

This Programme Memorandum has been prepared in accordance with the Central Bank of Nigeria ("CBN") Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers dated 18 November 2009 and re-issued on 11 September 2019, the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together the "CBN Guidelines") and the November 2024 Commercial Paper Registration and Quotation Rules of the FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") or as may be amended from time to time. This document is important and should be read carefully. If you are in any doubt about its content or the action to take, kindly consult your Stockbroker, Accountant, Banker, Solicitor, or any other professional adviser for guidance immediately. This Programme Memorandum has been seen and approved by the Board of Champion Breweries Plc ("Champion Breweries" "the Company" or the "Issuer") who jointly and individually accept full responsibility for the accuracy of all information given.



**Champion Breweries Plc**  
(RC 13388)

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**₦15,000,000,000**  
**COMMERCIAL PAPER ISSUANCE PROGRAMME**

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Champion Breweries Plc, a public limited liability company incorporated in Nigeria, has established this ₦15,000,000,000 (Fifteen Billion Naira) Commercial Paper Issuance Programme (the "CP Programme" or "the Programme"), under which Champion Breweries may from time to time issue Commercial Paper Notes ("CP Notes" or "Notes"), denominated in Nigerian Naira as may be agreed between the Issuer and each relevant Arranger (as defined in the section entitled "Summary of the Programme"), in separate series or tranches subject to all the relevant laws and in accordance with the terms and conditions ("Terms and Conditions") contained in this Programme Memorandum.

Each Series or Tranche (as defined in this document) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement applicable to such Series or Tranche (the "Applicable Pricing Supplement"). The maximum aggregate nominal amount of all CP Notes from time to time Outstanding under the CP Programme shall not exceed ₦15,000,000,000 (Fifteen Billion Naira) over a three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

This Programme Memorandum is to be read and construed in conjunction with any hereto and all documents which are incorporated herein by reference and, in relation to any Series or Tranche, together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated and form part of this Programme Memorandum. As at the date of this Programme Memorandum, the Securities and Exchange Commission ("SEC") is yet to commence the implementation of its New Rules and Sundry Amendments to the Rules and Regulations of the Commission issued in December 2024, which requires all issuances of commercial papers to first be registered with the SEC as such this Programme Memorandum, any Applicable Pricing Supplement and the Notes have not been registered with the SEC, or under the Investments and Securities Act, 2025.

The CP Notes will be issued in dematerialised form, registered, quoted and traded via the FMDQ Exchange platform in accordance with the rules, guidelines and such other regulation as may be prescribed by the CBN and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The securities will settle via FMDQ Depository Limited, acting as custodian, and clearing agent for the CP Notes.

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

The distribution of this document and the offer, sale, acceptance, delivery, transfer, exercise, purchase of, subscription for, or trade in the CP in certain jurisdictions, including, but not limited to, the United States, United Kingdom, Australia, Canada, may be restricted by law. No action has been or will be taken by the Company or the Arrangers/Issuing and Placing Agents to permit the offering of the CP under the applicable laws of any jurisdiction or to permit the possession or distribution of this document (or any other offering or publicity materials relating to the CP) in any jurisdiction where action for that purpose may be required or doing so may be restricted by law or would give rise to an obligation to obtain any consent, approval or permission or to make any application, filing or registration. Accordingly, neither this document nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction other than Nigeria except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes are required to inform themselves about and observe any such restrictions, including those in the preceding paragraphs. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

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**Lead Arranger / Issuing and Placing Agent**



RC 1031371

**Joint Arranger/Issuing and Placing Agent**



RC 264978



RC 446561



RC 444999

**Collecting and Paying Agent**



RC 264978

**This Programme Memorandum is dated 11 June 2025**

## TABLE OF CONTENT

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DEFINITIONS.....	3
IMPORTANT NOTICES .....	7
INCORPORATION OF DOCUMENTS BY REFERENCE .....	9
SUMMARY OF THE PROGRAMME .....	10
DESCRIPTION OF CHAMPION BREWERIES PLC .....	12
USE OF PROCEEDS AND SOURCES OF REPAYMENT .....	19
SUMMARY OF REGULATION ON THE ISSUANCE, REGISTRATION & QUOTATION OF CP .....	20
TERMS AND CONDITIONS .....	22
AUDITOR'S COMFORT LETTER.....	33
HISTORICAL FINANCIAL INFORMATION.....	34
TAX CONSIDERATIONS .....	37
RISK FACTORS .....	38
SETTLEMENT, CLEARING AND TRANSFER OF NOTES .....	41
PROFORMA APPLICABLE PRICING SUPPLEMENT.....	44
EXTRACT OF ISSUER'S RATING.....	47
LEGAL OPINION .....	48
GENERAL INFORMATION.....	58
SELLING RESTRICTIONS .....	59
PARTIES TO THE TRANSACTION .....	60

## DEFINITIONS

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

TERMS	DEFINITION
"Agency Agreements"	(A) The Issuing and Placing Agency Agreement dated on or about the date of this Programme Memorandum executed by the Issuer and the Issuing and Placing Agents and (B) The Collecting and Paying Agency Agreement dated on or about the date of this Programme Memorandum executed by the Issuer and the Collecting and Paying Agent where the context so admits, individually referred to as "Agency Agreement"
"Agents"	The Collecting and Paying Agent and the Issuing and Placing Agents
"Applicable Pricing Supplement" or "Pricing Supplement"	The document(s) to be issued pursuant to the Programme Memorandum, which shall provide the definitive final terms and conditions relating to a specific Tranche or Series of CP Notes under the Programme
"Arrangers", "Issuing and Placing Agents" or "IPAs"	Rand Merchant Bank Nigeria Limited, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited, United Capital Plc and any other Arranger/IPA appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment
"Board" or "Directors"	Board of Directors of Champion Breweries Plc
"Business Day"	Any day excluding Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which commercial banks are open for general business in Lagos, Nigeria
"CBN"	Central Bank of Nigeria
"CBN Guidelines"	CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers dated 18 November 2009 and re-issued on 11 September 2019, and the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Paper, as amended or supplemented from time to time
"CITA"	Companies Income Tax Act Cap C21, LFN 2004 (as amended by the Companies Income Tax (Amendment) Act No 11 of 2007 and the Finance Acts
"Collecting and Paying Agent" or "CPA"	FBNQuest Merchant Bank Limited or any successor collecting and paying agent duly appointed in accordance with the Collecting and Paying Agency Agreement
"CP"	Commercial Paper
"CP Notes" or "Notes"	The commercial paper issued by the Issuer from time to time pursuant to this Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialized form by the Noteholders through the CSD
"Conditions" or "Terms and Conditions"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes"
"CP Programme" or "Programme"	The domestic CP Programme described in this Programme Memorandum pursuant to which the Issuer may issue multiple Series or Tranches of Notes from time to time with varying maturities and discount rates provided the aggregate Face Value of Notes in issue does not exceed <b>₦15,000,000,000 (Fifteen Billion Naira)</b>
"CSD" or the "Clearing System"	FMDQ Depository Limited
"CSD Rules"	The rules governing transfer of title in securities held with the CSD
"CSD Securities Account"	A securities account maintained by a Noteholder with the CSD
"Day Count Fraction"	The method of calculating the discount/interest in respect of a Note 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
"Default Rate"	The interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate + 5% per annum (whichever is higher) for each day an Event of Default subsists
"Discrete Issue"	A single CP issuance which is not established under a Programme
"Event of Default"	An event of default by the Issuer as set out in condition 9 of the "Terms and Conditions"
"Face Value"	The par value of the Notes, as stated in the Applicable Pricing Supplement

## DEFINITIONS

TERMS	DEFINITION
"FGN"	Federal Government of Nigeria
"Finance Acts"	Finance Act 2019, 2020, 2021 and 2023
"FIRS"	Federal Inland Revenue Service
"FMDQ Exchange" or "FMDQ Securities Exchange Limited" or the "Exchange"	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organization licensed by the Securities and Exchange Commission to provide a platform for, amongst others, listing, quotation, registration, and trading of securities
"FMDQ Exchange Rules"	The FMDQ Commercial Paper Registration and Quotation Rules, November 2024 (as may be amended from time to time) and such other regulations (including but not limited to membership agreements, 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, lockout, national emergencies, riots, epidemic, pandemic, floods, fire explosion, civil commotion unrest or disturbances, wars, embargoes, legislations, acts of God, acts of terrorism, and industrial unrest;
"Government"	Any federal, state or local government of the Federal Republic of Nigeria
"Champion Breweries" or "the Issuer"	Champion Breweries Plc
"Implied Yield"	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement
"ISA"	The Investment and Securities Act, 2025, as amended from time to time
"Issue Date"	The date upon which the relevant Series or Tranche of the Notes is issued as specified in the Applicable Pricing Supplement
"Issue Price"	The price at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
"Issue Rate"	The discount rate at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
"Issuing and Placing Agency Agreement" or "IPA Agreement"	the Issuing and Placing Agency Agreement between the Issuer and the Issuing and Placing Agents;
"Joint Arranger"	FCMB Capital Markets Limited; FBNQuest Merchant Bank Limited; United Capital Plc
"Lead Arranger"	Rand Merchant Bank Nigeria Limited
"LFN 2004"	The Laws of the Federation of Nigeria 2004
"Material Adverse Change"	A material adverse change in the business, assets, liabilities or financial conditions, of the Issuer, or on the ability of the Issuer to perform and comply with its obligation(s) under the CP Programme.
"Naira", "NGN" or "₦"	The Nigerian Naira
"NGX"	Nigerian Exchange Limited
"NIBOR"	The Nigerian Inter-Bank Offered Rate
"Noteholder" or "Holder"	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 the provisions of the Terms and Conditions; and (ii) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption moneys have been duly paid in accordance with the provisions of the Terms and Conditions.
"PITA"	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011 and the Finance Acts)

## DEFINITIONS

TERMS	DEFINITION
"Pricing Supplement" or "Applicable Pricing Supplement"	The pricing supplement applicable to a Series or Tranche of Notes issued under the CP Programme, which shall provide the final terms and conditions of a specific issue of a Series or Tranche under the Programme
"Principal Amount"	The nominal amount or Face Value of the Note, as specified in the Applicable Pricing Supplement
"Programme Memorandum"	This information memorandum which sets out the detailed particulars of the Programme and includes any supplementary programme memorandum issued by the Issuer from time to time in respect of the Notes
"Qualified Institutional Investors" or "QIIs"	This includes banks, fund/asset managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, issuing houses, stockbroking firms, registrars, financial market infrastructures (FMIs), finance companies, financial/investment holding companies, financial/investment advisors and any other category of investors as may be determined by the Exchange from time to time
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date
"Redemption Date" or "Maturity Date"	In relation to any Series or Tranches, the date as specified in each Applicable Pricing Supplement on which redemption monies are due and payable in respect of the Notes as specified in the Terms and Conditions and the Applicable Pricing Supplement
"Register"	A register or such registers as shall be maintained by the Registrar in which are recorded details of Noteholders
"Registrar"	The CSD duly appointed to hold the Notes in uncertificated (dematerialised) form or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme
"Relevant Currency"	The currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made as indicated in the Applicable Pricing Supplement
"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
"Rollover"	A Rollover shall refer to the issuance of a CP for the repayment of an existing CP Issue on its maturity date. A CP Issue shall qualify as Rollover where: <ul style="list-style-type: none"> <li>▪ The funds of the investors from the matured CP issue are withheld at the request of the Issuer for investment in the new (Rollover) CP Issue under a registered Programme/Discrete Issue</li> <li>▪ Only the existing investors of the matured CP Issue are invested in the new CP Issue having consented for their funds to be withheld for the purpose stated above</li> <li>▪ The combined tenors of the initial CP Issue and any subsequent Rollover(s) do not exceed 270 days</li> </ul>
"SEC"	The Securities and Exchange Commission, Nigeria
"SEC Rules"	The Rules and Regulations of the Securities and Exchange Commission 2013, (as may be amended from time to time by the SEC), made pursuant to the Investments and Securities Act, 2025 (as may be amended from time to time)
"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
"Special Resolution"	A resolution passed by at least 75% (seventy-five percent) of the Outstanding Principal Amount of the Notes held by Noteholders who are present and voting at meeting of the Noteholders of that Series or Tranche
"Specified Office"	The office of the Agents as specified under the Agency Agreements and shall include such other office or offices as may be specified from time to time thereunder
"Tranche"	In relation to a Series, those Notes of that Series that are issued on the same date and at the same issue price, thus identical in all respects

## DEFINITIONS

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TERMS	DEFINITION
"Transaction Documents"	The IPA Agreement, the Programme Memorandum, the Collecting and Paying Agency Agreement, any Applicable Pricing Supplement, the Deed of Covenant, and any other document relating to the issue of the Notes, as approved by FMDQ Exchange
"Unique Identifier"	A code specifically designated/assigned to identify a CP
"VAT"	Value Added Tax as provided for in the Value Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007 and the Finance Acts)
"WHT"	Withholding Tax as provided for in section 78(2) of CITA (as amended) and section 70 of PITA (as amended)
"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 default interest payable on late payments

## IMPORTANT NOTICES

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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 ~~₦15,000,000,000~~ (Fifteen Billion Naira) (the Programme). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum and the Applicable Pricing Supplement.

The Issuer shall not require the consent of the Noteholders for the issue of any Notes under the Programme.

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

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

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

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

Each person contemplating purchasing any Commercial Paper should make its own independent investigation of the financial condition and affairs, and its own appraisal of the credit worthiness of the Issuer. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or 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 after the date hereof. Investors should review, among other things, the most recent audited annual and unaudited financial statements of the Issuer prior to taking any investment decision. If you are in any doubt about its content or the action to take, kindly consult your Stockbroker, Accountant, Banker, Solicitor, or any other professional adviser for guidance immediately.

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. Subject to the commencement of the implementation of the SEC's New Rules and Sundry Amendments to the Rules And Regulations of the Commission issued in December 2024, additional registration or regulatory requirements may become applicable to the Notes issued under the Programme.

All currency risks assumed by investors upon purchase of the Notes are borne by the individual investors. The Arrangers and CPA are under no obligation to seek recovery or initiate any action against the Issuer.

**FMDQ SECURITIES EXCHANGE LIMITED TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROGRAMME MEMORANDUM, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR**

**IMPORTANT NOTICES**

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**IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS DOCUMENT.**

## INCORPORATION OF DOCUMENTS BY REFERENCE

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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; and
2. the audited annual financial statements (and notes thereto) of the Issuer and any unaudited or audited interim financial statements published subsequent to such audited annual financial statements of the Issuer for the financial years or periods prior to each issue of Notes under this Programme,

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

The Issuer may for so long as any Note remains Outstanding, publish an amended and restated Programme Memorandum or a supplement to the Programme Memorandum upon 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; or
- c) any other material change in the disclosures contained in the Programme Memorandum as it relates to the Issuer.

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, free of charge to each prospective investor, upon request, a copy (which includes an electronic copy at the Issuer's option) of any of the documents deemed to be incorporated herein by reference, unless such documents have been modified or superseded. Requests for such documents shall be directed to the Issuer at its specified offices as set out in this Programme Memorandum.

## SUMMARY OF THE PROGRAMME

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

S/N	TERMS	DESCRIPTION
1.	Issuer:	Champion Breweries Plc
2.	Programme Description:	The Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardized documentation framework.
3.	Programme Size:	₦15,000,000,000 (Fifteen Billion Naira)
4.	Issuance in Series:	The Notes will be issued in Series and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement.
5.	Lead Arranger:	Rand Merchant Bank Nigeria Limited
6.	Arrangers / Issuing and Placing Agents:	Rand Merchant Bank Nigeria Limited, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited, United Capital Plc and any other additional issuing and placing agent appointed pursuant to the Issuing and Placing Agency 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 Issuing and Placing agent pursuant to the IPA Agreement. Appointed issuing and placing agents will be disclosed in the Applicable Pricing Supplement for each issuance under the programme
7.	Collecting and Paying Agent:	FBNQuest Merchant Bank Limited
8.	Legal Counsel	Banwo & Ighodalo
9.	Auditor:	Deloitte & Touche
10.	Central Securities Depository:	FMDQ Depository Limited
11.	Use of Proceeds:	The net proceeds from each issue of Notes under the Programme will be used to support the Issuer's short term funding requirements, general corporate purposes or as may otherwise be specified in the Applicable Pricing Supplement
12.	Sources of Repayment	The repayment of all obligations under the Programme will be funded from the cash flows of the Issuer, unless otherwise specified in the Applicable Pricing Supplement
13.	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 in each case as specified in the Applicable Pricing Supplement.
14.	Tenor/Maturity Date:	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of 15 (Fifteen) days and a maximum of 270 (Two Hundred and Seventy) days, including Rollover from the date of issue. The maturity date of all Outstanding CPs shall fall within the validity period of the latest Issuer/CP Programme rating filed with the Exchange
15.	Interest Payments:	Notes issued may be interest bearing or, in the form of Zero-Coupon Notes or as specified in the Applicable Pricing Supplement
16.	Default Date:	The date on which the written notice of an Event of Default is served on the Issuer
17.	Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or Issue Rate + 5% per annum (whichever is higher) for each day an Event of Default subsists
18.	Issue Price:	The price at which the relevant Series or Tranche of the Notes is issued, as

## SUMMARY OF THE PROGRAMME

		specified in the Applicable Pricing Supplement.
19.	Issue Rate:	The discount rate at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
20.	Issue Size:	As specified in the Applicable Pricing Supplement
21.	Currency of Issue:	Naira
22.	Issuer Rating:	<p>The Issuer has been assigned a rating of "BBB+" from GCR Ratings Pursuant to the CBN Guidelines and FMDQ Exchange Rules, either the issuer of a CP or the specific issue itself shall be rated by a rating agency registered in Nigeria or any international rating agency acceptable to the CBN.</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency</p>
23.	Redemption:	The Notes will be redeemed in accordance with the terms set out in the Applicable Pricing Supplement, subject to the CBN Guidelines and FMDQ Exchange Rules
24.	Settlement Procedures:	The Notes will be settled via direct debit, electronic funds transfers, NIBBS Instant Payment ("NIP"), NIBBS Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS") and in accordance with the guidelines and procedures of the CSD
25.	Registration & Quotation:	The Issuer shall have any Series or Tranche of Notes issued under this Programme quoted on the FMDQ Exchange's Platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted on the relevant trading platform
26.	Sponsor to the Registration of the Programme	Rand Merchant Bank Nigeria Limited, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited and United Capital Plc
27.	Status of Notes:	Each Note constitutes a direct, unconditional, unsubordinated, and 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 any bankruptcy, insolvency, liquidation or other similar laws of general application, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, from time to time
28.	Taxation:	Refer to the section of this Programme Memorandum headed "Tax Considerations"
29.	Governing Law:	The Notes issued under the Programme and all related contractual documentation will be governed by, and construed in accordance with Nigerian law

## DESCRIPTION OF CHAMPION BREWERIES PLC

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### Overview of CHAMPION BREWERIES PLC

Champion Breweries Plc was established in Cross River State in 1974 as Southeast Breweries Limited, and later renamed Cross River Breweries Limited, and subsequently Champion Breweries Limited. It transitioned to a public limited company on September 01, 1992, becoming Champion Breweries Plc, and listed on the Nigerian Stock Exchange on September 01, 1993.

The Company's flagship product, Champion Lager Beer, was launched in December 1976, with an initial production capacity of 150,000 hectoliters, later expanded to 500,000 hectoliters in 1979 with the commissioning of a second production line. Champion Lager Beer and Champ Malta gained market recognition and won numerous awards, including a Silver Medal in Paris, an International Quality Medal at the World Selection in Luxembourg, the Peak Share Price Appreciation on the Nigerian Stock Exchange in 2002, and both Silver and Gold NIS Awards in 2005.

In 2011, Heineken acquired an indirect stake in Champion Breweries through its acquisition of Montgomery Ventures Incorporated (MVI) of Panama. Subsequently, on December 28, 2011, Consolidated Breweries acquired a 57% equity interest from MVI. In December 2013, this stake was transferred to Raysun Nigeria Limited, a Heineken subsidiary, through a Scheme of Arrangement. Raysun, incorporated as an investment holding company for some of Heineken's Nigerian assets, held a 57% stake in Champion Breweries post-transaction.

In 2014, Champion Breweries took the opportunity to launch a rights issue for all shareholders and initiated a private placement for key shareholders, including Raysun Nigeria Limited and Akwa Ibom Investment Corporation. The successful completion of the rights issue raised NGN13.7 billion, which was used to clear Outstanding debts.

In 2021, Raysun Nigeria Limited increased its shareholding to 84.71% by acquiring additional shares, and in compliance with regulatory requirements, launched a Mandatory Takeover Bid for 1,196,799,164 ordinary shares representing a 15.3% equity stake. This resulted in Raysun's shareholding rising to 86.34%.

In 2024, EnjoyCorp acquired 86.4% stake in Champion Breweries through the purchase of 100% shareholding in Raysun Nigeria Limited. Under the technical supervision of its controlling shareholders, Champion is in a stead to even surpass its previous achievement on sales, consumer satisfaction and community engagement.

Champion Breweries has consistently operated with a focus on local content, while adhering to international standards, which contributed to the Company achieving operational profitability in 2014. The Company continues to maintain the quality of its flagship Champion Lager Beer brand, rebranding its bottles and labels to further enhance its appeal. In 2015, it reintroduced Champ Malta to expand its product portfolio and boost volumes, catering to consumers across Akwa Ibom and the South-South region of Nigeria.

### Brand Portfolio

Champion Breweries has an exceptional brand portfolio that typically focus on lagers and malt drinks and these products are sold by distributors within Nigeria.



- **Champion Lager Beer:** The rich flavored Champion Lager Beer is the inviting sun-grip golden beverage with an exciting aroma for the action-oriented man. Launched in 1976, the Lager Beer is Champion's flagship product known for its quality ingredients and rich flavor profile and has since undergone several relaunches that have continued to make it the preferred beer.
- **Champion Lager Beer with Ginger Extract:** Launched in 2023, the new Champion Lager Beer with Ginger Extract is a unique brand that keeps the tastebuds satisfied and gives the energy to face the challenges of each day.
- **Champ Malta:** Pleasant tasting Champ Malta is a non-alcoholic and a deeply satisfying malt drink aimed at consumers who prefer malt drinks. Champ Malta aptly combines tastes and nourishment for a feel-good experience always. This product was launched in 2006.
- **Champ Malt with Butter Cookies Flavour:** Launched in 2023, Champ Malt with Butter Cookies flavor is a premium malt drink that offers a nutritious blend of energy and soothing refreshment for those who dare to dream outside the norm.
- **Champ Malt with Tiger Nut:** The new premium Champ Malt with Tigernut offers double the fun. It is rich in calcium and smooth in taste, leaving consumers with a brand-new experience. The product was also launched in 2023.

### Key Strengths

- **Strong Brand Recognition and Loyalty**

Champion Breweries Plc is a well-known brand especially in the Southern Nigeria with key markets in Uyo, Owerri, Enugu, and Cross-river. It focuses on both alcohol and non-alcohol segments making it popular among young adults and families and as a Nigerian brand, it has built a loyal local consumer base which helps it stand out, providing a solid base for market stability and growth.

- **Focused Product Portfolio**

Champion Breweries has a streamlined portfolio with its flagship product being the champion lager beer and other additional product offerings-Malt drinks. This focused approach allows it to refine its brewing processes and maintain consistent quality, thereby being able to meet targeted customers preferences effectively.

- **Strategic Local Positioning**

Champion Breweries is strategically located in one of the regions with the highest expenditure on beverages and it operates from one of the most business-friendly states in Nigeria. Its understanding of local taste and preferences helps it create a niche and advantage over competitors.

- **Strong support from the Core Shareholder**

Champion Breweries benefits from the strong parental backing of its new core shareholder, EnjoyCorp - a Pan-African beverage holding company with a portfolio of innovative beverage brands. This relationship is expected to bring deep industry knowledge and operational expertise to propel Champion's growth strategy, unlock supply chain efficiencies,

## DESCRIPTION OF CHAMPION BREWERIES PLC

and enhance its competitiveness through centralized procurement and strategic sourcing. Champion Breweries also leverages on EnjoyCorp’s relations with local solar and grid-power providers, alternative suppliers of key ingredients and other key stakeholders in the industry as well as access to expanded accredited distributors to create additional platforms for Champion Breweries in new and existing markets.

- Strong Financial Performance**

Champion Breweries recorded a stellar 66% revenue growth in 2024, reinforcing its ambition to become the undisputed market leader in beer and malt in the South-South region of Nigeria. With pre-tax profit surging 186% to N1.2 billion, the company’s strong financial performance reflects its commitment to operational excellence, strategic market expansion, and product innovation. By strengthening its brand presence and enhancing commercial execution, Champion Breweries continues to solidify its competitive edge, ensuring sustained growth and increased market dominance in Nigeria’s dynamic beverage industry.

- Experienced Management Team**

The management team has an extensive experience within the Nigerian brewery industry. Their deep knowledge of the market dynamics enables them to make informed and strategic decisions about production, sales, marketing, and distribution strategies for growth, manage operations effectively and maintain high product standards. The team is familiar with consumer preferences, competitor dynamics and regulatory activities.

- Corporate Social Responsibility**

Champion Breweries is fully committed to implementing creative actions to minimize environmental impacts, promoting social responsibility and sustainable development. As a responsible organization that believes in sustainable development, Champion breweries continuously supports and collaborates with its host and neighbouring communities in various developmental projects through its unwavering commitment to corporate social responsibility. Some of its notable CSR activities include donations of books, tables, and chairs to schools in host communities, and training mechatronics and brew-tech indigenous operators.

### Sustainability Strategy

Sustainability is an integral element of Champion Breweries’ identity. The Company strives to lead by example through its commitment to environmental stewardship, community engagement, and responsible enjoyment. The Company remains fully committed to implementing creative actions to minimize environmental impacts, enhancing its efforts against increasing carbon footprints, and promoting its social responsibility and sustainable developments via a clearly defined sustainability strategy focused on delivering positive impact.

Champion Breweries is becoming one of the few fully green facilities in Nigeria

Our Current Efforts

**OUR STRATEGY:** BREWING A SUSTAINABLE WORLD

**OUR FOCUS:**

- Promote Safety, Health & Security
- Support Responsible Enjoyment
- Conserve our Water Resources
- Source Locally & Sustainably
- Decarbonize to mitigate climate change
- Win with our Communities

**OUR VALUES:**

- Quality in sustainable practices
- Innovation in waste management
- Excellence in process standards
- Responsibility in regulatory compliance
- Sustainability in securing the future

- Champion Breweries is investing significantly in **transitioning the entire brewery to solar power**, with battery and gas backups.
  - The team is also evaluating opportunities to convert to CNG trucks vs. diesel.
- We are also making significant investments in **sustainable water treatments** to ensure that access to clean water while minimizing environmental impact
- We have reduced the amount of plastic waste arising from the company, thereby **reducing the number of plastic bottles significantly**

### Future Plans

In line with Champion Breweries Plc's vision to become the undisputed market leader in beer and malt in the South-South region of Nigeria, it has highlighted the below as its strategic objectives in the near term

#### Grow market share



- Drive revenue growth through market expansion
- Deliver superior growth by increasing customer centricity
- Develop people capabilities and a dynamic succession plan to attract and retain top talent

#### Drive operational efficiency



- Focus on continuous productivity improvements
- Entrench a zero defect/zero loss culture
- Upskill with emerging technologies to improve functional productivity

#### Achieve increased profitability



- Drive profitable pricing strategy
- Radically transform company cost structure
- Prioritize action on renewable energy solutions by investing in net zero and progressive decarbonization

### Shareholding Structure as of 31<sup>st</sup> March 2025

S/N	Name of Shareholders	Holdings ('000)	% of holdings
1	Enjoycorp Limited (Formally Raysun Nigeria Limited)	6,827,330	76.30
2	Akwa Ibom Investment Corporation	899,893	10.06
3	Other shareholders with not more than 5.00% individual shareholding	1,220,772	13.64
	<b>Total</b>	<b>8,947,995</b>	<b>100</b>

### Profile of Board of Directors as of 25 April 2025

The Board of Champion Breweries comprises one (1) Chairman, one (1) Managing Director, one (1) Executive Director (1) and nine (9) Non-Executive Directors, three (3) of which are Independent Non-Executive Directors. A brief profile of each director is presented below:

#### Mr. Imo-Abasi Jacob - Chairman

Mr. Imo-Abasi Jacob is the Chairman of Champion Breweries PLC. He holds a BSc Management Studies (First Class) Honours and a Fellowship (FCA) of the Institute of Chartered Accountants of Nigeria. He joined the Board on July 27, 2023, representing Akwa Ibom Investment Corporation. Imo-Abasi is presently the Chairman of the board of Directors of Ibom Airlines Limited (Ibomair). He is an accomplished business educationist, management consultant, and accountant, having over 41 years of professional experience in the defunct Andersen as a Partner in the audit practice.

#### Dr. Inalegwu Adoga – Managing Director/CEO

Dr. Inalegwu Adoga is the Managing Director/CEO of Champion Breweries Plc. He is an IBD certified Master Brewer with over 25 years' experience in the FMCG industry. Dr Adoga holds a bachelor's degree in microbiology from the

## DESCRIPTION OF CHAMPION BREWERIES PLC

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University of Nigeria, Nsukka, a Master in Brewing Operations (MBrew) from the Institute of Brewing and Distilling, UK, a Master of Business Administration (MBA) from the University of Gloucestershire, UK, and a PhD in view in Environmental Microbiology. In recognition of his Outstanding business management and leadership, he was conferred a PhD in Business Administration (DBA) from Prowess University, Delaware, US. He is a product of many corporate and strategic programs of prestigious business schools across the globe. He joined the Board of Champion Breweries in December 2023.

### **Alhaji Shuaibu A. Ottan** - *Independent Non-Executive Director*

Alhaji Shuaibu A. Ottan is an Independent Non-Executive Director of Champion Breweries Plc. He holds a bachelor's degree in economics from Ahmadu Bello University, Zaria (1980). His work experiences include Commercial Officer, Kwara Ministry of Commerce and Industry, and the Nigerian Industrial Development Bank Limited (now Bank of Industry), where he worked for 31 years before his retirement in June 2013 as Head of Southern Operations of the Bank's SME Directorate. Alhaji Ottan is currently engaged in the provision of business development and consulting services in the areas of Project Management, Fund Sourcing, Insolvency and Manpower Development as the Chief Executive Officer of First Fiducia Projects Limited. He also chairs the Board of Directors of Powersave Engineering Company Limited and Shaybis Nigeria Limited which are notable players in power conservation and renewable energy businesses in Nigeria. He joined the Board of Champion Breweries on 14 February 1998.

### **Mr. Ehimare Idiahi** - *Non-Executive Director*

Mr. Ehimare Idiahi is a Non-Executive Director of Champion Breweries Plc. He holds a BSc in Economics from the University of Houston, and an MBA from Saïd Business School, University of Oxford. He is a prominent Nigerian Financier and Venture Capitalist with an extensive background in Private Equity and Corporate Finance, Cofounding Verod Capital Management. He currently sits on various Boards which includes serving as Group CEO of EverCorp Industries and a Director at EnjoyCorp. He joined the Board of Champion Breweries Plc in July 2024 representing EnjoyCorp, the majority shareholder.

### **Mr. Samson Aigbedo** - *Non-Executive Director*

Mr. Samson Aigbedo is a Non-Executive Director of Champion Breweries Plc. He holds a bachelor's degree in Biochemistry from the University of Ilorin, Nigeria (1981). He joined Heineken in 1982 in the Technological and Production Department, where he held several roles with increasing responsibility within the supply chain division until his retirement in 2019. He joined the Board of Champion Breweries Plc in December 2015.

### **Dr. Oladele Ajayi** – *Independent Non-Executive Director*

Dr. Ajayi is an accomplished senior executive and board leader with over thirty (30) years of experience spanning commercial leadership, corporate transformation, and strategic governance. He has served as Managing Director/CEO of UAC Foods Limited, Senior Adviser to UACN Plc, and held board roles in several Heineken-affiliated entities across Africa and Europe. He also served as Adviser on Industry to the Federal Minister of Industry, Trade & Investment and is recognised for his ethical leadership and strategic insight.

### **Dr. Jayne Thompson Shoboiki** - *Independent Non-Executive Director*

Dr. Shoboiki is a distinguished public sector strategist and international trade expert with over thirty (30) years of experience. A former Comptroller in the Nigeria Customs Service, she was the first female Comptroller of the Murtala Mohammed Airport Command. She holds a PhD in International Relations, Law degrees, and executive credentials from Harvard Kennedy School. She is currently Chair of the Strategy Committee at The Hub Terminus Ltd.

### **Mrs. Mary Atunyota Akpobome** - *Non-Executive Director (Minority Shareholder Representative)*

Mrs. Akpobome is a seasoned banking executive with over thirty (30) years of experience in Nigeria's financial sector. She is a former Executive Director at Heritage Bank and Acting Managing Director at Enterprise Bank. She currently serves as Associate Director at Eatongate Capital and Advisor at Pryme Financial.

### **Mr. Rasheed Adebisi** - *Executive Director (Finance)*

Mr. Adebisi is the Chief Finance Officer of Champion Breweries Plc with over twenty (20) years of experience in finance roles within the manufacturing and FMCG sectors, including with Heineken companies in Nigeria, Sierra Leone, and Mozambique.

## DESCRIPTION OF CHAMPION BREWERIES PLC

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### **Mr. Thompson S. B. Owoka** - *Non-Executive Director*

Mr. Thompson S. B. Owoka is a Non-Executive Director of Champion Breweries Plc. He holds a Higher National Diploma in Accountancy from Yaba College of Technology, Lagos (1986) and is a Fellow of the Institute of Chartered Accountants of Nigeria (ACA 1989 and FCA 1999). Mr. Owoka retired as a Public Affairs Manager of Nigerian Breweries Plc in 2015. He was the Acting Managing Director of Champion Breweries Plc and Executive Director of Sona Breweries Plc and currently seats on numerous Boards which include SuperBru Limited, Jos International Breweries Plc and West African Glass Industries Plc, Covenant University etc. He joined the Board of Champion Breweries Plc in 2000.

### **Mr. Olufunminiyi Alabi** - *Non-Executive Director*

Mr. Olufunminiyi Alabi is a Non-Executive Director of Champion Breweries Plc. He possesses a bachelor's degree in food technology from the University of Ibadan (1981). Mr. Alabi has over 32 years of experience in Human Resources Management, mostly in multinational companies. He commenced his Human Resources career in 1982 at the Industrial Training Fund as a Training Development Officer, further worked in various capacities at FrieslandCampina WAMCO Nigeria Plc, and retired from Nigerian Breweries Plc. He joined the Board of Champion Breweries Plc in 2016.

### **Mr. David Butler** – *Non-Executive - Director*

Mr. David Butler is the Director of Champion Breweries. He is an accomplished QSR and retail professional with over 35 years of experience driving success across African markets with a Proven track record in executive Supply Chain and Operations roles at Yum! Brands, Nando's SA, and as CEO/MD of Food Concepts Plc. in Nigeria and Ghana. David is the Managing Director, EnjoyCorp Limited and he joined the Board of Champion Breweries Plc in July 2024.

### **Chief Tosan Atle Aiboni** – *Company Secretary*

Chief Tosan Atle Aiboni was appointed as Company Secretary/ Legal Adviser on 13 June 2013. He was called to the Nigerian Bar in 2002. He worked in the public sector as Senior Legal Officer (National Commission for Museums & Monuments). He later moved into private practice as a Partner of a private legal firm (Victoria Chambers). He also worked at the legacy Consolidated Breweries Plc as the Legal Manager, appointed as the Company Secretary/Legal Adviser of Benue Bottling Company Limited and became the Legal Manager – Operations of Nigerian Breweries Plc (sequel to the merger between Consolidated Breweries Plc and Nigerian Breweries Plc in 2015).

### **Management Team**

Champion Breweries Management Team comprises experienced and dedicated professionals with significant local and international experience. A brief profile of each member of the management team is presented below:

### **Dr. Inalegwu Adoga** – *Managing Director/CEO*

Dr. Inalegwu Adoga is the Managing Director/CEO of Champion Breweries Plc. He is an IBD certified Master Brewer with over 25 years' experience in the FMCG industry. Dr Adoga holds a bachelor's degree in microbiology from the University of Nigeria, Nsukka, a Master in Brewing Operations (MBrew) from the Institute of Brewing and Distilling, UK, a Master of Business Administration (MBA) from the University of Gloucestershire, UK, and a PhD in view in Environmental Microbiology. In recognition of his Outstanding business management and leadership, he was conferred a PhD in Business Administration (DBA) from Prowess University, Delaware, US. He is a product of many corporate and strategic programs of prestigious business schools across the globe. He joined the Board of Champion Breweries in December 2023.

### **Mr. Rasheed Adebisi** - *Chief Finance Officer*

Mr. Rasheed Adebisi is the Chief Financial Officer of Champion Breweries. He is a Chartered Accountant and finance professional with extensive financial experience in Cost Management & Optimization, Financial control & Risk Management, Business Performance Management & Improvement as well as Business Partnering & Decision Support. He has been in the Brewery Industry for over 21 years and became Champion Breweries CFO in May 2023 after handling various positions in Nigerian Breweries Plc and Heineken.

### **Mr. Nsikakabasi Etuk** - *Head, People & Organizational Excellence*

Mr. Nsikakabasi is the Head of People and Organizational Excellence at Champion Breweries. He joined the company over 12 years ago, served as the Head Brewer, and worked in various roles, including Human Resource and Development Manager and Rewards and Benefits Manager in 2020, before assuming his current position.

## DESCRIPTION OF CHAMPION BREWERIES PLC

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### **Engr. Theophilus Akporie** - *Head, Logistics & Operational Excellence*

Engr. Theophilus Akporie is the Head of Distribution and Operational Excellence at Champion Breweries Plc. He holds a bachelor's degree in mechanical engineering from the University of Benin. Engr. Akporie is a certified Project Management Professional (PMP) and a Lean Six Sigma Yellow Belt (LSSYB). With over 15 years of experience in the brewing industry, he has previously held positions such as Total Productive Management Coordinator and Preventive Maintenance Packaging Engineer at Nigerian Breweries, and Shift Packaging Manager at Consolidated Breweries. His expertise in operational excellence and distribution management is instrumental in driving efficiency and innovation at Champion Breweries

### **Mr. Paul Aderigbe** - *Head, Audit and Business Transformation*

Mr. Paul Aderigbe is the Head of Audit and Business Transformation at Champion Breweries Plc. He is an accomplished and seasoned Chartered Accountant and Certified information system Auditor with over 15 years progressive experience in Accounting, Auditing and Business Process Improvements, Risk management, Fraud Management, Process & Control management including Internal Control Over Financial Reporting (ICFR). Industry covered include Financial professional services and the Brewing Industry.

### **Engr. Kenneth Ikwor** - *Head, Engineering and Projects*

Kenneth Ikwor is the Head of Engineering and Projects at Champion Breweries Plc. He holds a bachelor's degree in mechanical engineering from the University of Nigeria, Nsukka, and an MBA from the University of Cumbria. Engr. Ikwor is a Fellow of the Institute of Management Consultants (FIMC), a Certified Management Consultant (CMC®), and a registered engineer with COREN. He has over two decades of experience in the brewing industry, and has previously held managerial positions AB InBev and Afro Beverage and Distilleries Ltd.

### **Mr. Anthony Osagwu** - *Head, Sales & Commercial Excellence*

Mr. Anthony Osagwu is the Head of Sales and Commercial Excellence at Champion Breweries Plc. He plays a strategic role in driving sales and commercial initiatives. Mr. Osagwu has over 25 years of relevant industry experience.

### **Mrs. Edediong Udom** - *Corporate Affairs Manager*

Mrs. Edediong Udom is the Corporate Affairs Manager at Champion Breweries Plc. She is responsible for managing the company's corporate communications, public relations, and stakeholder engagement ensuring the company's messaging is effectively conveyed to both internal and external audiences. She is a dynamic professional with a strong focus on teamwork and extensive experience in the medical device industry.

## USE OF PROCEEDS AND SOURCES OF REPAYMENT

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### **Use of Proceeds**

The net proceeds from each issue of Notes under the Programme will be used to support the Issuer's short term funding requirements, general corporate purposes, or as may otherwise be specified in the Applicable Pricing Supplement.

### **Sources of Repayment**

The repayment of all obligations under the Programme will be funded from the cash flows of the Issuer, unless otherwise specified in the Applicable Pricing Supplement.

## SUMMARY OF REGULATION ON THE ISSUANCE, REGISTRATION & QUOTATION OF CP

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The summary below is not a full and complete reproduction of the regulatory frameworks for CP issuance and registration in Nigeria. Subject to the commencement of the implementation of the SEC's New Rules and Sundry Amendments to the Rules and Regulations of the Commission issued in December 2024, the CBN Guidelines and FMDQ Rules are the legal and regulatory frameworks regulating the issuance, registration and quotation of CPs. The summary below attempts to capture the broad terms of the CBN Guidelines and the FMDQ Guidelines. Investors are advised to read the CBN Guidelines and the FMDQ Exchange Rules on the legal and regulatory framework for CP in Nigeria.

### Regulatory Framework

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

### Qualification

A CP qualifies as a financing vehicle if:

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

### Size and Tenor

CPs shall be issued at the primary market for a minimum value of ₦100,000,000 and multiples of ₦50,000,000 thereafter or as otherwise determined by FMDQ.

Furthermore, CPs 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 interest or discount element on maturing CPs may not be capitalized and rolled over.

### Rating

Either the issuer of the CPs 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 FMDQ Exchange.

### Investors in Commercial Papers

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

Please refer to page 58 ("Selling Restrictions") regarding the participation of non-resident Nigerians and foreign institutional investors in the Programme

### Forms of Maintaining CPs

Issuers and investors in CPs may issue or hold CPs in dematerialized or physical form. Issuers and investors in CPs are encouraged to issue or hold CPs in dematerialised form. This provision notwithstanding, the CP Notes shall be issued and held in dematerialized form with the CSD in accordance with the terms of this Programme Memorandum.

### Collecting and Paying Agent

Only a deposit money bank and discount house may act as a CPA for the issuance of CP.

### General Requirements

- i. CPs are only redeemable at maturity and as such cannot be pre-liquidated.

## SUMMARY OF REGULATION ON THE ISSUANCE, REGISTRATION & QUOTATION OF CP

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- ii. Investors may rediscount the paper with the Issuer before maturity at new market terms if the Issuer is willing to purchase the risk.
- iii. Any proposed issue of CPs shall be completed within the period of two (2) weeks from the date of opening of the issue for subscription.
- iv. All CPs issued in Nigeria shall be registered with a SEC-registered or recognized Central Securities Depository, which shall serve as the custodian of all issues and central depository for all dematerialised instruments.

### **Compliance with the CBN Guidelines and FMDQ Rules**

The Issuer has complied with the provisions as stated in the CBN Guidelines and FMDQ Rules applicable to the Programme. A legal opinion confirming adherence to the CBN Guidelines is incorporated on pages 48-57 of this Programme Memorandum.

### **Compliance with Securities Regulations**

There is no obligation for the Issuer to register the Notes with the SEC. This is by virtue of Rule 8 of the SEC Rules, which exempts short-term securities (including notes) with maturity dates not exceeding 270-days from the date of issuance from registration with the SEC.

### **Mandatory Registration and Quotation**

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

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

## TERMS AND CONDITIONS

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

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

### DEFINITIONS

In these Conditions unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings:

**"Agency Agreements"** means the Issuing and Placing Agency Agreement, and the Collecting and Paying Agency Agreement, dated on or about the date of the Programme Memorandum, which where the context so admits, shall individually be referred to as **"Agency Agreement"**;

**"Agents"** means the Collecting and Paying Agent and the Issuing and Placing Agents;

**"Applicable Pricing Supplement"** or **"Pricing Supplement"** means the document(s) to be issued pursuant to the Programme Memorandum, which shall provide the definitive final terms and conditions relating to a specific Tranche or Series of Notes under the Programme;

**"Business Day"** means any day excluding Saturdays, Sundays and a public holiday declared by the Federal Government of Nigeria on which commercial banks are open for general banking business in Lagos, Nigeria;

**"CBN Guidelines"** means the CBN Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on 11th September 2019 and the CBN Circular of 12th July 2016 on Mandatory Registration and Listing of Commercial Paper or any amendments thereto;

**"Collecting and Paying Agent"** means FBNQuest Merchant Bank Limited or any successor Collecting and Paying Agent duly appointed under the Collecting and Paying Agency Agreement;

**"CSD"** means FMDQ Depository Limited which expression shall include its successors, as specified in the Applicable Pricing Supplement;

**"CSD Rules"** means the rules and operating procedures for the time being of the CSD;

**"Deed of Covenant"** means the deed of covenant, dated on or about the date of the IPA Agreement executed by the Issuer in respect of the Notes issued under the Programme;

**"Default Rate"** means the interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate +5% per annum (whichever is higher) for each day an Event of Default subsists;

**"Disclosure Documents"** means at any particular date:

- (a) the Programme Memorandum;
- (b) the Applicable Pricing Supplement; and
- (c) any other document delivered by the Issuer to the Issuing and Placing Agents which the Issuer has expressly authorised in writing to be distributed to actual or potential purchasers of Notes;

**"Event of Default"** means an event of default by the Issuer as set out in Condition 9;

## TERMS AND CONDITIONS

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**"Face Value"** means the nominal value of the Notes, as stated in the Applicable Pricing Supplement;

**"Force Majeure"** means any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism, pandemics, epidemics, and industrial unrest;

**"FMDQ Exchange"** means FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for amongst others, the listing, quotation, registration and trading of securities;

**"FMDQ Exchange Rules"** means the FMDQ Commercial Paper Registration and Quotation Rules dated November 2024, (as may be amended or supplemented from time to time) and such other regulations (including but not limited to membership agreements, market bulletins) with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time;;

**"Issue Date"** means, in relation to any Note, the date on which the relevant Series or Tranche of the Note is issued by the Issuer in accordance with the IPA Agreement and the terms and conditions in the Applicable Pricing Supplement;

**"Issuer"** means Champion Breweries Plc., a public limited company incorporated under the laws of the Federal Republic of Nigeria with RC No. 13388 and having its registered address at Industrial Layout, Aka Offot, Uyo, Akwa Ibom State, Nigeria;

**"Issuing and Placing Agency Agreement"** or **"IPA Agreement"** means the Issuing and Placing Agency Agreement between the Issuer and the Issuing and Placing Agents;

**"Issuing and Placing Agents"** means Rand Merchant Bank Nigeria Limited, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited, and United Capital Plc;

**"Naira"** or the sign **"N"** means the official currency of the Federal Republic of Nigeria;

**"NIBOR"** means the Nigerian Inter-bank Offered Rate;

**"Noteholders"** mean the several persons for the time being, whose names are shown in the records of the CSD and/or entered in the Register as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders;

**"Notes"** means 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 de-materialised form by the Noteholders through the CSD;

**"Outstanding"** means, in relation to the Notes, all the Notes issued, other than:

- (a) those Notes which have been redeemed pursuant to the provisions of the Conditions;
- (b) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption moneys have been duly paid in accordance with the provisions of the Conditions; and

**"Principal Amount"** means the nominal amount of each Note, as specified in the Applicable Pricing Supplement;

**"Programme"** means the N15,000,000,000 (Fifteen Billion Naira) commercial paper issuance programme described in the Programme Memorandum, established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardized documentation framework;

**"Programme Memorandum"** means an information memorandum in respect of the Programme dated June 11, 2025 providing detailed particulars of the Programme, and includes any supplementary programme memorandum issued by the

## TERMS AND CONDITIONS

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Issuer from time to time in respect of the Notes;

**"Redemption Amount"** means the amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note at the Redemption Date;

**"Redemption Date"** means in relation to any Series or Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Pricing Supplement. This shall also mean **"Maturity Date"** as referred to in the applicable Disclosure Document and or Transaction Document;

**"Register"** means the register to be maintained by the CSD in respect of the Notes and the Noteholders;

**"Relevant Currency"** means the currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made as indicated in the Applicable Pricing Supplement;

**"Relevant Last Day"** means the date specified in the Applicable Pricing Supplement after which transfer of the Notes will not be registered;

**"Series"** means a series of Notes issued by the Issuer comprising one or more Tranches, having identical terms on issue and expressed to have the same series number but may not have the same Issue Date and issue price;

**"Special Resolution"** means a resolution passed by at least 75% (seventy-five percent) of the Outstanding Principal Amount of the Notes held by Noteholders who are present and voting at meeting of the Noteholders of that Series or Tranche;

**"Specified Office"** means the office of the Agents as specified under the Agency Agreements and shall include such other office or offices as may be specified from time to time thereunder;

**"Tranche"** means in relation to a Series, those Notes of that Series that are issued on the same date and at the same issue price; and

**"Transaction Documents"** means the IPA Agreement, the Programme Memorandum, the Collecting and Paying Agency Agreement, any Applicable Pricing Supplement, the Deed of Covenant, and any other document relating to the issue of the Notes, as approved by FMDQ Exchange.

**"Zero-coupon Notes"** mean Notes which will be offered and sold at a discount to their Principal Amount or at par and will not bear interest, save for default interest payable on late payments.

### CONDITION 1

#### CURRENCY, FORM, TITLE AND DENOMINATION

##### 1.1 Issuance of Notes 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 point in time does not exceed N15,000,000,000 (Fifteen Billion Naira). 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.
- 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 each Series of Notes shall be serially numbered.

## TERMS AND CONDITIONS

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- 1.1.4 Notes issued under the Programme will be Zero-coupon Notes.
- 1.1.5 The Notes may be issued in Nigerian Naira or any other currency specified in the Applicable Pricing Supplement.

### 1.2 Form and Title

- 1.2.1 The Notes shall be issued in uncertificated (de-materialised 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.
- 1.2.3 Transfer of title to Notes shall be effected in accordance with the CSD Rules governing transfer of title in securities held with the CSD.
- 1.2.4 The Noteholder of any Series will (except as otherwise required by law) be treated as legal and beneficial owner for all purposes, including but not limited to the payment of outstanding obligations in respect of the Notes, and no person will be liable for so treating the Noteholder.

### 1.3 Denomination

The aggregate Principal Amount of the Notes will be as specified in the Applicable Pricing Supplement, offered in a minimum denomination of N5,000,000 (Five Million Naira) (or the equivalent in the Relevant Currency); and will be sold at such discount from their face amounts as shall be agreed upon by the Issuing and Placing Agents and the Issuer; and shall have a maturity not exceeding two hundred and seventy (270) days, including the Rollover from the Issue Date.

### 1.4 Closed Periods

No Noteholder may require the transfer of the Notes (i) during the period of fifteen (15) days ending on the Redemption Date or such other date as may be specified in the Applicable Pricing Supplement; or (ii) following the issuance of default notice to the Issuer pursuant to Condition 9 (Events of Default).

## CONDITION 2 STATUS OF THE NOTES

Each Note constitutes a direct, unconditional, unsubordinated, and 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 preferred by applicable legislation relating to preferred payment obligations, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, from time to time.

## CONDITION 3 REDEMPTION

Unless previously redeemed or purchased and cancelled as specified below, the Notes will be redeemed at the Redemption Amount, specified in or determined by the manner specified in the Applicable Pricing Supplement, on the Maturity 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 credit/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 In the case of nominees, the nominee shall be paid as the registered Noteholder, which payee shall in turn be responsible for transferring such funds to the holders of the beneficial interests and the Issuer's obligation in respect of such payment shall be fully discharged. The Issuer shall not be under an obligation to enquire as to whether such funds are actually transferred to the holders of the beneficial interests and bears no liability with respect to whether or not such amount is transferred by the nominee to the beneficial interest holder(s).
- 4.5 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer by reason of a Force Majeure event, the Issuer shall to the extent practicable 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 to the address of the Noteholder of registered Notes as set forth in the Register 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.
- 4.6 Where the Issuer fails to redeem the Notes on the Redemption Date 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.
- 4.7 If the Redemption Date is not a Business Day, then the Noteholder thereof shall not be entitled to 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. Provided that where the next Business Day falls in a different calendar month, that payment shall be made on or by the immediately preceding Business Day.
- 4.8 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. The Issuer shall ensure there are sufficient funds in its funding account with the Collecting and Paying Agent by 12:00 Noon on the maturity date of the CP, failing which the Issuer shall be in violation of the CP Rules, and the IPAs shall immediately and no later than 1:00 PM notify FMDQ Exchange of the Issuer's failure to comply with the obligation.
- 4.9 In respect of payments relating to Notes under a Tranche, notwithstanding that such Notes may have the same Issue Date, where the total Principal Amount payable by a Noteholder in respect of the said Notes has not been received by the relevant Issue Date but is received within 5 (five) Business Days thereof, the discount payable by the Issuer in respect of such Notes shall be adjusted accordingly.
- 4.10 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Collecting and Paying Agent. Noteholders shall not be required to present and/or surrender any documents of title to the Collecting and Paying Agent.
- 4.11 Where evidence has been provided that the money was transferred into the account of the Noteholder but the Noteholder is yet to receive payment, the Collecting and Paying Agent shall notify FMDQ Exchange

## TERMS AND CONDITIONS

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immediately of this fact together with evidence that the money has been transferred to the said Noteholder.

### **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 CSD Rules.
- 5.2 Transfer of the Notes will only occur by way of electronic book entry in the CSD accounts of the Noteholders in accordance with the CSD Rules.

### **CONDITION 6 REGISTER**

- 6.1 The Register shall be maintained by the CSD. The Register shall reflect the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.
- 6.2 The records of the relevant CSD and/or statements/certificates issued by the CSD as to the aggregate number of Notes standing to the CSD account of any Noteholder shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer and the Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 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 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, and such alterations shall forthwith be notified to the Issuer.

### **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. The Notes will thus not bear interest (save for default interest payable on late payments) and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

7.2 Where interest-bearing Notes are issued under the programme, the Issuer has an obligation to withhold or deduct tax on interest paid on the Notes, in accordance with prevailing Nigerian tax laws.

7.3 The tax consequence of each Notes issued under the Programme will be set out in the Applicable Pricing Supplement.

### **CONDITION 8 PRESCRIPTION**

No action can be brought by a Noteholder in respect of the Notes unless the action is commenced within six (6) years from the appropriate Relevant Date. In the event that a Noteholder brings an action or issues notice to recover the redemption amount after the Collecting and Paying Agent has remitted the balance in the Redemption Payment Account to the Issuer,

## TERMS AND CONDITIONS

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the Issuer shall upon receipt of the written demand from the Noteholder or the Collecting and Paying Agent pay the redemption amount directly into the account of the Noteholder or to the order of the Collecting and Paying Agent for onward transmission to the Noteholder.

### CONDITION 9 EVENTS OF DEFAULT

- 9.1 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 (other than in the event of non-payment or part payment) no such action shall be taken if it is as a result of Force Majeure or 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 the Federal Republic of Nigeria.
- 9.2 Upon the occurrence of an Event of Default, the Issuer shall pay Noteholders interest at the Default Rate until the debt obligations to the investors have been settled in full.
- 9.3 **Failure to Notify:** failure to notify FMDQ Exchange by 5:00pm in writing that the CP has been liquidated and that funds have been transferred to all CP holders on the Maturity Date of the CP, and failure to provide evidence of settlement of all investors to FMDQ Exchange on the Maturity Date; or
- 9.4 **Non-Payment or Part-Payment:** part-payment or non-payment of the CP value to investors shall also constitute a credit default, as defined under the FMDQ Exchange Rules. In the case of a Rollover, if any investor objects to a proposed Rollover, the Issuer/Promoter shall effect the payment of the value of the investors' CP holding on the Maturity Date, based on the initial terms of the Issue. Failure by the Issuers/Promoters to effect such payment shall result in a default;

Provided that a delay in payment technical difficulties due to a Force Majeure event experienced by the Issuer shall not constitute a non-payment or part-payment default if so determined by the FMDQ Exchange; or

- 9.5 **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
- 9.6 **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 Issuing and Placing Agents, materially incorrect; or
- 9.7 **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 provided that the proposed merger involving the Issuer as approved by its Board of Directors as at the date of this Agreement shall not require the approval of the Noteholders; or
- 9.8 **Insolvency:** the Issuer is, or is deemed by law or a court 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

- 9.9 **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 ninety (90) days; or
- 9.10 **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 shall be revoked, modified, withdrawn or withheld or shall cease 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.
- 9.11 **Action Upon Event of Default:** Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if it is as a result of a Force Majeure event or if the Issuer withholds or refuses to make any payment in order for it to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction. Upon the occurrence of an Event of Default which results in the inability of the Issuer to make a payment on the Maturity Date, the Issuer shall pay the Noteholders interest at the Default Rate until the debt obligations to the Noteholders have been settled in full. In addition, each Noteholder shall have the right to exercise all other remedies available to it/him/her under the laws of the Federal Republic of Nigeria.

### 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 or electronically mailed to them via their respective email addresses 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, the CSD Rules or such other regulatory authority as may be applicable to the Notes.
- 10.1.2 The Parties agree that the Collecting and Paying Agent's obligation under Condition 10.1.1, shall be limited to providing administrative support to relay notices issued to Noteholders pursuant to the CBN Guidelines, FMDQ Exchange Rules, CSD Rules or such other regulatory authority as may be applicable to the Notes. The Collecting and Paying Agent shall not be obliged to review or check the adequacy, accuracy, or completeness of any document/notice it relays or sends to the Noteholders pursuant to this Condition 10 where the Collecting and Paying Agent receive such document/notice from the Issuer and is not involved in the preparation of such document/notice. For the avoidance of doubt, the duties of the Collecting and Paying Agent are solely mechanical and administrative in nature. The Collecting and Paying Agent are not obliged to review or check the adequacy, accuracy, or completeness of any document it receives directly from the Issuer for delivery, publication or notification to the Noteholders. Provided that where such document/notice is prepared by the Collecting and Paying Agent, the Collecting and Paying Agent shall be obliged to confirm the adequacy, accuracy and completeness of such document/notice.
- 10.1.3 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

## TERMS AND CONDITIONS

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- 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 Collecting and Paying Agent. The notice shall forthwith be forwarded to the Issuer by the Collecting and Paying Agent, on receipt of same,

### **CONDITION 11 CHANGE OF AGENT**

- 11.1 Upon receipt of FMDQ Exchange's approval to effect the revision, and following the submission of a formal revision application, the Issuer is entitled to vary or terminate the appointment of any of the Agents and/or appoint additional or other Agents and/or approve any change in the Specified Office through which any agent acts, provided that there will, at all times during the subsistence of the Programme, be an agent with Specified Offices.
- 11.2 Each Agent acts solely as agent of the Issuer and does not assume any obligation towards or any relationship of agency or trust for or with any Noteholder.

### **CONDITION 12 MODIFICATION**

- 12.1 The Agents may agree with the Issuer, without the consent of the Noteholders to any modification of any of these Conditions which is in the opinion of the Agents of a 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 in the opinion of the Agents 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;
  - (ii) the FMDQ Exchange is notified of such amendment; and
  - (iii) such amendment:
    - (a) If it affects the rights, under the Conditions, of all the Noteholders, is approved by a Special Resolution; or
    - (b) If it affects only the rights, under the Conditions, of a particular group (or groups) of Noteholders, is approved by a Special Resolution of that group or groups.
- 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 (whether physically or virtually) upon at least twenty-one (21) days prior written notice to such Noteholders. The notice is required to be given in terms of Condition 10 (Notices). Such Notice shall specify the date, place, agenda, 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

## TERMS AND CONDITIONS

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- 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) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
- 13.4 A Noteholder may by an instrument in writing (a "**Form of Proxy**") signed by the holder or, in the case of a corporation executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a "**Proxy**") to act on his or its behalf in connection with any meeting or proposed meeting(s) 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(s) of the Noteholders.
- 13.6 Any Proxy or Representative so appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting(s) 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.
- 13.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 13. Should the Noteholders requisition a meeting, and the Issuer fails to call such a meeting within 10 (ten) Business Days of the requisition, then the chairman of the meeting held at the instance of the Noteholders, shall be selected by a simple majority of Noteholders present in person or proxy.
- 13.8 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 ( $\frac{1}{3}$ rd) 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.
- 13.9 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 two 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.
- 13.10 Save for where a Special Resolution is required in accordance with these Conditions or resolution referred to in 14.11 below, all other resolutions passed by the Noteholders shall be by simple majority of those present and voting at the meeting.
- 13.11 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical form signed by 75% of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes.
- 13.12 The meeting may be held virtually by means of a tele-conference, video-conference or other electronic/virtual communication means, which allows all those participating in the meeting to hear and speak to one another.
- 13.13 Any Noteholder so participating shall be counted as present in person at such meeting for the purposes of quorum and attendance and shall be entitled to vote at such meeting via any electronic/virtual channel provided.

**CONDITION 14  
FURTHER ISSUES**

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

**CONDITION 15  
GOVERNING LAW**

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

# AUDITOR'S COMFORT LETTER

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# Deloitte.

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15 April 2025

The Managing Director  
Champion Breweries Plc  
Industrial layout, Aka Offot,  
PMB 1106 Uyo  
Akwa Ibom State Nigeria

Dear Sirs,

## INDEPENDENT AUDITOR'S COMFORT LETTER ON THE SUMMARY FINANCIAL STATEMENTS

The financial statement numbers included in the summary financial statements as at 31 December 2022, 31 December 2023 and 31 December 2024, as contained in pages 34 to 36 of the Champion Breweries Plc N15,000,000,000 Commercial Paper Issuance Programme Memorandum are in agreement with the numbers in the audited financial statements of Champion Breweries Plc with our issued opinions dated 14 April 2023, 30 March 2024 and 28 February 2025 respectively. The comfort we provide in this letter is therefore up to the date of our issued opinion.

The summary financial statements do not contain all disclosures required by the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act and the International Financial Reporting Standards applied in the preparation of the financial statements. Reading the summary financial statements, therefore, is not a substitute for reading the financial statements. The summary financial statements do not reflect the effects of events that occurred subsequent to the date of the report on the financial statements.

### Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of an appropriate summary of the financial information in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act, and the Financial Reporting Council of Nigeria Act.

### Auditors' Responsibility

This letter therefore provides a confirmation that the summary financial statements are consistent in all material respects with numbers in the audited financial statements of Champion Breweries Plc for the years ended 31 December 2022, 31 December 2023 and 31 December 2024.

Yours faithfully,



**Ngozika Emeka-Eze**  
For: Deloitte & Touche  
Lagos, Nigeria.



List of partners and partner equivalents available on the website

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

## HISTORICAL FINANCIAL INFORMATION

The financial information set out on pages 34 to 36 of this Programme Memorandum has been extracted from the audited annual financial statements of the Issuer and is available at the specified office of the Issuer. This section should be read and construed in conjunction with the audited financial statements for the years ended 31 December 2022, 2023, and 2024 and with any audited interim financial statements published subsequently, for the financial periods prior to each issue of Notes under this Programme.

### Statement of Profit or Loss and Other Comprehensive Income

Figures in thousands of Naira	2024	2023	2022
Revenue	20,890,735	12,704,274	12,288,893
Cost of Sales	(12,172,437)	(7,634,375)	(6,478,361)
<b>Gross Profit</b>	<b>8,718,298</b>	<b>5,069,899</b>	<b>5,810,532</b>
Other income	68,853	120,290	183,529
Selling and distribution expenses	(4,067,842)	(3,034,815)	(2,285,755)
Impairment loss on financial assets	12,393	(20,369)	(5,787)
Administrative expenses	(2,403,696)	(1,531,039)	(1,431,242)
<b>Operating Profit</b>	<b>2,328,006</b>	<b>603,966</b>	<b>2,271,277</b>
Finance Income	15,589	11,289	94,334
Finance Costs	(1,069,542)	(169,911)	(116,703)
<b>Profit Before Taxation</b>	<b>1,274,053</b>	<b>445,344</b>	<b>2,248,908</b>
Taxation	(457,058)	(74,781)	(841,245)
<b>Profit for the year</b>	<b>816,995</b>	<b>370,563</b>	<b>1,407,663</b>
<b>Other comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement of defined benefit liability, net of tax	43,792	(89,724)	(25,587)
<b>Other comprehensive income for the year net of taxation</b>	<b>43,792</b>	<b>(89,724)</b>	<b>(25,587)</b>
<b>Total comprehensive income for the year</b>	<b>860,787</b>	<b>280,839</b>	<b>1,382,076</b>

**Statement of Financial Position**

Figures in thousands of Naira	2024	2023	2022
<b>Assets</b>			
<b>Non-current Asset</b>			
Property, Plant and Equipment	13,82,723	15,117,284	10,298,837
Right-of-use assets	194,645	233,243	482,335
	<b>14,021,368</b>	<b>15,350,527</b>	<b>10,781,172</b>
<b>Current Assets</b>			
Inventories	2,855,624	2,226,251	1,401,426
Trade and other receivables	155,360	384,066	73,196
Prepayments	2,088	92,885	61,957
Other asset	-	54,735	947,029
Cash and cash equivalents	4,310,757	2,444,615	2,188,805
	<b>7,323,829</b>	<b>5,202,552</b>	<b>4,672,413</b>
<b>Total Assets</b>	<b>21,345,197</b>	<b>20,553,079</b>	<b>15,453,585</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	4,473,998	3,914,748	3,914,748
Share premium	-	519,100	519,100
Other reserve	3,701,612	3,701,612	3,701,612
Retained earnings	3,880,476	3,059,839	2,779,000
	<b>12,056,086</b>	<b>11,195,299</b>	<b>10,914,460</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Lease liabilities	17,597	127,062	445,076
Retirement benefit obligation	-	629,808	448,260
Long service award	39,052	47,637	30,787
Deferred tax liabilities	14,696	584,867	688,041
	<b>71,255</b>	<b>1,389,374</b>	<b>1,612,164</b>
<b>Current Liabilities</b>			
Trade and other payables	6,278,823	5,553,164	1,951,516
Short term employee benefit	428,736	-	-
Borrowings	-	1,346,065	-
Lease liabilities	191,360	118,084	79,023
Retirement benefit obligation	380,995	-	-
Contract liabilities	439,484	308,355	227,676
Current tax payable	1,048,799	133,865	178,699
Provisions	499,659	508,873	490,047
	<b>9,217,856</b>	<b>7,968,406</b>	<b>2,926,961</b>
<b>Total Liabilities</b>	<b>9,289,111</b>	<b>9,357,780</b>	<b>4,539,125</b>
<b>Total Equity and Liabilities</b>	<b>21,345,197</b>	<b>20,553,079</b>	<b>15,453,585</b>

**Statement of Cashflows**

Figures in thousands of Naira	2024	2023	2022
<b>Cash flows from operating activities</b>			
Profit before taxation	1,274,053	445,344	2,248,908
<b>Adjustments for non-cash items:</b>			
Depreciation of property, plant and equipment	2,058,922	1,923,328	1,479,126
Depreciation of right of use asset	180,457	105,792	46,211
Unrealized foreign exchange gain	(706)	-	-
Transfer of work-in-progress to expenses	-	-	5,451
Gain on disposal of property, plant and equipment	728	-	(37,439)
Write-off of property, plant and equipment	-	-	-
Impairment on trade receivables	(12,393)	20,369	5,787
Movement in retirement benefit obligation	171,014	41,981	101,612
(Gain)/Loss on terminated leases	-	(51,615)	113
Remeasurement of long service award	-	-	-
Long service award movement	8,883	23,115	(4,457)
Provision release on inventories	6,545	30,357	103,736
Impairment on property, plant and equipment	55,346	-	-
Tax Credit	(13,018)	-	-
<b>Adjust for items which are presented separately</b>			
Interest income	(15,589)	(11,289)	(94,334)
Finance costs	1,069,542	169,911	116,703
<b>Changes in working capital:</b>			
(Inc) in inventories	(635,918)	(855,182)	(481,193)
Dec/(Inc) in trade & other receivables	250,785	(331,239)	(19,849)
Dec/(Inc) Prepayments	90,797	(30,928)	(1,712)
Dec/(Inc) Contract assets	54,735	892,294	(896,035)
Dec/(Inc) Trade and other payables	725,660	3,601,647	(612,054)
Increase in contract liabilities	131,129	80,679	214,174
(Dec)/Inc Provision	(68,900)	18,826	122,280
<b>Cash generated from operation</b>	<b>5,332,072</b>	<b>6,073,390</b>	<b>2,297,028</b>
Defined benefit paid	(3,583)	(60,486)	(71,235)
Tax paid	(120,847)	(178,699)	(55,453)
Long service awards paid	(23,834)	(11,448)	(4,500)
<b>Net cash from operating activities</b>	<b>5,183,808</b>	<b>5,822,757</b>	<b>2,165,840</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, and equipment	(833,087)	(6,593,111)	(2,888,560)
Proceeds from sale of property, plant, and equipment	8,652	-	37,439
Interest received	15,589	11,289	94,334
<b>Net cash used in investing activities</b>	<b>(808,846)</b>	<b>(6,581,822)</b>	<b>(2,756,787)</b>
<b>Cash flows from financing activities</b>			
Repayment of Lease liabilities	(178,137)	(85,399)	(33,741)
Payment of interest on lease liabilities	(39,666)	(38,143)	(58,531)
Loans obtained	-	1,528,688	-
Repayment of borrowings- principal	(1,902,707)	(390,271)	-
Interest paid on borrowings	(389,016)	-	-
<b>Net cash generated from/used in financing activities</b>	<b>(2,509,526)</b>	<b>1,014,875</b>	<b>(92,272)</b>
Total cash movement for the year	1,865,436	255,810	(683,219)
Cash and cash equivalents at the beginning of the year	2,444,615	2,188,805	2,872,024
Effect of foreign exchange rate changes on the cash equivalents	706	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>4,310,757</b>	<b>2,444,615</b>	<b>2,188,805</b>

## TAX CONSIDERATIONS

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The Notes issued under the Programme may be Zero-Coupon Note and as such, offered and sold at a discount to Face Value. The Notes will thus not bear interest, however, in the case of a late payment, interest will accrue on the redemption monies to be paid to the Note holders. 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. Specifically, such discount or accrued interest on the redemption monies may be subject to WHT at the rate of 10% in accordance with the provisions of the Companies Income Tax Act, the Personal Income Tax Act and the WHT Regulation<sup>1</sup> In the case of interest-bearing notes, subject to the applicable tax laws the Issuer may be required to deduct WHT on interest payment to investors. However, Pension Funds are as at the date of this CP Memorandum exempted from this WHT requirement. This is because all interests, dividends, profits, investments, and other income attributable to pension funds and assets by Pension Fund Administrators are exempt from tax pursuant to the Pension Reform Act, 2014.

Section 22(4) of the Stamp Duties Act, Cap S8 Laws of the Federation of Nigeria ("LFN") 2004 ("Stamp Duties Act") as amended by the Finance Acts) requires instruments executed in Nigeria, or relating, wheresoever executed, to any property situate or to any matter or thing done or to be done in Nigeria to be stamped and appropriate stamp duty paid in respect of the said instrument, in order for same to be admissible in evidence before Nigerian courts and to be enforceable by the said courts. Stamp duty is payable in Nigeria either at a flat rate or an ad valorem rate. Thus, the Transaction Documents will be liable to stamp duty; and are required to be stamped within forty (40) days from the date they are first executed or if such Transaction Document is subject to ad valorem rate within thirty (30) days after they are first executed or have been received in Nigeria (including electronic documents), if executed outside Nigeria. Historically, each of the Transaction Documents attracted a nominal stamp duty of N500.00 (Five Hundred Naira) for the original and N50.00 (Fifty Naira) for each counterpart. Each of the Transaction Documents shall be assessed and stamped at the prevailing stamp duties rate as of the time of stamping by the Commissioner for Stamp Duties. The cost of stamping the Transaction Documents would be borne by the Issuer.

The Notes will be issued in a dematerialised form and as book entries in the register of the CSD. Historically, the Notes did not attract stamp duty, as it was not in certificated form and therefore did not qualify as "instruments" as previously defined under the Stamp Duties Act. However, the Finance Act, 2019 has amended the definition of "instruments" in the stamp duties Act to include "electronic instruments", as such it is not clear whether the electronic form of the dematerialised Notes will qualify as "electronic instruments" within the context of the Finance Act thereby attracting stamp duties. Where the FIRS is of the opinion that the Notes qualify as "electronic instruments", The Notes may attract stamp duty at a rate of 0.1% flat.

The foregoing 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 attached to a subscription or purchase of Notes issued under the Programme. Tax considerations that may be relevant to a decision to acquire, hold or dispose of Notes issued under the Programme and the tax consequences applicable to each actual or prospective purchaser of the Notes may vary. Any 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.

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<sup>1</sup> Cap C21 LFN 2004 (as amended by the Finance Acts).

## RISK FACTORS

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

### 1. RISK RELATING TO NIGERIA

#### a) Political and Insecurity Risk

Political risk refers to the potential that changes in Nigeria's political environment will negatively impact businesses, investments and the economic conditions and could inhibit the ability of counterparties resident in Nigeria to meet their financial obligations. These risks can range from government actions, policy changes, political instability, electoral and political transitions, war and international conflict, religious differences, ethnicity and regionalism in emerging and less developed markets.

Insecurity also remains a critical issue for the Nigerian government. While progress has been made in combating insecurity and insurgency across Nigeria, the country continues to face significant security challenges, including theft, sabotage, vandalisms, attacks and kidnappings, particularly in the North-East, North-West, and South-South regions. Furthermore, escalating sectarian conflicts in Nigeria's central and eastern regions pose a continuing threat to the nation's political stability. Political instability and insecurity, whether at the state or national level, could have a materially negative impact on Nigeria's economy and the Issuer's operations.

These political and insecurity risks directly affect Champion Breweries. Uncertain government policies, regional unrest, and security disruptions can impede supply chains, delay distribution, and drive up operating costs. With local networks essential to reaching consumers, such disturbances threaten market share and profitability.

#### b) Economic Risk

Champion Breweries operates primarily in Nigeria, exposing both the Company and its customers to the economic risks inherent in the local environment. Over the past six months, Nigeria's real GDP has shown modest quarter-on-quarter improvements, with growth rising from 2.98% in Q1 2024 to 3.84% in Q4 2024, according to the Nigerian Bureau of Statistics (NBS). However, the nation remains challenged by high inflation, persistent Naira volatility, and occasional devaluations that continue to impact consumer spending and investment.

Recent NBS data indicates that crude oil's share of Nigeria's exports has declined notably from approximately 77% in Q3 2023 to 68.87% in Q4 2024. This shift is largely driven by increased output from non-oil sectors such as agriculture and manufacturing, alongside ongoing domestic efforts to diversify the export basket amid globally fluctuating crude prices. While this reduced dependence on oil introduces some resilience, the fluctuations in global oil markets still present a significant risk given the sector's historical weight on the economy.

Looking ahead, despite the gradual economic recovery evidenced by improved GDP figures, Nigeria remains exposed to vulnerabilities from both internal and external shocks. The evolving export composition, driven by a modest shift toward non-oil sectors, may mitigate risks over time; however, sustained progress will depend on strengthening these sectors further and stabilizing global oil dynamics.

### 2. RISK RELATING TO THE ISSUER AND ITS BUSINESS

**a) The Company faces potential impacts from shifts in the availability and cost of essential raw materials and inputs.**

Key inputs like barley, grain, hops, glass, and aluminium are vital for its production and packaging processes, yet their supply and price are subject to many factors beyond the Company's control, including global crop yields, export demand, government agricultural policies, adverse weather, currency shifts, and plant diseases or pests. Water availability is also critical, as the Company depends heavily on stable water resources to maintain its operations.

The ongoing volatility in commodity markets may lead to rising prices or supply interruptions. Any significant changes in the cost or availability of raw materials, energy, or water could lead to resource shortages or increased expenses, making the Company's financial position particularly sensitive to these fluctuations. The Company is also affected by other volatile input costs, such as transportation and energy, which have added to financial uncertainty. Changes in packaging requirements have further driven up input costs.

**b) Changing consumer preferences and behaviours present a growing challenge for the Company as trends shift within the beverage industry.**

Demand for beer is increasingly impacted as consumers turn to alternative beverage categories, influenced by a range of factors such as health consciousness, economic conditions, demographic changes, and shifting social attitudes toward alcohol. In mature markets, this shift is often accompanied by down-trading, where consumers seek out lower-cost options, further reducing beer demand.

To maintain relevance and safeguard market share, the Company must continually innovate and diversify its offerings to align with evolving preferences. However, factors like health trends and economic shifts, which are beyond the Company's control, can still drive demand volatility. In the alternative beverage space, the on-trade segment (restaurants, bars, and hotels) is under strain, which may put pricing pressure on the Company's products as well.

If the Company cannot effectively adapt to these trends, it risks diminished revenue, eroded market share, and potential impacts to brand equity. Ultimately, declining demand for beer in favor of other beverages, coupled with reduced pricing flexibility, could adversely affect the Company's business, financial health, and operational results.

**c) The Company may be adversely affected by competition from other Brewery Companies in Nigeria.**

Champion Breweries may be significantly impacted by competition from other breweries in Nigeria. The Nigerian beer market is diverse and highly competitive, with both local and international brewers striving to expand their market presence through well-established brands and extensive distribution networks. Champion faces competition from both domestic and foreign breweries that produce, promote, and sell their own branded products.

Consumer expectations around pricing and value for money are key drivers of brand loyalty and demand, meaning Champion's products must compete on quality, price, availability, and overall market appeal. Additionally, Champion's ability to innovate and introduce new products is crucial in retaining market share, as failure to do so may lead to a decline in competitive standing. Any loss of market share to other brewers would reduce the visibility and impact of Champion's brand in the market, potentially harming its revenue and profitability.

**d) Operational Risk**

Operational risks are loss arising from inadequate or failed internal processes, internal systems, and people or from external third parties or events which may be due to external fraudulent activities, theft from third parties storage facilities, contamination of products, poor quality of products and unsafe health practices, Inadequate information systems, Breach of Internal control procedures, natural disaster.

## RISK FACTORS

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### e) Foreign Exchange Risk

This refers to the risk of losses/reduction in margins due to increase in foreign exchange rates or unavailability of foreign exchange. Further depreciation or devaluation of the Naira, or scarcity of foreign exchange may negatively impact on the Company's cost profile or profit margins.

### f) Regulatory and Compliance Risk

This refers to the risk arising from violations or non-conformance with laws, rules, regulations, prescribed practices, or ethical standards. If not effectively managed, this risk could lead to fines, penalties, reputational damage, closure of business etc. Champion Breweries is regulated by various agencies including the SEC, NGX, National Agency for Food and Drug Administration, Federal Competition and Consumer Protection Commission, Fire Service, State and local Government, Ministry of Commerce and Industry, Ministry of Environment, Ministry of Health, Nigerian Ports Authority, Federal Inland Revenue Services and many others.

### g) Human Resources Risk

This is the likelihood that Champion Breweries will incur losses due to drain or loss of personnel to competitors, deterioration of morale, inadequate development of human resources, inappropriate working schedule, inappropriate work and safety environment, inequality or inequity in human resource management or discriminatory conduct. The Issuer recognize that human resources are highly instrumental to the achievement of its strategic objectives.

## 3. RISK FACTORS RELATING TO THE NOTES

### a) Liquidity Risk

The Notes issued under this Programme are newly introduced securities that may have limited distribution and currently lack an active trading market. While efforts will be made to list the Notes on the FMDQ Exchange, there is no guarantee that such applications will be approved, that any specific issuance will be quoted, or that a liquid trading market will emerge. As a result, there is no certainty regarding the availability or liquidity of a secondary market for any particular series of Notes.

### b) Investment Risk

The Notes may be issued at a fixed rate, benchmarked against treasury bills, exposing Noteholders to potential risks associated with interest rate fluctuations. Specifically, the value of the Notes may move inversely to changes in prevailing interest rates—rising interest rates typically lead to a decline in the price of fixed-rate securities, while falling interest rates cause prices to increase. The extent of these price movements depends on factors such as the prevailing interest rate, time to maturity, and the magnitude of interest rate changes. Additionally, rising interest rates, often linked to inflation or economic growth, may negatively impact the price of the Notes.

### c) Notes Issued at Discount

The Notes are issued at a discount, and their market value tends to be more sensitive to fluctuations in interest rates compared to traditional interest-bearing securities. As a result, changes in interest rates can lead to greater price volatility. There is also a risk that a Noteholder may not be able to realize the accrued income from the discounted value due to shifts in the market value of the Notes.

### d) Amendment to Prevailing Laws

This Programme Memorandum, the Notes and the Terms and Conditions, are governed by, and will be construed in accordance with, the laws of the Federal Republic of Nigeria as well as regulatory guidelines from FMDQ Exchange and all relevant regulators, effective or implemented as of the date hereof. No assurance can be given as to the impact of any possible judicial decision or amendment, review of the laws of the Federal Republic of Nigeria, administrative practice in the Federal Republic of Nigeria, or update to regulatory requirements or rules affecting the Notes after the issue.

## SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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*Words used in this section shall bear the same meanings as used in the section headed "Definitions", 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 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 will be issued, cleared, and transferred in accordance with the Terms and Conditions and will be settled through authorised participants who will follow the electronic settlement procedures prescribed by the CSD.

### Authorised Participants

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

For the purposes of the Notes issued under this Programme, the Authorised Participant is FBNQuest Merchant Bank Limited and any other bank duly appointed by the Issuer to act as CPA in accordance with Collecting and Paying Agency Agreement. The duties and responsibilities of the Authorised Participants will be governed by the Collecting and Paying Agency Agreement and the FMDQ Rules.

### Registration

- i. The Authorised Participant is required to register with the CSD before dealing in CPs.
- ii. Noteholders without sub-accounts are required to route their account opening applications and transactions through the Authorised Participant, who would then notify the CSD to create a relevant sub-account for the Noteholder.
- iii. The CSD will assign a unique identification number (the "Trade Member Code") to the Authorised Participant and also open the account(s) requested by the Authorised Participant.
- iv. FMDQ Exchange will request for the CP to be registered with the CSD, who in turn will furnish FMDQ Exchange and the Authorised Participant with the unique identifier for the registered CP.
- 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

The Authorised Participant will electronically lodge CPs within 10 (ten) Business days after the approval for the quotation of the CPs on the FMDQ Exchange and advise the CSD after lodgement to transfer the CPs to the sub-accounts of the beneficial owners of the Notes and the CSD shall process same.

### Redemption

- i. No transactions or trades may be effected for any CPs fifteen (15) Business days prior to its Maturity Date. The Authorised Participant shall obtain the statement of investors' accounts/holdings from the CSD one (1) Business Day before the maturity date of the CP.
- 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 CPs latest by 5.00pm on the Maturity Date of the CP.
- iv. The Maturity Date shall be on a Business Day, however if the relevant Business Day falls on a public holiday, the following Business Day shall be the Maturity Date of the CP

## SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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- v. The Authorised Participant shall effect repayment to the designated accounts of all registered holders of the CP.
- vi. The Issuer shall ensure that there are sufficient funds in its funding account with the CPA to pay all investors (i.e., including investors that have indicated interest to participate in another CP issuance, which is not a Rollover within the Programme) by 12:00 Noon on the Maturity Date of the CP, failing which the Issuer shall be in violation of FMDQ Exchange Rules
- vii. The CPA shall ensure that funds have been transferred to all relevant CP holders by 3:00 PM on the Maturity Date of the CP.
- viii. The Exchange shall be notified immediately it is identified that a default is imminent or there is a strong possibility of a default. The Sponsor shall provide reasons for the default or imminent default
- ix. In case of (IV) above, the CP must remain with the CSD until the Collecting and Paying Agent pays off the Noteholders and notifies the CSD and the FMDQ Exchange with evidence.

### Rollover

- i. All CPs, including roll-overs shall not exceed 270 days (tenor) from the date of issue.
- ii. Every Rollover of a CP shall be treated or classified as a fresh/ separate CP.
- iii. Upon granting confirmation of eligibility for rollover, FMDQ Exchange shall request for the rollover CP to be registered with the CSD who in turn shall furnish FMDQ Exchange and the Authorised 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.
- v. Where the Issuer is desirous to rollover, the IPA shall be informed no later than 3 (three) Business Days before the maturity date of the CP and shall furnish the IPA with the relevant updated document for the re-evaluation of the CP
- vi. The IPA upon receipt of notification shall notify the Exchange by providing the relevant documentation that all investors have been duly informed not later than 3:00pm, 1 (one) Business Day prior to the maturity date of the CP upon receipt, the Exchange shall confirm approval

### Default

- i. Failure to notify FMDQ Exchange by 5:00pm in writing that the CP has been liquidated and that funds have been transferred to all CP holders on the maturity date of the CP, and failure to provide evidence of settlement of all investors to the Exchange on the maturity date.
- ii. The Exchange shall be notified immediately it is identified that an Event of Default (as defined in the Conditions) is imminent or there is a strong possibility of default. The CPA shall provide reasons for the default or imminent default including but not limited to insufficient funds in the funding account to meet payment obligations on maturity date or inability of the IPA/CPA to effect payment to investors due to technical issues such as a market disruption or as the case may be.
- iii. The Exchange shall make public default status to the market latest by the date which is one (1) Business Day before the Maturity Date.
- iv. In case of (i) above, the CP holdings must remain with the CSD until the Collection and Paying Agent pays off the Noteholders and notifies the CSD and the FMDQ with Evidence.

Note: Upon the occurrence of Event of Default, the IPA is under no obligation to seek recovery or initiate any action against the Issuer/Promoter either on its own or on behalf of the investors.

### Secondary Market Trading (OTC) Guidelines

- i. The Authorised Participant will submit CP transaction instructions/details to the CSD via the authorised data-exchange platform.
- ii. CP transactions are to be submitted to the CSD by the applicable cut off time on the settlement date and the Authorised Participant is to state the particular account number where the CP(s) should be traded from or deposited into.
- iii. The CSD shall deliver securities and send confirmation of transfers via the authorized platform by 2.00pm on the settlement date to the Nigeria Inter-Bank Settlement System ("NIBSS") and to the FMDQ Exchange simultaneously.
- iv. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the CSD and the Authorised Participant simultaneously.

## SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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- 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 Maturity Date.

### Reporting

- i. The CSD will effect the transfer of CPs on the settlement date as advised by the buyer and seller ("Trading Parties") and also keep records of consideration for each transaction.
- ii. The CSD will advise the Authorised Participant or the FMDQ Exchange 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's 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

Trading Parties will be responsible for effecting the payment transfers either via Real Time Gross Settlement, NIBSS Electronic Funds Transfer or any other transfer mode agreed by the Trading Parties and recognised by the CBN.

## PROFORMA APPLICABLE PRICING SUPPLEMENT



**Champion Breweries Plc**  
(RC 13388)  
**Issue of [Aggregate Nominal Amount of Series/Tranche] Series [•] Commercial Papers Notes**  
**under its ₦15,000,000,000**  
**Commercial Paper Issuance Programme**






The Pricing Supplement must be read in conjunction with the Programme Memorandum, originally dated [.] issued by Champion Breweries Plc in connection with its ₦15,000,000,000 (Fifteen Billion Naira) Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the "Programme Memorandum").

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

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

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

The document is not required to be registered with the Nigerian Exchange Limited ("NGX") or, subject to the commencement of the implementation of the New Rules on Issuance of Commercial Papers, the Securities and Exchange Commission ("SEC"). This document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his/her Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately.

Lead Arranger/ Issuing and Placing Agent	Joint Arrangers/Issuing and Placing Agents		
 <b>RMB</b> RC 1031371	 <b>FBNQuest</b> Merchant Bank RC 264978	 <b>FCMB</b> CAPITAL MARKETS RC 446561	 <b>United Capital</b> RC 444999
Collecting and Paying Agent			
 <b>FBNQuest</b> Merchant Bank RC 264978			
This Pricing Supplement is dated [.]			

**PROFORMA APPLICABLE PRICING SUPPLEMENT**

<b>Issuer</b>	Champion Breweries Plc
<b>Arranger/Issuing &amp; Placing Agents</b>	Rand Merchant Bank Limited, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited, United Capital Plc
<b>Collecting and Paying Agent</b>	FBNQuest Merchant Bank Limited
<b>Sponsor to the Quotation on FMDQ Exchange</b>	Rand Merchant Bank Limited, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited, United Capital Plc
<b>Solicitors to the Transaction</b>	Banwo & Ighodalo
<b>Central Securities Depository</b>	FMDQ Depository Limited
<b>Programme Size</b>	₦ 15,000,000,000 (Fifteen Billion Naira)
<b>Series Number</b>	[•]
<b>Tranche Number</b>	[•]
<b>Issued and Outstanding at the date of this Pricing Supplement</b>	₦[•]
<b>Aggregate Nominal Amount</b>	[•]
<b>Face Value</b>	₦[•]
<b>Discounted Value</b>	₦[•]
<b>Nominal Amount Per Note</b>	₦1,000
<b>Tenor</b>	[•]
<b>Issue Date</b>	[•]
<b>Maturity Date</b>	[•]
<b>Currency of Issue</b>	Nigerian Naira
<b>Final Redemption Amount</b>	[•]
<b>Minimum Subscription</b>	[•] and multiples of [•] thereafter
<b>Currency of Issue</b>	Nigerian Naira, ₦
<b>Status of Notes</b>	Each Note constitutes a direct, unconditional, unsubordinated, and 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 any bankruptcy, insolvency, liquidation or other similar laws of general application, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, from time to time.
<b>Forms of Notes</b>	Dematerialized
<b>Use of Proceeds</b>	[•]
<b>Quotation</b>	[Notes may be quoted on the FMDQ Securities Exchange or any other recognized Exchange]
<b>Taxation</b>	[Please refer to the "Tax Considerations" section in the Programme Memorandum]
<b>Source of Repayment</b>	[•]
<b>Method of Offer</b>	[•]
<b>Implied Yield</b>	[•]%
<b>Discount Rate</b>	[•]%
<b>Any Other Formula or basis For Determining Amount(s) Payable</b>	$PV = FV * (1 - (DR * t / \text{Actual number of days in a year}))$
<b>Day Count Fraction</b>	Actual/Actual (actual number of days in a month and actual number of days in a year)
<b>Business Day</b>	Any day, except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria, on which commercial banks are open for general business in Nigeria
<b>Business Day Convention</b>	Where the Maturity Date is not a Business Day, that payment shall be effected on the next succeeding Business Day unless that succeeding Business Day falls in a different month in which case, payment shall be made on the immediately preceding Business

## PROFORMA APPLICABLE PRICING SUPPLEMENT

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	Day
Redemption/Payment Basis	Redemption at Par
Issuer's Early Redemption	[Not Applicable]
Issuer's Optional Redemption	[Not Applicable]
Other Terms Applicable on Redemption	[Not Applicable]
Offer Opens	[•]
Offer Closes	[•]
Allotment Date	[•]
Notification of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than [•]
Payment Date	[•]
Details of Bank Account(s) to which payments are to be made in respect of the Notes	Bank: [•] Account Name: [•] Account Number: [•] Sort Code: [•]
Settlement Procedures and Settlement Instructions	Purchases will be settled via direct debit, electronic funds transfer (NIBBS, NEFT, RTGS, etc.)
Issuer Rating	[•]
Delivery Date	[•]

### MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no significant change in the financial position of the Issuer since [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 the [date of last published annual accounts].

### RESPONSIBILITY

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

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 202[•]

For and on behalf of:  
Champion Breweries Plc

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

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

## EXTRACT OF ISSUER'S RATING



### RATING ANNOUNCEMENT

GCR assigns national scale issuer ratings of BBB+(NG)/A2(NG) to Champion Breweries Plc, Outlook Stable.

#### Rating action

Lagos, 07 May 2025 - GCR Ratings (GCR) has assigned national scale long-term and short-term issuer ratings of BBB+(NG) and A2(NG) respectively to Champion Breweries Plc, with the outlook accorded as stable.

Rated entity	Rating class	Rating scale	Rating	Outlook
Champion Breweries Plc	Long-term issuer Short-term issuer	National	BBB+(NG) A2(NG)	Stable

#### Rating rationale

Champion Breweries Plc (Champion Breweries or the company) is majority owned by Raysun Nigeria Limited, a non-operational company. There are no consolidated accounts, and the ratings accorded to Champion Breweries are based on its stand-alone credit strengths and weaknesses. The assigned ratings of Champion Breweries balance its net ungeared position, strong liquidity and modest cash flows against the relatively small business scale and limited diversification.

The competitive assessment of the company is a major rating constraint given the small size as well as limited geographical spread and product range. Champion Breweries operates on a much smaller scale with current installed production capacity at 500,000 hectolitres per annum (hlpa) compared to other peers that can produce more than 5 million hlpa. Furthermore, the company has only two brands, and operations are all within the Southern region of Nigeria with around 60% of revenue generated from Akwa-Ibom state. However, we have considered the company's favourable cost model which has supported EBITDA margin above peer average.

Revenue has grown over the review period and peaked at NGN20.9 billion (USD14.1 million) in 2024 (2023: NGN12.7 billion) due to higher volumes and upward price adjustments. The company plans to ramp up capacity utilisation to 80% in 2025 (2024: 69%) and drive volumes to underpin a further growth in revenue. We expect this, in addition to higher prices to support a revenue size of NGN37 billion for 2025. While higher operating expenses, especially electricity cost, have moderated EBITDA margin in recent years, the margin is still relatively strong at 21.5% in 2024 (2023: 19.9%). Champions Breweries' major inputs, including hops and barley, are sourced from local suppliers rather than direct importation, thus hedging against foreign exchange volatilities. Consequently, the company has remained profitable all the years under review, and we expect EBITDA margin sustained around 20% over the next 18 months.

Leverage is a positive rating factor given the company's net ungeared position over the five-year review period to 2024. The only debt in the books of Champion Breweries relates to lease liabilities on rented gas generator and office building. Operating cash flow (OCF) has been supported by favourable working capital cycle because inventory is sourced from local suppliers and receivables are low. This, in addition to the conservative gearing have supported OCF coverage of debt at strong levels above 100x over the review period. Champions Breweries has no interest-bearing debts, therefore EBITDA coverage of interest has remained strong at above 10x over the five-year period to 2024. We anticipate a rise in debt given the company's plans to obtain a NGN5 billion loan from Bank of Industry (BOI) to part finance the acquisition of an empty bottle inspection machine and installation of a canning line. Nonetheless, we expect Champion Breweries to sustain a net ungeared position and maintain interest coverage above 10x over the next 18 months, supported by the

Nigeria | Corporate | Public Rating



June 11, 2025

**Rand Merchant Bank Nigeria Limited**

East Tower, 3<sup>rd</sup> Floor  
17 Ozumba Mbadiwe Road  
Victoria Island  
Lagos

**FBNQuest Merchant Bank Limited**

2 Broad Street  
Lagos Island  
Lagos

**FCMB Capital Markets Limited**

First City Plaza,  
44 Marina  
Lagos

**United Capital Plc**

Afriland Towers,  
97/105 Broad Street  
Lagos

Dear *Sir*,

**RE: ESTABLISHMENT OF A ₦15,000,000,000 (FIFTEEN BILLION NAIRA) COMMERCIAL PAPER PROGRAMME BY CHAMPION BREWERIES PLC AND THE ISSUANCE OF SERIES 1 NOTES THEREUNDER**

**1. INTRODUCTION**

**1.1. Basis of Instructions**

We have acted as Transaction Counsel to Champion Breweries Plc (the “**Issuer**”) in connection with: (a) the ₦15,000,000,000 (Fifteen Billion Naira) Commercial Paper Issuance Programme and issuances thereunder<sup>1</sup> (the “**Transaction**”); and (b) the preparation, review, and negotiation, execution and delivery of the documents listed in paragraphs 1.2.1 and 1.2.2 below (collectively, the “**Transaction Documents**”).

This opinion is rendered pursuant to the Issuing and Placing Agency Agreement dated June 11, 2025, amongst the Issuer, Rand Merchant Bank Nigeria Limited, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited and United Capital Plc. (the “**IPAs**”) (the “**Issuing and Placing Agency Agreement**”).

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<sup>1</sup> As of the date of this opinion, our engagement covers only the establishment of the Programme and issuance of Series 1 Notes thereunder.

Attorney list at [www.banwo-ighodalo.com](http://www.banwo-ighodalo.com)

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Afri-Investment House, 50, Aguiyi-Ironsi Street, Maitama, Abuja, Nigeria  
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T +234 8139841360; 8139841361; 8139841362; 8139841363  
E [banwigho@banwo-ighodalo.com](mailto:banwigho@banwo-ighodalo.com) W [www.banwo-ighodalo.com](http://www.banwo-ighodalo.com)



Words and expressions used in this opinion and not otherwise defined herein shall have the meanings attributed to same in the programme memorandum for the Transaction dated June 11, 2025 (the “**Programme Memorandum**”).

**1.2. Documents**

1.2.1. In rendering this legal opinion, we have reviewed the Programme Memorandum which incorporates the pro forma Pricing Supplement (that sets out the terms and conditions applicable to any series or tranche of Notes that will be issued under the Transaction);

1.2.2. We have prepared the following documents in connection with the Transaction and confirm that same will be valid upon their due execution in their forms as of the date of this opinion:

- (a) The Issuing and Placing Agency Agreement dated June 11, 2025 and entered into amongst the Issuer and the IPAs (the “**IPA Agreement**”);
- (b) The Collecting and Paying Agency Agreement dated June 11, 2025, entered into between the Issuer and FBNQuest Merchant Bank Limited (the “**CPA**”) (the “**CPA Agreement**”); and
- (c) The Deed of Covenant dated June 11, 2025 entered into as a deed poll by the Issuer in favour of the Noteholders (the “**Deed of Covenant**”).

1.2.3. We have examined the following corporate documents of the Issuer:

- (a) a copy of the Certificate of Incorporation of the Issuer confirming that the Issuer was incorporated on July 31 1974.
- (b) a copy of the Memorandum and Articles of Association of the Issuer certified as a true copy by the Corporate Affairs Commission (“**CAC**”) on June 26, 2014 and also certified by the Issuer’s Company Secretary on June 14, 2024 (“**MemArts**”);
- (c) a status report of the Company from the CAC; and
- (d) a copy of the resolution of the board of directors of the Issuer dated March 17, 2025, authorizing the registration of the ₦15,000,000,000 (Fifteen Billion Naira) commercial paper programme.

**1.3. Assumptions**

For the purpose of this opinion, we have assumed, without our own independent verification, each of the following:

- (a) the authenticity or genuineness of all seals and signatures on all documents and the completeness and conformity to original documents of all copies of the documents made available to us in physical or electronic form and that any document submitted to us continues in full force and effect;
- (b) save for contracts provided to us for review and in respect of which we have satisfied ourselves that there are no contractual restrictions, there are no contractual or similar restrictions binding on the Issuer which would affect the conclusions arrived at in this opinion, affect the Issuer’s



ability to establish the Programme and to issue the Notes 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 opinions expressed herein;

- (c) each of the material contracts we reviewed:
  - (i) where same is supplied as a copy, conforms in all respects with its original version;
  - (ii) is complete and authentic;
  - (iii) is in full force and effect, incorporates all amendments that have been made to it, and has not been terminated; and
  - (iv) has been validly executed and is valid and binding on each of the parties to it and each of the parties has complied and continues to comply (to the extent that same is still in force), with the relevant provisions of such document.
- (d) other than the Issuer, each person which is expressed to be party to the Transaction Documents:
  - (i) is duly incorporated and is validly existing;
  - (ii) is not the subject of any insolvency proceedings (which includes without limitation, those relating to bankruptcy, liquidation, administration, administrative receivership and reorganisation) in any jurisdiction;
  - (iii) has the capacity to execute each Transaction Document to which it is expressed to be a party and to perform the obligations it is expressed to assume under it;
  - (iv) has taken all necessary corporate action to authorise it to execute each Transaction Document to which it is expressed to be a party and to perform the obligations it is expressed to assume under it; and
  - (v) has duly executed each Transaction Document to which it is expressed to be a party.
- (e) the accuracy of all the representations and warranties as to factual matters contained in, and made by the Issuer under, the Transaction Documents;
- (f) there are no other facts relevant to this opinion that are not contained in the documents referred to in paragraph 1.2 (*Documents*);
- (g) the Transaction Documents will be approved by the FMDQ Securities Exchange Limited ("**FMDQ**")<sup>2</sup> substantially in their forms as at the date of this opinion and prior to execution by the relevant parties;

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<sup>2</sup> As at the date of this opinion, the Securities and Exchange Commission ("SEC") is yet to commence the implementation of the New Rules and Sundry Amendments To The Rules And Regulations of the Commission issued in December 2024 which prescribes that the approval of the SEC must be obtained in respect of the transaction documents. Therefore, the transaction documents and application were approved solely by the FMDQ until further announcements are made by the SEC in this regard.



- (h) 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 and none of the Parties to the Transaction Documents has executed same on the basis of mistake of fact or law or believing it to be fundamentally different in substance or in kind;
- (i) no Notes will be issued with a tenor of more than 270 days (inclusive of any rollover); and
- (j) that there is no other information known to the Issuer which has not been disclosed to us which would affect the opinions expressed below.

#### 1.4. **Scope and Purpose of the Opinion**

- (a) This opinion is given on the basis of the assumptions set out in paragraph 1.3 (*Assumptions*) above and is subject to the qualifications set out in paragraph 3 (*Qualifications*) below.
- (b) This opinion is confined to matters of Nigerian law and the affairs of the Issuer as at the date hereof and we have no duty to keep you informed of subsequent developments which might affect this opinion.
- (c) We express no opinion and have taken no account of the laws of any jurisdiction other than the Federal Republic of Nigeria ("Nigeria").
- (d) We express no opinion on matters of fact.
- (e) Our opinion is limited to the matters expressly stated in paragraph 2 (*Opinion*) below and it is not extended by implication. In particular, we express no opinion on the accuracy of the assumptions contained in paragraph 1.3 (*Assumptions*). A statement in the said paragraph which has the effect of limiting our opinion is independent of any other statement and is not to be impliedly restricted by it. As far as we are aware, none of our assumptions are incorrect.

## 2. **OPINION**

Based on the foregoing, and subject to the qualifications below, we are of the following opinion:

### 2.1 **Status, Power and Authority, Legal Validity**

- 2.1.1 The Issuer: (a) is a public limited company, duly incorporated under the laws of the Nigeria; (b) is validly existing and duly authorised to carry on its business as currently conducted, under the laws of Nigeria; (c) has the capacity and power to issue the Notes, enter into the Transaction Documents to which it is a party and to exercise its rights and perform its obligations thereunder; and (d) has perpetual corporate existence and the capacity to sue and be sued in its own name.
- 2.1.2 All corporate actions required to authorise the establishment of the Programme, the issuance of the Notes, the execution by the Issuer of the Transaction Documents to which it is a party, the exercise by the Issuer of its rights and the performance by it of its obligations under the Notes and the Transaction Documents have been duly taken.



- 2.1.3 The Transaction Documents and the Notes (when issued) constitute valid, legal, binding and enforceable obligations of the Issuer and are enforceable against it in accordance with their terms.
- 2.1.4 The issuance of the Notes in dematerialised form is valid and legal under the laws of Nigeria.
- 2.1.5 The obligations expressed to be assumed by the Issuer under the Notes and the Transaction Documents to which it is a party constitute its legal, valid, binding and enforceable obligations and are enforceable against the Issuer in accordance with their terms.
- 2.1.6 The holders of the Notes shall be entitled, severally to enforce the Deed of Covenant.

## 2.2 **Insolvency**

To the best of our knowledge, the Issuer is not in liquidation, administration, receivership or administrative receivership; and no winding-up petition, dissolution or similar procedure has been presented against the Issuer. Subject to insolvency laws generally applicable to Nigerian companies, if insolvency proceedings involving the Issuer were to be instituted, the obligations of the Issuer under the Transaction Documents will remain valid, binding and enforceable.

## 2.3 **Immunity**

Neither the Issuer, nor any of its assets, is entitled to any right of immunity on the grounds of sovereignty or otherwise from any legal action or proceeding that may be brought in Nigerian courts arising out of or relating to the Transaction Documents (which shall include, without limitation, suit, attachment, judgment, execution or other legal process).

## 2.4 **Due Execution**

The Transaction Documents to which the Issuer is a party have been duly executed by the Issuer.

## 2.5 **No Conflict and Compliance with Laws**

2.5.1 The issuance of the Notes, the execution and the delivery of the Transaction Documents (save as otherwise provided herein) and/or performance of the obligations of the Issuer under the Transaction Documents do not conflict with or will not conflict with:

- (a) any term of the MemArts;
- (b) to the best of our knowledge, any instrument binding on it or its assets or constitute a default or termination event (however described) under any such instrument; or
- (c) any present law or regulation in Nigeria and applying generally to companies or the issuance of commercial papers.

2.5.2 Specifically, the Notes will be issued and the Transaction Documents have been executed and delivered in compliance with the Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued by the Central Bank of Nigeria (the “**CBN**”) on September 11, 2019 (the “**CBN Guidelines**”), the CBN Circular of July 12, 2016 on Mandatory Registration and Listing of Commercial Papers (“**CBN Circular**”), and the FMDQ



Commercial Paper Registration and Quotation Rules dated November 2024 (“**FMDQ Rules**”).

## 2.6 Registration of the Notes

Pursuant to the New Rules and Sundry Amendments To The Rules And Regulations of the Commission issued in December 2024 by the SEC (“December 2024 Rules”), the Notes must be registered with the SEC. Prior to the issuance of the December 2024 Rules, Rule 8 of the Rules and Regulations of the SEC, 2013 (as amended) (the “SEC Rules”) exempted commercial papers with maturities of less than nine (9) months from the SEC’s registration requirements under the Investments and Securities Act No 29 of 2007. The New Rules on Issuance of Commercial Papers” as set out in the December 2024 Rules also specifies the procedure for registering and obtaining the approval of the SEC in relation to the Notes. As of the date of this opinion, the SEC has yet to commence the implementation of the New Rules on Issuance of Commercial Papers” as set out in the December 2024 Rules. Consequently, the Notes will be registered with a registered Central Securities Depository (the “**CSD**”), which shall serve as the custodian of the Notes and the registration of the Notes on the FMDQ for quotation. Therefore, the Transaction Documents and application have been approved solely by the FMDQ and the Notes have not yet been registered with the SEC. The SEC registration process will only commence once the SEC provides further guidance on the implementation of the “New Rules on Issuance of Commercial Papers” as set out in the December 2024 Rules.

## 2.7 Regulatory Approvals

Save as provided in paragraph 2.8 (*Stamp Duty and Taxes*) of this opinion, under Nigerian law it is not necessary that the Notes or the Transaction Documents be filed, recorded, registered or enrolled with any court or other governmental or regulatory authority or other public body, or that any consent, approval or authorisation be obtained from any such governmental or regulatory authority (except for any registration with the SEC that may be required in the future as indicated in 2.6 above), by the Issuer to ensure their legality, enforceability, validity or admissibility in evidence or to enable the Issuer lawfully enter into, exercise its rights or perform its obligations under the Notes and the Transaction Documents to which it is a party.

## 2.8 Stamp Duty and Taxes

2.8.1 Section 22(4) of the Stamp Duties Act, Cap S8 Laws of the Federation of Nigeria (“**LFN**”) 2004 (“**Stamp Duties Act**”) as amended<sup>3</sup> requires instruments executed in Nigeria, or relating, wheresoever executed, to any property situate or to any matter or thing done or to be done in Nigeria to be stamped in order for same to be admissible in evidence before Nigerian courts and to be enforceable by the said courts. Stamp duty is payable in Nigeria either at a flat rate or an *ad valorem* rate. Thus, the Stamp Duties Act provides that the Transaction Documents will be liable to stamp duty; and are required to be stamped within forty (40) days from the date they are first executed or if such Transaction Document is subject to *ad valorem* rate within thirty (30) days after they are first executed or have been received in Nigeria (including electronic documents), if executed outside Nigeria, in order to render same enforceable and admissible in evidence in Nigerian courts.

2.8.2 Historically, each of the Transaction Documents attracted a nominal stamp duty of ₦500.00 (Five Hundred Naira) for the original and ₦50.00 (Fifty Naira) for each counterpart. The

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<sup>3</sup> The Finance Acts of 2019, 2020, 2021 and 2023 amended the Stamp Duties Act, amongst other tax legislations in Nigeria.



Transaction Documents will be assessed and stamped at the prevailing stamp duties rate as of the time of stamping.

2.8.3 The Notes will be issued in a dematerialised form and as book entries in the register of the CSD. Historically, the Notes did not attract stamp duty, as same were not in certificated form and therefore did not qualify as “instruments” as previously defined under the Stamp Duties Act. However, the Finance Act, 2019 has amended the definition of “instruments” in the Stamp Duties Act to include “electronic instruments”. As such it is unclear whether the electronic form of the dematerialised Notes will qualify as “electronic instruments” within the context of the Finance Act, thereby attracting stamp duties. Where the Federal Inland Revenue Service is of the opinion that the Notes qualify as “electronic instruments”, the Notes may attract stamp duty at a flat rate of 0.1%.

2.8.4 Save for the payment of the aforementioned stamp duty which is assessed and payable in respect of the Transaction Documents (other than the Programme Memorandum and/or Pricing Supplement) and the Notes (where so assessed as noted in paragraph 2.8.3 above), to the Commissioner for Stamp Duties, no other stamp duty is payable, and no filing or registration is required in Nigeria in connection with the execution, delivery, performance and enforcement of any of the Notes or the Transaction Documents.

## 2.9 Withholding Tax

Under Nigerian law, interest payments on debt obligations are subject to withholding tax. Section 78 of the Companies Income Tax Act Cap C21, LFN 2004 (as amended) and section 70 of the Personal Income Tax Act, Cap P8, LFN 2004 (as amended), require companies to withhold tax on interest payments.

Given that the Notes will not bear interest<sup>4</sup>, the Issuer is not required by any law or regulation or any relevant taxing authority in Nigeria to make any withholding or deduction from any payment due to the Noteholders under the Notes or any Transaction Document to which the Issuer is a party. However, the discount on the Notes may be construed as income and taxed in accordance with applicable Nigerian tax laws. In addition, the Finance Act 2019 provides that any expense incurred in deriving tax-exempt income would not be deductible for the purpose of arriving at taxable profit. Thus, where payments to Noteholders under the Notes are treated as tax-exempt, any expense incurred by the Noteholder in receiving such payments shall not be tax deductible.

The section entitled “Tax Considerations” provided in the Programme Memorandum is a fair summary of Nigerian law applicable to such Notes and Transaction Documents.

## 2.10 Capital Gains Tax

There is currently capital gains tax on the disposal of debt instruments that are not issued by the Government of Nigeria. The Capital Gains Tax Act., Chapter C1 LFN 2004 (as amended by the Finance Acts of 2019, 2020, 2021 and 2023) (“**CGT Act**”) provides that any gain paid, used, or enjoyed in or in any manner or form transmitted or brought to Nigeria shall be treated as being derived from Nigeria for the purposes of the CGT Act. Gains realized by Noteholders that are not resident in Nigeria from the disposal, sale, exchange or transfer of the Notes will not be subject to capital gains tax. In the case of an individual who is in Nigeria for a temporary purpose only and does not have any view or intent to establish his residence in Nigeria, such gain will be subject to capital

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<sup>4</sup> Save for default interest payable on late payments.



gains tax at the rate of 10 per cent if the period or sum of the periods for which he is present in Nigeria in that year of assessment exceeds 182 (one hundred and eighty-two) days.

## 2.11 Foreign Exchange Control

2.11.1 Pursuant to Section 15 of the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act Cap F34 LFN 2004, any person may invest in a Nigerian enterprise with foreign currency imported into Nigeria through an authorised dealer (usually a Nigerian bank licensed to deal in foreign exchange). The relevant authorised dealer is then required to issue an electronic Certificate of Capital Importation (“e-CCI”), evincing receipt of such investment capital within twenty-four (24) hours of receipt of imported funds. Foreign currency imported into Nigeria and evidenced by an e-CCI is guaranteed unconditional transferability or remittance of both capital and profit through an authorised dealer in freely convertible currency.

2.11.2 Non-residents who bring funds into Nigeria through an authorised dealer for the purpose of purchasing the Notes and obtain an e-CCIs can, upon maturity or liquidation of their investments, fully repatriate the proceeds of said investments, upon presentation of their e-CCIs.

2.11.3 Save for the foregoing, there are no foreign exchange control consents, licenses or approvals that are required for the entry into and performance by the Issuer of its obligations under the Transaction Documents or the Notes.

## 2.12 Pari passu ranking

The Notes are unsecured and no security interests have been created in favour of the Noteholders by any Transaction Documents. The obligations of the Issuer under the Transaction Documents to which it is a party and the Notes (when issued) will rank at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer, other than those claims which are preferred by any bankruptcy, insolvency, liquidation or other similar laws of general application.

## 2.13 Domicile/license to carry on business

It is not necessary under the laws of Nigeria (i) in order to enable Noteholders enforce their respective rights under the Notes, or (ii) by reason only of the holding of the Notes, that any of the Noteholders should be licensed, qualified or entitled to carry on business in Nigeria or prior to enforcement, be required to comply with any requirement as to foreign registration or qualification in Nigeria or be required to make any filing with any court or other agency in Nigeria, prior to the commencement of any enforcement action under the Transaction Documents (including the Notes). Noteholders that are not resident or domiciled in Nigeria will not be deemed to be resident, domiciled or carrying on business by reason only of their holding of the Notes.

The due performance by any party of any of its rights, duties, obligations or representations under the Transaction Documents (including the Notes), subject to complying with applicable Nigerian securities laws, the CBN Guidelines, the CBN Circular and the FMDQ Rules, will not violate any existing applicable law or regulation in Nigeria (subject to the requirements of such party's constitutional documents (other than the Issuer)).



**2.14 Choice of Law and Jurisdiction**

The choice of Nigerian Law as the governing law of the Transaction Documents is a valid choice of law and a Nigerian court or arbitral tribunal will apply same to give effect to the provisions of the Transaction Documents.

**2.15 Dispute Resolution**

The submission to arbitration by the parties under the IPA Agreement and the CPA Agreement is permitted under the laws of Nigeria and an arbitral award rendered by a recognised arbitral tribunal would be enforced by the courts of Nigeria as a legal, valid and binding submission to arbitration subject to the provisions of the Arbitration and Mediation Act, 2023.

**3. QUALIFICATIONS**

This opinion is subject to the following qualifications and limitations:

- (a) The validity and enforceability of rights and remedies under the Transaction Documents may be subject to limitations imposed by applicable Nigerian bankruptcy, insolvency, reorganisation, administration, moratorium, limitation, prescription and time-bar or other laws affecting the rights of creditors in general and to any provision generally applicable under Nigerian law regarding the invalidation or revision of unfair contract terms. In particular, equitable remedies such as injunctions and specific performance are discretionary and are not generally available in circumstances where damages are considered by the courts in Nigeria to be an adequate remedy.
- (b) This opinion relates only to the laws of Nigeria as of the date first written above and as will likely be applied by Nigerian courts; and is given on the basis that it will be governed by and construed according to the said laws of Nigeria.
- (c) Save to the extent outlined in paragraphs 2.8 and 2.9 above, we express no opinion as to the tax treatment or consequences of the Transaction Documents or the transactions contemplated therein.
- (d) This opinion is based solely on the current regulatory framework of FMDQ and does not account for the potential future operation of the “New Rules on Issuance of Commercial Papers” as set out in the December 2024 Rules. As of the date of this Opinion, the SEC has not yet implemented nor commenced the operation of these rules. While it is possible that, upon implementation, additional registration or regulatory requirements may become applicable to the Notes or the Transaction Documents, such requirements will depend on the application and implementation of the December 2024 Rules. Accordingly, this Opinion is expressly limited to the regulatory framework of FMDQ as it applies to the Notes and the Transaction Documents. We do not express any opinion on the timing, scope, applicability, or potential impact of any such future SEC requirements that may apply on the implementation of the “New Rules on Issuance of Commercial Papers” as set out in the December 2024 Rules.
- (e) This opinion is expressly limited to the matters set forth above and we render no opinion whether by implication or otherwise as to any other matters.



- (f) We assume no obligation to update or supplement any opinion contained herein to reflect any fact or circumstance that may hereafter come to our attention or any changes in law that may hereafter occur or become effective.

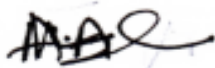
#### 4. BENEFIT

This opinion is provided in connection with the satisfaction of the conditions precedent under the IPA Agreement and is given solely for the benefit of the IPA in connection with the Transaction and cannot be relied upon or disclosed by the IPA for any other purpose or relied upon by any other person without our prior written consent, save that our opinion may be disclosed without such consent (provided that in doing so it is acknowledged that we shall not owe any duty, nor assume any liability to any such person in relation to it and that in preparing this opinion we only had regard to the interests of the IPA):

- (a) to any persons seeking to invest in the Notes;
- (b) to professional advisers in connection with the Transaction;
- (c) to any additional dealers appointed under the IPA Agreement;
- (d) to any person to whom disclosure is required to be made by applicable law or court order or arbitral award or pursuant to the rules or regulations of any supervisory or regulatory body, or the rules of any applicable securities exchange or any rating agency or in connection with any judicial or arbitral proceedings;
- (e) to the affiliates, officers, employees, auditors, regulators and professional advisers of the IPA;
- (f) in connection with any actual or potential dispute or claim to which the IPA is a party in relation to the Transaction;

on the basis that such disclosure is made solely to enable any such person to be informed that an opinion has been given and to be made aware of its terms but not for the purposes of reliance.

Yours faithfully,



**AZEEZAH MUSE-SADIQ**  
PARTNER  
BANWO & IGHODALO

## GENERAL INFORMATION

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### Authorisation

The ₦15,000,000,000 (Fifteen Billion Naira) CP Programme and the issuance of Notes thereunder were approved by the resolution of the Board of Directors of Champion Breweries Plc dated March 17, 2025.

### Auditors

Deloitte & Touche acted as auditors of the annual financial statements of the Issuer for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024. Deloitte & Touche, has in respect of those years for which it was responsible for the audit, issued unqualified reports.

### Going Concern

The Directors have made an assessment of the Issuer's ability to continue as a going concern and have no reason to believe the Issuer will not remain a going concern in the year 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 in accordance with the Terms and Conditions.

### Litigation

Champion Breweries Plc (the "Company") is involved in four (4) cases as of March 2025. The Company is Appellant in all four (4) cases.

Following our review of the summaries provided in the Schedule and the documents provided by the Company, we note that the Company has been found liable to pay the sum of EUR 1,540,450.80 (One million, five hundred forty thousand, four hundred fifty euros and eighty cents)<sup>2</sup>. Please note that this amount does not include interest and costs, which can only be determined upon the final resolution of the case. Ultimately, the Company's actual liability, including any final awards for costs, will be as determined by the court upon the conclusion of the Company's appeal against the judgment.

The Solicitors to the Transaction are of the opinion that the contingent liability that may arise from the cases involving the Company, where same are diligently defended, would not have a material adverse effect on the proposed Transaction.

Save for the foregoing, the Solicitors to the Transaction are not aware of any claim or litigation pending or threatened against the Company which may (i) materially or adversely affect the Company's ability to fulfill its obligations under the Transaction; and/or; (ii) affect the validity of the proposed Transaction or restrict the proceedings or actions of the Company with respect to the Transaction.

### Material Contracts

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

- i. The Issuing and Placing Agency Agreement dated 11 June 2025 executed by the Issuer and the Arrangers/Issuing & Placing Agents;
- ii. The Collecting and Paying Agency Agreement dated 11 June 2025 executed by the Issuer and the Collecting and Paying Agent.; and
- iii. The Deed of Covenant dated 11 June 2025 executed by the Issuer as a deed poll in favour of the Noteholders.

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

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<sup>2</sup> Please note that this represents the award sum issued against the Company in an arbitration initiated by BRAUEREI BECK GMBH & CO KG. This award underpins the appeals listed as cases Nos. 1 and 2 in the Schedule. However, it is not immediately clear whether this sum has been paid by the Company or accounted for in its financial provisions. Also, we have excluded the judgment entered against the Company in the case listed as No. 4 in the Schedule as the Company's liability in that matter has been covered by its insurers under its product liability insurance policy. Regarding the case listed as No. 5 in the Schedule, we note that the disputed sum has already been paid to the Respondent by the Company's bank, and the claim primarily seeks a court order to reverse the payment.

## SELLING RESTRICTIONS

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The distribution of this Programme Memorandum and the Notes may be restricted by law and therefore persons into whose possession this Programme Memorandum comes should inform themselves about and observe any such restrictions, including those that follow the issuance of this Programme Memorandum. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. No action has been taken or will be taken by the Company or the Arrangers in any jurisdiction outside of Nigeria that would permit a public offering or sale of the Notes, or possession or distribution of this Programme Memorandum (or any other offering or publicity material relating to the Notes ) or in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law.


None of the Notes may be offered for subscription, sale or purchase or be delivered, and this Programme Memorandum and any other offering material in relation to the Notes may not be circulated, in any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission or to make any application, filing or registration. Persons into whose possession this Programme Memorandum comes should inform themselves about and observe any restrictions on the distribution of this Programme Memorandum and the Notes. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

## PARTIES TO THE TRANSACTION

### Issuer

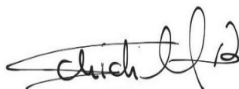
**Champion Breweries Plc**  
Industrial layout, Aka Offot,  
PMB 1106  
Uyo,  
Akwa Ibom

  
**Dr. Adoga Inalegwu**  
Managing Director

  
**Rasheed Adebisi**  
Finance Director

### Lead Arranger

**Rand Merchant Bank Nigeria Limited**  
East Tower, 3rd Floor  
17 Ozumba Mbadiwe Road  
Victoria Island  
Lagos



**Chidi Iwuchukwu**  
Executive Director

### Joint Arranger

**FBNQuest Merchant Bank Limited**  
2 Broad St,  
Lagos Island,  
Lagos



**Ademola Akogun**  
Head, Financial Advisory

### Joint Arranger

**FCMB Capital Markets Limited**  
First City Plaza (6<sup>th</sup> Floor)  
44 Marina  
Lagos



**Ikechukwu Omeruah**  
Managing Director

### Joint Arranger

**United Capital Plc**  
3rd & 4th Floor,  
Afriland Towers  
97/105 Broad Street  
Lagos Island  
Lagos



**Peter Ashade**  
Group Chief Executive Officer

### Collecting and Paying Agent

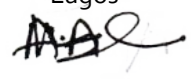
**FBNQuest Merchant Bank Limited**  
2 Broad St,  
Lagos Island,  
Lagos



**Ademola Akogun**  
Head, Financial Advisory

### Solicitor

**Banwo & Ighodalo**  
98 Awolowo Rd,  
Southwest Ikoyi  
Lagos



**Azeezah Muse-Sadiq**  
Partner

### Auditor

**Deloitte & Touche**  
Civic Towers  
Plot GA1, Ozumba Mbadiwe Road  
Victoria Island,  
Lagos



**Ngozika Emeka-Eze**  
Engagement Partner