Co.**

Finceptive Limited

Issuer Rating:

Bbb-

Outlook: Stable
Issue Date: 29 Nov 2024
Expiry Date: 30 June 2025
Previous Rating: N/A

Industry:
Vendor Financing

Analysts:

Chiamaka Ozorjiri
chiamakaorzorjiri@agusto.com

Adebiyi Olukoya
biyiolukoya@agusto.com

Agusto & Co. Limited
UBA House (5th Floor)
57, Marina
Lagos
Nigeria

www.agusto.com

RATING RATIONALE

Agusto & Co hereby assigns a 'Bbb-' rating to Finceptive Limited ("Finceptive" or "the Company"). The rating reflects Finceptive's good profitability, adequate capitalisation and low level of delinquencies in the loan book which is supported by the strategy of lending to vendors of blue-chip companies, to enhance efficiency in collection. However, the rating is constrained by the Company's aggressive loan book growth in an adverse economic climate, reliance on short-term expensive funds and sizeable exposure to unrated counterparties in the short-term placements' portfolio. We also note that Finceptive's funding options are somewhat restricted given the limited track and the non-membership under the deposit insurance scheme of the Nigeria Deposit Insurance Corporation (NDIC). In addition, the lack of regulatory oversight afforded by a licence from the Central Bank of Nigeria (CBN) is a rating constraint. The macroeconomic challenges plaguing Nigeria also constrain the rating.

Finceptive is a financial intermediary company that operates with a money lender's licence from Lagos State Government. This licence is not regulated by the CBN or the NDIC. The Company sources for direct funding from investors and provides loans to suppliers of blue-chip companies. As at 31 December 2023, the Company had total assets of ₦10.9 billion, with gross loans of ₦6.7 billion representing the bulk at 60.7%. Finceptive recorded a 79.6% year-on-year increase in the loan book in 2023, which was largely driven by borrowings given the competitive average rate of 18.2% offered on investor notes in the review year in addition to intensified marketing activities and referrals from clients. However, we view the loan growth as aggressive given the declining disposable incomes and the finance houses segment's estimated loan growth of 46%. As at 31 December 2023, Finceptive had non-performing loans (NPLs) of ₦98.4 million, which was 33% higher than the ₦74.2 million recorded in the prior year. Nonetheless, the NPL to gross loan ratio remained good at 1.5% (2022: 2%), below our benchmark of 5% for vendor finance companies. We note that the Company's NPL ratio was higher at 7% when we adjust for the significant growth in the loan book in the review year. However, we note positively that as at the 2023 FYE, the cumulative loan loss provision fully covered NPLs. Based on unaudited accounts as at 30 June 2024, Finceptive's NPLs stood at ₦51 million, a 48% decline from the 2023FYE following enhanced recoveries. Thus, the NPL ratio as at HY2024 was lower at 0.7%. We view asset quality as satisfactory and expect the NPL ratio to remain below our benchmark in the near term, as the Company continues to focus on providing loans to vendors of blue-chip companies.

EXTRACT FROM ISSUER'S RATING REPORT

Finceptive primarily obtains funding from investors in the form of short-term unsecured notes. As at 31 December 2023, the Company's total liabilities which stood at ₦7.7 billion (2022: ₦4.4 billion) funded 71% of total assets and largely comprised investment notes at 82% while other liabilities (16%) and overdrafts (2%) made up smaller balances. The bulk (77%) of the investment notes comprised borrowings from corporate entities, that are price sensitive while retail clients accounted for a smaller balance (23%). There was considerable concentration in the funding base, with the top twenty investors contributing 50% of the investment notes and funding a sizeable 33% of total assets. In our view, this level of concentration of corporates entities and few investors leaves Finceptive susceptible to a significant gap in the event that the subscribers withdraw funds. The Company's funding mix translated to a high weighted average cost of funds (WACF) of 16.6% as at the 2023FYE. Given the prevailing high interest rate environment and the focus on wholesale names for funding, we expect WACF to continue to be high. This is substantiated by the increase in Finceptive's WACF after year end to 19% as of 30 June 2024. We expect the continuous increase in the cost of fund to constrain margins in the near term. Overall, we believe that the Company's funding profile can be improved upon.

As at 31 December 2023, the Company had liquid assets of ₦1.6 billion which primarily (61%) comprised short-term private investments with unrated counterparties while balances with investment-grade credit quality commercial banks made up a sizeable balance (39%). Finceptive's liquid assets to borrowings ratio ("liquidity ratio") stood at 24.7% (2022: 36.8%) as at the 2023FYE, which compared favourably to the Company's internal minimum limit of 20%. Subsequent to the year end, as at 30 June 2024, the Company's liquid assets stood at approximately ₦1.1 billion, a 34% decline from the 2023 FYE, following withdrawals by subscribers to the investor notes given the rising yields on FGN securities. Thus, liquidity ratio was a significantly lower 14%, which was weaker than the internal benchmark but above the CBN minimum of 10%. The Company has no committed lines of credit to provide liquidity and funding buffer. Thus, we believe that Finceptive's liquidity profile can be improved.

Capitalisation at Finceptive is good with a Basel I Capital Adequacy Ratio (CAR) of 49% (2022: 54%) as at the 2023 FYE, which was better than Augusto & Co.'s benchmark of 12% for lenders to small businesses. Based on unaudited accounts as at 30 June 2024, Basel I CAR remained good at 41%. CAR is expected to decline as business volumes grow but should remain above our 12% threshold. As at 31 December 2023, shareholders' funds to total assets ("leverage ratio") was 29% (2022: 32%), satisfactory in our view. The Company had debt-to-equity (DTE) ratios of 2x as at the 2023 FYE and 2.5x as at 30 June 2024, better than our benchmark of 5x for small business lenders. We view leverage as moderate and expect the DTE ratio to increase in the near term, but remain within our acceptable threshold, as additional borrowings are sought to drive business expansion plans.

We consider Finceptive's profitability to be good, strongly supported by the strategy of lending to suppliers of blue-chip companies. During the 2023 FY, the Company recorded profit before tax of ₦1.1 billion, which translated to a pre-tax return on average assets (ROA) of 12.2% and a pre-tax

EXTRACT FROM ISSUER’S RATING REPORT

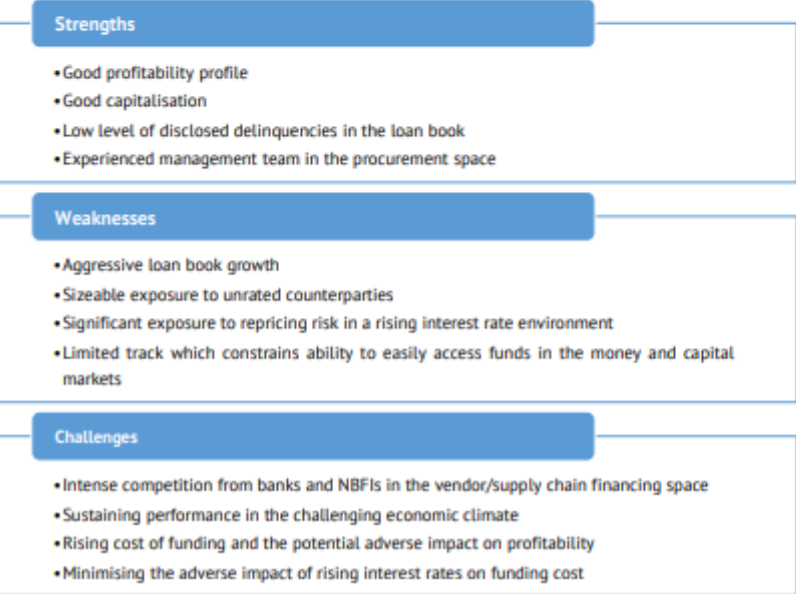
2024 Non-Bank Financial Institution Rating: Finceptive Limited

return on average equity (ROE) of 40.2%. The Company's ROE was significantly higher than the 12-month average rate of inflation of 24.5% in the same year. Based on unaudited accounts for the first six months of 2024, pre-tax profit was ₦494 million, which represented 53% of the year-to-date budget while annualised ROA and ROE remained above our benchmarks at 8.9% and 31.6% respectively. We expect Finceptive's profitability to be sustained and remain above our benchmarks in the near term, upheld by the planned ramp-up of lending activities. However, we expect some compression in margins due to the high interest rate regime and the wholesale funding focus. Based on the aforementioned factors, we hereby assign a **stable outlook** to the rating of Finceptive Limited.

Table 1: Financial Data for Finceptive Limited

	31 December 2022	31 December 2023
Total Assets	₦6.4 billion	₦10.9 billion
Net Earnings	₦908 million	₦1.4 billion
Pre-tax return on average assets	12.8%	12.2%
Pre-tax return on average equity	42.7%	40.2%

Figure 1: Strengths, Weaknesses and Challenges



EXTRACT FROM ISSUER’S RATING REPORT

The following information is an extract from the rating report prepared by **DataPro**.

FINCEPTIVE LIMITED

Long-Term Rating:

BBB

Short Term Rating: A2
Previous Rating: BBB
Rating Outlook: Stable
Trend: Up
Currency: Naira
Date Issued: 25 Oct., 2024
Valid Till: 24 Oct., 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	2022	2021	2020	2019
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Gross Earnings	1,878,086	1,677,236	1,039,989	525,533	325,525
Pre-tax-Profit	1,054,545	753,367	560,057	181,324	100,019
Equity	1,628,104	964,104	1,512,115	912,711	586,173
Investment Assets	985,000	1,349,674	1,718,500	1,113,500	688,950
Total Assets	10,976,071	6,373,891	5,393,825	3,584,073	1,807,445
Total Liabilities	9,347,967	5,409,787	3,881,710	2,671,362	1,221,272

Rating Explanation

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

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

RATING SYNOPSIS

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

The qualitative information used were based on industry and market intelligence including public information. The quantitative information were obtained from the Company’s Audited and Management Accounts.

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

Overall, the following were observed:

Positive Rating Factors:

- Good Liquidity
- Good Capitalization
- Defined Investment Procedure

Negative Rating Factor:

- Weak Regulation

LEGAL OPINION ON THE NOTES

10th February 2025

Finceptive Limited
NBCC Building,
Olubunmi Owa Street,
Lekki Phase 1
Lagos Nigeria

Dear Sir,

**FINCEPTIVE LIMITED ₦5,000,000,000 (FIVE BILLION NAIRA)
COMMERCIAL PAPER PROGRAMME - LEGAL OPINION**

1. INTRODUCTION

- 1.1 We have been engaged as Transaction Solicitors to the proposed ₦5,000,000,000 (Five Billion Naira) Commercial Paper Programme (“**The Programme**”) by Finceptive Limited (“**The Issuer**”).

This Opinion is based on the Legal Due Diligence exercise carried out on the Issuer in connection with the Programme.

2.0 DEFINITIONS

In this Opinion, unless otherwise defined or the context otherwise requires, the following capitalised terms shall have the following meanings:

- 2.1 “**CAC**” means Corporate Affairs Commission;
- 2.2 “**Collecting and Paying Agency Agreement**” or “**CPA Agreement**” means the Agreement dated on or about the date hereof between the Issuer and Providus Bank Limited;
- 2.3 “**Central Securities Depository**” or “**CSD**” means FMDQ Depository Limited
- 2.4 “**Deed of Covenant**” means the deed to be executed by the Issuer as a deed poll in favour of the Noteholders;

LEGAL OPINION ON THE NOTES

- 2.5 “Issuing and Placing Agency Agreement” or “IPA Agreement” means the Agreement between the Issuer and Cordros Capital;
- 2.6 “Nigerian Courts” means the Supreme Court of Nigeria, the Court of Appeal, the Federal High Court and the various State High Courts;
- 2.7 “Nigerian Law” includes statutes or regulations made or imposed by any Nigerian authority
- 2.8 “Programme Memorandum” means the Programme Memorandum which sets out the aggregate size and broad terms and conditions of the Programme;
- 2.9 “SEC” means the Securities and Exchange Commission;
- 2.10 “Transaction Documents” means the Programme Memorandum, each applicable Pricing Supplement to be issued under the Programme, the Issuing and Placing Agency Agreement, the Deed of Covenant, the Dealer Agreement and the Collecting and Paying Agency Agreement.
- 2.11 “VDR” means the Virtual Data Room where the documents reviewed for the Legal Due Diligence exercise were provided

3 DOCUMENTS

In preparing this Opinion, we reviewed various agreements, documents and matters of law as we have deemed necessary, including the following documents:

- 3.1 a copy of the Certificate of Incorporation of the Issuer dated 22nd July 2021.
- 3.2 a Certified True Copy of the Memorandum and Articles of Association of the Issuer dated 31st January 2025.
- 3.3 The Board Resolution dated 3rd December 2024 authorizing the Issuer to proceed with the Programme;
- 3.4 CAC Status Report on the Issuer dated 6th February 2025;
- 3.5 a copy of the ₦10,000,000,000 (Ten Billion Naira) Commercial Paper Programme Memorandum and incorporated Applicable Pricing Supplement dated _____ 2025

4 SCOPE

- 4.1 This Opinion is strictly limited to Nigerian law. We do not provide any opinion or commentary on the content, adequacy, or sufficiency of the commercial terms agreed upon by the Parties in the Transaction Documents.

- 4.2 We have not assisted in the investigation or verification of the facts, or the reasonableness of any assumption or statement of opinion (including, without limitation, as to the solvency of any other person expressed to be a Party to the Transaction Documents or any other person), contained in the Transaction Documents or in determining whether any material fact has been omitted therefrom.

5. EXTENT OF REVIEW AND EXAMINATION

- 5.1 We examined the Corporate Information of the Issuer provided in the VDR and other documents we considered necessary, for the purpose of giving this Opinion.
- 5.2 We have made no searches or enquiries concerning any other person or on any corporate records of a person.

6. ASSUMPTIONS

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

6.1 Genuineness and Authenticity

- 6.1.1 the genuineness and authenticity of all documents provided in the VDR;
- 6.1.2 the genuineness and authenticity of all documents in the Issuer's records at the CAC;
- 6.1.3 the documents in the file of the Issuer at the CAC as at 6th February 2025 are the most recent records of the Issuer;
- 6.1.4 the accuracy and completeness of all resolutions, certificates and records which we have seen;
- 6.1.5 the accuracy of any and all representations of facts expressed in or implied by the documents we have examined;
- 6.1.6 the absence of any amendments or variations to the terms of the Transaction Documents;
- 6.1.7 that each of the Transaction Documents has been duly authorized, and shall be duly executed, by or on behalf of the Parties thereto and that the performance thereof is within the capacity and powers of the parties thereto;
- 6.1.8 that the terms of the Transaction Documents are or will be observed and performed by the Issuer;

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

6.2 Good Faith

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

6.3 Consents

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

6.4 Restrictions

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

7 OUR OPINION

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

7.1 Legal Status

The Issuer is duly incorporated and validly exists under Nigerian Law. To the best of our knowledge as at 6th February 2025, no steps have been taken to: wind up the Issuer or appoint a Receiver in respect of it or otherwise place its business or any of its assets outside the control of its directors.

7.2 Powers and Authority

7.2.1 The Issuer has the full power, authority and capacity to execute, deliver, perform and observe the terms and conditions of the Transaction Documents.

7.2.2 All corporate and other actions that are necessary or advisable to authorise the Issuer to undertake the Programme, enter into, execute, deliver, perform and observe the terms and conditions of the Transaction Documents have been taken.

- 7.2.3 The Board Resolution dated 3rd December 2024 is compliant with the Issuer's Articles and Nigerian Law. It is sufficient corporate authorization for the Issuer to undertake the Programme, execute the Transaction Documents and carry out all relevant actions for the success of the Programme. The resolution need not be filed, recorded or registered with any authority in Nigeria.

7.3 Enforceability

- 7.3.1 There is no provision in the Issuer's constitutional documents and under Nigerian Law which will be contravened by:

- a. any provision in any Transaction Document; or
- b. the carrying out of any relevant transactions contemplated by the Transaction Documents.

- 7.3.2 All the Transaction Documents are governed by Nigerian Law and constitute obligations of the Parties thereto that are legal, valid, and binding upon the Parties and enforceable against the Parties in accordance with their terms.

7.4 Registration

Other than the stamping of the Transaction Documents by the Federal Inland Revenue Services, it is not necessary or desirable for any further action to be taken in the future (including the making of any registrations or filings) in order to preserve as a matter of law the interests of the Noteholders.

Save for the stamping of the Transaction Documents, no consent, licence, authorization or similar approval or other action by, and no notice to, or filing or registration with, any governmental authority or regulatory body is required in Nigeria for the due execution, delivery and performance by the Issuer of the Transaction Documents.

7.5 Insolvency

- 7.5.1 Subject to bankruptcy and insolvency laws generally applicable to Nigerian companies:

- i. in bankruptcy or insolvency proceedings involving the Issuer, the obligations of the Issuer under the Transaction Documents will remain valid, binding and enforceable.
- ii. upon the maturity of the Notes, in the event that the Issuer is unable to discharge any of its obligations to the Noteholders, the unsatisfied Noteholders as creditors of the Issuer are entitled to apply for the winding up of the Issuer on the ground of the Issuer's inability to pay its debts.

LEGAL OPINION ON THE NOTES

- 7.5.2 Upon the insolvency of the Issuer, Nigerian Law would treat the Noteholders as unsecured creditors of the Issuer for all purposes.

7.6 Tax Matters

- 7.6.1 The Issuer is not entitled or required to withhold tax on payments to any investor on Zero-coupon Notes. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.
- 7.6.2 The Noteholders will not be required to pay income taxes on the interest enjoyed on the Notes.
- 7.6.3 The Transaction Documents will be subjected to the payment of Stamp Duty at the applicable rate per Transaction Document.
- 7.6.4 On buying or selling the Notes, investors will pay no Value Added Tax.
- 7.6.5 A sale of a Note by a Noteholder will not give rise to a charge of Capital Gains Tax.
- 7.6.6 Value Added Tax will be payable on the commission payable to the Central Securities Depository.

7.7 Status of the Notes

Each of the Notes constitutes a direct, senior, unsecured and unsubordinated obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank *pari passu* among themselves, with other present and future senior and unsecured obligations of the Issuer outstanding from time to time.

7.8 Miscellaneous

The Issuer's assets are not entitled to any immunity from suit, judgment, execution, attachment or other legal action or proceeding (including pre-judgment attachment) in respect of any obligation under any of the Transaction Documents.

The Transaction Documents do not contain any provision or provide for any transaction or other action which could have the consequence of making the Noteholders liable in Nigeria in respect of any debt, liability or obligation of the Issuer or in respect of any non-compliance by the Issuer with any Nigerian Law.

8. QUALIFICATIONS

This Opinion is subject to the following qualifications:

- 8.1 Our opinion that an obligation or document is enforceable means that the obligation or document is of a type and form which Nigerian Courts will generally enforce.

LEGAL OPINION ON THE NOTES

Notwithstanding, it is not to be implied that the obligation or document can necessarily be enforced in all circumstances, and with regard to a final judgment or award, certain defences to its application or grounds for setting it aside may be accepted or applied, in spite of an agreement to the contrary;

- 8.2 upon the presentation of a winding-up petition against a Nigerian company, proceedings commenced against it to enforce a liability may be stayed or restrained by a Nigerian Court;
- 8.3 the enforcement of the rights of the parties under the Transaction Documents may with the passage of time become statute-barred under the limitation laws of Nigeria;
- 8.4 the power of Nigerian Courts to order specific performance of an obligation or to order any other equitable remedy is discretionary, following which, a Nigerian Court might make an award of damages where specific performance of an obligation or any other equitable remedy was sought.
- 8.5 No opinion is expressed as to the tax treatment or consequence of the Transaction documents or the transaction contemplated herein.

9. BENEFIT OF THE OPINION

This Opinion is prepared exclusively for the purpose of the Programme and for the benefit of the Issuer, its advisers on the Programme and persons seeking to invest in the Notes. Other than for the Notes Issuance and for the benefit of the persons to whom it is meant, it is not to be used by any other person or for other purposes or quoted or referred to in any public document or filed with anyone without our express consent. This Opinion is not to be distributed, in whole or in part, to any person other than as agreed between the Issuer and us and then only for purposes directly relating to the Programme.

Yours faithfully,
KOYA & KUTI



KHENE ENYIEKO



GENERAL INFORMATION

Authorisation

The establishment of this CP Programme and issuance of Notes thereunder was approved by the resolution of the Board of Directors of the Company dated.

Going Concern

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the years ahead. If any event occurs as a result of which the above statement is no longer true and accurate, the Issuer will give notice thereof to the Noteholders.

Auditors

Baker Tilly acted as auditors of the annual financial statements of the Issuer for the financial years ended 31 December 2021, 2022 and 2023. The auditors have in respect of those years for which they were responsible for the audit, issued unqualified reports.

Material Contracts

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

- i. An Issuing and placing agency agreement dated 10th of April 2025 between the Issuer and Cordros Capital Limited
- ii. A collecting and Paying agency agreement dated 10th of April 2025 between the Issuer and Providus Bank Limited;
- iii. A Deed of Covenant dated 10th of April 2025 issued by the Issuer as a deed poll in favour of the Noteholders; and
- iv. A Dealer and Arranger Agreement dated 10th of April 2025 between the Issuer and the Arranger/Dealer.

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.

ISSUER

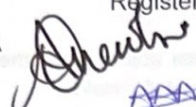
Finceptive Limited

Registered Office: NBCC Building, Olubunmi Owa Street, Lekki Phase 1, Lagos,
Nigeria

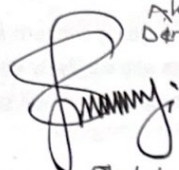
Tel No: 08103159500

Contact: Emmanuella Ojarikre

Anerobi
Ogachukwu
Director



Adenike
Akonbi
Director



AUDITORS TO THE ISSUER

Baker Tilly Nigeria.

Registered Office: Kresta Laurel Complex (4th Floor)
376, Ikorodu Road, Maryland Lagos.

Tel No: 07066999672

Contact: Comfort Adeoye

Odekan Egunjimi
Partner

SOLICITORS

Koya & Kuti

Registered Office: St. Peter's House (5th Floor), 3, Ajele Street,
Lagos.

Tel No: 01 - 2773938

Contact: Khene Omogbehin

Kenechi Tinuade
Partner

KOYA & KUTI SOLICITORS
ST. PETER'S HOUSE
3, AJELE STREET, MARINA
LAGOS, NIGERIA

ISSUING AND PLACING AGENT

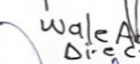
Cordros Capital Limited

Registered Office: 70, Norman Williams, Ikoyi, Lagos
Nigeria

Tel No: 08068044744

Contact: Saheed Okubena

Nkechi
Ofoghu
Secretary


Wale Abeyang
Director

COLLECTING AND PAYING AGENT

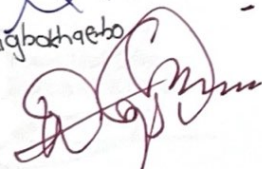
Providus Bank Limited

Registered Office: 724 Adetokunbo Ademola Street, Victoria
Island, Lagos, Nigeria.

Tel No: 08032738721

Contact: Ajumai Okolie

King sley Aigbathaebo
Director



Walter Akpani
Director