

Dated 8<sup>th</sup> May, 2024

# DLM FUNDING SPV PLC

(Incorporated as a Public Limited Liability Company in the Federal Republic of Nigeria with registration number: 1815068)

## ₦30,000,000,000 MEDIUM TERM NOTES PROGRAMME

### SHELF PROSPECTUS

Under the Medium-Term Notes Programme described in this Shelf Prospectus (the “Programme”), DLM Funding SPV PLC (“the Issuer”) subject to compliance with all relevant laws, regulations and directives, may from time-to-time issue debt securities (the “Bonds”). The aggregate nominal amount of Bonds outstanding will not at any time exceed ₦30,000,000,000.00 (Thirty Billion Naira)

An application has been made to the Securities & Exchange Commission (the “Commission”) to clear and register this Shelf Prospectus (also hereinafter referred to as “Shelf Prospectus”). It is a civil wrong and a criminal offence under the Investments and Securities Act No. 29 2007 as amended from time to time (“the Act”) to issue a prospectus, which contains false or misleading information. Clearance and registration of this Shelf Prospectus and the securities, which it offers, do not relieve the parties from any liability arising under the Act for false and misleading statements contained herein or for any omission of a material fact. Investors are advised to note that liability for false or misleading statements or acts made in connection with the Shelf Prospectus is provided in Sections 85 and 86 of the ISA. This Shelf Prospectus has been issued in compliance with the Act, the Rules and Regulations of the Commission and the listing requirements of FMDQ Securities Exchange Limited (“FMDQ”) and the Nigerian Exchange Limited (“NGX”). It contains particulars which are compliant with the requirements of the Commission for the purpose of giving information with regard to the Programme. This Shelf Prospectus contains information about the general characteristics of the securities offered on the basis of the Programme, their distribution terms as well as Investor rights and duties related to such securities in addition to information about the Issuer. The list of the documents incorporated by reference into this Shelf Prospectus is presented on page 16. Details of the Final Terms applicable to each Series of Bonds such as the issue price, issue date, maturity date, principal amount, redemption amount, interest rate, tranches (if any) applicable to any Bond and any other relevant provisions of such Bonds, will be specified in a pricing supplement (the “Pricing Supplement”) set out in a supplement to this Shelf Prospectus.

Bonds under this Programme will be issued in dematerialised form (“Dematerialised Bonds”) as more fully described herein. Bonds issued under the Programme will be rated. Bonds, whether Unsubordinated or Subordinated, will have such rating, as is assigned to them by the relevant rating agency as specified in the relevant Pricing Supplement. 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. The Final Terms of the relevant Bonds will be determined at the time of the offering of each Series/Tranche based on the prevailing market conditions and will be set out in the relevant Pricing Supplement.

The registration of this Shelf Prospectus and any Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Shelf Prospectus or any Pricing Supplement. No securities will be allotted or issued on the basis of this Prospectus read together with a Pricing Supplement later than three years after the date of the issue of the Shelf Prospectus unless renewed by the Commission.

**A DECISION TO INVEST IN THE SECURITIES OFFERED BY THE ISSUER SHOULD BE BASED ON CONSIDERATION BY THE INVESTOR OF THE SHELF PROSPECTUS, THE APPLICABLE PRICING SUPPLEMENT AND THE DOCUMENTS INCORPORATED BY REFERENCE THEREIN AS A WHOLE.**

Without prejudice to the provisions of Section 85 (1) (Civil Liability for Misstatements in Prospectus) of the ISA, the Directors on behalf of DLM Funding SPV PLC accepts full responsibility for the accuracy of the information contained in this Prospectus. The Board of Directors have taken reasonable care to ensure that the material facts contained herein are true and accurate in all material respects and confirms that, having made all reasonable enquiries, to the best of their knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue. The Shelf Prospectus, any applicable Pricing Supplement as well as other Offer Documents can be found on [www.dlm.group](http://www.dlm.group) or the Commission’s website on [www.sec.gov.ng](http://www.sec.gov.ng)

#### LEAD ISSUING HOUSE



RC: 264978

#### JOINT ISSUING HOUSES



RC: 1706693



RC: 688014



RC: 370890

This document is important and should be read carefully. If you are in any doubt about its contents or the action to be taken, please consult your Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately. Investing in this offer involves risks. For information concerning certain risk factors which should be considered by prospective Investors, see “Risk Factors” commencing on page 34

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## IMPORTANT NOTICE

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This Shelf Prospectus is issued in accordance with the provisions of the Investments and Securities Act, Rules and Regulations of the Commission, the listing and quotation requirements of the NGX and FMDQ, as well as other exchanges, and for the purpose of giving information with regard to DLM Funding SPV Plc. (the “Company”, “DLM Funding” or “Issuer”) and the particular nature of the Company and the Bonds, all of which are necessary to enable investors make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Shelf Prospectus or any other information supplied in connection with the Programme and, if given or made, such information must not be relied upon as having been authorised by the Company, the Sponsor or any of the parties to the Programme.

Neither this Shelf Prospectus nor any other information supplied in connection with the Programme: (a) is intended to provide the basis of any credit or other evaluation, or (b) should be considered as a recommendation by either the Company, DLM Capital Group Limited (the “Sponsor”) or any of the parties to the Programme that any recipient of this Shelf Prospectus should purchase any Bonds. Each investor contemplating purchasing any Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Company or the Sponsor. Neither this Shelf Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Company or Sponsor or any of the parties to the Programme to any person to subscribe for or to purchase any Bonds.

This Shelf Prospectus and the documents specified herein have been delivered to the Commission for clearance. In making an investment decision, the recipient of this Shelf Prospectus must rely on his/her own examination of the company and the terms of the Transaction, including the merits and risks involved.

All inquiries relating to this Shelf Prospectus or the matters addressed herein should be directed to the Company or the Issuing Houses. No person other than those described in this Shelf Prospectus have been authorized to disclose or disseminate information about this Prospectus or about the matters addressed in it. If given, such Information shall not be relied upon as having been authorized by the Company.

## INFORMATION RELATED TO THE SHELF PROSPECTUS

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### Presentation of Information

The information set forth herein has been obtained from official sources that are believed to be reliable, but is not guaranteed as to accuracy, reliability or completeness. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Shelf Prospectus nor any issue made hereunder or any future use of this Shelf Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company and Sponsor since the date hereof.

All financial and other information presented or incorporated by reference in this Shelf Prospectus have been provided by the Company from its records, except for information expressly attributed to other sources. The presentation of certain information, including tables of receipts and other revenues, is intended to show recent historic financial information and is not intended to indicate future or continuing trends in the financial position or other affairs of the Company and Sponsor. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

A wide variety of other information concerning the Company are available on the Sponsor's website – [www.dlm.group](http://www.dlm.group) - and in other authorised publicly available publications. Any such information that is inconsistent with the information set forth in this Shelf Prospectus should be disregarded. No such information is a part of or incorporated into this Shelf Prospectus.

### Financial Information

The Issuer maintains its books of accounts and prepares its statutory financial statements in Naira in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Unless otherwise indicated, the financial information regarding the Issuer indicated in this Shelf Prospectus has been derived from the Issuer's Audited Financial Statement as at 30 December 2022.

### Rounding

Certain numerical figures included in this Shelf Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

### Forward-Looking Statements

Certain statements included herein and in any Pricing Supplement may constitute forward-looking statements that involve a number of risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such forward-looking statements can be identified by the use of forward-looking terminologies such as "believes", "expects", "may", "are expected to", "intends", "will", "will continue", "should", "would be", "seeks", "approximately" or "anticipates" or similar expressions or the negative thereof or other variations thereof or comparable terminologies. These forward-looking statements include all matters that are not historical facts and include statements regarding the Company's intentions, beliefs or current expectations concerning, amongst other things, the Company's operating results, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates.

Prospective investors should be aware that forward-looking statements are not guarantees of future performance and that the Issuer's and the Sponsor's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this Shelf Prospectus. In addition, even if the Company's results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent

with the forward-looking statements contained in this Shelf Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Factors that could cause actual results to differ materially from the Issuer's and the Sponsor's expectations are contained in cautionary statements in this Shelf Prospectus and include, among other things, the following:

- a. economic and political conditions in international markets, including governmental changes;
- b. overall political, economic and business conditions in Nigeria
- c. changes in tax requirements, including tax rate changes, new tax laws and revised tax law interpretations;
- d. changes in government regulations, especially those pertaining to the Issuer's industry;
- e. competitive factors in the industries in which the Issuer and its customers operate;
- f. the demand for the Issuer's products and services;
- g. interest rate fluctuations and other capital market conditions;
- h. Exchange rate fluctuations;
- i. the timing, impact and other uncertainties of future actions; and
- j. other national emergencies

The sections of this Shelf Prospectus titled "**Risk Factors**" contain more detailed discussions of the factors that could affect the Issuer's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Shelf Prospectus may not occur.

### **Third Party Information**

The Company obtained certain statistical and market information that is presented in this Shelf Prospectus in respect of the Nigerian economy and the Nigerian political landscape in general from certain government and other third-party sources as identified where it appears herein.

There is not necessarily any uniformity of views among such sources as to such information provided. The Company has not independently verified the information included in this section. Some of the information in this Shelf Prospectus have been derived substantially from publicly available information, such as annual reports, official data published by the Nigerian government or regional agencies or other third-party sources as indicated in the text. The Company has accurately reproduced such information and, so far as the Issuer is aware and is able to ascertain, no facts have been omitted that would render the reproduced information inaccurate or misleading. The Company has relied on the accuracy of this information without independent verification.

Nevertheless, prospective investors are advised to consider these data with caution. Market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive and speculative. Neither the Company nor the Issuing Houses have independently verified the figures, market data or other information on which third parties have based their studies.

Certain statistical information reported herein has been reproduced from official publications of, and information supplied by, a number of government agencies and ministries, and other governmental and intergovernmental organisations and international institutions, including the Central Bank of Nigeria; the International Monetary Fund; the Debt Management Office; the National Bureau of Statistics and the World Bank.

## **ISSUE OF PRICING SUPPLEMENTS**

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Following the publication of this Shelf Prospectus, a Supplementary Prospectus or applicable Pricing Supplement(s) would be prepared by the Issuer and the Issuing Houses for the approval of the SEC in accordance with the SEC Rules and Regulations for each Series of the Bonds issued under the Programme. Each applicable Pricing Supplement will be cleared and approved by the SEC.

Statements contained in any such Pricing Supplement (s), shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Shelf Prospectus.

The Issuer and the Sponsor declare, to the best of their knowledge and honest belief, that no material facts have been omitted from nor is there any material misstatement in this Shelf Prospectus, which would make any statement contained herein misleading or untrue. The Issuer shall, in the event of any significant new factor, change, material mistake or inaccuracy relating to information included in this Shelf Prospectus which is capable of affecting the assessment of the Bonds, prepare a Pricing Supplement to this Shelf Prospectus or publish a new Shelf Prospectus for use in connection with any subsequent issue of Bonds.

### **Validity Period of the Shelf Prospectus and Delivery of Documents:**

No Bonds shall be issued on the basis of this Shelf Prospectus read together with any Pricing Supplement issued pursuant hereto later than three (3) years after the Issue Date indicated on the cover of this Shelf Prospectus. This Shelf Prospectus can be obtained at the office of the Issuer and the Issuing Houses throughout its validity period.

## DEFINITION OF TERMS

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

- “Affiliate”** means in relation to a person, a subsidiary of that person or a holding company of that person or any other subsidiary of that holding company;
- “Auditor”** means Deloitte & Touche or any successor auditor which may be appointed in future;
- “Bank Account”** means any duly licensed Nigerian bank as may be agreed between the Issuer and the Bond Trustees for each series of Bonds under the Programme where the Debt Service Payment Account is opened and maintained, and through which payments due to the Bondholders shall be paid as and when due;
- “Board of Directors”** means the Directors of DLM Funding SPV Plc;
- “Bonds”** means debt instruments issued by the Issuer from time to time pursuant to the Programme;
- “Bondholder”** mean, in relation to any Bond of a Series or Tranche, a person or persons (including the legal, personal representative or successor of such persons) in whose name a Bond is registered in the records of the CSD as the holder of a particular unit of Bonds from time to time;
- “Book Runner”** means Afrinvest Capital Limited, DLM Advisory Limited, FBNQuest Merchant Bank Limited and UCML Capital Limited or as stated in the applicable Pricing Supplement;
- “Business Day”** means a day (other than a Saturday, Sunday or Federal Government of Nigeria declared public holiday) on which commercial banks are open for general business in Nigeria;
- “Business Day Convention”**
- (i) means in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:
  - (ii) “Following Business Day Convention” means that the relevant date shall be postponed to the first following day that is a Business Day;
  - (iii) “Modified Following Business Day Convention” or “Modified Business Day Convention” means that the relevant date shall be postponed to the first following day that is a

Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iv) “Preceding Business Day Convention” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

<b>“CBN”</b>	means the Central Bank of Nigeria;
<b>“Certificates”</b>	means in relation to the Bonds, a certificate in or substantially in the form specified in the Schedule to the Trust Deed or in such other form as may be agreed from time to time by the Trustees;
<b>“Conditions”</b>	means in relation to the Bonds, the terms and conditions to be endorsed on, or incorporated by reference in, the Bond Certificate having regard to the terms of the Bond as may be agreed between the Bank, the Trustees and the Issuing House in accordance with the provisions of the Trust Deed;
<b>“Coupon”</b>	means the periodic interest payable on Bonds of a Series specified as interest-bearing in the amount and on the dates specified in the applicable Pricing Supplement or Supplemental Shelf Prospectus;
<b>“Coupon Commencement Date”</b>	means in respect of the Bonds, the date from which Coupon on such Bonds will accrue, as specified in the Final Terms;
<b>“Coupon Payment Date”</b>	means the date on which coupon is to be paid to Bondholders as specified in this Pricing Supplement;
<b>“CSCS”</b>	means the Central Securities Clearing System Plc;
<b>“CSD”</b>	means Central Securities Depository herein define as the CSCS, the FMDQ Depository Limited or any recognised central securities depository approved by the Issuer or as may otherwise be specified in the applicable Pricing Supplement or Supplementary Shelf Prospectus;
<b>“Day Count Fraction”</b>	means “30/360” in respect of the calculation of an amount for any period of time (the “Calculation Period”);
<b>“Debt Service Payment Account”</b>	means the account established by the Bond Trustees with the Account Bank in relation to any Series, in the name of and under the exclusive control of the Bond Trustees, for the purpose of receiving all payments from the Issuer and from which payments due on the Bonds shall be paid as and when due to the Bondholders; which account shall be funded in such manner as may be specified in or determined in the applicable Series Trust Deed;

<b>“Deed” or “Trust Deed”</b>	means the trust deed and the terms and Conditions, which together, can be from time to time modified in accordance with the provisions therein contained;
<b>“Denominations”</b>	means ₦10,000,000 and integral multiples of ₦1,000,000 or such other denominations as may be specified or determined in the Final Terms;
<b>“Events of Default”</b>	means in respect of the Bonds, any of the events stipulated as such in Condition 8; of the Terms and Conditions of the Bonds or anyone or more of those events set forth in each relevant agreement as an Event(s) of Default thereof;
<b>“Extraordinary Resolution”</b>	has the meaning defined in the Programme Trust Deed;
<b>“Financial Indebtedness”</b>	<p>means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent, incurred in respect of:</p> <ul style="list-style-type: none"> <li>(a) monies borrowed or raised;</li> <li>(b) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stocks, debentures or similar instrument;</li> <li>(c) any amount raised by acceptance under any acceptance facility or dematerialized equivalent;</li> <li>(d) any amount raised by the issue of redeemable preference shares which are redeemable before the Maturity Date;</li> <li>(e) the amount of any liability in respect of any finance or capital lease;</li> <li>(f) receivables sold or discounted (otherwise than on a non-recourse basis);</li> <li>(g) the acquisition cost of any asset to the extent payable after its acquisition or possession by the party liable where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of an asset;</li> <li>(h) any amount raised under any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing, excluding trade accounts payable and other liabilities accrued in the ordinary course of business;</li> <li>(i) any counter-indemnity obligation in respect of any guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</li> <li>(j) any derivative transaction entered into in connection with protection against or benefit from any fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account); and</li> </ul>

(k) (without double counting) the amount of any liability in respect of and any guarantee, indemnity or similar assurance against any financial loss of any person in respect of any item referred to in paragraphs (a) to (i) above;

**“Final Terms”**

means the relevant Series Trust Deed, Supplementary Shelf Prospectus and/or Pricing Supplement specifying the final terms applicable to a Series of Bonds, provided that in the event of inconsistency between the Series Trust Deed, Supplementary Shelf Prospectus and/or Pricing Supplement, the relevant term shall have the meaning specified in the applicable Series Trust Deed;

**Fixed Rate Bonds”**

means bonds in respect of which interest is to be calculated and paid on a fixed rate basis and will not change during the life of the Bonds;

**“Floating Rate Bonds”**

means bonds in respect of which interest is to be calculated and paid on a floating rate basis which sets off a base rate as prescribed in the applicable Pricing Supplement;

**“FMDQ”**

means the FMDQ Securities Exchange Limited, a securities exchange licensed by the SEC to provide a platform for listing, quotation, registration, and trading of debt securities amongst others;

**“Force Majeure”**

means any event or circumstance (or combination of events or circumstances) not limited to acts of God, acts of war, revolution, civil commotion, strikes, fires, floods, earthquake, destructive lightning, epidemic, pandemic, government restrictions and orders, change of law or other circumstances which are beyond the reasonable control of the Party affected and which it could not have reasonably foreseen and guarded against and which by the exercise of reasonable care and diligence, it is unable to prevent. Provided that the affected Party shall immediately notify the other Party when it becomes aware of any such circumstances; it being understood that the affected Party shall use reasonable efforts which are consistent with accepted practices to resume performance as soon as practicable under the circumstances;

**“High Net-Worth Individuals” or  
“HNI”**

means as defined under the SEC Rules and Regulations;

**“Interest Period”**

means each interest period, as specified in the applicable Pricing Supplement;

**“ISA”**

means the Investments and Securities Act No. 29 of 2007 as may be amended, supplemented or replaced from time to time;

**“Issue Date” or “Closing Date”**

means in relation to each Series, the date specified in the relevant Final Terms on which the Bonds are issued;

<b>“Issue Price”</b>	means the price of Securities of a specific series as shall be defined in the Pricing Supplement of the relevant Series;
<b>“Issuer” or the “Company”</b>	means DLM Funding SPV PLC;
<b>“Issuing Houses”</b>	means FBNQuest Merchant Bank Limited, DLM Advisory Limited, UCML Capital Limited, and Afrinvest Capital Limited
<b>“Maturity Date”</b>	means the final date on or before which time the entirety of principal and accrued interest on the Bonds must have been fully redeemed as set out in the Prospectus;
<b>“MFB”</b>	means Micro Finance Bank;
<b>“Month”</b>	means a calendar month;
<b>“NBS”</b>	means Nigeria Bureau of Statistics;
<b>“NGX”</b>	means The Nigerian Exchange Limited;
<b>“Offer Documents”</b>	means the Programme Deed, the Series Trust Deed in relation to any Series, the Shelf Prospectus (including any Supplemental Shelf Prospectus), Pricing Supplement in relation to any Series, and any other document entered into by the relevant parties in connection with the Programme;
<b>“Offer” or “Issue”</b>	means an issue, offer for subscription or purchase, or an invitation to subscribe for or purchase the Securities pursuant to the Offer Documents;
<b>“Offer Period”</b>	means the period for which the Issue will be open as specified in the applicable Pricing Supplement;
<b>“Optional Redemption Amount (Call)”</b>	means, in respect of the Bonds, the principal amount outstanding at the Optional Redemption Call date or such other amount as specified in, or determined in accordance with, the Final Terms;
<b>“Optional Redemption Date (Call)”</b>	has the meaning given in this Prospectus;
<b>“Payment Date”</b>	means in respect of the Bonds, the dates specified as such in the Final Terms upon which interest and/or principal are due and payable in respect of the Bonds;
<b>“Principal Amount Outstanding”</b>	means, on any day in relation to a Bond, the principal amount of that Bond on issue less the aggregate of all principal payments that have become due and payable in respect of that Bond and have been paid on or prior to that day;
<b>“Prospectus”</b>	means the shelf prospectus covering the Programme and registered with the SEC pursuant to the SEC Rules and

	Regulations which details the aggregate size and the broad terms and conditions of the Programme;
<b>“Qualified Institutional Investor”</b>	means Qualified Institutional Investors as defined under the SEC Rules and Regulations;
<b>“Rating Agency(ies)”</b>	means any SEC recognised rating agency, registered, or recognised by the SEC, as may be appointed by the Issuer;
<b>“Receiving Bank”</b>	means the bank appointed as such or in replacement of any existing Receiving Banks for each series of the Bond;
<b>“Record Date”</b>	In relation to the Bonds, means the date specified as the record date in the Conditions for the Bonds, being 21 days before the due date for the relevant payment;
<b>“Redemption Amount”</b>	means the amount to be paid by the Issuer in redemption of the Bonds, together with applicable interest at the time of redemption, as may be specified in, or determined in accordance with the provisions of the applicable Final Terms;
<b>“Register”</b>	means with respect to each Series of Bonds, the books kept by the Registrar into which shall be entered the names and addresses of each Bondholder and the particulars of transfers and redemption of the Bonds held by each Bondholder for each Series;
<b>“Registrar”</b>	means Meristem Registrars & Probate Services Limited or any other person or entity appointed as registrars or in replacement of any existing registrar pursuant to the provisions of the Trust Deed;
<b>“Securities Exchange”</b>	means a securities exchange registered and recognized by the Securities and Exchange Commission.
<b>“SEC” or the “Commission”</b>	means the Securities and Exchange Commission established under the Investments and Securities Act;
<b>“SEC Rules &amp; Regulations”</b>	means the rules and regulations of the SEC made pursuant to the ISA and any amendments thereto;
<b>“Series”</b>	means a Tranche of Bonds together with any further Tranche or Tranches of Bonds are: (i) expressed to be consolidated and form a single series: and (ii) identical in all respects except for their respective Issue Dates, Coupon Commencement Dates, and/or Issue Prices and the expressions Bonds of the relevant Series, holders of Bonds of the relevant Series and related expressions shall be construed accordingly;
<b>“Sponsor”</b>	DLM Capital Group Limited
<b>“Tranche”</b>	means all Bonds which are identical in all respects as to the terms and conditions of their issue);

**“Bond Trustees” or “Trustees”**

means DLM Trust Company, AVA Trustees Limited and FBNQuest Trustees Limited or any other trustee or trustees for the time being appointed under the Trust Deed or in replacement of any existing trustee;

**“VAT”**

means Value Added Tax pursuant to the Value Added Tax Act, Cap V1, LFN 2004 (as amended by the Value Added Tax (Amendment) Act 2007, the Finance Acts of 2019, 2020, 2021 and 2023 and as may be amended from time to time and any other tax of a similar nature;

**“Year”**

means a calendar year.

# DECLARATION BY THE SPONSOR

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11 September 2023

The Director General  
Securities & Exchange Commission  
SEC Towers  
Plot 272 Samuel Adesujo Ademulegun Street  
Central Business District  
Garki,  
Abuja

Dear Sir/Madam,

**STATUTORY DECLARATION OF FULL DISCLOSURE BY THE SPONSOR IN RESPECT OF DLM FUNDING SPV PLC'S ₦30,000,000,000 MEDIUM TERM NOTE PROGRAMME ("THE PROGRAMME")**

In compliance with Rule 279(3)(6)(Viii) of the Consolidated Rules and Regulations of the Securities and Exchange Commission, June 2013 (*"Declaration by the Sponsor on full Disclosure"*), we on behalf of the sponsor, hereby make the following declarations:

1. We confirm that we have taken all reasonable care to ensure that the information contained in this Shelf Prospectus and any supplement thereto relating to the Sponsor, is to the best of our knowledge and belief, in accordance with the facts, and contains no omission likely to affect its import.
2. We confirm that there has been no significant change in the financial condition or material adverse change in the prospects of the Sponsor since the date of this Shelf Prospectus.
3. We confirm that the Sponsor has not during the 12 (twelve) calendar months immediately preceding the date of the application to the Securities & Exchange Commission for registration of this shelf prospectus, breached any terms and conditions in respect of borrowed monies which has resulted in the occurrence of an immediate recall of such borrowed monies.

Signed for and on behalf of:

DLM Capital Group Limited by its duly authorized representatives

Kennedy Ighodaro  
Chief Financial Officer

Sonnie Ayere  
Chief Executive Officer

**CHIDI OKOROJI**  
NOTARY PUBLIC  
Suite 208, Entrance 7,  
TBS, Lagos.  
08037218355  
chidokoroji@gmail.com



## DECLARATION BY THE ISSUER

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### DLM FUNDING SPV PLC

66 – 68 Alexander Avenue, Ikoyi, Lagos.

11 September 2023  
The Director General  
Securities & Exchange Commission  
SEC Towers  
Plot 272 Samuel Adesujo Ademulegun Street  
Central Business District  
Garki,  
Abuja

Dear Sir/ Madam,

#### STATUTORY DECLARATION OF FULL DISCLOSURE IN RESPECT OF DLM FUNDING SPV PLC'S ₦30,000,000,000 MEDIUM TERM NOTE PROGRAM ('THE PROGRAMME')

In compliance with Rule 280 (3) of the Consolidated Rules and Regulations of the Securities and Exchange Commission, June 2013 (*Declaration by the Issuer on full Disclosure*), we hereby affirm that this Shelf Prospectus and any supplement thereto has been prepared with a view to providing a description of the relevant aspects of DLM Funding SPV Plc., (the "Issuer") in connection with the above Programme and the investment in the securities issued therein.

On behalf of the Issuer, we hereby make the following declarations:

1. We confirm that we have taken all reasonable care to ensure that the information contained in this Shelf Prospectus and any supplement thereto, is to the best of our knowledge and belief, in accordance with the facts, and contains no omission likely to affect its import.
2. We confirm that there has been no significant change in the financial condition or material adverse change in the prospectus of the Issuer since the date of this Shelf prospectus.
3. We confirm that the Issuer has not during the 12 (twelve) calendar months immediately preceding the date of the application to the Securities & Exchange Commission for registration of this supplementary shelf prospectus, breached any terms and conditions in respect of borrowed monies which has resulted in the occurrence of as immediate recall of such borrowed monies.

Signed for and on behalf of:

DLM Funding SPV Plc. by its duly authorized representatives:

Sonnie Ayere  
Director



  
**CHIDI OKOROJI**  
NOTARY PUBLIC  
Suite 208, Entranos 7,  
TBS, Lagos.  
08037218388  
chidiokoroji@gmail.com

  
Emeka Ngene  
Director

## DOCUMENTS TO BE INCORPORATED BY REFERENCE

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The following documents have been filed with the Commission and shall be deemed incorporated in, and form part of this Prospectus:

- 1) Sponsor rating reports from DataPro Limited
- 2) Sponsor rating reports from Global Credit Rating Company Limited (GCR)
- 3) Sponsors financial statements for the years ended 31 December 2018, 2019, 2020, 2021 and 2022
- 4) Reporting Accountant Report
- 5) Board Resolution authorizing the issue

This Prospectus is accessible, and copies are available free of charge at the offices of the Issuing Houses from 8:00a.m. till 5:30p.m on Business Days during the Offer Period. The document can be accessed via [www.dlm.group](http://www.dlm.group) or the Commission's website on [www.sec.gov.ng](http://www.sec.gov.ng).

Telephone enquiries should be directed to the Issuing Houses as follows:

<b>LEAD ISSUING HOUSE</b>	<b>CONTACT PERSON</b>	<b>TELEPHONE NUMBER</b>
FBNQuest Merchant Bank Limited	<b>Oluseun Olatidoye</b>	+234 706 418 9847

<b>JOINT ISSUING HOUSES</b>	<b>CONTACT PERSON</b>	<b>TELEPHONE NUMBER</b>
DLM Advisory	<b>Emeka Ngene</b>	+234(0) 1515 1115
UCML Capital Limited	<b>Egie Akpata</b>	+234(0) 703 925 8550
Afrinvest Capital Limited	<b>Suru Daniels</b>	+234(0) 703 299 9560

**PARTIES TO THE PROGRAMME**

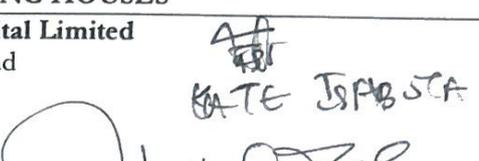
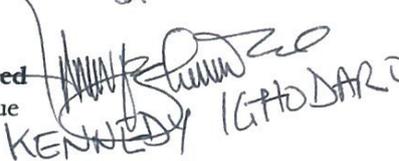
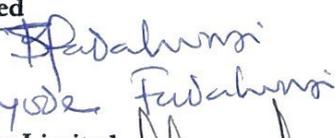
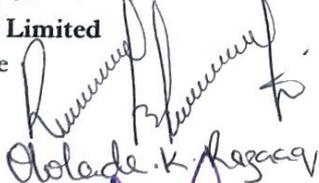
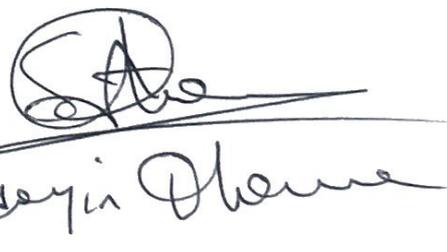
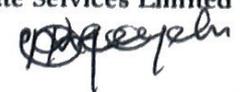
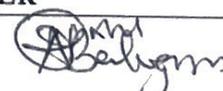
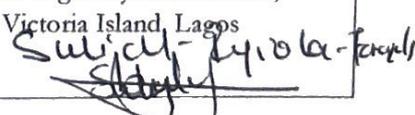
**ISSUER**

<p><b>DLM Funding SPV PLC</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos                  Nigeria                  Telephone: +234 1 515 1115; email: <a href="mailto:cfag@dml.group">cfag@dml.group</a>  <b>Board of Directors &amp; Company Secretary of the Issuer</b></p>	
<p><del>Sonnie Ayere</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	<p><del>Emeka Ngene</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>
<p><b>DLM Nominees Limited</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	 <p style="text-align: right;"><i>Othman Isamu</i></p>

**SPONSOR**

<p><b>DLM Capital Group Limited</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos                  Nigeria                  Telephone: +234 1 515 1115; email: <a href="mailto:cfag@dml.group">cfag@dml.group</a>  <b>Board of Directors &amp; Company Secretary of the Sponsor</b></p>	
<p><del>Sonnie Ayere - Group Managing Director</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	<p><del>Karimot Abodunrin Tukur – Independent Director</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>
<p><del>Malcolm Gilroy – Independent Director</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	<p><del>Michael Orimobi – Independent Director</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>
<p><del>Olayimika Phillips – Independent Director</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	<p><del>Ashim Egunjobi - Independent Director</del>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>
<p><b>DLM Nominees Limited (Company Secretary)</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	
<p><b>Audit Committee Members</b></p>	
<p><b>Malcolm Gilroy – Independent Director</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	<p><b>Sonnie Ayere - Group Managing Director</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>
<p><b>Kennedy Ighodaro</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>	<p><b>Toyin Sanni</b>                  66-68 Alexander Avenue                  Ikoyi, Lagos</p>

**PROFESSIONAL PARTIES**

<b>LEAD ISSUING HOUSE</b>		<b>JOINT ISSUING HOUSES</b>	
<b>FBNQuest Merchant Bank Limited</b> 2, Broad Street Lagos Island Lagos  <b>Oluksun Olatisote</b>		<b>Afrinvest Capital Limited</b> 27 Gerrard Road Ikoyi Lagos  <b>KATE ISABUTA</b>  <b>DLM Advisory Limited</b> 66-68 Alexander Avenue Ikoyi, Lagos  <b>KENNEDY IGBOADA</b>  <b>UCML Capital Limited</b> 7 Fatai Durosinmi Etti Crescent Victoria Island Lagos  <b>EGIE AKPATA</b>	
<b>JOINT BOND TRUSTEES</b>		<b>RECEIVING BANK</b>	
<b>AVA Trustees Limited</b> 3 Glover Road Ikoyi, Lagos  <b>Fudahunsi Kayode</b>  <b>DLM Trust Company Limited</b> 66-68 Alexander Avenue Ikoyi, Lagos  <b>Olojede K. Kazeem</b>  <b>FBNQuest Trustees Limited</b> 16, Keffi Street Ikoyi, Lagos  <b>Adekunle Awojobi</b>		<b>Zenith Bank PLC</b> 87, Ajose Adeogun Street Victoria Island Lagos  <b>Adegun Oluwalope</b>	
<b>REGISTRAR</b>		<b>AUDITORS TO THE ISSUE</b>	
<b>Meristem Registrars &amp; Probate Services Limited</b> 213 Herbert Macauley Way Sabo, Yaba Lagos  <b>Okote Nkechinyelu</b>		<b>Deloitte &amp; Touche</b> Plot GA1 Ozumba Mbadiwe Avenue Victoria Island Lagos  <b>BOLAJI, SAIBI</b>	
<b>STOCKBROKER</b>		<b>SOLICITORS TO THE ISSUER</b>	
<b>DLM Securities Limited</b> 66-68 Alexander Avenue Ikoyi, Lagos  <b>ATANDA ISIRAKA</b>		<b>Olaniwun Ajayi LP</b> The Adunola, Plot L2, 401 Close Banana Island Lagos,  <b>ANUOLUWAPU BOLUWUN</b>	
<b>SOLICITORS TO THE ISSUE</b>		<b>RATING AGENCIES</b>	
<b>TOLG Advisors</b> The Bolajoko 15A Remi Olowude Street Lekki, Lagos  <b>ADENIKE AJAYI</b>		<b>DataPro Limited</b> Foresight House 163/165 Broad Street Marina, Lagos  <b>MATTHEW JESSE</b> <b>Madele</b>	<b>Global Credit Rating Company Limited</b> 17 Ligali Ayorinde Street, Victoria Island Lagos  <b>Sulich-lyola</b>

**REPORTING ACCOUNTANTS**

**Crowe Dafinone IGHODAFINONG**

15 Elsie Femi Pearse Street

Off Kofo Abayomi

Victoria Island

Lagos

*Igho Dafinone*  
*15 Elsie Femi Pearse*  
*Victoria Island*

## TRANSACTION OVERVIEW

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*The following information should be read in conjunction with the full text of this Shelf Prospectus, from which it is derived. The information provided below is a brief summary of the key features of the Programme, a description of the Issuer and, to the extent applicable, the summary of the terms and conditions of the Bonds. This summary should be read as an introduction to this Prospectus. It does not purport to be complete and is taken from, and it's qualified in its entirety by the remainder of this Prospectus as a whole.*

### **Issuance of Bonds**

The Issuer, DLM Funding SPV PLC, is a special purpose vehicle set up specifically to finance the Sponsor's funding requirements, through the capital markets.

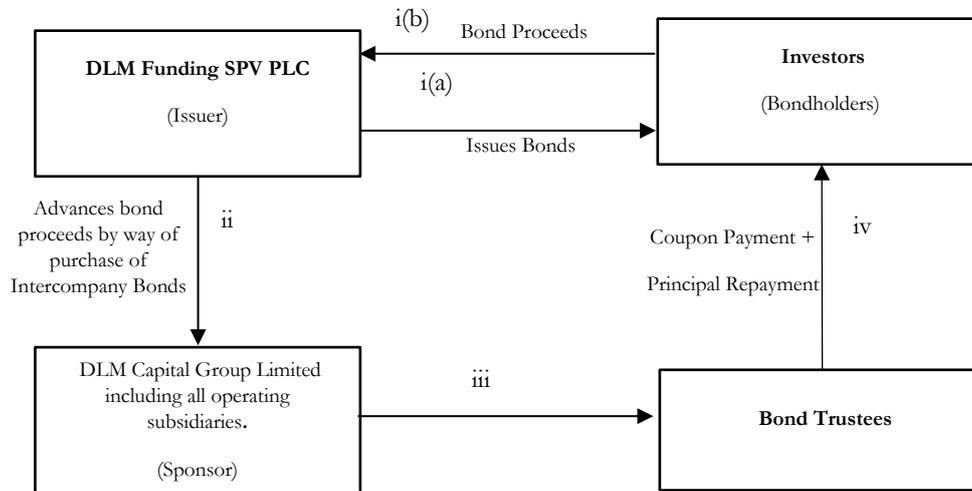
To this end, the Issuer shall from time-to-time issue Bonds not exceeding an aggregate principal amount of ~~₦~~30,000,000,000.00 (the "Programme Limit"). The gross proceeds of each issue of Bonds by the Issuer under the Programme will be used to finance the purchase of Intercompany Bonds issued by DLM Capital Group Limited (the Sponsor) under the terms of a Master Notes Purchase Agreement described below.

The Issuer and DLM Capital Group Limited including all operating subsidiaries, together (the "Obligors") shall have joint and several obligations to repay the aggregate principal amount outstanding and interest under the Programme Trust Deed in accordance with the applicable Final Terms.

The Bond Trustee shall hold the benefit of the repayment obligations of all monies payable in respect of the Bonds in trust for the benefit of the Bondholders.

## TRANSACTION STRUCTURE DIAGRAM

The following diagram sets out the transaction structure relating to the issue of the Bonds by the Issuer under the Programme. This diagram is qualified in its entirety by reference to more detailed information appearing in page 20 as well as the remainder of this Shelf Prospectus and to the detailed provisions of each of the Transaction Documents and the applicable Pricing Supplement.



### Summary of Transaction Structure

- i. Pursuant to the Transaction Documents, DLM Funding SPV PLC will issue Bonds to potential Investors. The repayment obligations on the Bonds under the Programme will be joint and several obligations of the Obligor as primary obligors;
- ii. The Bond Proceeds will be used to purchase Intercompany Bonds issued by DLM Capital Group Limited under the terms of a Master Notes Purchase Agreement
- iii. The Obligor will directly, and on a joint and several bases, make full payments on the interest and ultimate principal due on the Bonds into the Debt Service Payment Account held in the name of the Bond Trustee.
- iv. The Bond Trustee will in turn make coupon payments and principal repayments to the Bondholders.

## PROGRAMME DESCRIPTION

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Under this Programme, DLM Funding SPV PLC may issue from time to time, fixed or floating rate securities amortizing or bullet bonds and any combination thereof (the “Bonds”) through the Issuing Houses, or any additional party appointed under the Programme by the Company

The maximum aggregate principal amount of the Bonds at any time outstanding under the Programme will not exceed ₦30,000,000,000.00 (the “Programme Limit”).

The terms and conditions applicable to each issuance of Bonds under the Programme shall be established at the Issuer’s initiative, taking into consideration its financial requirements and the conditions in the capital markets. These terms and conditions will be determined by the Issuer and the Issuing Houses and shall be set out in the Pricing Supplement.

A Pricing Supplement shall contain the Final Terms and conditions of each Series of Bonds to be issued in or substantially in the form set out below in “Form of the Pricing Supplement” on page 66.

Bonds may be distributed by way of public offer, private placement, fixed price offer, or other such methods including through a book building process, and in such proportions as determined by the Issuer and the Issuing Houses. The method of distribution of each Series will be stated in the applicable Pricing Supplement.

Bonds will be issued in such denomination as may be agreed between the Issuer and the Issuing Houses and as indicated in the applicable Pricing Supplement.

The Bonds will be listed on a Securities Exchange. All Bonds issued on the basis of this Programme shall have ratings assigned to them. Other terms and conditions of the Bonds are, or shall be specified in this Shelf Prospectus, and any supplementary Shelf Prospectus issued under this Shelf Prospectus, i.e. the Pricing Supplement.

This Programme shall be valid for a period of 36 months (3 years) from the date of its issue and shall be subject to renewal as may be approved by the Commission.

If at any time the Issuer shall be required to prepare a supplementary shelf prospectus pursuant to Rule 279 (3) (5)(i) of the Rules and Regulations of the Commission in order to update or amend this Shelf Prospectus, without limitation, information changes, if any, including in relation to the Issuer since the date of this Shelf Prospectus in addition to such other information as is required by the Rules and Regulations of the SEC on the content of prospectuses, the Issuer will prepare and make available an appropriate amendment or supplement to this Shelf Prospectus or a further prospectus (addendum) which, in respect of any subsequent issue of Bonds, shall constitute a supplementary shelf prospectus.

## SUMMARY OF THE PROGRAMME

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*The following information should be read in conjunction with the full text of this Prospectus, from which it is derived. The information provided below is a brief summary of the key features of the Programme, a description of the Issuer and, to the extent applicable, the summary of the terms and conditions of the Bonds. This summary should be read as an introduction to this Shelf Prospectus. It does not purport to be complete, and is taken from and qualified in its entirety by the remainder of this Shelf Prospectus as a whole.*

<b>Issuer</b>	DLM Funding SPV PLC
<b>Sponsor/Co-obligor</b>	DLM Capital Group Limited and all its operating subsidiaries
<b>Lead Issuing House</b>	FBNQuest Merchant Bank Limited
<b>Joint Issuing Houses</b>	Afrinvest Capital Limited DLM Advisory Limited UCML Capital Limited
<b>Bond Trustees</b>	AVA Trustees Limited DLM Trust Company Limited FBN Quest Trustees Limited
<b>Programme Description</b>	<p>A Medium-Term Notes Programme being undertaken by DLM Funding SPV PLC pursuant to which Series of Bonds with varying maturities may be issued, the maximum aggregate Principal Amount outstanding of which shall not exceed the Programme Size.</p> <p>Bonds to be offered hereunder are accorded a shelf registration with the SEC for a three (3) year period commencing on the date of the issue of this Shelf Prospectus. No Bonds shall be offered on the basis of this Prospectus after the expiration of the Validity Period unless the Validity Period is renewed by the SEC.</p> <p>Under the terms of the Programme, Senior Bonds, Subordinated Bonds, Fixed Rate Bonds, Floating Rate Bonds, Zero Coupon Bonds and any combinations thereof may be issued, all of which shall be denominated in Naira or in such other currency as may be agreed between the Issuer and the Issuing House(s) and specified in the relevant Pricing Supplement.</p> <p>The Bonds shall be constituted by the Programme Trust Deed. A Series Trust Deed will be issued in respect of each Series.</p>
<b>Programme Limit</b>	₦30,000,000,000 (Thirty Billion Naira).
<b>Use of Proceeds</b>	The use of proceeds for the relevant Series of Securities issued under the Programme shall be specified in the applicable Pricing Supplement.
<b>Methods of Issue</b>	Bonds under this Programme may be issued and sold by way of a public offer, private placement, Book Building process, or any other methods permitted by the SEC as specified in each relevant Pricing Supplement.

<b>Issuance in Series</b>	The Bonds will be issued in Series and each Series may comprise one or more tranches issued on different terms. Details applicable to each Series will be specified in the applicable Pricing Supplement
<b>Types of Securities to be issued under the Programme</b>	<p>The following form of Securities may be issued under the Programme as specified in the applicable Pricing Supplement.:</p> <p><b>Fixed Rate Securities</b> Where any Series of Securities are fixed rate Securities, such Securities shall bear interest at a fixed rate and will be payable for each Series in arrears on such date(s) and at such rate(s) as specified in the Conditions and/or the applicable Pricing Supplement.</p> <p><b>Floating Rate Securities</b> Where any Series of Securities are floating rate Securities, the interest rate applicable will be determined in accordance with the Conditions and/or the applicable Pricing Supplement.</p> <p><b>Zero Coupon Securities</b> Where any series of Securities are issued as zero-coupon securities, the Issuer shall not make any coupon payments to investors over the life of such Series. However, investors shall be entitled to a lump sum payment of the applicable face value for such a Series upon maturity.</p>
<b>Maturities</b>	Subject to compliance with the SEC Rules and Regulations, all relevant laws and directives, Series of Securities may be issued in any maturity as may be allowed or required from time to time by the Commission or any laws or regulations applicable. The maturity of each Series of Securities will be specified in the applicable Pricing Supplement and Supplementary Trust Deed.
<b>Redemption</b>	Subject to the applicable Pricing Supplement, the Principal Amount Outstanding of the Securities may be redeemed in instalments on an amortising basis on each Payment Date or redeemed in a single bullet payment at the Maturity Date.
<b>Coupon Rates</b>	Bonds may be interest-bearing or non-interest bearing. Coupon (if applicable) may be fixed or floating rate as indicated in relevant Pricing Supplement(s)
<b>Currency</b>	The Bonds shall be denominated in Naira (₦) or any other currency as may be agreed between the Issuer and the Issuing House(s) and specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements
<b>Issue Price</b>	The Bonds may be issued at their Principal Amount or at a premium or discount to their Principal Amount, as specified in the relevant Pricing Supplement(s)

<b>Denominations</b>	The Bonds will be issued in such denominations as may be agreed between the Issuer and the Issuing House and as specified in the relevant Pricing Supplement(s), subject to compliance with all applicable legal and regulatory requirements.
<b>Form of Bonds</b>	The Bonds will be dematerialized and held in electronic book entry form with the CSD specified in the applicable Pricing Supplement.
<b>Transferability</b>	The Securities will be issued in registered form and be transferable subject to the provisions of the Programme Trust Deed and/or applicable Series Trust Deed.
<b>Tenor</b>	The Bonds will have such maturities as may be agreed between the Issuer and the Issuing House, subject to such minimum or maximum maturities as may be allowed or required from time to time by the SEC (or equivalent body) or any laws or regulations applicable to the Issuer. The tenor of a particular series of Bonds shall be specified accordingly in the relevant Pricing Supplement
<b>Debt Service Payment Account</b>	Unless otherwise stated in the applicable Pricing Supplement, a Debt Service Payment Account shall be established by the Bond Trustees for each Series of Bond issued under the Programme for the purposes of servicing the Bond repayment obligations under the Programme. The DSPA shall be administered by the Bond Trustees and the Bond Trustees shall from the DSPA make payments to Bondholders of Coupon and Principal Amount at the times and in such amounts as are specified in the repayment schedule set out in the relevant Pricing Supplement.
<b>Early Redemption</b>	Early redemption will be permitted only to the extent specified in the relevant Pricing Supplement and then only subject to any applicable legal or regulatory limitations.
<b>Frequency</b>	The frequency of Coupon payment and any other monies due on the Bonds shall be specified in the relevant Pricing Supplement for the Bonds being issued.
<b>Sponsor Rating</b>	A+ by DataPro Limited, and BBB- by Global Credit Rating Company Limited (GCR)
<b>Issue Ratings</b>	Ratings for each Series under the Programme will be stated in the relevant Pricing Supplement
<b>Day Count Convention</b>	30/360. Different day count conventions may be stipulated in the relevant Pricing Supplement.
<b>Status of the Bonds</b>	<p>The Programme allows for the issuance of various types of Bonds that can be classified as Senior Bonds or Subordinated Bonds.</p> <p>The Senior Bonds are direct, unconditional, secured or unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference of one above the other by reason of priority of date of issue,</p>

currency of payment or otherwise. The payment obligations of the Issuer under the Senior Bonds and in respect of currency of payment, principal and any Coupon thereon shall at all times rank at least equally with all other senior obligations of the Company, present and future, except for obligations mandatorily preferred by law applying to companies generally or except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment, amounts and terms of issue to be published by the Issuer from time to time by way of a Pricing Supplement.

The Subordinated Bonds will rank *pari passu* without any preference of one above the other by reason of priority of date of issue, currency of payment or otherwise with all other subordinated obligations of the Company, present and future, except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment to other subordinated obligations. The Senior Bonds will rank in priority of payment to the Subordinated Bonds.

**Event of Default**

The events of default under this Programme are as specified in the Programme and Series Trust Deeds

**Other Terms and Conditions**

Terms applicable to each Series as specified in the Pricing Supplement other than those specifically contemplated under this Shelf Prospectus which the Issuer and the Issuing House(s) may agree to issue under the Programme subject to compliance with all relevant applicable laws and regulations

**Taxation**

Under current legislation in Nigeria, the tax consequences of an investment in the Bonds to be issued under the Programme are quite broad and extensive. The CITA Order and PITA exempt interest earned by holders of short-term securities issued by corporate bodies from the imposition of companies' income tax and personal income tax respectively by the CIT (Exemption of Bonds and Short Term Government Securities) Order 2011 ("CITA Order"), the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("VAT Order") and PIT (Amendment) Act 2011 ("PITA"). The exemptions granted under the CITA and VAT Orders became effective in 2012 and are valid for a period of ten (10) years while the duration of the exemptions under the PITA is indefinite. Upon expiration of the CITA order in January 2022, corporate Bondholders are liable to pay income tax on profits or returns accrued on the Bonds and the Issuer is required by law to withhold income tax on Coupon payments to the Bondholders. The VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("VAT Order") which commenced on January 2, 2012 exempts income and proceeds from the disposal of debt securities from value added tax for a period of ten (10) years from the commencement date. While the VAT Order expired in 2022, the Finance Act, 2020 now excludes securities from "goods and services" for the purpose of value added tax (s.44).

In addition, the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014 exempts (a) commissions earned on traded value of the shares, and (b) commissions payable to the SEC, the Nigerian Exchange Limited and the CSD from VAT for a period of five years from the commencement date of the order i.e., 25th July, 2014. In light of the fact that this Order expired in 2019 and was not extended,

Commissions payable to the CSCS, SEC, FMDQ or The NGX in connection with the Bonds shall be subject to VAT.

**Listing**

Each Series of Bonds will be listed on the FMDQ and/or the NGX and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as may be agreed amongst the Issuer, the Sponsor and the Issuing House, and specified in the applicable Pricing Supplement

**Governing Law**

The Bond Issue, the Trust Deed and all related documents (the “Transaction Documents”) will be governed by the laws of the Federal Republic of Nigeria.

**Statement of Indebtedness**

Details of all indebtedness of the Issuer at the time of issuance of any Bonds under the Programme will be disclosed in the applicable Pricing Supplement relating to the Series of Bonds to be issued.

**Transaction Documents**

- Shelf Prospectus
- Applicable Pricing Supplement
- Programme Trust Deed
- Series Trust Deed
- Vending Agreement
- Any other agreement(s) executed in connection with the Bond issuance

## TERMS AND CONDITIONS OF THE BONDS

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*The following are the terms and conditions which (subject to amendment and as completed, modified, supplemented, varied or replaced, in whole or in part, by the final terms which are set out in the relevant Series Trust Deed, or Pricing Supplement (the “**Final Terms**”), and, save for the italicised text) will be incorporated by reference into the Bonds issued under this Deed.*

*Further information with respect to Bonds of each Series will be given in the relevant Final Terms, which will provide for those aspects of these terms and conditions which are applicable to such Series of the Bonds. Certain provisions of these terms and conditions are summaries of, and are subject to, the detailed provisions of the Programme Trust Deed.*

*The provisions of the terms and conditions set out below (the “**Conditions**”) which are applicable to the Bonds 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; alternative or optional provisions of these Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Conditions; and all provisions of these Conditions which are inapplicable to the Bonds shall be deemed to be deleted from these Conditions, as required to give effect to the terms of the relevant Final Terms.*

*The Bonds are constituted by a Programme Trust Deed (the “**Programme Trust Deed**”) dated 8<sup>th</sup> May, 2024 amongst DLM Funding SPV PLC (as **Issuer**), DLM Capital Group Limited (as **Sponsor**) and DLM Trust Company Limited, AVA Trustees Limited and FBNQuest Trustees Limited (together the “**Trustees**”), as supplemented by a separate trust deed applicable to each Series of Bonds.*

*The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Programme Trust Deed and the relevant Series Trust Deed applicable to them. Copies of the Programme Trust Deed are available for inspection between the hours of 8:00 am and 5:00 pm on any Business Day at the principal offices of the Trustees at 66-68, Alexander Rd., Ikoyi Lagos, Nigeria (DLM Trust Company Limited), 3. Glover Road, Ikoyi, Lagos (AVA Trustees Limited) and 10, Keffi Street, Ikoyi, Lagos Nigeria (FBN Quest Trustees Limited) and at the specified offices of the Registrar, Meristem Registrars & Probate Services Limited, 213, Herbert Macaulay Way, Yaba, Lagos, Nigeria, provided no less than 24 (twenty-four) hours’ notice is given of such inspection.*

*Words and expressions defined in the Programme Trust Deed (as same has been and may be amended, varied or supplemented from time to time with the consent of the parties thereto) are expressly and specifically incorporated to and shall apply to these Conditions.*

*Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Programme Trust Deed unless the context otherwise requires, or unless otherwise stated.*

### 1. **Form and Denomination**

Unless otherwise specified in any Supplementary Shelf Prospectus/Pricing Supplement, the Bond shall be issued in registered form in denominations of ₦1,000 (One Thousand Naira). The Bonds may be issued in dematerialised form whereupon an E-Allotment Notification Letter(s) will be issued to each Bondholder in respect of its registered holding of the Bonds. Each E-Allotment Notification Letter(s) will be numbered serially with an identifying number which will be recorded on the relevant E-Allotment Notification Letter(s) and in the register of Bondholders which the Issuer will procure to be kept by the Registrar. The Bond may also be issued in Certificated form, PROVIDED THAT joint Holders shall be entitled to only one.

(1) Certificate in respect of the Bonds jointly held by them which Certificate shall be delivered to that one of the joint Holders whose name appears first in the Register and the delivery of a Certificate to one of such persons shall be deemed sufficient delivery to all.

Each Certificate shall be registered with a separate securities identification code with the CSD, in addition to being registered in the register of Bondholders.

2. **Status of the Bond**

The Bonds shall be a senior, unsecured, unsubordinated, unconditional, irrevocable and unsubordinated secured obligation, of the Issuer and when issued shall rank *pari passu* without preference, with other outstanding senior unsubordinated unsecured obligations of the Issuer, except for obligations mandatorily preferred by law applying to companies generally.

3. **Repayment**

The Bonds shall be repaid in accordance with the terms of the relevant Series or such date as the Trustees in accordance with the Series Trust Deed declare the Bond to have become immediately repayable together with such premium (if any) on such Bond as may be payable under Condition 6.

4. **Interest**

Interest on the Bonds will accrue from the Coupon Commencement Date, the first such coupon payment to be made on the Coupon Payment Date, in arrears up to and including the relevant Final Maturity Date.

5. **Redemption**

The Bonds may be redeemed at such terms, including notice period and any relevant conditions to be satisfied, and at such redemption dates and prices as specified in the applicable Pricing Supplement and Series Trust Deed.

6. **Taxation**

a. Pursuant to the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011, (the “**CIT Order**”) and the Value Added Tax (Exemption of Proceeds of Disposal of Government and Corporate Securities) Order, 2011, (“**VAT Order**”), corporate bonds were exempted from taxes ordinarily imposed under the Companies Income Tax Act Cap. C21, LFN 2004 (as amended by the Finance Acts 2019, 2020, 2021 and 2023) as well as from the imposition of Value Added Tax respectively, for ten (10) years from the date the orders became effective (being January 2, 2012). Following the expiration of these orders on 2 January 2022, interest payments to corporate entities who are Bondholders will be subject to withholding tax and as required by applicable law. In respect of Coupon accruing to corporate Bondholders post-January 2, 2022, the Issuer is required by law to withhold tax on such Coupon payments to the corporate Bondholders. In that event, no additional amounts shall be paid to the Bondholders as a result thereof.

This is subject to VAT payable on commissions payable to the SEC, The Nigerian Exchange Limited and the CSD for stock exchange transactions, following the expiration of the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014.

Furthermore, by virtue of the Personal Income Tax (Amendment) Act 2011, corporate bonds are also exempt from personal income tax. Therefore, all amounts payable under the Bonds will be paid without deduction or withholding for or on account of any income tax.. Furthermore, by virtue of the Finance Act, 2020 which expressly excludes securities from the definition of goods under the Value Added Tax Act, corporate bonds may be exempt from VAT even after the expiration of the VAT Order. Provided however that the Bonds shall enjoy the benefits of the provisions of the tax exemptions, and such extension, amendments and modifications thereof.

- b. The relevant Series Trust Deed and Pricing Supplement will indicate the tax consequences of investment in the relevant Series or Tranche of Bonds.
- c. Condition 6(a) is not intended to be and should not be construed to be tax advice to any prospective investor of the Bonds. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Bonds in view of his/her own circumstances.

## **7. Premium**

If the Bond becomes repayable by reason of the Trustees in accordance with the provisions of the Trust Deed declaring the Bond to have become immediately repayable, such premium shall be payable on the Bond as agreed between the Issuer and the Trustee.

## **8. Amendment of CSD Account/Certificate**

The CSD Account of each Bondholder whose Bond is due to be redeemed under a relevant Series shall not later than the due date for such redemption be amended by the Nigerian Exchange Limited Daily Official Lists as the Issuer shall direct and where relevant, the Bondholder shall, not later than the due date for redemption, deliver up his Certificate to the Issuer or as it shall direct. If the Bondholder redeems only part of the Bond held by him, the CSD Account or Certificate shall be amended to reflect the balance of the Bond held by him.

## **9. Trusts**

- 9.1. Except as required by law or as ordered by some court of competent jurisdiction, the Issuer will recognize the Bondholder of any Bond as the absolute owner of such Bond and shall not be bound to take notice or see to the execution of any trust whether express, implied or constructive to which any Bond may be subject.
- 9.2. The receipt of such Bondholder for the time being of any Bond (or in the case of joint registered holders the payment to any of them) of the Principal Amount of such Bond or of any other money payable in respect of such Bond shall be a good discharge to the Issuer notwithstanding any notice it may have whether express or otherwise of the right, title, interest or claim of any other person to or in such Principal Amount, dividend or other money. No notice of any trust whether express, implied or constructive shall (except as provided by statute or as required by a court of competent jurisdiction) be entered on the Register in respect of any Bond.

## **10. Freedom from Equities**

Every Bondholder will be recognized by the Issuer as entitled to his Bond free from any equities, set-off or cross-claim on the part of the Issuer against the original or any intermediate holder of the Bond.

## **11. Transfers**

- 11.1. The Bond is transferable in amounts or integral multiples of an amount specified in the Series Trust Deed.
- 11.2. Transfers of the Bond shall be by an instrument in writing in any form the Directors and the Trustees may approve.
- 11.3. Every instrument of transfer must be signed by or on behalf of the transferor (or where the transferor is a corporation, properly executed) and the transferor shall be deemed to remain the owner of the Bond until the name of the transferee is entered in the Register.
- 11.4. Every instrument of transfer must be left for registration at the place where the Register shall for the time being, be kept accompanied by the Certificate for the Bond to be transferred such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the Bond and (if the

instrument of transfer is executed by some other person on his behalf) the authority of that person so to do.

11.5. All instruments of transfer which shall be registered will be retained by the Issuer.

## **12. Transmission**

12.1. In the case of the death of an individual Bondholder, the survivor or survivors where the deceased was a joint holder and the executor or administrator of the deceased where he was a sole or only surviving holder shall be the only person recognized by the Issuer as having any title to such Bond.

12.2. Any person becoming entitled to any Bond in consequence of the death or bankruptcy of an individual Bondholder or of any other event giving rise to the transmission of such Bond by operation of law may upon producing such evidence that he sustains the character in respect of which he proposes to act under this condition or of his title as the Directors shall think sufficient be registered himself as the holder of such Bond or may transfer such Bond without himself being registered as the holder of such Bond.

## **13. Method of Payment of Principal and Coupon**

13.1. Coupon on the Bonds shall accrue from the Coupon Commencement Date and payments will be made to those persons whose names appear (or to the first named in the case of joint holders) in the Register of Bondholders at the close of business on the Record Date specified in the relevant Series Trust Deed.

13.2. The Final Terms and Conditions in the relevant Pricing Supplement of a specific Series of Bonds will provide for the repayment terms of the Principal Amount.

13.3. All payments shall be made in Nigerian Naira and by credit to the bank account of the Bondholder as specified on the application form attached to the Supplementary Prospectus by the Registrar. If a bank account is not provided for this purpose, all applicable payments will be withheld until the relevant bank account details have been provided. No additional amounts will be paid on any Coupon withheld for non-provision of relevant bank account. The Bondholder or his legal representative shall be the only person entitled to receive payments in respect of Bonds and the Issuer will be discharged by payment to, or to the order of, the Bondholder in respect of each amount so paid.

13.4. If the due date for payment of any amount in respect of the Bonds in any Series is not a Business Day, then the Bondholder thereof shall not be entitled to payment of the amount due until the next following Business Day unless the day falls on the next calendar month, in which case the due date will be the last preceding day that is a Business Day, and the Bondholder shall not be entitled to any further amount or other payment in respect of any such delay. For the purpose of this Condition, "Business Day" means any day on which banks are open for business in the Federal Republic of Nigeria and in the case of transfer to or from an account held by a non-resident investor, in the place where such bank account is maintained.

13.5. Any monies paid by the Issuer in respect of any Bonds and remaining unclaimed at the end of twelve (12) years after the principal of all the Bonds shall have become due and payable (whether at maturity or otherwise) and monies sufficient therefore shall have been duly made available for payment thereon, shall be repaid to the Issuer. Upon such repayment all liabilities of the Registrar with respect to such funds shall cease.

## **14. Receipts for Money Paid**

If several persons are entered in the register as joint holders of any Bond, the receipt of any of such persons for any Coupon or Principal Amount or other money payable on or in respect of such Bond shall be as effective a discharge to the Issuer as if the person signing such receipt were the sole registered holder of such Bond.

**15. Worn Out/Lost Certificate**

- 15.1. In the event that an original Certificate becomes mutilated, stolen, lost or destroyed, such Certificate may be replaced against payment by the Bondholder of such costs as may be incurred in connection therewith and on such terms as to evidence (including in the case of stolen, lost or destroyed Certificates, surrender of a copy certified in a manner satisfactory to the Issuer, Trustee and Registrar and may require in the case of mutilation, surrender of the mutilated Certificate).
- 15.2. An entry as to the issue of the new Certificate and indemnity (if any) shall be made in the Register.

**16. Notices**

- 16.1. Any notice or other document (including a Certificate) may be given to or served on any Bondholder either personally or by sending it by post in a prepaid envelope or delivering it addressed to him at his registered address or (if he desires that notices shall be sent to some other persons or address) to the person at the address supplied by him to the Issuer for the giving of notice to him.
- 16.2. In the case of joint registered holders of any Bond a notice given to the Bondholder whose name stands first in the Register in respect of such Bond shall be sufficient notice to all the joint holders.
- 16.3. Any notice or other document duly served on or delivered to any Bondholder under these conditions shall (notwithstanding that such Bondholder is then dead or bankrupt or that any other event has occurred and whether or not the Issuer has notice of the death or the bankruptcy or other event) be deemed to have been duly served or delivered in respect of any Bond registered in the name of such Bondholder as sole or joint holder unless before the day of posting (or if it is not sent by post before the day of service or delivery) of the notice or document his name has been removed from the Register as the holder of the Bond and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or claiming through or under him) in the Bond.
- 16.4. Notice shall be deemed to have been served on the day following that on which the letter containing the notice is posted and in proving such service it shall be sufficient to prove that the envelope containing the notice or the notice itself was properly addressed, stamped and posted. Any notice given by delivery otherwise than by post shall be deemed given at the time it is delivered to the address specified.

## **USE OF PROCEEDS**

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The Pricing Supplement for each Series or Tranche under the Programme will specify the details of the use of Proceeds of that particular Series or Tranche.

## RISK FACTORS

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*Investment in the Bonds involves a certain degree of risk. Accordingly, prospective investors should carefully consider the following risk factors together with all the other information included in this Prospectus before purchasing the Bond. The risks outlined below are by no means exhaustive and are not the only risks facing the Issuer. Additional risks and uncertainties that are currently considered immaterial may also materially and adversely affect the Issuer in the future, should market conditions significantly deteriorate. Any of the following risks could result in a material adverse effect on the Issuer's financial condition, and ability to service its debt obligations, including the Bond.*

### **1. GENERAL RISKS RELATING TO THE BONDS**

#### **1.1 Independent Review and Advice:**

The Bonds may not be suitable to all investors. Therefore, each prospective investor in the Bonds must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Bonds is fully consistent with its investment needs, objectives and condition, that it complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Bonds. A prospective investor may not rely on the Issuer or the Issuing House(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Bond or as to the other matters referred to above.

#### **1.2 Change of Law:**

The structure as well as the Terms and Conditions of the Bonds are based on Nigerian law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Nigerian law or the official application or interpretation of Nigerian law after the date of this Prospectus.

#### **1.3 Modification, waivers and substitution:**

The conditions of the Bonds contain provisions for calling General Meetings of Bondholders to consider matters affecting their general interests. These provisions permit Bondholders holding at least sixty percent (60%) of the aggregate nominal value of the Bonds for the time being outstanding to bind all Bondholders, including Bondholders who did not attend and vote at the relevant General Meeting and Bondholders who voted in a manner contrary to the majority.

#### **1.4 Taxation:**

Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to seek their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds.

#### **1.5 Credit ratings may not reflect all risks:**

The Bonds issued under the Programme will be assigned a rating by the Rating Agency. Independent rating agencies may decide to rate the Bonds. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

## **1.6 The Secondary Market for trading the Securities may not be very liquid:**

The Nigerian corporate securities markets are smaller, less liquid and more concentrated than major corporate securities markets. The Issuer cannot guarantee that the market for the Bonds will always be active or liquid, for example, the Bonds may be subject to extreme volatility at times, in response to fluctuating interest rates, developments in local and international capital markets and the overall market for debt securities among other factors. There is no assurance that the Bonds may be easily disposed of at prices and volumes at instances best deemed appropriate by their holders.

## **2. RISKS RELATING TO NIGERIA**

### **2.1 Political and regional instability**

Oil exportation is the major source of government revenue to Nigeria and Nigeria's major oil producing area is the Niger Delta region. There has been renewed agitation and militancy in the Niger Delta region which has substantially affected the country's oil production. Until a lasting solution is found, there will be continued agitation and militancy activities in the region which would continually threaten the oil production and economic activity in the main oil producing region of Nigeria.

The advent and activities of the insurgent groups introduced a new dimension to armed confrontations with public security forces. Although the Federal Government has recorded tremendous success in eliminating the extremist group and weakening their activities in the Northern region, suicide bombings and indiscriminate attacks on even co-religionists continue to raise serious concerns about the protection of lives and property, sustained attractiveness of Nigeria to foreign investors, and the recovery of the capital market.

Although, the political and regional instability has had a material adverse effect on investment and confidence in the performance of the Nigerian economy, the Federal Government has embarked on a number of initiatives to address the instability and unrest. Parts of these initiatives include frequent engagement with leaders of the South-South region to help in reducing oil pipeline vandalism and oil bunker and the issuance of a green bond, proceeds of which will be used to revive the region.

In spite of the Federal Government's efforts, continued criminal activity, unrest and political and religious conflicts in the country may lead, deter investments in the country and lead to increased political instability that could have a material adverse effect on Nigeria's economy and impact the Issuer's income.

#### **Issues with governance and processes continue to weigh on doing business in Nigeria**

Bureaucracy, bribery and corruption, are of serious concern and constitute major barriers to doing business in Nigeria and hinder economic growth and social development. Nigeria currently ranks 131 out of 190 countries in the World Bank's 2020 Doing Business ranking. This is an indication of the country's poor performance in the areas of paying taxes, enforcing contracts and trading across borders, which makes the climate difficult for doing business. This continues to impact negatively on tax revenues, investor confidence and mobility of goods.

Failure to address these issues, continued corruption in the public sector and any future allegations of or perceived risk of corruption in Nigeria could have an adverse effect on the Nigerian economy and may have a negative effect on Nigeria's ability to attract foreign investment. The inability to attract foreign investment will have a detrimental effect on the ability to attract foreign exchange which will put pressure on the currency.

## **2.2 Risks related to the economic stability of Nigeria**

The current presidential administration has implemented several wide-sweeping political and economic reforms aimed at diversifying Nigeria's economy to improve macroeconomic stability whilst promoting a private sector market driven economy.

Downward pressure on the economic stability could develop if reforms stagnate, growth falters, external balance deteriorates as a result of oil price shock or and political tensions, banditry or other forms of violence increase substantially.

## **2.3 Global prices of oil have a significant impact on the Nigerian economy**

According to the Nigerian National Petroleum Corporation (NNPC), in February 2018, crude oil production in Nigeria averaged 2.01mb/day, the second highest production in the last twenty-three months preceding the period. This figure is far greater than an average of 1.451mb/day recorded in September 2021. Despite the rise in crude oil prices above \$75 per barrel at the International market, there are indications that Nigeria crude oil production may have recorded a decline by 7,000 bpd of 1.48 million bpd in June against 1.55 million bpd in that of May. According to the report, Nigeria produced 1.48 million bpd in June 2021, its lowest level since January, compared to 1.55 million bpd in May. Some of the country's large oil fields, especially those in the Niger Delta like Bonny, Escravos, Brass River and Qua Iboe, were said to be pumping well below their full capacity due to either technical problems or maintenance.

Crude oil prices are highly volatile. Since the third quarter of 2020, global demand for crude oil and petroleum products has increased faster than production, which has led to inventory draws and increasing crude oil prices. Given the increasing level of global production, existing political tensions and other conflicts, the Nigerian economy could be adversely affected by a significant decline in oil prices

## **2.4 Emerging markets such as Nigeria are subject to greater risks than more developed markets, and financial turmoil in any emerging market could cause the price of the Bonds to decrease:**

In emerging market countries, securities markets may be smaller than in more developed countries, making it more difficult to sell securities in order to take profits or avoid losses. Companies in these markets may have limited product lines, markets or resources, making it difficult to measure the value of the group. Political instability and possible corruption, as well as lower standards of regulation for business practices, increase the possibility of fraud and other legal problems.

Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risks involved in, and are familiar with investing in emerging markets. Investors should also note that emerging markets such as Nigeria are subject to rapid change and that the information set forth in this Prospectus may become outdated relatively quickly.

Moreover, financial turmoil in any emerging market country tends to adversely affect prices in equity markets of all emerging market countries as investors move their money to more stable, developed markets. As has happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Nigeria and adversely affect the Nigerian economy. In addition, during such times, companies that operate in emerging markets can face severe liquidity constraints as foreign funding sources are withdrawn. Thus, even if the Nigerian economy remains relatively stable, financial turmoil in any emerging market country could adversely affect the Issuer's business, as well as result in a decrease in the price of the Bonds.

### **3. RISKS RELATING TO THE SPONSOR**

The ultimate obligor for the indebtedness arising from the issuance of these Bonds is the Sponsor. The following is a description of the risk factors that are material in respect of the financial situation of the Sponsor under the Programme:

#### **3.1 Price Risk**

Price Risk is the risk of losses resulting from adverse movements in market prices. The risk-free rate of interest is set by the Federal Government and is exogenous to the Issuer's operations.

#### **3.2 Regulatory Risk**

The subsidiaries of the Sponsor are subject to the risk of being sanctioned by the CBN and other regulatory agencies for non-compliance with applicable regulations

#### **3.3 Interest Rate Risk**

Investment in Fixed Rate Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. In addition, a holder of securities with a fixed interest rate that will be periodically during the term of the relevant securities, such as reset bonds, is also exposed to the risk of fluctuating interest rate levels and uncertain interest income.

Any fluctuations in market interest rates, and the Sponsor's inability to monitor such fluctuations so as to respond in a timely and cost-effective manner, could lead to a reduction in net interest income and adversely affect the Sponsor's financial condition and results of operations. The Sponsor's operations remain subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprice at different times or in differing amounts.

#### **3.4 Foreign Exchange Risk**

Foreign Exchange risk is the exposure of the Sponsor's financial condition to adverse movements in exchange rates. The Sponsor is minimally exposed to the financial risk related to the fluctuation of foreign exchange rates. This is because its revenues, capital expenditures are principally based in Naira. A significant change in the exchange rates between the Naira (₦) (functional and presentation currency) relative to the US dollar would have an insignificant effect on operations, financial position and cash flows. The Sponsor did not enter into any forward exchange contracts to manage currency risk fluctuations.

#### **3.5 Liquidity Risk**

Liquidity Risk is the current or prospective risk to earnings and capital arising from the Sponsor's inability to meet its liabilities when they fall due without incurring unacceptable losses. It arises when the cushion provided by the liquid assets are not sufficient enough to meet its obligation. The Sponsor is managed to preserve a high degree of liquidity so that it can meet its obligations at all times including periods of financial stress.

### **4. RISKS RELATING TO THE BOND**

#### **4.1 Independent Review and Advice**

The Bonds may not be suitable to all investors. Therefore, each prospective investor in the Bond must determine, based on its own independent review and such professional advice as it deems appropriate

under the circumstances, that its acquisition of the Bonds is fully consistent with its investment needs, objectives and condition, that it complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Securities. A prospective investor may not rely on the Issuer or the Issuing Houses or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the security or as to the other matters referred to above.

#### **4.2 Change of Law**

The transaction structure as well as the Terms and Conditions of the Bonds are based on Nigerian law in effect as at the date of this Shelf Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Nigerian law or the official application or interpretation of Nigerian law after the date of this Shelf Prospectus.

#### **4.3 Credit ratings may not reflect all risks**

The Securities issued under the Programme shall be assigned a rating by SEC-registered rating agencies or any independent rating agency that may decide to rate the Bonds. Credit ratings are an independent assessment of the Issuers ability to pay its debt obligations when due. The rating may not reflect the potential impact of all risks related to the transaction structure, market, additional factors discussed above, and other factors that may affect the value of the Bond. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the Rating Agencies at any time.

The credit ratings of each applicable Series of Bonds issued under the Programme shall be based on, among other things, the projected revenues of the obligors and other relevant structural features of the transaction, which reflect the Rating Agencies' views as at the date of this Prospectus and throughout the life of the Bonds. There is no assurance that any such rating will continue for any period of time or that such a rating will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes to the transaction structure, unavailability of information or if, in the judgment of the Rating Agencies, such circumstances so warrant. A qualification, downgrade or withdrawal of the rating mentioned above may impact upon the value of the Bonds. Agencies other than Rating Agencies could seek to rate the Bonds and if such “unsolicited ratings” are lower than the comparable rating assigned to the Bonds by the Rating Agencies, those unsolicited ratings could have an adverse effect on the value of the Bonds.

As earlier indicated, each potential investor in the Bonds is advised to base its investment decision upon its own independent review and such professional advice as it deems appropriate under the circumstances.

#### **4.4 The Secondary Market for trading the Securities may not be very liquid:**

The Nigerian Securities markets are substantially smaller, less liquid and more concentrated than major securities markets. The Issuer cannot guarantee that the market for the Bonds will always be active or liquid, for example, the Securities may be subject to extreme volatility at times, in response to fluctuating interest rates, developments in local and international capital markets and the overall market for debt securities among other factors. There is no assurance that the Securities may be easily disposed of at prices and volumes at instances best deemed appropriate by their holders.

# DLM CAPITAL GROUP

## Long-Term Rating:

**A<sup>+</sup>**

Short Term Rating: A1

Previous Rating: A

Rating Outlook: Stable

Trend: UP

Currency: Naira

Date Issued: 9 Oct., 2023

Valid Till: 8 Oct., 2024

## Reference:

Abiodun Adeseyoju, FCA.

Abimbola Adeseyoju

Oladele Adeoye

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

## EXECUTIVE SUMMARY

	2022 ₦'000	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000
Gross Earnings	7,224,349	4,793,130	2,786,913	4,975,279	964,182
Pre-Tax Profit	1,303,561	883,657	594,363	685,456	265,637
Equity	6,406,324	5,155,704	4,393,283	3,874,249	3,560,378
Non-Current Assets	689,446	507,231	325,430	271,517	420,123
Total Asset	23,544,541	24,081,546	13,813,906	15,324,872	7,314,945
Total Debt	17,138,217	18,925,842	9,405,623	11,450,625	3,754,570

### Rating Explanation

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

The Long-Term Rating of A<sup>+</sup> indicates *Low Risk*. It shows Very Good Financial Strength, Operating Performance and Business Profile when compared to the standard established by *DataPro*. This Group, in our opinion, has strong ability to meet its ongoing obligations.

## RATING SYNOPSIS

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

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

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

Overall, the following were observed:

### Positive Rating Factors:

- Good Revenue Profile
- Good Asset Quality
- Stable and Experienced Management

### Negative Rating Factor:

- Macro-Economic Constraints

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



## CREDIT RATING ANNOUNCEMENT

GCR affirms DLM Capital Group Limited's national scale long and short-term issuer ratings of BBB<sub>(NG)</sub> and A3<sub>(NG)</sub> respectively; Outlook Stable

### Rating action

Lagos, 17 October 2023 - GCR Ratings (GCR) has affirmed DLM Capital Group Limited's national scale long-term and short-term issuer ratings of BBB<sub>(NG)</sub> and A3<sub>(NG)</sub> respectively, with a Stable Outlook.

Rated Entity	Rating class	Rating scale	Rating	Outlook
DLM Capital Group Limited	Long Term Issuer	National	BBB <sub>(NG)</sub>	Stable
	Short Term Issuer	National	A3 <sub>(NG)</sub>	

### Rating rationale

The ratings of DLM Capital Group Limited (DLM) are hinged on the creditworthiness of the parent company and its seven subsidiaries: Links Microfinance Bank Limited, Citihomes Finance Company Limited, DLM Trust Company Limited, DLM Asset Management Limited, DLM Securities Limited, DLM Advisory Limited and DLM FX Trading Limited, collectively "the Group". The ratings reflect a relatively stable and concentrated funding base, good capitalisation metrics, adequate liquidity, a modest competitive position, and an intermediate risk assessment.

DLM's modest competitive position mirrors a diversified business model, but relatively low market share of most subsidiaries. Operating revenues are stable and have grown over the years registering a 3-year CAGR of 39% in 2022. Furthermore, the Group's return on assets (ROA) and return on equity (ROE) at 5.2% and 26.7% respectively were good, with Links MFB (26%) and DLM Asset Management Limited (23%) accounting for almost half of the Group's gross earnings in 2022. Over the next 12-18 months, there could be a moderate improvement in DLM's competitive position if the planned expansion and further diversification of the lending business through technology and recapitalisation materialises. However, transition risks would need to be well managed to ensure earnings remain stable and market share is not eroded.

Our assessment of DLM's financial leverage continues to be ratings positive despite fairly rapid moderation over the last 12-18 months. DLM's financial leverage ratio was 17.1% as of 30 June 2023 reducing from 25.5% at December 2022 due to a 54.3% growth in total assets and a 3% increase in capital. Moreover, the capital base is somewhat exposed to revaluation gains on an investment property. However, on a forward-looking basis, we have considered a likely improvement in the Group's leverage ratio on the back of a planned movement of the asset management subsidiary's funds under management (FUM) off the balance sheet. Should this materialise and is reflected in the Group's audited financial statements for 2023, DLM's leverage ratio could rise above 20%. In addition, the successful recapitalisation of Links MFB or the external verification

Nigeria | Non-Bank Financial Institutions | Public Rating

## EXTRACT OF THE ISSUER'S BOARD RESOLUTION

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### DLM FUNDING SPV PLC

66 – 68 Alexander Avenue, Ikoyi, Lagos

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THE FEDERAL REPUBLIC OF NIGERIA  
COMPANIES AND ALLIED MATTERS ACT, 2020  
PUBLIC COMPANY LIMITED BY SHARES  
RESOLUTION OF THE BOARD OF DIRECTORS  
OF  
DLM FUNDING SPV PLC (RC: 1815068)

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At a meeting of the Board of Directors of **DLM FUNDING SPV PLC** (the “Company”) duly convened and held on the **2nd** day of **December** 2021, at its registered office 66 – 68 Alexander Avenue, Ikoyi, Lagos the following resolutions were proposed and duly passed:

1. THAT the Company be and is hereby authorized to set up a ₦30,000,000,000 (Thirty Billion Naira) Medium Term Note Programme and raise debt capital up to ₦30,000,000,000 (Thirty Billion Naira) through the issuance of bonds and/or any other instruments in tranches, series or proportion at such coupon or interest rates, within such maturity periods and on such terms and conditions, by way of book building or such other methods determined by the Financial Advisers, subject to obtaining approvals of relevant authorities;
2. THAT the Company be and is hereby authorized to raise debt capital of up to ₦5,000,000,000 (Five Billion Naira) via the issuance of Series I Bonds (the “Bond Issue”) under the ₦30,000,000,000 Medium Term Note Programme;
3. THAT authority be and is hereby given to any of the Directors to execute all applicable documents, notices, letters or certificates that are, in the opinion of the Issuing Houses/Financial Advisers, considered necessary for the purpose of registering the Programme and the issuance of Series I Bonds under the Programme.”

Dated this **2nd** day of **December**, 2021.



Emeka Ngene  
DIRECTOR

  
DLM Nominees  
COMPANY SECRETARY



P.O. Box 965  
Marina  
Lagos

Nigeria

Deloitte & Touche  
Civic Towers  
Plot GA 1, Ozumba Mbadiwe  
Avenue  
Victoria Island, Lagos  
Nigeria  
Tel: +234 (1) 904 1700  
[www.deloitte.com.ng](http://www.deloitte.com.ng)

Securities & Exchange Commission, Nigeria  
SEC TOWERS  
Plot 272, Samuel Adesujo Ademulegun Street  
Central Business District  
P.M.B:315, Garki, Abuja.

Dear Sirs,

**ASSESSMENT OF GOING CONCERN STATUS OF DLM FUNDING SPV PLC AS AT 31 AUGUST 2023**

We have received from the Directors of DLM Funding SPV Plc ("the Company"), evidence that they have reviewed the statements of affairs of the company with respect to its ability to continue in business as a going concern in the next twelve (12) months subsequent to period ended 31 August 2023.

We have performed the following procedures:

- a) Obtained the latest set of financials as replicated in the statement of affairs.
- b) Assessed the operational prospects of the company using information obtained from the entity's management.
- c) Requested for management's assessment of going concern, noting any adverse indicators identified and assessed the impact for the next twelve (12) months.

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

Yours faithfully,

Saidi Bolaji  
For: Deloitte & Touche  
Chartered Accountants  
Lagos, Nigeria  
28 September 2023



List of partners and partner equivalents available on the website  
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited



P.O. Box 965  
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Securities & Exchange Commission, Nigeria  
SEC TOWERS  
Plot 272, Samuel Adesujo Ademulegun Street  
Central Business District  
P.M.B:315, Garki, Abuja.

Dear Sirs,

**ASSESSMENT OF GOING CONCERN STATUS OF DLM CAPITAL GROUP AT 31 DECEMBER 2022**

We have received from the Directors of DLM Capital Group Limited ("the Company"), evidence that they have reviewed the audited financial statements of the company with respect to its ability to continue in business as a going concern in the next twelve (12) months subsequent to year ended 31 December 2022.

We have performed the following procedures:

- a) Obtained the latest set of financials as replicated in the audited financial statements
- b) Assessed the operational prospects of the company using information obtained from the entity's management.
- c) Requested for management's assessment of going concern, noting any adverse indicators identified and assessed the impact for the next twelve (12) months.

Based on the evidence obtained and together with the outcome of our assessment of the company's ability to continue as a going concern, we can confirm that nothing has come to our attention that causes us to believe that the Company will not continue as a going concern in the next twelve (12) months subsequent to financial year ended 31 December 2022.

Yours faithfully,

Saidi Bolaji  
For: Deloitte & Touche  
Chartered Accountants  
Lagos, Nigeria  
31 October 2023



**MAKING AN  
IMPACT THAT  
MATTERS**  
*since 1845*

List of partners and partner equivalents available on the website  
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

# SPONSOR'S DECLARATION OF GOING CONCERN

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7 September 2023

The Managing Director  
FBNQuest Merchant Bank Limited  
16 Keffi Street  
Off Awolowo Road  
S.W. Ikoyi, Lagos  
Nigeria

Dear Sir,

## **CONFIRMATION OF GOING CONCERN STATUS OF DLM CAPITAL GROUP LIMITED**

DLM Funding SPV PLC, sponsored by DLM Capital Group Limited ("DLM" or "the Sponsor"), is in the process of registering its ₦30,000,000,000.00 (Thirty Billion Naira) Medium Term Notes Programme with the Securities and Exchange Commission (SEC).

Based on our review of the financial statements of DLM for the year ended 31 December 2022, we have a reasonable expectation that the Sponsor has adequate resources to continue as a going concern in the foreseeable future.

This letter has been prepared only for the purpose of compliance with the rules and regulations of the SEC.

Yours faithfully,

Name: Sonnie Ayere  
Director:

Name: Rotimi Akinseye  
Company Secretary:

  
**CHIDI OKOROJI**  
NOTARY PUBLIC  
Suite 208, Entrance 7,  
TBS, Lagos.  
08037218355  
chidiokoroji@gmail.com



## INFORMATION RELATING TO THE SPONSOR

*The Information in this section has been extracted from documents and publications available and released by the Issuer. Neither the Issuer nor its advisers are able to ascertain if facts have been omitted that would render the reproduced information inaccurate or misleading.*

### Introduction

DLM Capital Group Limited (the “Group” or the “Sponsor”) is a diversified financial services and developmental investment banking institution. The Group offers general financial and investment banking related services via its subsidiaries which provide corporate finance advisory, asset management, trust services, securities trading and forex dealing. The Group also has a FinTech company which includes a full-service digital bank that provides general banking services and retail and consumer credit. Finally, the group has a finance company that provides loans to mid-sized corporate businesses.

The goal of the group is to provide innovative solutions to economic and social developmental challenges that impact the everyday lives of people.

The company’s client base includes PFAs, insurance companies, commercial and mortgage banks, asset managers, and government agencies.

The Group currently consists of seven (7) subsidiaries regulated by the Securities and Exchange Commission (SEC) and Central Bank of Nigeria (CBN):

S/N	Subsidiaries	Services
1.	DLM Advisory Limited	<ul style="list-style-type: none"><li>Investment Banking</li><li>Financial Advisory</li></ul>
2.	Links Microfinance Bank Limited	<ul style="list-style-type: none"><li>Digital Banking / Consumer Finance</li></ul>
3.	CitiHomes Finance Company Limited	<ul style="list-style-type: none"><li>Corporate Advances</li></ul>
4.	DLM FX Limited	<ul style="list-style-type: none"><li>Foreign Exchange Trading (BDC)</li></ul>
5.	DLM Trust Company Limited	<ul style="list-style-type: none"><li>Trust Services</li></ul>
6.	DLM Securities Limited	<ul style="list-style-type: none"><li>Market Maker /Securities Trading</li></ul>
7.	DLM Asset Management Limited	<ul style="list-style-type: none"><li>Investment Adviser</li><li>Fund/Portfolio Management</li></ul>

### Shareholding Information of the Sponsor

As at the date of this document, the 500,000,000 ordinary shares of ₦1.00 each in the issued ordinary share capital of the Company are beneficially held as follows:

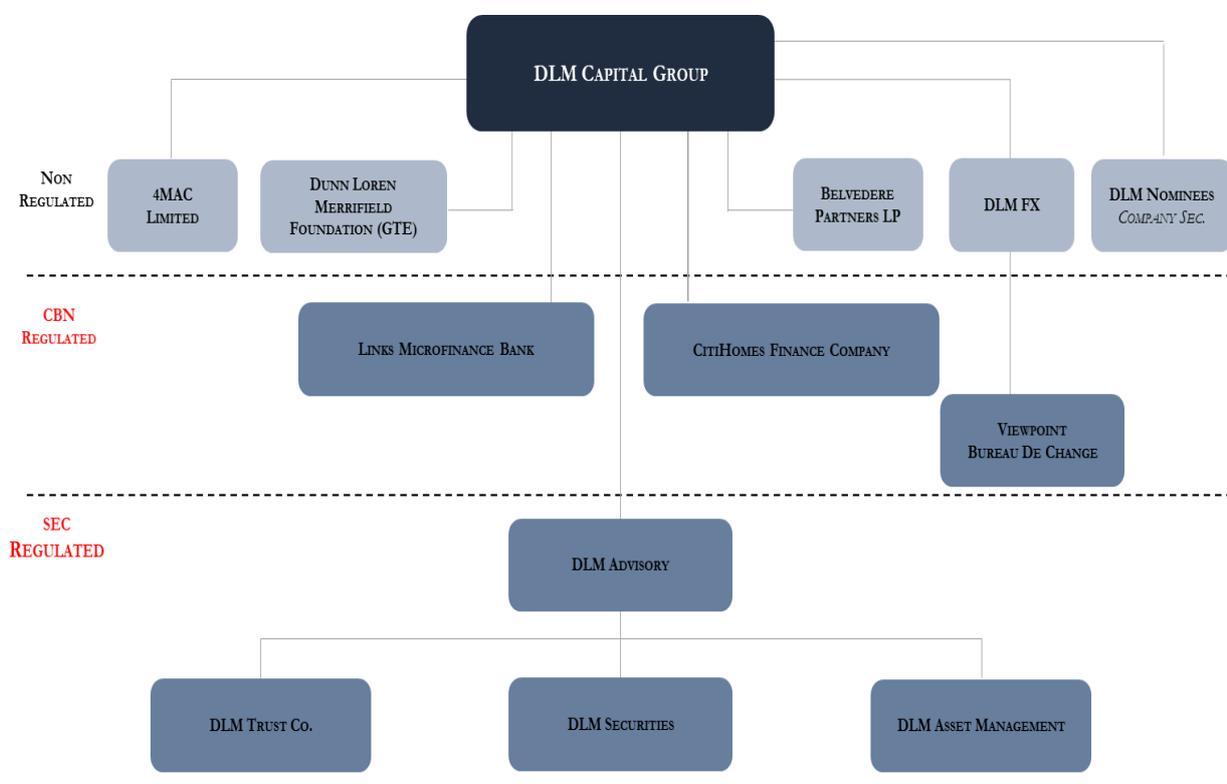
Name	Units	% Holding
Dunn Loren Merrifield LLC	495,000,000	99%
Sonnie Ayere	4,999,999	1%
Others	1	0%
<b>Total</b>	<b>500,000,000</b>	<b>100%</b>

## Directors' Interest

The direct and indirect interest of directors in the issued share capital of the Group for the purposes of section 275 of the Companies and Allied Matters Act, are as follows:

Name of Director	Direct holding	Indirect holding
Sonnie Ayere	4,999,999	N/A
<b>Total</b>	<b>4,999,999</b>	<b>N/A</b>

## Group Structure



## Description of DLM Capital Group Limited's Subsidiaries

### DLM Advisory Limited

DLM Advisory Limited ("DLMA") was originally set-up in 2007 and began business in 2009. It is the financial advisory and capital-raising arm of the Group. DLMA is a full-service financial investment bank that combines the attributes of origination, distribution, and trading of securities. The company nurtures and delivers bespoke and innovative solutions to sovereign/sub-sovereign entities and private & non-private corporations.

DLMA advises on financing strategies designed to meet clients' specific needs, providing best-in-class deal structuring and execution of advisory and capital raising services. Over the years, the company's dedicated and multidisciplinary team has enabled the firm to lead and manage several novel transactions and work with domestic clients like Primero, Food Concepts, MTN, CERPAC, AEICORP, DBN, Lagos State, NMRC, MWFL and international clients like the World Bank, KFW Development Bank, European Investment Bank (EIB), AFDB and a host of others in creating and selecting optimal structures to provide the right backdrop for successful transaction execution.

The focal points managed by its advisory specialists include:

- Financial Advisory and Restructuring
- Securitisation & General Debt Capital Raising
- Equity Capital Raising
- Underwriting
- Mergers and Acquisitions
- Company and Financial Institution Set-up Advisory

### **CitiHomes Finance Company Limited**

CitiHomes Finance Company Limited ("CitiHomes") was incorporated in July 1991 as Universal Building Society in Nigeria. The company was set up as a private limited liability company under the Companies and Allied Matters Act 1990. It was granted a license in March 1992 by the Central Bank of Nigeria as a Primary Mortgage Bank and commenced operations in the same period. The company later changed to CitiHomes Savings and Loans Limited. It was 100% owned by First Capital Trust Limited. CitiHomes Savings and Loans was subsequently sold to DLM Group in 2014 and upon acquisition, the name of the company was changed to CitiHomes Finance Company Limited to carry on the business of a finance company.

CitiHomes was initially setup with a business focus of being a primary servicer for funding conduits. Its current business model is primarily to focus on rendering programme management and loan administration services to various funding conduits per the relevant servicing agreements.

CitiHomes was appointed as programme manager to the following conduits:

- Mortgage Warehouse Funding Limited
- Max Funding Limited
- MD Funding SPV Limited
- Commodities Funding SPV PLC in partnership with NIRSAL

CitiHomes has also become the corporate lending arm of the group, catering to the needs of medium sized companies with good cashflows and growth potential – examples of products are asset finance, invoice discounting, local purchase order financing, working capital and term loans.

### **Links Microfinance Bank Limited**

Links Microfinance Bank (Links MfB) was incorporated in 2007 and acquired by the Group in 2020. The bank is fully licensed by the Central Bank of Nigeria (CBN).

The bank powers the brand name SoFRI which is a financial services provider dedicated to social and economic growth by providing a full array of lifestyle digital banking services to its growing and diverse customers. The bank uses superior technology to deliver excellent customer service.

Focal services provided by the bank are but, not limited to:

- Simple Self-Registration
- Remote & Instant Account Opening
- Loan Application In A Few Clicks
- Instant P2P, P2B, B2B, B2P Payments
- Refined Bulk Payments
- Automatic Bill Payments
- Cards Management – Sofri Power Mastercard.
- Social Banking
- Personal Banking
- Various Consumer Loans products
- Savings and Fixed Deposit Accounts

#### **Loan Products:**

- Sofri Salary Express - Public (IPPIS)
- Sofri Salary Express -Private
- Sofri Rent Loan
- Employee Loan Participation (ELP)
- Sofri Quick Cash Loan (Nano Loans)
- Sofri Car Loan
- Sofri Buy Now Pay Later (BNPL)

### **DLM Trust Company Limited**

DLM Trust Company (“DLM Trust”) was incorporated in February 2017 and commenced operations in the year 2018. The company is a member of the Association of Corporate Trustees of Nigeria. Its operations are regulated by the Securities & Exchange Commission (SEC).

The company has a team of well-trained and dedicated professionals with over two (2) decades of experience in public, corporate and private trusteeship as well as investment management.

Its products and services offerings are:

- Trusteeship/Executorship of estate administration and wills
- Trusteeship of public bond issues and other public funds
- Trusteeship of corporate bond issues
- Trusteeship of securitisation issues
- Trusteeship of employee welfare schemes

### **DLM Asset Management Limited**

DLM Asset Management Limited (“DLMAM”) was incorporated in Nigeria on February 16, 1999, as Access Investment and Securities Limited under the Companies and Allied Matters Act (“CAMA”). The name of the company was changed on May 30, 2014, following its acquisition by the DLM Capital Group Limited from Access Bank. DLMAM is duly licensed as an Investment Adviser and Portfolio/Fund Manager regulated by the Securities and Exchange Commission of Nigeria (SEC) on July 27, 2009.

Following the effective commencement of business in 2014, the company has recorded remarkable growth in its assets under management (“AuM”) both for individual and institutional clients. Following the acquisition of AISL, through innovation, the new management of DLMAM has been able to restructure and refocus the new company to achieve this significant increase in AuM. This growth was achieved on the back of the company’s key ethics i.e., trust, integrity, and performance.

DLMAM has successfully executed the following mandates:

- Fund Manager to Cash Collections on the FMBN Series 2 (₦6 Billion) and Series 3 (₦24.56 Billion) bonds
- Fund Manager to Akwa-Ibom Corporation (AKICORP) (₦2 Billion)
- Over 400 retail clients with AUM of over (₦600 Million)
- Fund Manager to DLM Fixed Income Fund (₦5 Billion)
- Fund Manager to R.T Briscoe Savings and Investment Fund (₦1.0Billion)

- Fund Manager to Nigeria Road Infrastructure Tax Credit Fund Programme (₦500 Billion) -In view

### **DLM FX Trading Limited**

DLM FX Trading (“DLM FX”) is a wholly owned subsidiary of the Group. Its line of business includes the sales and purchases of foreign Currency on a retail basis. The company began operation in the year 2019. The company through its subsidiary, Viewpoint Bureau De Change is regulated by the Central Bank of Nigeria. The company is compliant with all federal regulations governing the operations of Bureau de change in Nigeria

### **DLM Securities Limited**

DLM Securities Limited (“DLM Sec”) operated as ESS Investment and Trust Limited prior to its acquisition by the Group in 2013. The company is licensed by the Securities and Commission as a broker/dealer and registered by the Nigerian Stock Exchange as Market Maker and broker/dealer. The company is also a dealing member of the Financial Market Dealers Quotation (FMDQ) and the National Association of Securities Dealers (NASD).

### **Profiles of Board of Directors of DLM Capital Group Limited**

DLM’s current Board members compose of highly qualified and experienced professionals from diverse fields. The Issuer’s board brings a depth of international and domestic experience in business development.

Profiles of the current Board members are highlighted below:

S/N	Name	Position
1	Sonnie Ayere	Group Managing Director/Chief Executive Officer
2	Malcolm Gilroy	Independent Director
3	Michael Orimobi	Independent Director
4	Olayimika Phillips	Independent Director
5	Karimot Abodunrin Tukur	Independent Director
7.	Ashim Egunjobi	Independent Director

### **Sonnie Ayere – Group Managing Director/Chief Executive Officer**

Sonnie Ayere has over 28 years of solid corporate and structured finance, corporate banking and asset management experience working with the following institutions in London – HSBC Bank, NatWest Bank, The Sumitomo Mitsui Bank, Bank of Montreal (BMO)-Nesbitt Burns (the investment banking arm of the Bank of Montreal), the International Finance Corporation (IFC) - World Bank Group - based in Washington D.C. and then Johannesburg, South Africa, the United Bank of Africa Group (“UBA”) PLC in Lagos, Nigeria and finally founded DLM Capital Group.

Following a successful career in corporate banking and later corporate finance at HSBC, NatWest and The Sumitomo Mitsui bank, where he focused on analysing plain vanilla and complex retail to large corporate credits – origination, sifting and approvals. Mr. Ayere joined BMO Nesbitt Burns and worked as part of the team responsible for setting up a US\$20bn Fixed Income Structured Investment Vehicle (“SIV”) and worked as a senior analyst / investment manager in charge of investing in very complex asset backed securities, mortgage-backed securities, corporate bonds, bank subordinated debt to include asset and other types of asset swaps etc. He then joined the IFC in Washington and held the position of senior investment officer responsible for structured finance for Africa and Co-Head – Financial Markets Business Development – Sub Saharan Africa (Anglophone and Lusophone Countries); thereafter, he joined UBA Group as the Pioneer Managing Director/CEO of UBA Global Markets (“UBAGM”), the investment banking subsidiary of United Bank for Africa from August 2005 to January 2009.

Mr. Ayere then went on to establish DLM in early 2009. He possesses extensive cognate experience in fixed income capital markets; as such he has played a pivotal role in originating and executing several notable transactions in securitisations, and other various structured finance related transactions internationally and in Nigeria. Mr. Ayere

is a member of the Nigerian Bond Steering Committee, SEC committee on Market structure & reforms, the Steering Committee for the review of the Foreclosure and Securitization Law of Nigeria, the Central Bank of Nigeria (“CBN”) FSS2020 Technical Steering Committee. He obtained his first degree in Financial Economics from the University of Dundee, Scotland in 1993. He is an Alumni of Bayes Business School, University of London (MBA), 1996 and London Business School (CFC), 1996. Mr Ayere was conferred with an Honorary Doctorate Degree in Science (DSc) from the European-American University in 2009.

### **Malcolm Gilroy – *Independent Director***

Malcolm Gilroy has had an extensive career in global capital markets. He has held senior management positions on both the buy side and sell side of the debt and equity markets. He has also been retained as a consultant to many major corporations and in 2004 was retained by IFC (World Bank Group) to advise the Nigerian government on measures to be taken to rejuvenate the Nigerian bond market. Many of the suggestions provided to the IFC in this exercise were incorporated into the regulations that guided the establishment of the FGN Primary Dealer Market Maker trading initiative in 2006.

Mr. Gilroy was the Global Head of Sales & Trading for DLM. Prior to this he was the Head of Wealth Management for Afrinvest West Africa. Previous experience in Nigeria includes being Managing Director of FDHL, a consulting company in Lagos, (where clients included the Central Bank of Nigeria, the SEC, and Debt Management Office); The Head of Global Wealth Management for UBA Capital in Lagos Nigeria. As such the UBA Stockbrokers, UBA Asset Management and UBA Insurance Brokerage subsidiaries reported to him, in addition to the Asset Management and Wealth Management businesses housed in London. Prior to this he was the Global Head of Sales & Trading & Deputy Managing Director for UBA Global Markets. Before coming to Nigeria, Mr. Gilroy was the President and CEO of Cambrian Capital Management Limited in Canada.

As an Investment Counsel he has managed global bond, equity, balanced, managed futures, and options; writing mandates for clients such as Shell Canada Pension; Colleges of Arts and Technology Pension Fund; Atlas Funds (sub of Merrill Lynch, Canada) and Croft Funds, in Toronto.

Malcolm moved to the buy side of the investment business in 1993, after a career of 20 years on the sell side where he served as the Senior Vice President and Treasurer of UBS Canada; Head of Fixed Income for First Boston Canada and Executive Director and Head of Investment Banking for First Chicago, Canada. He was instrumental in the formation of the interest rate and currency swap markets of Canada and has run both fixed income and foreign exchange departments for several international banks. Mr. Gilroy has served on many industry committees including the Canada Foreign Exchange Committee, at the invitation of the Bank of Canada; the Toronto CFA Society – Fixed Income Committee and the Toronto CFA Society – Wealth Management Committee.

He holds a B.Sc. degree in Business Science from the University of Cape Town, 1969. He is a Fellow of the Canadian Securities Institute F.C.S.I, Investments and Securities.

### **Micheal Orimobi – *Independent Director***

Michael is an ingenious and astute commercial lawyer with years of experience in capital markets, M&A, and finance. He holds a bachelor’s degree in law (LLB) from the University of Lagos. Furthermore, he has a master’s degree in Commercial Law (with emphasis on Corporate Finance law, International Commercial Tax, International Intellectual Property Law and Corporate Governance) from the University of Cambridge.

He started his career as an investment banker and was involved in structuring several Nigerian and Cross-border commercial transactions, such as Financial Analysis and Valuation of Companies, Mergers & Acquisitions, Listing of Companies on the Nigerian Stock Exchange, Core Investor Sale, Privatization & Commercialization, Balance Sheet Restructuring, Corporate Restructuring, Issuance of Equity, Debt and Hybrid Instruments (Private Placements, Special Placings, Public Offers) and Foreign Direct Investments.

He is currently the Global Chairman of the Tokunbo Orimobi Legal Group – an international legal practice with 10 offices in 7 countries. Michael doubles as the Managing Partner of the Group’s Nigerian Practice - Tokunbo

Orimobi LP. Michael, during his legal career has been able to perfectly combine his legal background with his investment banking experience in proffering highest quality legal advisory services to clients.

Michael is ranked as a Leading Lawyer for Capital Markets Deals in Nigeria by the IFLR1000, he emerged as Lawyer of the Year, Nigeria & Leading Adviser, Nigeria in the ACQ Global Awards and was awarded Marketing Law with Accolades Award in the 2016 Deal Makers Country Awards. Under his tenure as Managing Partner of Tokunbo Orimobi LP, the law firm has won several awards such as Recommended Firm for Financial and Corporate Deals (2020) & Energy and Infrastructure Deals (2019) - IFLR1000; Capital Markets Law Firm of the Year, Nigeria – 2018 Corporate Int'l Magazine Global Awards; Structured Finance Law Firm of the Year, Nigeria – 2017 Lawyers World Country Awards; Corporate Finance Law Firm of the Year, Nigeria – 2016 Corporate Int'l Magazine Global Awards; Most Innovative Law Firm, Nigeria – 2016 Acquisition International Magazine Awards; Corporate Finance Law Firm of the Year, Nigeria – 2015 Deal Makers Country Awards; Regulatory Compliance Practice of the Year, Nigeria, Dispute Resolution Law Firm of the Year, Nigeria & Best Commercial Law Firm of the Year, Nigeria – 2015 Acquisition International M&A Awards etc.

Michael sits on the board of a couple of African businesses and entities. He is a global business leader and philanthropist. He is a member of the Nigerian Bar Association and the International Bar Association.

### **Olayimika Phillips – *Independent Director***

Olayimika is a non-executive Director at DLM Capital Group and a Partner at the leading law firm, Olaniwun Ajayi LP. She is the partner in charge of the Enterprise Practice Group and specializes in corporate and regulatory matters in energy, real estate, manufacturing, health, media, advertising, hospitality, and labour.

She also has vast experience advising both local and international clients on group reorganisations, Mergers and Acquisitions, demergers, corporate finance, and very strong on corporate governance matters.

### **Karimot Abodunrin Tukur – *Independent Director***

Karimot ("Kari") is a non-executive Director at DLM Capital Group and Vice President and Division Lead for Product & Innovation and Co-chair, Global customer solution center at Mastercard. Before joining Mastercard in August 2019, she successfully managed consumer, private, and retail banking activities across Africa and Europe for multinational banks like Banco Santander, Standard Bank, and Standard Chartered bank. She also led the cross-functional team responsible for the successful integration of the Retail business of one of the biggest bank mergers on the continent, Diamond /Access bank, where she was both Group head, Consumer banking, and the Chair of the Group product governance committee.

Kari has a master's degree, in International Marketing and strategy and an MBA from the University of Birmingham, and the First class in Business information systems and technology BSc from Sheffield Hallam University, England.

She is a member of the Global banking alliance for Women All-stars program and a member of the chartered institute of marketing, UK.

### **Ashim Egunjobi– *Independent Director***

Ashim is a venture capital, tech, and angel investor. A global leader, experienced in scaling multinational organizations successfully into African markets. Her multi-industry experience spans banking, infrastructure finance, big tech, and startups. Her expertise is married with a deep passion for equity, diversity & inclusion, and advocacy for underrepresented groups.

Based on her professional experiences: In 2009, she joined Africa, Corporate Real Estate Finance Partner, Standard Chartered Bank Nigeria where she was Accountable for cost center management, tracking, and reporting for the

Banks' real estate portfolio projects across Africa. She later left for Senior Financial Manager & Controller, Nigeria, RMB Westport Development Fund (Rand Merchant Bank) in 2014 where she was Responsible for the deployment and financial control of a \$250m investment real estate investment fund focused on the development of A-grade real estate assets in Africa.

In 2018, she left there and served as Global Programme Manager, at Tek Experts Nigeria (a YNV Company). In January 2019, she became Acting Country Manager Nigeria, Tek Experts Nigeria (a YNV Company) where she occupied for a year before being promoted to the position of Africa Head, Business Development, Tek Experts Nigeria (a YNV Company). In September 2020, she rose to the position of General Manager, Nigeria, elev8 (a YNV Company). She left and moved to the position of managing partner, with Octerra Capital in 2021 where she still currently holds the office.

**Based on her professional affiliations:** She is an Angel Investor & EXCO Member, of The Rising Tide Africa (RTA). She is also an Associate Member, of the Women in Business and Management (WIMBIZ). In 2017, she became an Associate Member, of the Nigerian Institute of Management.

**Based on her Entrepreneurial Experiences:** In 2010, she became the co-Founder & Trustee, of the Bake for Change Development Foundation. Based on her entrepreneurial experiences, in 2014, she became the Co-Founder & Director, of Always Me by Anne Li

### **Corporate Governance**

DLM Capital Group remains devoted to implementing best practice corporate governance standards and recognizes the need for strong corporate governance for effective management and control of the it's business and has structured its internal processes and business practices accordingly.

### **Profile of Management Team of DLM Capital Group Limited**

The Management of DLM Capital Group comprises of seasoned professionals with experience and expertise across the regional and international financial services industry. Their wealth of experience and excellent leadership and relational skills have been the driving success for the Group since inception till date.

Their profiles are as follows:

#### ***Kennedy Ighodaro – Chief Financial Officer, DLM Capital Group Limited***

Kennedy Ighodaro has over 27 years work experience spanning eight years of venture capital operations, over ten years in the banking industry and the rest in the manufacturing and service-oriented industries. Prior to joining DLMAM, he was the Country Manager of West Africa Venture fund (WAVF LLC), Sierra Leone for over four and half years. WAVF LLC was established by the International Finance Corporation (IFC), the development arm of the World Bank Group to deliver risk capital (private equity/venture capital) and technical assistance services to small and medium enterprises (SMEs) in two post-war countries of Sierra Leone and Liberia.

Prior to this, he was Chief Finance Officer and General Manager at Armored Technologies & Systems Limited (AT&S) on secondment from Unique Venture Capital Management Company Limited. Before he joined the venture capital industry, he had over a decade experience in the banking industry with Fidelity Bank PLC; Commercial Bank (Credit Lyonnais Nigeria) Limited and the mortgage finance sub-sector. He held various positions in the banks including Branch Manager, Group Head, Banking Operations and Head, International Operations & Correspondent Banking etc.

He commenced his working career with 7 UP Bottling Company PLC, Ijora Lagos in the Internal Audit department from where he joined the Mortgage finance industry.

### **George Aniegbunem – *Head, DLM Asset Management Limited***

George Aniegbunem is an investment, finance, and sustainability professional with over 14 years of experience spanning wealth management, banking operations, commercial banking, retail banking, investment banking, ESG, and strategy. George has extensive experience in product development, strategy, operations management, marketing, and sales. He has received numerous professional accolades for excellence and quality leadership over the years. He also founded the Regenerative Sustainability Organization of Nigeria; an NGO that is focused on advancing sustainability practices in Nigeria.

George has a bachelor's degree in Applied Microbiology from Nnamdi Azikiwe University, Anambra State. He has a Postgraduate Diploma in Agricultural Economics from the University of Agricultural, Makurdi, Benue State. He also bagged a master's degree in Sustainability from the prestigious University of Saskatchewan, Canada. He is a fellow of the Chartered Institute of Loan and Risk Management of Nigeria, and he's a member of the Institute of Credit Administration of Nigeria. George is a qualified stockbroker and a member of the Environmental Professionals of Canada (Eco Canada), where he bears the EPT designation.

### **Ololade K. Razaaq – *Ag. Managing Director, DLM Trust Company Limited***

Mrs. Ololade K. Razaaq is the Managing Director of DLM Trust Company Limited. She has over 21 years experience which began when she started work with Muiyiwa Bunmi Ogunlela (a firm of Chartered Accountants) between 1999 and 2000 during her service year as Audit Trainee.

After her service year she joined the services of Dusmar Presidential Hotel as Accounts Manager before joining Afribank Trustees & Investments Limited (also known as Mainstreet Bank Trustees and Assets Management Company Limited) as an Assistant Manager in 2001. She was in Mainstreet Bank Trustees for over 17 years where she gathered useful experience and rose to the position of Head of Operations and Treasury and Head, Marketing department where she was mainly responsible for business development and customer relationship management.

She was an active member of the Management Executive Committee of Mainstreet Bank Trustees and actively involved in preparation of quarterly and annual reports for the company strategic sessions up till the time she left Mainstreet Bank Trustees & Asset Mgt. Company for DLM Trust Company Limited.

Lola is a graduate of Moshood Abiola Polytechnic, Abeokuta where she obtained her HND in Accounting at Upper Credit Level in 1998. She also has an MBA from Ondo State University (now Adekunle Ajasin University). She has attended training courses program both within and outside the country. She is also a Fellow of the Institute of Loans and Risk Management of Nigeria

### **Emeka Ngene – *Head, Corporate Finance, DLM Advisory Limited***

Emeka Ngene is Head of Corporate Finance at DLM Advisory. He has over 11 years of experience in development consulting, corporate and project finance, and broad capital market transactions.

Over the last few years Emeka Ngene has worked with the DLM team to deliver projects with wide ranging market development impacts and has found a niche in combining core structured finance skillsets; mainly off-balance sheet financing solutions for corporates and projects as well as the establishment and management of conduits for providing sector and industry level solutions to solving complex funding challenges.

Prior to joining Dunn Loren Merrifield, Emeka Ngene was a member of the transactions advisory team of Luma Associates; an Africa focused corporate finance advisory firm in London where he worked with a team of four (4). Responsible for project appraisals and deal structuring, financial modelling, and valuations, of complex corporate finance as well as project finance transactions.

### **Funsho Idowu – *Chief Executive Officer, Links MicroFinance Bank***

Funsho is chartered accountant and certified IT service manager. He is a Fintech enthusiast with special focus on digital lending, payments, and artificial intelligence.

Funsho has extensive practical, management and consulting experience in various aspects of his profession and is an excellent communicator at all levels. He served as Chief Operating Officer of Mutual Trust Microfinance Bank. He has performed various professional assignments with Central Bank of Nigeria, Ministry of Interior, Ministry of Foreign Affairs, ECOWAS, Capital Hotels PLC (Owners of Sheraton Abuja Hotel) etc.

Professional Portfolio:

- Fellow – Institute of Chartered Accountants of Nigeria (ICAN)
- Member – Project Management Institute (PMI USA)
- Information Technology Infrastructure Language (ITIL), Version 3, Foundation
- Mentor Certificate for Monitoring and Evaluation

### **Chika Barnabas Okwudibia –*Chief Operating Officer, Links MicroFinance Bank***

Barnabas is a seasoned professional with more than 17 years' experience spanning sales strategy design and management, customer retention strategy, credit risk management, loan origination and syndication, and business process re-engineering. He has gained diverse work experience in various sectors, including security consulting, commercial banking, insurance, fintech, and worked with finance companies such as Sovereign Finance Limited as Divisional Head, Retail & Business Development, before joining Links MFB Limited as Chief Operating Officer/Group Head, Sales.

He holds a Master of Business Administration (MBA) degree from the Delta State University, Abraka, and a master's in marketing & Sales from Rome Business School. He is a fellow of the Institute of Credit Administrators (FICA), the Chartered Institute of Loans and Risk Management of Nigeria (FCILRM), and of the Institute Professional Managers & Administrators of Nigeria (FIPMA), and an associate of the Nigeria Institute of Management (Chartered). He is a Microfinance Certified Member (MCIB) of the Chartered Institute of Bankers of Nigeria, and he has attended key management and professional training programs in Nigeria and overseas in areas covering sales management, asset and liability management, business strategy, and leadership.

### **Rotimi Akinseye – *Group Head, Internal Control, DLM Capital Group Limited***

Rotimi has over 14 years' experience across Compliance, Enforcement, Internal Control, Risk Management and Banking Operations within the Financial Services Industry. Prior to joining DLM, he was the Deputy Head of Risk Management at NLPC Pension Fund Administrators and was responsible for monitoring the Funds' investment portfolio, conducting quantitative risk analysis, identifying, measuring, and reporting on potential operational loss events and facilitating the implementation of appropriate controls to mitigate the risks across the enterprise.

Before joining NLPC PFA, he spent about 12 years with Unity Bank PLC where he rose to the position of Cluster Compliance Monitoring and Enforcement Manager, leading Teams across Ondo, and Ekiti State. Rotimi has a knack for statistical, risk and financial analysis and he is currently studying for an MSc in Finance at the University of Lagos.

### **Nwabu Okonkwo – *Senior Legal Counsel, & Head Abuja Branch, DLM Capital Group Limited***

Nwabu has over 14 years' experience in corporate and finance law, project finance and general capital market transactions. He has over the years served on teams that advised multinationals, local entities, and regulators on diverse areas of Nigerian and international law and practice including debt and equity financing, structured

financing, secured and unsecured lending, mergers and acquisitions, receiverships and winding-up of companies, start-ups advisory, banking and capital markets and public-private partnerships.

Nwabu also provides legal, regulatory, and transactional advice/support to all the units of the firm. Prior to joining DLM, Nwabu worked with the Securities and Investment Services Department of the Securities & Exchange Commission (SEC), Nigeria where he ensured that transactions filed by Investment Banks and Law firms complied with the ISA and the Rules & Regulations of the SEC before recommending same for approval.

Nwabu obtained an LLB from the University of Nigeria, an LL.M in Corporate and Finance Law from Wayne State University Law School, Michigan, USA and a BL from the Nigerian Law School, Abuja.

### ***Tosin Alabi – Assistant Vice President, Corporate Finance***

Tosin was called to the Nigerian Bar in 2013 after obtaining an LL.M in Corporate and Commercial Law from Queen Mary University, 2012; LL.B from the University of Leicester in the United Kingdom, 2011 and a BA in Economics from McMaster University, Ontario, Canada, 2009. She started her professional career in legal practice and has over the years developed competence in providing legal and regulatory support and transactional advice to businesses in the financial sector.

Tosin has exceptional interest and expertise in providing strategic advice to participants in structured finance transactions and has worked with clients to develop practical and innovative funding solutions for public and private organizations with complex funding needs across various sectors in Nigeria.

Prior to joining DLM Capital Group, Tosin was the Head of the Solicitors Department and Team Lead of the Capital Market and Structured Finance practice group of Perchstone & Graeys, a leading commercial law firm in Lagos, Nigeria, where she was responsible for leading the teams that provide advice to domestic and international clients on Finance and Corporate Commercial issues

### ***Ekanem Etim – Assistant Vice President, Corporate Finance***

Ekanem is a senior member of DLM Advisory. She has over 7 years' experience in corporate, structured finance and financial advisory, with extensive expertise in originating and executing debt capital markets transactions across Africa. She is instrumental to the execution of some of the most innovative structured finance products that has facilitated the development of the Nigerian Capital Markets and helped in unlocking finance to key sectors of the economy including in housing, agriculture, and infrastructure.

Prior to joining DLM, Ekanem briefly worked with the Innovation and Total Quality Management team of Access Bank where she was responsible for managing the bank's customer experience and providing advisory on service quality control. Ekanem holds a BSc. in Accountancy from University of Nigeria, and an MSc. in Finance from Grenoble Graduate School of Business (GGSB), France. She is a CFA Charter Holder and an Associate Chartered Accountant.

### ***Nathanael Solomon – Group Head, Business Development***

Nathanael Solomon is a key member of the team with wealth of experience in the Capital market, he has gained experience, and undergone training in Bonds, Stocks, Treasury Bills and Corporate Finance/Advisory. At DLM Capital Group, he has provided drive/support to various business functions with competence and possesses the ability to maintain a realistic balance among multiple priorities with excellent attention to detail.

He is an Experienced Investment Banker with over 10 years' professional experience in Lead Generation: through extensive prospecting, networking and referral, account management, portfolio management and relationship management. He has catapulted sales and increased account volume by developing strong alliances with key employers in various organizations. He ensures that sales targets are achieved and surpassed and possesses excellent communication skills.

Nathanael's excellent career achievements over the last 10 years have been influenced by his drive to achieve set targets, good people skills, sound leadership, relationship management and analytical background, having earned an MBA (Finance) degree and First degree in Physics.

Nathanael is a SEC sponsored individual, a member of Institute of Credit Administration and an Associate Member, Institute of Directors. Nathanael is currently studying his Advanced Finance Program at Wharton Business School, USA.

### ***Kelechi Eke – Group Head, Operations***

With over 9 years of experience, Kelechi is a key member of the team. She has worked across different departments within DLM Capital Group, providing support to various business functions with competence and possesses the ability to maintain a realistic balance among multiple priorities with excellent attention to detail.

Her attention to the intricacies of every brief sets her apart as a pillar of support to team members. She professionally supports the Group's effort and efficiently collaborates with other functional Teams to drive the business, whilst improving operational performance and management.

Her excellent career achievements over the last 9 years have been influenced by her sound leadership, relationship management and analytical background, having earned a Master of Science degree in Information Technology and a First degree in Computer Science. She commenced her working career with Sterling Bank PLC where she gained hands-on experience and deep industry knowledge before joining the Investment Banking Industry. Kelechi is currently studying for an MBA at the University of Suffolk, UK.

### ***Ms. Chinwendu Ohakpougwu - Group Head, Corporate Communications***

Chinwendu Ohakpougwu is a seasoned financial communications professional and currently the Head of Corporate Communications. In her role, she provides overall communications and marketing strategy for the Group and its subsidiaries as well as overseeing all internal and external communications for the organization.

Chinwendu started her career in communications as a Communications Assistant to the award-winning Nigerian writer, Chimamanda Ngozi Adichie. Prior to her career in PR, Marketing, and Communications, Chinwendu was a reporter for New York-based Nigerian investigative journalism platform, Sahara Reporters. Then she moved to Renmoney and subsequently global PR agency, Hill Knowlton Strategies where she worked with clients in the financial sector such as FBNQuest, Mastercard, Visa, Augusto & Co, WorldRemit, Tangerine Life, Coronation Group and Standard Chartered. She also provided PR support to non-financial players like Laliga Turkish Airlines, Enyo Retail, Hogan Lovells and Eat'n'Go. She holds a BSc in Computer Science and is also a certified professional with the Nigerian Institute of Public Relations and Cannes Lions School.

### 3-YEAR FINANCIAL SUMMARY

Statement of Financial Position as at December 31, 2020, 2021 & 2022



Naira'000	2022	2021	2020
<b>ASSETS</b>			
Cash and cash equivalents	4,278,032	4,610,561	1,863,309
Investments	7,028,774	11,584,012	9,346,150
Investment property	3,458,628	2,557,103	
Trade Receivables and Prepayments	2,160,875	2,238,982	983,028
Loans & Advances	2,955,247	1,630,431	472,341
Other Assets	2,973,539	953,226	823,647
Property and equipment	288,339	279,150	90,381
Intangible Assets	76,683	51,577	4,028
Deferred tax assets	289,324	106,304	106,323
Goodwill	35,100	70,200	124,699
<b>Total Assets</b>	<b>23,544,541</b>	<b>24,081,546</b>	<b>13,813,906</b>
<b>LIABILITIES</b>			
Trade Payables	115,555	122,002	50,326
Managed Deposits	15,181,527	17,591,601	7,917,866
Borrowings	-	-	188,949
Other liabilities	1,382,186	884,518	1,047,957
Current tax liabilities	345,929	298,782	212,181
Deferred tax liabilities	113,020	28,939	3,341
<b>Total Liabilities</b>	<b>17,138,217</b>	<b>18,925,842</b>	<b>9,420,620</b>
<b>SHAREHOLDERS EQUITY</b>			
Share Capital	500,000	500,000	500,000
Share Premium	1,386,000	1,386,000	1,386,000
Other equity	710,862	710,862	710,862
Retained earnings	2,192,760	1,047,126	563,769
Capital reserve	1,403,167	1,380,047	1,218,365
Statutory reserve	10,235	10,235	10,020
Risk reserve	203,300	121,434	4,270
<b>Total Equity</b>	<b>6,406,324</b>	<b>5,155,704</b>	<b>4,393,286</b>
<b>Total Liabilities and Equity</b>	<b>23,544,541</b>	<b>24,081,546</b>	<b>13,813,906</b>

Statement of Profit or Loss and other Comprehensive Income as at December 31, 2020, 2021 & 2022



<b>Naira'000</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Interest Income	3,813,990	2,027,819	1,159,035
Interest Expense	-2,310,033	-1,219,922	-513,072
<b>Net Interest Income Margin</b>	<b>1,503,957</b>	<b>807,897</b>	<b>645,963</b>
Fee and Commission Income	1,906,355	2,232,633	1,546,026
Fee and Commission Expense	-1,480,270	-1,275,942	-910,204
<b>Net Fee and Commission Income</b>	<b>426,085</b>	<b>956,691</b>	<b>635,822</b>
<b>Other Income</b>	<b>1,504,004</b>	<b>532,678</b>	<b>81,852</b>
<b>Operating Income</b>	<b>3,233,595</b>	<b>2,128,862</b>	
Net impairment write back/(loss) on intangible assets			-
Personnel expenses	-286,360	-234,444	-193,320
Depreciation	-88,412	-70,414	-17,723
Amortisation	-12,530	-7,477	-1,411
Other operating expenses	-1,542,732	-932,870	-556,820
<b>Total expenses</b>	<b>-1,930,034</b>	<b>-1,245,205</b>	<b>-769,274</b>
<b>Profit before tax</b>	<b>1,303,561</b>	<b>883,657</b>	<b>594,363</b>
Income tax expense	-76,061	-175,878	-75,326
<b>Profit for the year</b>	<b>1,227,500</b>	<b>707,779</b>	<b>519,037</b>
<b>Other Comprehensive Income</b>			
Items that may be subsequently reclassified to the profit or loss	-	-	-
Items that cannot subsequently be reclassified to profit or loss	-	-	-
Other comprehensive income net of tax	-	-	-
<b>Total comprehensive income for the year</b>	<b>1,227,500</b>	<b>707,779</b>	<b>519,037</b>
<b>Basic earnings per share (kobo)</b>	<b>246</b>	<b>142</b>	<b>104</b>

## Statement of Cash Flows as at December 31, 2020, 2021 &amp; 2022



Naira'000	2022	2021	2020
Profit for the year	1,227,500	707,779	519,036
<b>Adjustments for:</b>			
Income tax recognised in profit or loss	76,061	175,878	75,326
Depreciation and Amortization	100,942	70,414	17,723
			1,411
Impairment charge on Goodwill	35,100	-	-
Impairment charge on bonds	165,351		
(Gain)/loss on foreign exchange	-577,350		
Prior period adjustments	-	-107,041	-
Impairment charge on Loan and advances	-	-	1,750
Impairment charge on other assets	-	-	-
	<b>1,027,604</b>	<b>847,030</b>	<b>615,246</b>
<b>Movements in working capital</b>			
(Increase)/decrease in trade receivables and prepayments	78,107	-1,255,954	-926,938
(Increase)/decrease in loans and other assets	-3,345,128	-1,371,318	-623,300
(Decrease)/increase in managed deposits	-2,410,074	9,673,734	-1,037,951
(Decrease)/increase in other liabilities	-497,668	-149,789	-912,900
(Decrease)/increase in deferred tax liabilities	-	-	2,404
Increase in trade payable	6,446	71,677	46,710
<b>Cash generated from operations</b>	<b>-5,140,712</b>	<b>7,815,380</b>	<b>-2,836,729</b>
Income taxes paid	-275,383	-63,700	-3,648
<b>Net cash (used in)/generated by operating activities</b>	<b>-5,416,095</b>	<b>7,751,680</b>	<b>-2,840,377</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	-129,673	-306,696	-68,232
Disposal of property and equipment	-	-	-
Purchase of intangible assets	-	-	-4,816
Disposal/(purchase) of investment property	-	-500,172	-5,021,153
Disposal/(purchase) of financial assets (investments)	5,236,360	-4,294,795	-
<b>Net cash generated by/(used in) investing activities</b>	<b>5,106,687</b>	<b>-5,101,663</b>	<b>-5,094,201</b>
<b>Cash flows from financing activities</b>			
Borrowings received	-	-118,949	-199,942
Increase/decrease in other equity	-23,120	161,682	-
Goodwill on investment	-	-	-
Increase in share capital	-	-	-
<b>Net cash generated by financing activities</b>	<b>-23,120</b>	<b>42,733</b>	<b>-199,942</b>
Net increase/(decrease) in cash and cash equivalents	-332,529	<b>2,692,750</b>	<b>-8,134,520</b>
Cash and cash equivalents at beginning of period	4,610,561	1,863,311	9,997,831
Cash and cash equivalents at end of period	<b>4,278,032</b>	<b>4,610,561</b>	<b>1,863,311</b>



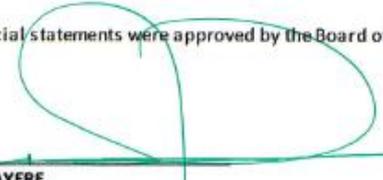
**DLM CAPITAL GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE**  
**INCOME**  
 30 September 2023

	Note	Group		Company	
		30-Sep-23 N'000	31-Dec-22 N'000	30-Sep-23 N'000	31-Dec-22 N'000
Interest Income	5	3,506,891	3,813,990	1,019,167	560,783
Interest expense	6	(2,432,491)	(2,310,033)	(1,001,144)	(616,454)
<b>Net interest income/(expense)</b>		<b>1,074,400</b>	<b>1,503,957</b>	<b>18,023</b>	<b>(55,671)</b>
Fee and Commission Income	7	1,866,603	1,906,355	661,495	-
Fee and Commission Expense	8	(162,742)	(1,480,270)	(65,648)	(481,474)
<b>Net fee and commission income/(expense)</b>		<b>1,703,861</b>	<b>426,085</b>	<b>595,847</b>	<b>(481,474)</b>
Impairment charge on financial assets	9	(144,064)	(165,351)	-	(31,695)
Impairment on goodwill	9.1	-	(35,100)	-	-
Other income	10	750,000	1,504,004	750,000	664,970
<b>Operating income</b>		<b>3,384,197</b>	<b>3,233,595</b>	<b>1,363,870</b>	<b>96,130</b>
Amortisation	11	(8,016)	(12,530)	-	-
Personnel expenses	12	(460,069)	(286,360)	(201,456)	-
Depreciation	11.1	(87,141)	(88,412)	(4,941)	-
Other operating expenses	13	(1,865,924)	(1,542,732)	(276)	(71,156)
<b>Total expenses</b>		<b>(2,421,150)</b>	<b>(1,930,034)</b>	<b>(482,565)</b>	<b>(71,156)</b>
<b>Profit before tax</b>		<b>963,048</b>	<b>1,303,561</b>	<b>881,304</b>	<b>24,974</b>
Income tax expense	14	-	(76,061)	-	(12,754)
<b>Profit for the year</b>		<b>963,048</b>	<b>1,227,500</b>	<b>881,304</b>	<b>12,220</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>	10.1	(7,367)	-	-	-
Other comprehensive income for the year, net of tax					
<b>Total comprehensive income for the year</b>		<b>955,681</b>	<b>1,227,500</b>	<b>881,304</b>	<b>12,220</b>
<b>Basic earnings per share (kobo)</b>	15	<b>191</b>	<b>245</b>	<b>176</b>	<b>2</b>

**DLM CAPITAL GROUP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH SEPTEMBER 2023**

	Notes	Group		Company	
		30-Sep-23 N'000	31-Dec-22 N'000	30-Sep-23 N'000	31-Dec-22 N'000
<b>ASSETS</b>					
Cash and cash equivalents	16	1,707,100	4,278,032	5,707,717	2,154,098
Investment in FGN Securities	17a	6,939,169	-	4,550,000	-
Investment in corporate bonds	17b	6,370,967	5,070,570	6,023,719	4,805,814
Investment in equities	17c	490,096	252,747	-	-
Investment in associates	17d	1,705,458	1,705,458	-	-
Investment property	18	3,458,628	3,458,628	266,406	266,406
Trade receivables and prepayments	19	3,258,096	2,160,875	986,804	102,208
Loans & advances	20	3,569,514	2,955,247	1,269,256	-
Other assets	21	4,531,314	2,973,539	3,661,234	971,079
Property and equipment	23	324,591	288,339	100,502	-
Intangible assets	23	69,381	76,683	-	-
Deferred tax assets	28	296,350	289,324	-	-
Goodwill	22	35,100	35,100	-	-
<b>Total Assets</b>		<b>32,755,762</b>	<b>23,544,541</b>	<b>22,565,638</b>	<b>8,299,605</b>
<b>LIABILITIES</b>					
Trade Payable	24	119,352	115,555	83,118	113,931
Managed Deposits	25	22,851,279	15,181,527	16,173,997	3,658,840
Borrowings	27	847,025	-	847,025	-
Other liabilities	26	1,193,090	1,382,186	28,347	514,045
Current tax liabilities	27	274,958	345,928	6,505	6,505
Deferred tax liabilities	28	113,021	113,020	6,249	6,249
Deposit for Shares	0	-	-	-	-
		<b>25,398,725</b>	<b>17,138,216</b>	<b>17,145,241</b>	<b>4,299,570</b>
<b>SHAREHOLDERS EQUITY</b>					
Share capital	29	500,000	500,000	500,000	500,000
Share Premium	30	1,386,000	1,386,000	1,386,000	1,386,000
Other equity	31	710,862	710,862	710,862	710,862
Retained earnings	32	3,151,659	2,192,759	1,600,446	180,082
Capital reserve	33	1,394,982	1,403,167	1,223,090	1,223,090
Statutory reserve	34	10,235	10,235	-	-
Regulatory risk reserve	34	203,300	203,300	-	-
		<b>7,357,037</b>	<b>6,406,324</b>	<b>5,420,397</b>	<b>4,000,034</b>
		<b>32,755,762</b>	<b>23,544,540</b>	<b>22,565,638</b>	<b>8,299,604</b>

The financial statements were approved by the Board of Directors on August 0 and signed on its behalf by: (0)

  
**SONNIE AYERE**  
 GROUP CHIEF EXECUTIVE  
 FRC/2014/ICA/00000008560

  
**KENNEDY IGHODARO**  
 CHIEF FINANCIAL OFFICER  
 FRC/2015/ICAN/00000012587

**DLM CAPITAL GROUP LIMITED**  
**STATEMENT OF CASH FLOWS**
**AS AT 30TH SEPTEMBER 2023**

	Note	Group		Company	
		30-Sep-23 N' 000	31-Dec-22 N' 000	30-Sep-23 N' 000	31-Dec-22 N' 000
Profit for the year		955,681	1,227,500	881,304	12,220
<i>Adjustments for;</i>					
Income tax recognised in profit or loss		-	76,061	-	12,754
Depreciation and amortization		95,157	100,942	4,941	-
Impairment charge on Goodwill		-	35,100	-	-
(Gain)/loss on foreign exchange		-	(577,350)	-	-
Impairment charge on bonds		144,064	165,351	-	-
Prior period adjustments		-	-	-	-
		<b>1,194,901</b>	<b>1,027,604</b>	<b>886,246</b>	<b>24,974</b>
<b>Movement in working capital</b>					
Decrease/(Increase) in trade receivables	19	(1,097,221)	78,107	(884,596)	-
Decrease/(Increase) in loans & other assets	20	(614,267)	(3,345,128)	(1,269,256)	(561,389)
Decrease/(Increase) in Other Assets	19	(1,557,775)	-	(2,690,155)	(76,008)
Decrease/(Increase) in deferred tax assets	28	(7,026)	-	-	-
(Decrease)/Increase in managed deposits	25	7,669,752	(2,410,074)	12,515,157	(1,069,877)
(Decrease)/Increase in other liabilities	26	(189,095)	(497,668)	(485,698)	(792,327)
(Decrease)/Increase in Trade Payable	24	3,797	6,446	(30,813)	31,282
(Decrease)/Increase in Goodwill	22	-	-	-	-
Cash generated from operations		<b>5,403,066</b>	<b>(5,140,714)</b>	<b>8,040,884</b>	<b>(2,443,345)</b>
Income taxes paid	14	(70,971)	(275,383)	-	(40)
<b>Net cash (used in)/generated by operating activities</b>		<b>5,332,095</b>	<b>(5,416,097)</b>	<b>8,040,884</b>	<b>(2,443,385)</b>
<b>Cash flows from investing activities</b>					
Purchase of property and equipments	23.0	(133,166)	(129,673)	(105,444)	-
Disposal of property and equipments	20.2	-	-	-	-
Disposal/(Purchase) on investment property	18	-	-	0	(54,612)
Disposal/(Purchase) on investment FGN Securities	17a	(6,939,169)	-	(4,550,000)	-
Disposal/(Purchase) of financial assets	14	(1,685,904)	5,236,360	(1,217,905)	(97,223)
<b>Net cash generated by/(used in) investing activities</b>		<b>(8,758,238)</b>	<b>5,106,687</b>	<b>(5,873,349)</b>	<b>(151,834)</b>
<b>Cash flows from financing activities</b>					
Borrowings received	27	847,025	-	847,025	-
Increase in risk reserve		-	-	-	-
Increase in Statutory reserve		-	-	-	-
Increase in retained earnings		-	-	539,059	-
Increase/ decrease in other equity	33	8,185	(23,120)	-0	-
Dividends paid to owners of equity capital		-	-	-	-
<b>Net cash generated by financing activities</b>		<b>855,211</b>	<b>(23,120)</b>	<b>1,386,084</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(2,570,932)</b>	<b>(332,530)</b>	<b>3,553,619</b>	<b>(2,595,219)</b>
Cash and cash equivalents at beginning of period	16	4,278,032	4,610,562	2,154,099	4,749,317
<b>Cash and cash equivalents at end of period</b>		<b>1,707,100</b>	<b>4,278,032</b>	<b>5,707,718</b>	<b>2,154,099</b>



**Crowe Dafinone**  
15 Elsie Femi Pearse Street  
Off Kofo Abayomi Street  
Victoria Island  
Lagos, Nigeria  
+234 (0) 703 406 9471  
+234 (0) 815 088 7019  
+234 (0) 1 6309324  
info@crowe.ng  
www.crowe.ng

29<sup>th</sup> September, 2023

The Directors  
DLM Capital Group Limited  
66-68 Alexander Road  
Ikoyi  
Lagos

And

The Managing Director  
DLM Funding SPV Plc  
66-68 Alexander Road  
Ikoyi  
Lagos

Gentlemen,

**ACCOUNTANTS' REPORT ON THE AUDITED FINANCIAL STATEMENTS OF DLM CAPITAL GROUP LIMITED FOR THE YEARS ENDED 31 DECEMBER 2020 - 2022**

**Report on the financial statements**

We have reviewed the audited financial statements of DLM Capital which comprise the statements of financial position as at 31 December 2020 – 2022 and the statements of profit and loss and other comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information, for the proposed Bond issuance of DLM Funding SPV Plc ₦ 30 Billion Medium Term Notes Programme registration and issuance.

Messrs. Deloitte & Touche were the auditors of the financial Institution for the years ended 31 December 2020 – 2022. Unmodified audit opinions were issued by the auditors for each of the three years.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the applicable financial reporting framework and for such internal control as management determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

I  
Crowe Dafinone is a member of Crowe Global, each member firm of Crowe Global is a separate and independent legal entity. Crowe Dafinone and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Dafinone.  
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**Accountant’s Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with the International Standard on Review Engagement (SRE) 2400. Engagements to Review Historical Financial Statements. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 is a limited assurance engagement. The accountant performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applies analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of DLM Capital Group Limited as at 31<sup>st</sup> December, 2020 – 2022 and their financial performance and cash flows for each of the years then ended, in accordance with applicable financial reporting framework.

  
Igho Dafinone, FCA  
FRC/2012/ICAN/0000000622  
For: Crowe Dafinone  
Chartered Accountants Lagos,  
Nigeria  
Date: 29<sup>th</sup> September, 2023  


DLM FUNDING SPV PLC

*Statement of Affairs  
As at 31 August 2023*

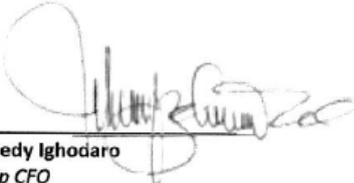
**Statement of Financial Position  
As at 31 August 2023**

	Note	31 August 2023 N
<b>Asset Employed</b>		
Cash and cash equivalents	4	939,200
Other receivables	5	1,000,000
<b>Total assets</b>		<u><u>1,939,200</u></u>
<b>Liabilities</b>		
Other payables	6	1,000,000
		<u>1,000,000</u>
<b>Equity</b>		
Share capital	7	2,000,000
Loss for the period		<u>(1,060,800)</u>
		939,200
<b>Total liabilities and equity</b>		<u><u>1,939,200</u></u>

These statements of affairs were approved by the Board of Directors and authorised for issue on 25 September 2023 and signed on its behalf by:



**Sonnie Babatunde Ayere**  
Director  
FRC/2014/ICA/00000008560



**Kennedy Ighodaro**  
Group CFO  
FRC/2015/ICAN/0000001258

DLM FUNDING SPV PLC

*Statement of Affairs  
As at 31 August 2023*

DLM FUNDING SPV PLC

Statement of Profit or Loss

		<b>31 August 2023</b>
	<b>Note</b>	<b>N</b>
<b>Income</b>		-
Pre-operational Expenses	8	<u>1,060,800</u>
Loss before tax		<u>1,060,800</u>
<b>Loss for the period</b>		<u><b>1,060,800</b></u>

## TAX CONSIDERATIONS

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*Please note that this information about the tax-exempt status of bonds and income accruing there from does not purport to be comprehensive and does not constitute advice on tax to any actual or prospective investor in Bonds issued under the Programme and is meant to serve only as a guide and should not be considered as or deemed to be tax advice which can be acted upon by an investor. Investors are advised to seek specific tax advice regarding investment in the Bonds from their professional tax advisers. Neither the Issuer nor its advisers shall be liable to any subscriber or purchaser of the Bonds in any manner for placing reliance upon the contents of this section*

Under current legislation in Nigeria, the tax consequences of an investment in the Bonds to be issued under the Programme are quite broad and extensive. These include exemption from Companies Income Tax, Value Added Tax and Personal Income Tax, by virtue of the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011, the Value Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 and the Personal Income Tax (Amendment) Act 2011. The companies income tax and VAT became effective in 2012 and are valid for a period of ten (10) years while the personal income tax is indefinite.

The Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011 (the "**CITA Order**"), exempted bonds issued by corporate bodies from tax imposed under the CITA for a period of 10 (ten) years from the effective date of the CITA Order being 2 January 2012. Given that the CIT Order expired on 2 January 2022 and was not extended, interest payments to corporate entities who are Bondholders will be subject to withholding tax and as required by applicable law, the Issuer acting through the Trustees and Registrars is required to withhold tax on interest payment for remittance to relevant tax authority. In view of the above, where any Bonds issued under the Programme continue to remain outstanding beyond 1st January 2022, corporate bondholders will be subject to CIT on all coupon payments received under the Bonds.

Furthermore, by virtue of the PITA, the income earned from bonds issued by corporate entities are exempt from taxation under the PITA. The exemption under the PITA does not currently have any time limitation. The implication of this is that in the hands of an individual investor, the bonds and proceeds of the bonds are tax exempt without any limitation on period.

The proceeds from the disposal of the Bonds are also currently exempt from tax imposed under the Value Added Tax Act by virtue of the Value Added Tax (Exemption of the Proceeds of the Disposal of Government and Corporate Securities) Order 2011 (the "VAT Order"), for a period of 10 (ten) years which commenced on 2 January 2012. While the VAT Exemption Order expired in 2022, the Finance Act, 2020 now excludes securities from the payment of VAT. As such, the Bonds will not be liable to VAT even after the expiration of the VAT Exemption Order.

Capital gains accruing to a company or an individual from a disposal of the Bonds in Nigeria may be liable to CGT. Any gains made upon the disposal of the Bonds will attract CGT at the rate of 10%.

## STATUTORY AND GENERAL INFORMATION OF THE ISSUER

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### Corporate Information

DLM Funding SPV PLC (the “Company”) currently has its corporate head-office located in 66 – 68, Alexander Avenue, Ikoyi, Lagos, Nigeria.

### Incorporation and Share Capital History

The Company was duly incorporated on July 6, 2021 as DLM Funding SPV PLC with RC No 1815068. The nominal share capital of the Company is ₦2,000,000 (Two Million Naira) divided into 2,000,000 ordinary shares of ₦1.00 each.

### Shareholding Structure

The share capital of the Issuer is ₦2,000,000.00 divided into 2,000,000 ordinary shares of ₦1.00 each, all of which have been issued at par and paid.

Shareholders	No. of shares taken by each subscriber	% Shareholding
DLM Nominees Limited	2,000,000	100%
<b>Total</b>	<b>2,000,000</b>	<b>100%</b>

### Directors’ Beneficial Interests

No Director of DLM Funding SPV PLC has any beneficial interest in the share capital of the Company either directly or indirectly.

### Employees

The Issuer has no employees.

### Principal Activities

To borrow or raise money solely in connection with its funding programme in such manner as the Company shall think fit and to obtain guarantees from third parties of the performance by the Company of any obligation or liability the Company may undertake and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon the whole or any part of the Company's property or assets (whether present or future).

Copies of the Memorandum and Articles of Association of the Issuer may be inspected at the Issuer’s office at 66 - 68, Alexander Avenue, Ikoyi, Lagos State, Nigeria.

The Issuer has not engaged, since its incorporation, in any activities other than those incidental to its incorporation and registration as a public limited company, the authorisation and issue of the Bonds and of the other documents and matters referred to or contemplated in this document to which it is or will be a party and matters which are incidental or ancillary to the foregoing. There is no intention to accumulate surpluses in the Issuer.

The Issuer’s activities are restricted by the terms of the Trust Deed, and other related documents.

## Directors and Secretary

The names and business addresses of the Issuer's Directors are:

Name	Business Address
Sonnie Ayere	66 – 68, ALEXANDER AVENUE, IKOYI, LAGOS
Emeka Ngene	66 – 68, ALEXANDER AVENUE, IKOYI, LAGOS
DLM Nominees Limited	66 – 68, ALEXANDER AVENUE, IKOYI, LAGOS

## Claims and Litigation

As at the date of this Prospectus, no litigation, arbitration or administrative proceedings is pending, has been commenced or is to the best of the Issuer's knowledge threatened against the Company.

## Purpose of Issue and Use of Proceeds

The proceeds of the Bonds to be issued under the Programme will be used as specified in the relevant Series Pricing Supplement.

## Indebtedness

Save as disclosed, the Company has no outstanding loans, charges or other similar indebtedness. Details of any indebtedness at the time of issuance of any bonds under the Programme will be disclosed in the applicable Pricing Supplement to that particular series of bonds.

## Subsidiaries And Associated Companies

As at the date of this Shelf Prospectus, DLM Funding SPV PLC has no subsidiaries or associated companies.

## Material Contracts

The following agreements have/will be entered into and are considered material to the Issue:

- i. Program Trust Deed
- ii. Series Trust Deed
- iii. Vending Agreement

## Mergers and Takeovers

As at the date of this Prospectus, the Directors were not aware of:

- a. a merger or takeover offer by third parties in respect of the Issuer's securities; and
- b. a merger or take-over offer by the Issuer in respect of another company's securities, during the current financial year.

## Consents

The following have given and not withdrawn their written consents to the issue of this Prospectus with their names and reports (where applicable) included in the form and context in which they appear:

<b>Party</b>	<b>Name</b>	<b>Address</b>
Directors of DLM Funding SPV PLC	Mr. Sonnie Ayere Mr. Emeka Ngene	66 – 68, Alexander Avenue, Ikoyi, Lagos
Directors of DLM Capital Group Limited	Mr. Sonnie Ayere Mr. Malcolm Gilroy Mr. Michael Orimobi Ms. Olayimika Phillips Ms. Karimot Abodunrin Tukur Mrs. Ashim Egunjobi	66 – 68, Alexander Avenue, Ikoyi, Lagos
Company Secretary	DLM Nominees Limited	66 – 68, Alexander Avenue, Ikoyi, Lagos
Lead Issuing House	FBNQuest Merchant Bank Limited	2, Broad Street, Lagos Island, Lagos State, Nigeria
Co-Issuing Houses	Afrinvest Capital Limited DLM Advisory Limited UCML Capital Limited	27, Gerrard Road, Ikoyi, Lagos 66 – 68, Alexander Avenue, Ikoyi, Lagos 7, Fatai Durosinmi – Etitu Cres, Victoria Island, Lagos
Solicitors to the Issuer	Olaniwun Ajayi LP	The Adunola, Plot L2, 401 Close, Banana Island, Ikoyi, Lagos State, Nigeria.
Solicitors to the Issue	TOLP Advisors	1963B, Buraimoh Kenku Street Off Oyin Jolayemi St, Victoria Island, Lagos
Registrars	Meristem Registrars & Probate Services Limited	213, Herbert Macaulay Way, Yaba, Lagos
Receiving Bank	Zenith Bank PLC	87, Ajose Adeogun Street, Victoria Island 106104, Lagos State, Nigeria
Stockbroker	DLM Securities Limited	66 – 68, Alexander Avenue, Ikoyi, Lagos
Rating Agencies	DataPro Limited Global Credit Rating Company Limited	Foresight House, 163/165 Broad Street, Marina, Lagos 17 Ligali Ayorinde Street, Victoria Island, Lagos
Reporting Accountant	Crowe Dafinone	15 Elsie Femi Pearse Street, Off Kofo Abayomi, Victoria Island, Lagos
Auditor	Deloitte & Touche	Plot GA1 Ozumba Mbadiwe Avenue Victoria Island Lagos

## **Declarations**

Except as otherwise disclosed in this Shelf Prospectus:

- (a) No share of the Issuer is under option or agreed conditionally or unconditionally to be put under option;
- (b) No commissions, brokerages or other special terms have been granted by the Issuer to any person in connection with the Debt Issuance Programme or sale of any securities of the Issuer;
- (c) Save as disclosed herein, the directors of the Issuer have not been informed of any holding representing 5% or more of the issued share capital of the Issuer;
- (d) There are no founders' or management or deferred shares or any options outstanding in the Issuer;
- (e) There are no material service agreements between the Issuer or any of their Directors and employees other than in the ordinary course of business;
- (f) There are no long-term service agreements between the Issuer or any of their Directors and employees other than in the ordinary course of business;
- (g) No Directors of the Issuer has had any interest, direct or indirect, in any property purchased or proposed to be purchased by the Issuer in the five years prior to the date of this Shelf Prospectus;
- (h) No prosecution has commenced against the Issuer or any of their subsidiaries in respect of any breach of any securities or banking laws or CAMA;
- (i) No action has been taken against the Issuer by the NGX or FMDQ in respect of any breach of the listing requirements of the NGX or FMDQ respectively; and
- (j) In the preceding and current financial year, there has been no merger or take-over offers by third parties in respect of the company's securities, and the company has not tendered a merger or take-over offer in respect of another company's securities

It is further declared that to the best of knowledge of Directors of the Company and the Issuer as at 31 December 2022, none of the shareholders, directors or key management personnel are or have been involved in any of the following (whether in or outside Nigeria):

- (a) a petition under any bankruptcy or insolvency laws filed (and not struck-out) against such person or any partnership in which he was a partner or any company of which he was a director or key personnel;
- (b) convicted conviction in a criminal proceeding or is named subject of pending criminal proceedings relating to fraud or dishonesty;
- (c) the subject of any order, judgment or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty, restraining the person from acting as an investment adviser, dealer in securities, director or employee in any type of business practice or activity

## **OFF BALANCE SHEET ITEMS**

As at 31 December 2022, the Issuer had no off-Balance Sheet Items other than in the ordinary course of business.

## NIGERIAN MACROECONOMIC ENVIRONMENT

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### OVERVIEW

The Federal Republic of Nigeria is located in the West African sub-region of Africa, bordered by the Republic of Niger to the North, Republic of Chad to the Northeast, Republic of Cameroon to the East, Republic of Benin to the West and the Atlantic Ocean to the South, and occupies a land area of approximately 923,773km<sup>2</sup>. Nigeria is comprised of 36 States and a Federal Capital Territory – Abuja which is located in central Nigeria. The States and the Federal Capital Territory are grouped into six geopolitical zones with 774 constitutionally recognized Local Government Areas and Area Councils. Nigeria has 3 major ethnic groups (Yoruba, Igbo & Hausa), 250 other ethnic groups, while it adopts English as its official language.

Nigeria has a population of approximately 206.14m as of 2020 according to the 2019 Revision of the United Nations Population Division (UNPD)'s World Population Prospects. Nigeria is endowed with several minerals including gold, iron ore, coal, and limestone, and had 37.05 billion barrels of proven oil reserves and 5.84 trillion cubic feet of proven natural gas as of 2021, according to the Organization of the Petroleum Exporting Countries ("OPEC"). Agriculture is a major source of livelihood, employing roughly 70% of the labour force. According to the United States Energy Information Administration, in 2021, the country was the 20th largest producer of petroleum in the world.



### POLITICAL CONTEXT

Nigeria became an internationally recognized independent nation in 1960, after a period of colonialism under the British government which spanned about a century beginning with the formal annexation of Lagos in 1861. In October 1963, it became a Federal Republic and in May 1999 returned to democratic rule after thirty-three years of primarily military rule. For four years, between 1979 and 1983, democracy surfaced briefly under the civilian government of Alhaji Shehu Shagari, until it was ended by a military coup. Chief Olusegun Obasanjo became the first democratically elected President on the platform of the People's Democratic Party ("PDP"). After serving two terms, Chief Olusegun Obasanjo handed over power to Umaru Musa Yar'Adua on 29 May, 2007. However, President Yar'Adua's tenor was short lived due to his demise on May 5, 2010; following which Dr Goodluck Ebele Jonathan (GEJ) was sworn in as President on 06 May, 2010. GEJ contested and won the 2011 presidential elections and led the country for 5 years. In 2015, Muhammadu Buhari was elected President of Nigeria under the platform of the All Progressives Congress (APC) marking a new era for the Country and the end of a 16-year rule by the PDP. In 2019, Muhammadu Buhari was re-elected for a second term as President of the Federal Republic of Nigeria. The most recent presidential election was held on 25 February 2023 and saw the election of Bola Ahmed Tinubu under the platform of the APC. The election of President Tinubu was historic as it meant that the Presidential seat in Nigeria was occupied by a person who was a former Senator who turned Governor.

Beginning since 1963, Nigeria has had four different republics and each republic came with its own constitution. Nigeria is currently running its fourth Republic which was inaugurated in May 1999. The present constitution was modeled after the United States Constitution and it provides for a tripartite structure in which power is divided among the executive, legislative and judicial branches. It establishes and sets out the powers and functions of the President (executive), the National Assembly (legislative) and an independent judicial system (judiciary) and prescribes the qualifications that individuals must possess to be appointed or elected to exercise such powers. The constitution has been amended three times since it came into force in May 1999.

The federation made up of three tiers of Government: The Federal Government, State Governments and Local Governments (together, the “Federation”) and six geopolitical zones. There are currently 774 constitutionally recognized local government areas and area councils in Nigeria.

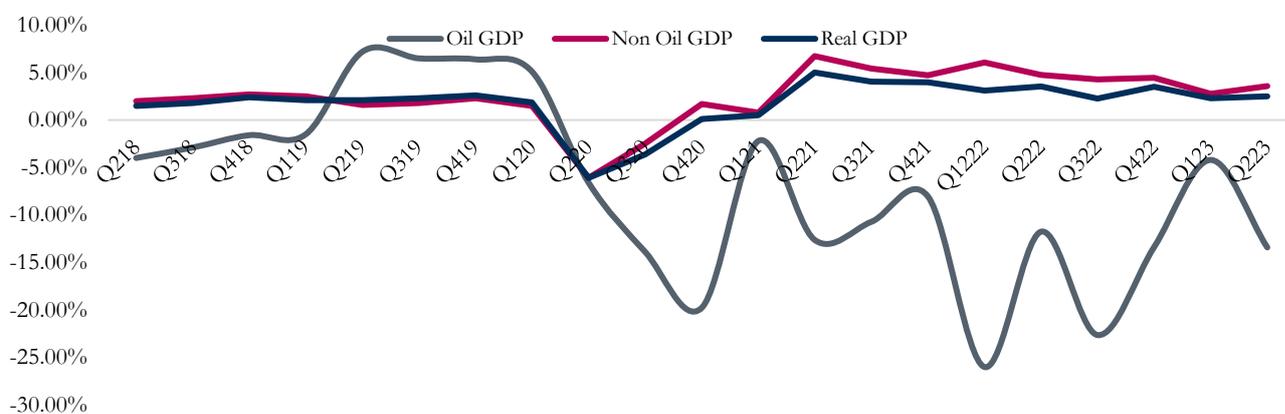
## ECONOMIC OVERVIEW

### Gross Domestic Product (GDP)

In nominal terms, Nigeria’s GDP grew by 13.21% year-on-year from ₦176.07trillion in 2021 to ₦199.33trillion in 2022, and in real terms fell by 8.82% year-on-year. In April 2014, Nigeria rebased its nominal GDP from the 1990 base year to 2010. As a result of the rebasing, Nigeria became the largest economy in Africa (surpassing South Africa) with a GDP of US\$569 billion in 2014. While the economy enjoyed sustained economic growth for a decade, with annual real GDP growth averaging about 6.49 percent between 2005 and 2015, it went into a recession in Q2, 2016 driven by the severe decline in global oil prices but recovered in 2017. In 2020, due to the impact of the global COVID-19 pandemic, the economy slumped into another recession with GDP declining by 6.10% in Q2 and 3.62% in Q3 of 2020. This recession was short lived as by Q4 2020 GDP recorded a growth of 0.11% but for FY2020 GDP declined by 1.92%.

In 2022, the economy contracted by growing at a rate of 3.10% across the full year which was less than the 3.40% rate recorded in 2021. The decline in 2022 was due to the steep decline in the oil sector growth rate which fell by 19.22%. The significant decline in the oil-sector was mitigated by the improved performance in the non-oil sector which grew by 9.00% and contributed 94.33% to overall growth. Within the non-oil sector, the services industry was the main driver contributing 56.27% to the sector’s growth. The IMF, in its World Economic Outlook, has projected Nigeria’s real GDP to grow by 3.20% in 2023.

Figure 1: Annual GDP Growth Rate



Source: NBS

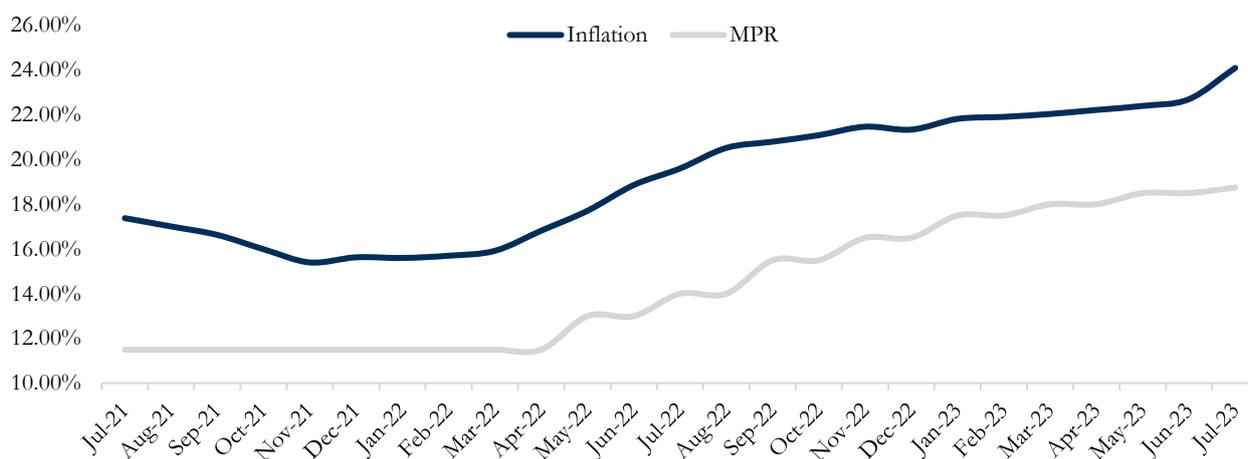
### Inflation

Inflation is calculated using the Consumer Price Index (“CPI”). The CPI measures the average change over time in prices of goods and services consumed by people for day-to-day. According to the July 2023 Inflation Report issued by the NBS, the CPI increased on a headline inflation reading rose for the seventh consecutive month, increasing at a faster rate of 129bps to 24.08% y/y, from 22.79% the previous month. The steeper rise in the headline reading is unsurprising given the new administration’s recent policy reforms including the removal of fuel subsidies and the devaluation of the naira currency. Food prices, which was the main contributor to the rise in the

headline rate increased at a much faster rate of 173bps to 26.98% y/y. This compares with the 43bps increase to 25.25% y/y in June. According to the NBS, some primary contributors to food inflation were price increases in oils and fat, bread and cereals, potatoes, yam and other tubers, fruits, meat, fish, vegetables, milk, cheese and eggs

Core inflation, rose up by 41bps to 20.47% y/y, (from 20.06% y/y the previous month). According to the NBS, price increases in passenger transport by air, passenger transport by road, vehicle spare parts, medical services, maintenance, and repair of personal transport equipment were the primary drivers of core inflation. Also, core inflation climbed up to 2.11% m/m from 1.77% in June.

**Figure 2: Inflation Development (monthly rates)**



Source: NBS

### Interest Rate

At its last meeting in July '23, the Monetary Policy Committee (MPC) increased the policy rate by 25bps to 18.75%, and moved the asymmetric corridor of the MPR to +100/-300 basis point, while other parameters were left constant. In reaching its decision, the committee reviewed global economic developments, noting the moderate growth outlook due to sluggish recovery of China's economy and the lingering Russia-Ukraine war. On the domestic front, the committee took particular note of the persistent rise in headline inflation and the moderate recovery of output growth. Given the sustained rise in the headline reading, we expect the committee to maintain a hawkish stance to in a bid to combat inflation.

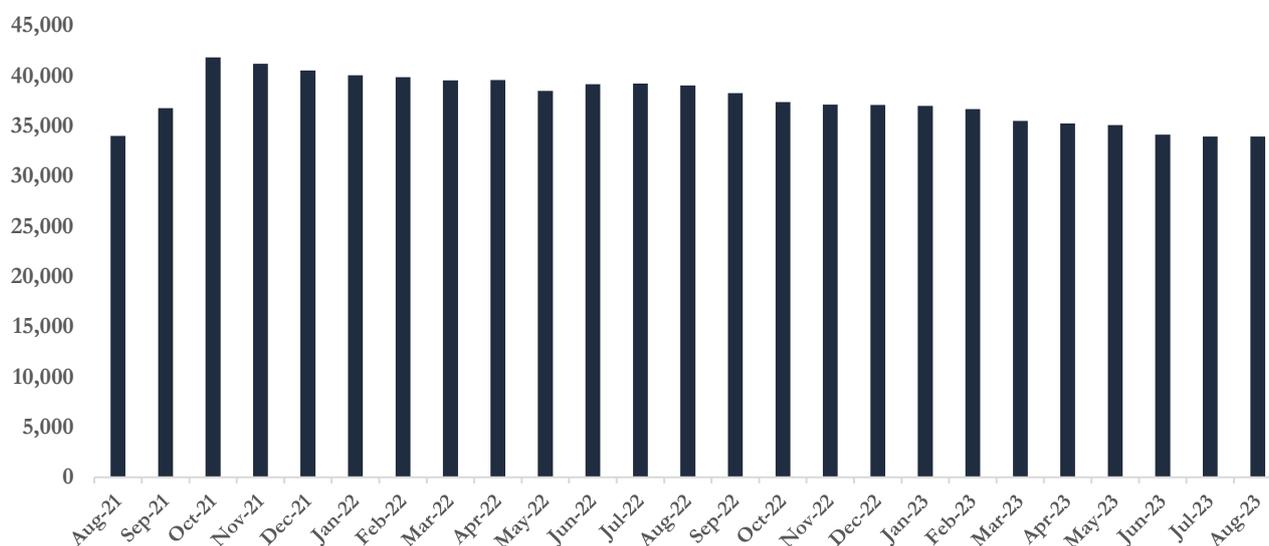
### Foreign Exchange

In April 2017, the CBN established the Import and Export Foreign Exchange Window (IEFX Window), a special foreign exchange window dedicated to investors, exporters and end-users designed to boost liquidity in the foreign exchange market and ensure timely execution and settlement of eligible transactions. The IEFX Window enables parties (including foreign investors) in Nigeria to sell and buy foreign exchange at market determined exchange rates (i.e., at rates mutually agreed by parties). However, upon the election of Bola Ahmed Tinubu, who promised to make changes to the operations of the Apex Bank, the CBN abolished all segments and collapsed all to the IEFX Window. In addition, the introduction of a "Willing buyer, Willing seller" model was introduced which meant that market forces determined the value of foreign currencies. Following these operational changes set by the CBN, the Naira has depreciated against the dollar by 77.79% on a year-on-year basis to close August at US\$1/₦762.71.

## Foreign Reserves

Foreign Exchange Reserves in Nigeria closed August 2023 at US\$33.95billion which represents a 13.00% decrease on a year-on-year basis (US\$39.03 billion in August 2022). However, on a YTD basis the reserves have dropped 8.44% and this is despite a 1.31% increase in oil prices over the same period.

**Table 3. Gross External Reserves (b'US\$)**



Source: CBN

## Public Debt

The FGN has recently started focusing on developing a robust domestic debt market, with a target of 70:30 domestic debt to external debt ratio. According to the DMO, as at June 2023, the total public debt stock stood at N113.42trillion or US\$87.38 billion. The debt stock is made up of the domestic and external debt stocks of the FGN, the 36 State Governments and the Federal Capital Territory (FCT). The breakdown of the public debt stock showed that 38.05% was external (N43.16 trillion), while the balance of 61.95% was domestic (N70.26 trillion).

The current strategy with respect to the Nigerian domestic debt portfolio is to lengthen the debt maturity structure, to broaden and deepen the domestic bond market through the introduction of a variety of government securities, to use technology to aid the effective and efficient issuance and trading of domestic bonds and to improve the regulatory framework for the effective operation of the bond market. Accordingly, in line with efforts to broaden the FGN's securities basket, the DMO launched several new securities in recent times including the FGN Savings Bond, the FGN Diaspora Bond (under the category of external debt), the FGN Sukuk, the FGN Green Bond and most recently the FGN c.\$4bn Eurobond issued in Q3 2021.

## FORM OF PRICING SUPPLEMENT

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*Set out below is the form of the Pricing Supplement which will be completed by the Issuer for each Series of Bonds issued under the Programme:*

**Pricing Supplement  
To the Shelf Prospectus dated 8<sup>th</sup> May 2024**

**DLM FUNDING SPV PLC**

Issue of [●] [Title of Bonds]

**Under the ₦30,000,000,000 Medium Term Notes Programme**

Issue Price: [●] per unit  
Payable in full on Application

Application list Opens: [●]  
Application list Closes: [●]

This Pricing Supplement is prepared for the purpose of Rule 279(3)(5)(i) of the Rules and Regulation of the Securities & Exchange Commission (“the Commission” or “SEC”) in connection with the ₦30,000,000,000 Medium Term Notes Programme (the “Securities” or “Bonds”) established by DLM Funding SPV PLC (“the Issuer”), and sponsored by DLM Capital Group Limited. This Pricing Supplement is Supplementary to, and should be read in conjunction with, the Shelf Prospectus dated [●] (“Shelf Prospectus”) and any other supplement to the Shelf Prospectus to be issued by the Issuer. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement. This Pricing Supplement is directed solely at Qualified Institutional Investors and High Net worth Individuals as defined in Rule 321 of the SEC Rules and Regulations.

To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall be deemed to amend the Shelf Prospectus. This Pricing Supplement may be used to offer and sell the Bonds only if accompanied by the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained from the Issuing House.

The registration of the Shelf Prospectus and this Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the Securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Shelf Prospectus or this Pricing Supplement. No Securities will be allotted or issued on the basis of the Shelf Prospectus read together with this Pricing Supplement later than three (3) years after the date of the issue of the Shelf Prospectus unless renewed by the SEC. The Offer Documents can be found on [www.dlm.group](http://www.dlm.group) or the Commission’s website on [www.sec.gov.ng](http://www.sec.gov.ng)

This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Securities being issued hereunder. An application will be made to FMDQ Securities Exchange Limited (“FMDQ”) for the admission of the Bonds to the Daily Quotations List of FMDQ. The Issuer may also consider a dual listing on the Nigerian Exchange Limited (“NGX”).

Without prejudice to the provision of section 85 (1) (Civil Liability for Mis-statements in Prospectus) of the Investments & Securities Act No. 29 2007, the Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement. The Issuer declares that having taken reasonable care to ensure that such is the case, the information contained in this Pricing Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information and that save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus. Further, the material facts contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

## FINAL TERMS OF SERIES [▪] BONDS

1. Issuer: DLM Funding SPV PLC
2. Sponsor/ Co-obligor: DLM Capital Group Limited and all its operating subsidiaries
3. Series Number: [●]
4. Aggregate Principal Amount of Series: [●]
5. (i) Issue Price: [●]  
(ii) Net Proceeds: [●]
6. Denomination(s): [●]
7. (i) Issue Date: [●]  
(ii) Coupon Commencement Date (if different from Issue Date): [●]
8. Maturity Date: [●]
9. Coupon Basis: [● % Fixed Rate]  
[● % Floating Rate]
10. Redemption/Payment Basis: [●]
11. Status: [●]
12. Security: [Applicable/Not Applicable]
13. Listing(s): [●]
14. Method of Distribution: [●]
15. Offer Period: [●]

### PROVISIONS RELATING TO COUPON (IF ANY) PAYABLE

16. Fixed Rate Bond Provisions
  - (i) Coupon Rate(s): [● %]
  - (ii) Coupon Payment Date(s): [●]
  - (iii) Coupon Amount(s): [●]
  - (iv) Day Count Fraction: [●]
  - (v) Business Day Convention: [Following Business Day Convention/ Preceding Business Day Convention/ Modified Business Day]

- (vi) Business Day: [●]
- (vii) Other terms relating to method of calculating interest for Fixed Rate Bonds: [Not Applicable/Give Details]

17. Floating Rate Bond Provisions [Applicable/Not Applicable]  
*(if not delete the remaining sub-paragraphs of this paragraph)*
- (i) Coupon Rate: [●]
  - (ii) Benchmark: [●]
  - (iii) Spread to Benchmark: [●]
  - (iv) Minimum Rate of Interest: [● %]
  - (v) Maximum Rate of Interest: [● %]
  - (vi) Coupon Payment Date(s): [●]
  - (vii) First Coupon Payment Date: [●]
  - (viii) Party responsible for calculating interest rate and interest amount(s): [●]
  - (ix) Coupon Reset Date: [●]
  - (x) Coupon Determination Date(s): [●]
  - (xi) Day Count Fraction: [●]
  - (xii) Business Day Convention: [●]
  - (xiii) Business Day: [●]

**PROVISIONS RELATING TO REDEMPTION**

- 18. Optional Early Redemption (Call Option): [Applicable/Not Applicable]
- 19. Optional Early Redemption (Put Option): [Applicable/Not Applicable]
- 20. Scheduled Redemption/Amortisation: [Applicable/Not Applicable]
- 21. Redemption Amount(s): [●]
- 22. Scheduled Redemption Dates: [●]
- 23. Final Redemption Amount: [●]

**GENERAL PROVISIONS APPLICABLE TO THE BONDS**

- 24. Form of Bonds: Dematerialized Bonds
- (i) Form of Dematerialised Bonds: [Registered]
- (ii) Registrar: [●]

- 25. Bond Trustee(s): [●]
- 26. Record Date: [●]
- 27. Other terms or special conditions: [●]

**DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS**

- 28. Book-building: [●]
- 29. Underwriting: [●]
- 30. Clearing System: [●]

**GENERAL**

- 31. Issue Rating: [●]
- 32. Taxation: [●]
- 33. Governing Law: Nigeria

**APPENDICES**

- 34. Appendices: [List and Attach Appendices if applicable]

**USE OF PROCEEDS**

[specify use of proceeds]

**MATERIAL ADVERSE CHANGE STATEMENT**

Except as disclosed in this document and in the Shelf Prospectus dated [●] and the supplementary shelf prospectus [dated], there has been no significant change in the financial or trading position of the Issuer since [●] and no material adverse change in the financial position or prospects of the Issuer since [●].

**RESPONSIBILITY**

The Issuers accept responsibility for the information contained in this Pricing Supplement which, when read together with the Shelf Prospectus referred to above, contains all information that is material in the context of the issue of the Bonds.

Signed on behalf of the Issuers:

**FBNQuest Merchant Bank Limited**

\_\_\_\_\_  
Company Secretary/Director

\_\_\_\_\_  
Director

**DLM Advisory Limited**

\_\_\_\_\_  
Company Secretary/Director

\_\_\_\_\_  
Director

**UCML Capital Limited**

\_\_\_\_\_  
Company Secretary/Director

\_\_\_\_\_  
Director

**Afrinvest Capital Limited**

\_\_\_\_\_  
Managing Director

\_\_\_\_\_  
Director

## DOCUMENTS AVAILABLE FOR INSPECTION

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Copies of the following documents may be inspected at the offices of the Issuing Houses during normal business hours on any weekday (except public holidays) from the date of issuance of this Shelf Prospectus:

- (a) The Certificate of Incorporation of the Issuer;
- (b) The Certificate of Incorporation of the Sponsor;
- (c) The Memorandum and Articles of Association of the Issuer;
- (d) The Memorandum and Articles of Association of the Sponsor;
- (e) This Shelf Prospectus;
- (f) The audited consolidated and separate financial statements of the Sponsor for each of the years ended 31 December – 2018, 2019 2020 2021 and 2022.
- (g) Executed Management account for the period ending 30<sup>th</sup> September 2023
- (h) The reporting accountant's report
- (i) The list of outstanding claims and litigation together with the Opinion of the Solicitors to the Issue prepared thereon;
- (j) The material contracts referred to on page 59;
- (k) The written consents of parties referred to on page 60;
- (l) The extract of the Resolution of the Directors of the Issuer at the meeting held on 02-December-2021 authorizing the Programme; and
- (m) Letter from the SEC confirming registration of the Prospectus.

# EXTRACT FROM MEMART

9/11/23, 8:38 AM

Memart - DLM FUNDING SPV PLC

**FEDERAL REPUBLIC OF NIGERIA  
COMPANIES AND ALLIED MATTERS ACT, 2020  
COMPANIES LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF**

**DLM FUNDING SPV PLC**

1. The name of the Company is: **DLM FUNDING SPV PLC**
2. The Registered office of the Company will be situated in Nigeria.
3. The objects for which the Company is established are:
  - A. To Borrow Or Raise Money Solely In Connection With Its Funding Programme In Such Manner As The Company Shall Think Fit And To Obtain Guarantees From Third Parties Of The Performance By The Company Of Any Obligation Or Liability The Company May Undertake And To Secure The Repayment Of Any Money Borrowed, Raised Or Owing By Mortgage, Charge Or Lien Upon The Whole Or Any Part Of The Company's Property Or Assets (Whether Present Or Future).
4. The Company is a Public\_company\_limited\_by\_shares
5. The liability of the members is Public\_company\_limited\_by\_shares
6. The nominal share capital of the Company is ₦2,000,000.00 divided as follows:

**Total ORDINARY** ₦1,000,000.00 (*ONE MILLION*) divided into  
1000000 of 1 each

We, the several persons whose names and addresses are subscribed hereunder, are desirous of being formed into a Company in pursuance of this Articles of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

SN	NAME AND ADDRESS OF SUBSCRIBER	NO. OF SHARES TAKEN BY EACH SUBSCRIBER
1	Name: DLM NOMINEES LIMITED [1097972] Address: MUHAMMADU BUHARI WAY	1,000,000



about:blank

1/35

Dated this 6 Day of July 2021

Particulars of witness to the above signatures:

1. Name of Witness: ADESANYA  
 Address of Witness: ALEXANDER AVENUE  
 Occupation of Witness: RISK AND COMPLIANCE CONSULTANT

**FEDERAL REPUBLIC OF NIGERIA  
 COMPANIES AND ALLIED MATTERS ACT, 2020  
 COMPANIES LIMITED BY SHARES  
 ARTICLES OF ASSOCIATION  
 OF**

**DLM FUNDING SPV PLC**

**INTERPRETATION AND LIMITATION OF LIABILITY**

**Defined terms**

- 1. (1) In the articles , Unless the context requires otherwise—
  - “Act” means the Companies and Allied Matters Act, 2020 (CAMA)
  - “alternate” or “alternate director” has the meaning given in article 25
  - “appointor” has the meaning given in article 25
  - “articles” means the company articles of association;
  - “call” has the meaning given in article 53;
  - “call notice” has the meaning given in article 53;



“certificate” means a certificate, in paper or electronic form, evidencing a person’s title to specified shares or other securities;

“certificated” in relation to a share, means that it is not an uncertificated share;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 31;

“company’s lien” has the meaning given in article 51;

“director” has the meaning given in the Act and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 71;

“document” includes, unless otherwise specified, any document sent or supplied in physical or electronic form;

“electronic form” has the following meaning:

1. documents or information sent or supplied by electronic means for example by email or software by other means while in an electronic form (for example sending disk by post), and references to electronic copy shall have a corresponding meaning and a document or information is sent or supplied by electronic means if it is sent initially and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data and entirely transmitted, conveyed and received by wire, by radio, by optical means or by electromagnetic means; references to electronic means shall have a corresponding meaning;
2. a document or information authorized or requested to be sent or supplied in an electronic form must be sent or supplied in a form and by a means the sender or supplier reasonably considers will enable the recipient to read and retain a copy of it; and for this purpose, a document or information can be read only if it can be read with the naked eye, or to the extent that it connotes images (for example photographs, pictures, maps, plans or drawings) it can be seen with the naked eyes;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

“hard copy form” means a document or information sent or supplied in hard copy form or in a paper copy or similar form capable of being read and a reference to hard copy has a corresponding meaning;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“instrument” means a document in hard or soft copy form;

“lien enforcement notice” has the meaning given in article 52;

“manager” in relation to disclosure of remuneration at annual general meeting includes any person by whatever name called occupying a position in senior management and who is vested with significant



autonomy, discretion, and authority in the administration and management of the affairs of a company (whether in whole or in part);

“member” has the meaning given in section 868 (1) of the Act;

“ordinary resolution” has the meaning given in section 258 (1) of the Act;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 9;

“partly paid” in relation to a share means that part of that share’s nominal value or any premium on at which it was issued has not been paid to the company;

“proxy notice” has the meaning given in article 38;

“securities seal” has the meaning given in article 47;

“share” means shares in the company;

“special resolution” has the meaning given in section 258 (2) of the Act;

“subsidiary” has the meaning given in section 381 of the Act;

“transmittee” means a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by law;

“uncertificated” in relation to a share means that, by virtue of legislation, rules or guidelines applicable to public companies permitting title to shares to be evidenced and transferred without a certificate; title to that share is evidenced and may be transferred without a certificate; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

(2) Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the CAMA, 2020 as in force on the date when these articles become binding on the company.

**Liability of members**

2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

**DIRECTORS**

**Directors’ general authority**



- Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

#### Members' reserve power

- (1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- (2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

#### Directors may delegate

- (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—
  - a. to such person or committee;
  - b. by such means (including by power of attorney);
  - c. to such an extent;
  - d. in relation to such matters or territories; and
  - e. on such terms and conditions;

as they think fit.

- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

#### Committees

- (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

#### DIRECTORS

##### Directors to take decisions collectively

- Decisions of the directors may be taken—
  - a. at a directors' meeting, or
  - b. in the form of a directors' written resolution.

##### Calling a directors' meeting



- (1) Any directors' meeting may call a directors' meeting.
- (2) The company secretary must call a directors' meeting if a director so requests.
- (3) A directors' meeting is called by giving notice of the meeting to the directors.
- (4) Notice of any directors' meeting must indicate—
  - a. its proposed date and time;
  - b. where it is to take place; and
  - c. if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (5) Notice of a directors' meeting must be given to each director, but need not be in writing.

#### Participation in directors' meetings

- (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when —
  - a. the meeting has been called and takes place in accordance with the articles, and
  - b. they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

#### Quorum for directors' meetings

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum necessary for the transaction of the business of directors is two where there are not more than six directors, but where there are more than six directors, the quorum is one-third of the number of directors, and where the number of directors is not a multiple of three, then the quorum is one third to the nearest number.

#### Meetings where total number of directors less than quorum

- (1) This article applies where the total number of directors for the time being is less than the quorum for directors' meetings.
- (2) If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.
- (3) If there is more than one director—
  - a. a directors' meeting may take place, if it is called in accordance with the articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
  - b. if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do

