



DataPro



BOND RATING REPORT

MCM FUNDING SPV PLC

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August, 2025

MCM FUNDING SPV PLC

DataPro Rating:

A⁻

Security Type: ₦5billion
Series 1 Fixed
Rate Senior
Unsecured
Bond Issuance
Programme

Maturity Profile: 2028

Rating Outlook: Stable

Currency: Naira

Rating Watch: Applicable

Date Issued: 15 Aug., 2025

Valid Till: 14 Aug., 2026

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

₦5,000,000,000 Series 1 Fixed Rate Senior Unsecured Bond Under the ₦50,000,000,000 Bond Issuance Programme Due 2028

EXECUTIVE SUMMARY

	2024 ₦ '000	2023 ₦ '000	2022 ₦ '000	2021 ₦ '000	2020 ₦ '000
Revenue	18,850,058	3,426,302	2,568,792	1,593,607	920,224
Pre-tax-Profit	1,455,846	906,137	370,629	248,775	156,760
Equity	8,438,743	4,423,139	1,294,915	1,061,195	425,302
Financial Assets	13,516,483	35,773,405	30,680,750	5,382,307	2,174,427
Total Assets	39,797,675	63,585,853	52,654,711	19,602,741	5,085,284
Total Liabilities	31,358,932	59,162,714	51,359,797	18,541,548	4,659,981

Rating Explanation

The Long-Term Rating of *A⁻* indicates *Low Risk*. It shows very good Financial Strength, Operating Performance and Business Profile when compared to the standard established by *DataPro*. This Issuer, in our opinion, has strong ability to meet its ongoing obligations.

ISSUE QUALITY

In the course of our review, the following qualities were observed:

- The Investment Grade of *the Sponsor*.
- *The Issue* rank pari-passu without preference with other direct, unsecured, and unsubordinated obligations of *the Issuer*.
- The Transaction Structure surrounding the *Bond*.
- Establishment of a *Debt Service Reserve Account*.
- The presence of *Events of Default* in the Programme.

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.

THE ISSUE

The Issue ("The Bond") is a ₦5billion Series 1 Fixed Rate Senior Unsecured Bond under the ₦50billion Bond Issuance Programme issued by *MCM Funding SPV Plc (The Issuer)*. The bond has a three-year tenor and is scheduled to mature in 2028.

The Issuer is a Special Purpose Vehicle (SPV) sponsored by *MBO Capital Management Ltd (the Sponsor)*. The Bond issuance was authorized by a resolution of the Board of Directors of both the Sponsor and the Issuer, dated August 7, 2025. The Bonds are supported by a Deed of Covenant issued by the Sponsor in favour of the Trustees, acting on behalf of the Bondholders. The issuance is subject to, and governed by the applicable laws of the Federal Republic of Nigeria, particularly *the Investment and Securities Act, 2025*.

The Issue shall constitute direct, unsecured and unsubordinated obligations of the Issuer and will rank pari passu amongst themselves. It shall also rank pari passu with all other unsecured and unsubordinated obligations assumed by the Issuer other than those mandatorily preferred by law.

The Bond shall be issued in minimum of 5,000 units at ₦1,000 per unit and in multiples of ₦1,000,000 thereafter. However, Bids below this will be acceptable where the Bid forms part of a cumulative Bid from the same investor group that is greater than the minimum subscription.

In addition to the Issuer and the Sponsor, the following parties are involved in the transaction: *Chapel Hill Denham Advisory Limited (Lead Issuing House)*, *FCSL Asset Management Limited (Stockbroker to the Issue)*, *FCSL Asset Management Limited, Afrinvest Capital Limited, ARM Securities Limited & Coronation Merchant Bank Limited (Joint Issuing Houses)*, *Vetiva Trustees Limited & ARM Trustees Limited (Joint Trustees)*, *CardinalStone Registrars Limited (Registrar)*, *Zenith Bank Plc & Access Bank Plc (Receiving Bank)*, *PricewaterhouseCoopers (PWC) (Reporting Accountants)* and *Aluko & Oyebode & Banwo & Ighodalo (Solicitor to the Issue)*.

USE OF PROCEEDS

The net proceeds from the Bond will be used to acquire an Intercompany Note issued by the Sponsor. The estimated net proceeds and issuance costs are as presented:

Use	Amount ₦	%
Purchase of Intercompany note from the Sponsor	4,892,507,934	98
Cost of Issuance	107,492,066	2
TOTAL	5,000,000,000	100

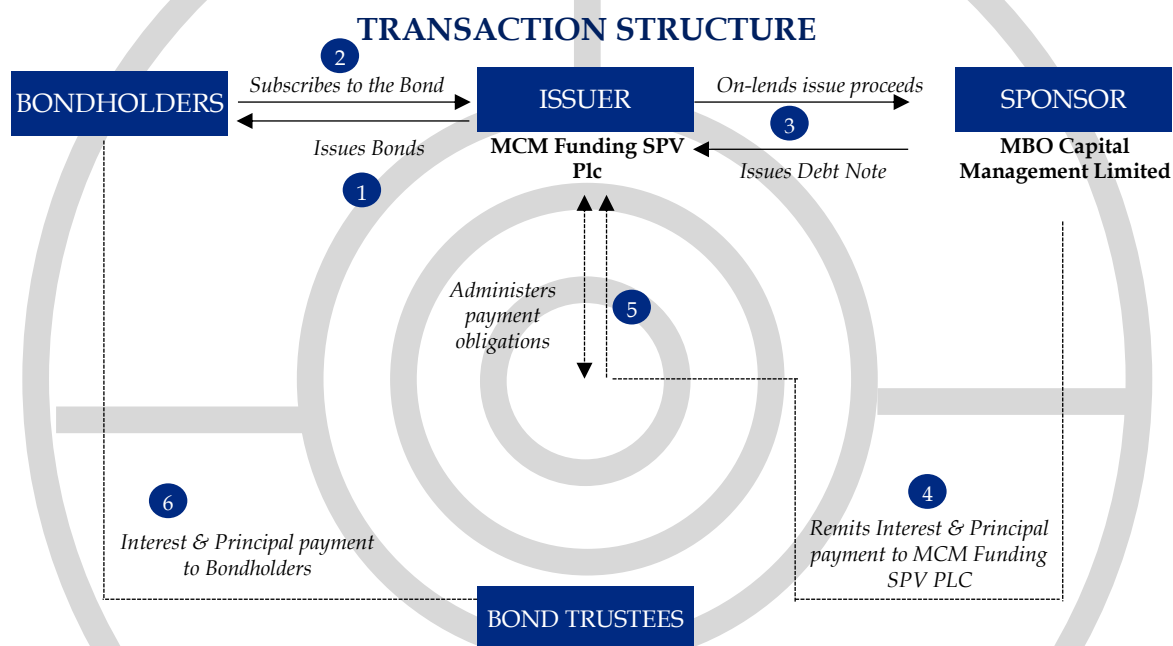
Source: MCM Funding SPV Plc

The Sponsor shall utilize the Net Proceeds of the Intercompany Note to fund power projects for commercial and residential properties.

The Intercompany Bonds will have the characteristics that demonstrate the capacity to generate funds to service any payments due and payable on the Bonds. Therefore, the terms of the Bonds will largely be consistent with the terms of the Intercompany Bonds.

TRANSACTION STRUCTURE

The transaction structure relating to the ₦5billion Series 1 Fixed Rate Senior Unsecured Bond under the ₦50billion Bond Issuance Programme is as presented:



Source: MCM Funding SPV Plc

SUMMARY OF THE TRANSACTION

- The Sponsor will establish a Special Purpose Vehicle (SPV) solely for the purpose of issuing securities to the public.
- Investors will subscribe to the Issuer’s Bond and the proceeds are then on-lent to the Sponsor through the issuance of Notes.
- The Issuer purchases Corporate Debt Notes issued by the Sponsor in accordance with the terms of the Master Notes Purchase Agreement.
- Periodic interest and principal payments are made to the Issuer by the Sponsor.
- Periodic interest and principal payments owed to Bondholders are remitted to the Trustees (also appointed as Shareholders to the SPV) in accordance with the terms of the Trust Deed.
- The Trustees distribute interest and principal payments to the Bondholders in accordance with the terms outlined in the offer document.

FUNDING AND REDEMPTION

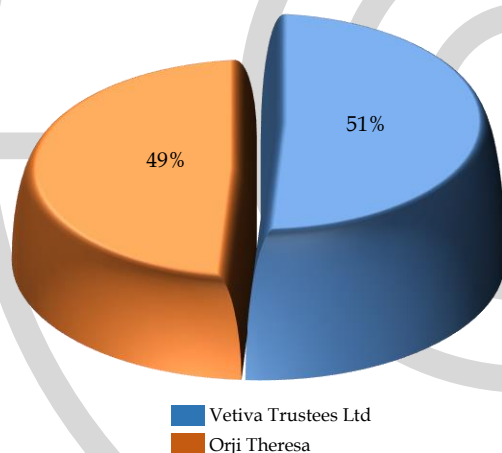
The repayment of the Principal shall be by amortization commencing in the second year from the Issue Date. There shall be a moratorium period of one year on principal payment commencing from the Issue Date. However, Coupon shall be payable semi-annually, commencing from the Issue Date up to and including the Maturity Date.

A *Debt Service Account (DSA)* will be established by the Issuer and managed by the Trustees to facilitate the prompt payment of the Principal and Coupon. Cash flow from the operations of the Sponsor will be maintained in the DSA.

Additionally, the Issuer will establish a Debt Service Reserve Account where the Sponsor will deposit the Minimum Reserve Balance. The account is to be funded by a deposit at least five (5) business days before a relevant Payment Date.

THE ISSUER

DISTRIBUTION OF SHAREHOLDING



Source: MCM Funding SPV Plc

no business operations of its own.

MCM Funding SPV Plc (the “Issuer”) was incorporated as a Public Limited Liability Company on May 19, 2023. The Issuer has no subsidiaries or affiliated entities and is registered with its office located in Victoria Island, Lagos.

The Issuer is a Special Purpose, funding vehicle of *MBO Capital Management Limited* established for the purpose of borrowing, advancing/on-lending funds to, and receiving funds from the Sponsor. Aside these, the Issuer has

THE SPONSOR

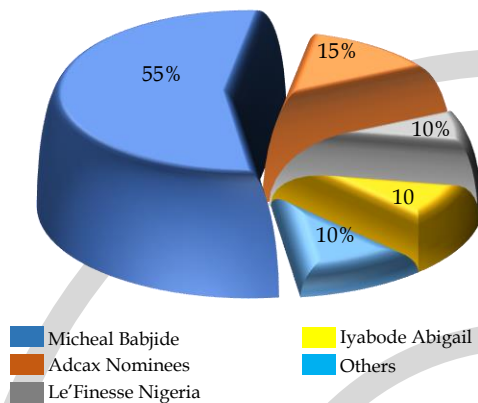
MBO Capital Management Limited (“The Company”) was incorporated as a Private Limited Liability Company on the 29th of March, 2012 and commenced operations on April 1, 2012. The Company is registered by the *Securities and Exchange Commission (SEC)* as a Private Equity Fund Manager.

The Company’s major activities cut across Principal Investments, Private Equity Funds and Financial Advisory Services. Its Principal Investments activities entail

allocating proprietary investment in private companies and projects it perceived to be viable.

The Company’s Financial Advisory Services include Business Valuations as well as Merger and Acquisitions. Its project experience in this regard covers: Entertainment, Power, Fast Moving Consumer Goods, Financial services and the Health Sector. The

ANALYSIS OF SHAREHOLDING STRUCTURE



Source: MBO Capital Management Ltd

Company’s investment strategy is focused on seeking attractive risk-adjusted returns by investing in a diversified portfolio of growing companies

Micheal Babajide Ogundare is the major shareholder of the Company. He holds 55% of the Company Shares. Other shareholders include: *Adcax Nominees Limited, Le' Finesse Nigeria Limited, Iyabode Abigail Sholanke, Eyamba Theresa Nzekwu* and *Olufemi Lalude*.

Directors Profile

The following served as Directors during the year under review: *Dr. Olufemi Lalude* - Chairman, *Mrs. Eyamba Theresa Nzekwu*, *Mr. Olatomi Harry Davies*, *Mr. Jide Ogundare* and *Mr. Kunle Adebisi*.

Details of the Directors’ profile is as follows:

- Name:** Dr. Olufemi Lalude
Position: Chairman
Education:
 - B.Sc & M.Sc – University of Minnesota
 - Ph.D – University of California**Experience:**
 - Shell International Netherland
 - Shell Nigeria (SNEPCO)
 - Addax Petroleum Company, Petrodata Management Services
 - Crestech Engineering Company
- Name:** Mrs. Eyamba Theresa Nzekwu
Position: Non-Executive Director
Education:
 - Middlesex Polytechnic
 - South Bank University (ACCA)**Experience:**
 - PwC
 - Continental Merchant Bank of Nigeria Limited

- Teff Nigeria Limited
- Cross River State Government
- National Pension Commission
- African Development Bank (AfDB)

3. Name: Mr. Harry Tomi Davies
Position: Independent Non-Executive Director
Education:

- B. Sc.- University of Miami
- MBA - University of Miami School of Business

Experience:

- ELF Marketing Nig. Limited
- Marks and Spencer
- Ernst & Young
- Sapient Inc.
- Richardson and Briggs Nigeria
- Techno Vision Communications, Nigeria
- Mobitel Limited, Nigeria
- People Prime
- Strika Entertainment
- Sproxil, Baas Online Properties

4. Name: Mr. Jide Ogundare
Position: Chief Executive Officer
Education:

- LLB - University of London
- BL - Nigerian Law School
- MBA - University of Cardiff

Experience:

- GT Bank (Nigeria & Sierra Leone)
- MBO Capital Management Limited

5. Name: Mr. Adekunle Adebisi
Position: Executive Director
Education:

- MA/MEng. - University of Cambridge
- MBA - Kellogg

Experience:

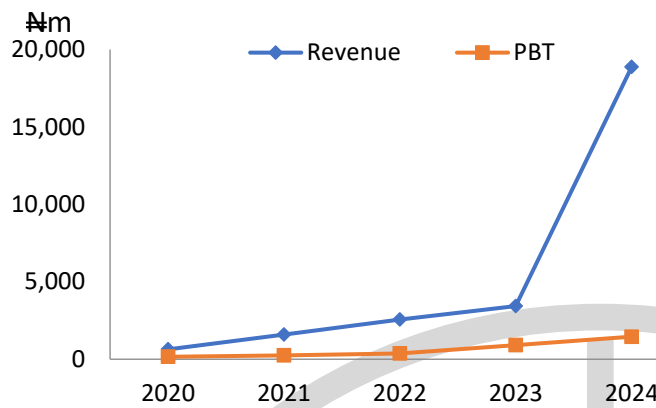
- DHL (United Kingdom)
- Lehman Brothers (USA)
- Access Bank (Nigeria)
- PwC (Nigeria & Kenya)
- MBO Capital Management Limited

FINANCIAL PERFORMANCE

• EARNINGS PROFILE

The Financial analysis was based on the review of the Sponsor's Financial Statements covering 2020 to 2024.

REVENUE GROWTH (2020-2024)



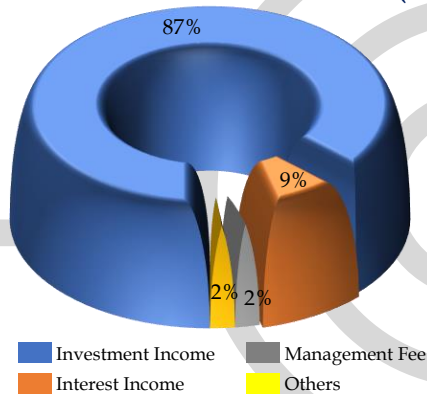
Source: MBO Capital Management Ltd

Revenue was generated from various sources, including Management fee, Advisory, Valuation fee, Investment income as well as Interest Income. The Company recorded an increase in its Revenue during the year 2024. It increased significantly from ₦3.4b (Yr.23) to ₦18.9b (Yr.24).

The major contributor to Total Revenue in 2024 was Investment Income which accounted for 87% of the Total Revenue. It increased significantly from ₦1.1b (Yr.23) to ₦16.5b (Yr.24). This was driven by the sale of the Company's landed property at Maiyegun Beach Estate Lagos.

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COMPOSITION OF REVENUE (2024)



Source: MBO Capital Management Ltd

Additionally, Income derived from Management Fee as well as Interest Income also recorded an increase during the year 2024. Management Fee increased from ₦329m (Yr.23) to ₦459m (Yr.24). Similarly, Interest Income rose from ₦1.2b (Yr.23) to ₦1.7b (Yr.24).

However, income generated from Advisory fee and Valuation fee recorded a decline. Specifically, the income from Advisory fee significantly declined by 93% from ₦411m (Yr.23) to ₦30.2m (Yr.24). Similarly, income from Valuation fee declined by 71% from ₦22.9m (Yr.23) to ₦6.7m (Yr.24).

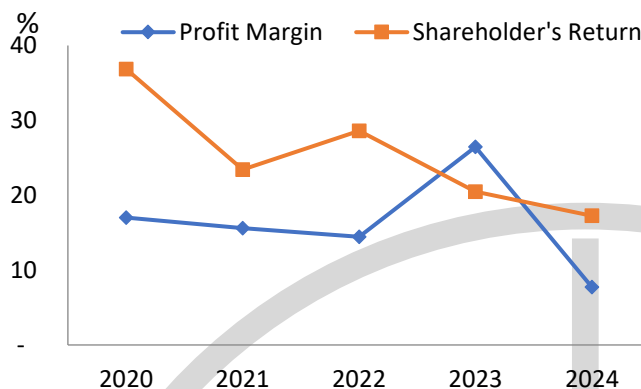
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Direct Cost recorded a significant growth from ₦1.9b (Yr.23) to ₦15.7b (Yr.24). This cost is attributable to Investment Expense, Advisory Cost, Investment Commission, as well as Interest Expense. The largest component of the Direct Cost was Investment Expense, which accounted for 75% of the total amount. These were expenses relating to the disposed landed property at *Maiyegun Beach Estate*. It included: cost of the land and interest capitalised on borrowing cost, land development and agent commission.

Direct Cost as proportion of Revenue was 83% (Yr.24) as against 56% (Yr.23). Therefore, Gross Profit Margin declined from 44% (Yr. 23) to 17% (Yr. 24).

• **PROFITABILITY**

PROFITABILITY TREND (2020-2024)

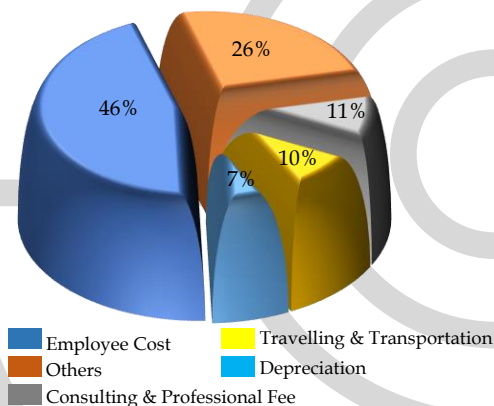


Source: MBO Capital Management Ltd

In 2024, the Company incurred Operating Expenses such as: Employee Cost, Consulting and Professional Fee, Depreciation, Travelling and Transportation, Training, Insurance as well as Commission. The Operating Expenses was ₦1.2b (Yr.24) as against ₦889m (Yr.23). This reflected an increase of 44% compared with the prior year.

Employee Cost remained the largest component of Operating Expenses, accounting for 46% of the total amount in 2024.

COMPOSITION OF OPERATING EXPENSES



Source: MBO Capital Management Ltd

Finance Costs recorded a decline of 77% from ₦163m (Yr.23) to ₦37.6m (Yr.24). The Finance cost comprised of Interest expense on lease liability and general interest expense. Sundry Interest Expense remained the major component of the Cost, it recorded a decline from ₦161m (Yr.23) to ₦31.5m (Yr.24).

Due to the growth in Revenue, the impact of the rise in Operating Expenses was minimized.

Additionally, the reduction in **Finance Costs** contributed to an increase in **Profit Before Tax** which increased from ₦906m (Yr. 23) to ₦1.4b (Yr. 24). This reflected 61% increase compared with the prior year. However, despite the growth in profit, the **Net Profit Margin** decreased significantly from 26% (Yr. 23) to 8% (Yr. 24). This was due to high cost fund incurred during the year under review.

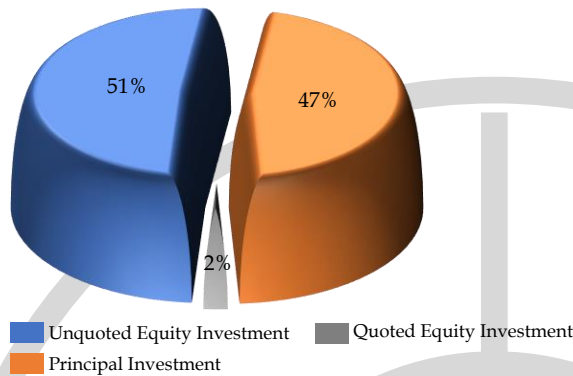
• **INVESTMENT**

The Company's Investment portfolio comprises Equity Investments as well as Principal Investments. The total amount of the Investment as at the year end 2024 was ₦29b. This accounted for 73% of the Company's Total Asset.

The Company has Unquoted Equity Investments in various entities including: *Metrowaves Sports & Infrastructure Limited, Utilita Energy Limited, Sterling Virtual Offices. FCSL Asset Management, AFYA Care Nigeria, Equity investment in*

the movie "Pink Butterfly" produced by Sheffy Productions, Catapult Group, Equity investment in a movie produced by Gold Lilies, Aurelia, Equity investments in 3 movies by BRS Entertainment Studios, RSNL, NBA Africa, Sourcing and Produce. The Quoted Equities were in Access Bank at a value of ₦374.5m.

COMPOSITION OF TOTAL INVESTMENT (2024)



Source: MBO Capital Management Ltd

The value of these Equities amounted to ₦15.5b as at the year ended 2024. This represented a growth of 20% compared with the previous year value. *Catapult Group* and *NBA* are the major contributors to Equity Investment accounting for 25% and 20% respectively.

The Company classified Principal Investment as Financial Assets. The total value of this class of investment was ₦13.5b. The Principal

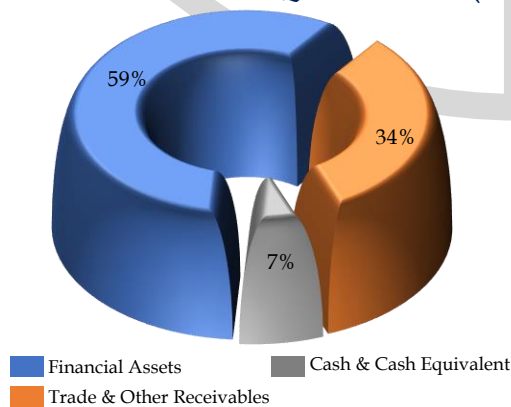
placements were short-term deposits with various interests at annual rates ranging from 20% - 35%. This contributed 46% to Total Investments in the year 2024.

The Company earned Investment Income amounting to ₦18.3b (Yr.24). This was majorly driven by the sale of the Company's landed property at *Maiyegun Beach Estate*. The actual return on the sale of the property was ₦4.7b translating to 28%.

• **LIQUIDITY**

The Liquid Assets accounted for 57% of the Total Assets in the financial year. As at the year ended 2024, the Liquid Asset amounted to ₦23.3b reflecting a decline of 41% compared with the preceding year. The Company's Liquid Asset comprises of Financial Assets, Trade and other receivables, Quoted Equity as well as Cash Placements.

COMPOSITION OF LIQUID ASSET (2024)



Source: MBO Capital Management Ltd

The decline in Liquid Assets was mainly driven by the decrease in Financial Assets, which accounted for approximately 59% of the Total value of the Liquid Assets in the year 2024. Financial Assets decreased from ₦35.7b (Yr.23) to ₦13.5b (Yr.24). However, Trade and other receivables as well as Cash and Cash Equivalent recorded an increase in the year 2024, representing 34% and 7% of Liquid Assets, respectively.

The Company's Total Liabilities declined by 47% from ₦59.1b (Yr.23) to ₦31.3b (Yr.24).

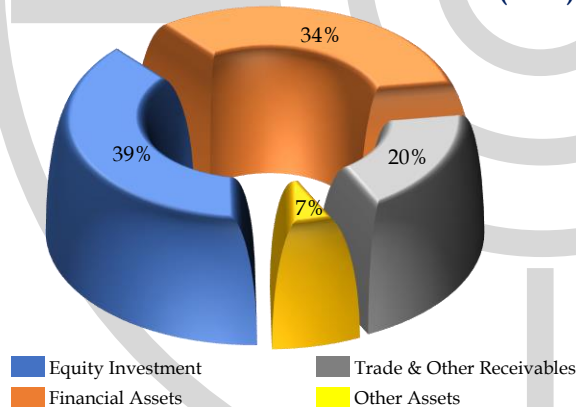
The decline in Total Liabilities was mainly driven by the decrease in Borrowings, which accounted for 91% of the Total Liabilities in the year 2024. Borrowings decreased from ₦54.6b (Yr.23) to ₦28.3b (Yr.24). The Company had an existing loan at the beginning of the financial year 2024 recording an opening balance of ₦54.6b. During the year, the Company obtained additional loans totaling ₦29.2b. However, it repaid a sum of ₦55.4b. Consequently, the Loan Balance as at the year ended 2024 was ₦28.3b.

Other Liabilities included Lease Liabilities, Deferred Income, Trade and Other Payables as well as Current Tax Payable. The Company's Liabilities were majorly Non-Current in nature. Therefore, its Liquid Assets were sufficient enough to cover Short-term Liabilities in the financial year. However, Liquid Assets as a proportion of Total Liabilities was 73% in the year 2024.

• **CAPITAL ADEQUACY**

Total Assets dipped from ₦63.5b (Yr.23) to ₦39.7b (Yr.24) reflecting a decline of 37%. The decline in Total Assets was driven by the decrease in Financial Assets from ₦35.7b (Yr.23) to ₦13.5b (Yr.24).

COMPOSITION OF TOTAL ASSETS (2024)



Source: MBO Capital Management Ltd

Additionally, the Company recorded an investment in property valued at ₦10.9b in 2023, which was disposed in the year 2024.

Other components of the Total Asset included: Property, Plants and Equipment (PPE), Receivables, Right of Use Assets, Intangible Asset, Equity investment, Deferred tax as well as Cash and Cash Equivalents. Total Liabilities for the year 2024 amounted to ₦31.3b as against

₦59.1b (Yr. 23). The largest component remains Borrowings.

The Company's Ordinary Share Capital remained at a balance of ₦150m over the last five years (2020 - 2024). Share Premium remained fixed at ₦339m. Fair Value Reserve increased significantly by 271% from ₦2.7b (Yr.23) to ₦4.8b (Yr.24). Retained Earnings of the Company also increased significantly from ₦1.1b (Yr.23) to ₦3.0b (Yr.24).

The Company's Total Equity for the year 2024 significantly increased to ₦8.4b as against ₦4.4b (Yr. 23). This amount exceeds the regulatory minimum required by the

SEC. However, Equity funded 21% of the Company's Total Assets as against 7% (Yr.23).

INVESTMENT STRATEGY

The Investment Strategy of the Company involves identifying opportunities that match its criteria. This is as highlighted:

INVESTMENT SELECTION CRITERIA

CRITERIA	DESCRIPTION
Job Creation	Businesses that employ staff across different levels
Women and Youth Empowerment	Businesses led by women or youth
Home Grown	Businesses that are established by talented Africans
Export Promotion	Businesses that generate foreign exchange by exporting products
Import Substitution	Businesses that source majority of their inputs locally

The Company invests in entities that meets the aforementioned criteria via debt and equity capital. Previously, the maximum tenor for debt investments was 12 months. However, the plan is to increase the tenor for between 24 to 36 months. This is in anticipation of funding projects that will get to operational cashflows within this period. The exit strategy at this stage is to refinance the project by attracting longer term funding at much lower interest rates.

For Equity investments, the Company's strategy is to hold these investments until a presentable and appropriate return opportunity for divestment presents itself.

In order to enhance its investment process, the Investment Committee relies on both local and international research materials for its guidance. Such material provides the team with industry reports and statistics on emerging markets. Other functions of the Investment Committee include:

- Review and approve investments in portfolio companies within its approval limit
- Review the entire credit portfolio of the Company and conduct periodic assessments of the quality of its assets.
- Ensure that adequate monitoring of credits is carried out.

This Committee meets at least once in every quarter depending on the number of applications to be considered. Details relating to pre and post-investment activities are provided in the Company's Investment Standard Operating Procedure (SOP).

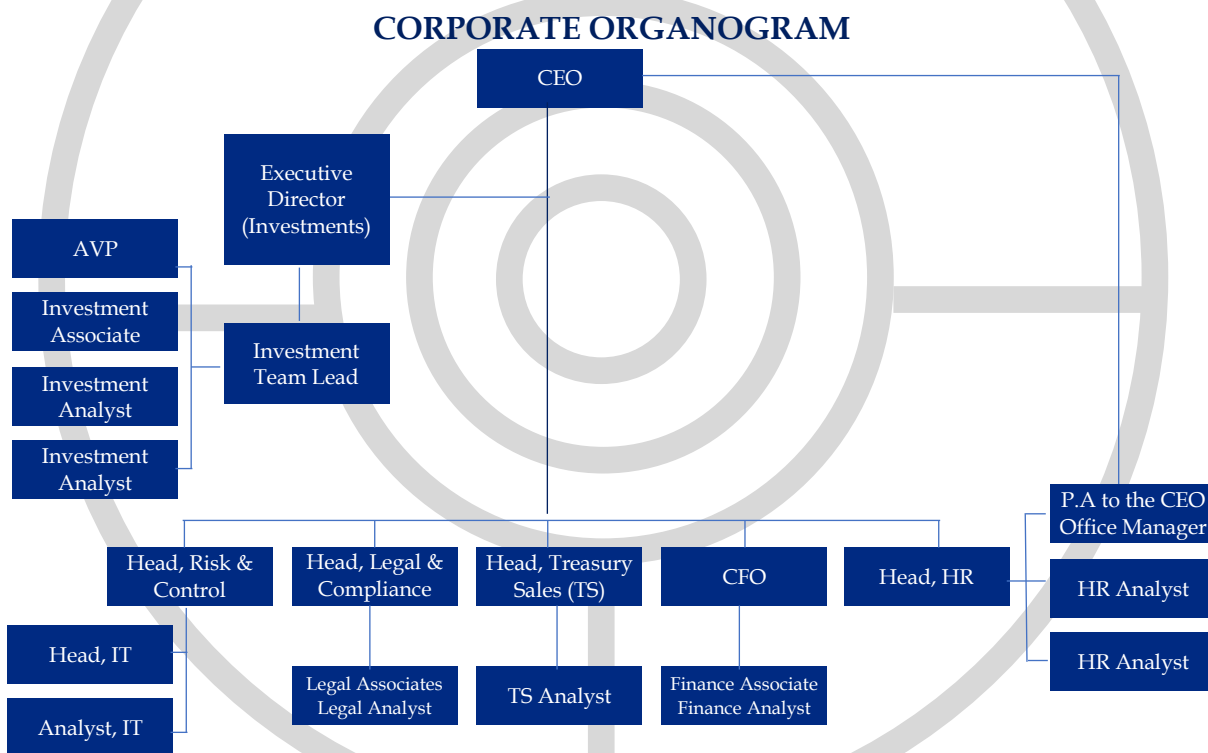
CORPORATE GOVERNANCE & RISK MANAGEMENT

The Board has a documented Corporate Governance Manual which provides for the statutory duties of Directors. The affairs of the Company are directed by its Board of

Directors comprising of two (2) Executives and three (3) Non-Executives. The Board operates through the Audit and Risk Committee as well as Corporate Governance Committee Charter.

The Board is responsible for the establishment and Implementation of the Company’s Enterprise Risk Management Framework (ERMF). However, it may delegate monitoring and implementation of this framework to the Audit and Risk Committee.

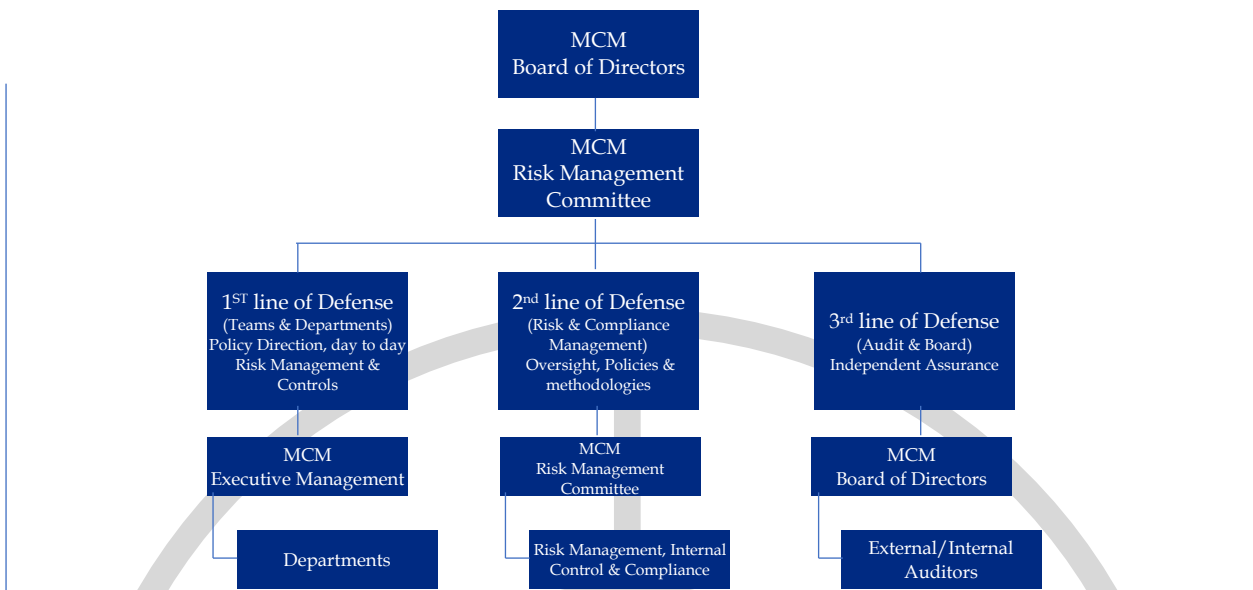
The Company’s Structure is as presented:



Source: MBO Capital Management Ltd

The Company recognizes nine (9) categories of risks in line with the ERMF in place. They are: Credit/Concentration, Market, Liquidity, Operational, Reputation, Strategy, Information Technology, Regulatory/Compliance and Money Laundering Risks.

RISK GOVERNANCE STRUCTURE



Source: MBO Capital Management Ltd

POLITICAL ENVIRONMENT

Nigeria is a multi-ethnic and culturally diverse federation of 36 Autonomous States and the Federal Capital Territory. The country has over 250 ethnic groups, with the most populous and influential being Hausa and Fulani (29%), Yoruba (21%) and Igbo (18%).

The political context in Nigeria in 2024 was marked by significant challenges and transitions. His Excellency, President Bola Ahmed Tinubu’s administration faced critical issues related to economic management, security, governance and public trust.

The President has set a tone for cooperation, working with politicians from other parties. The administration introduced four tax reform bills aimed at restructuring revenue allocation, though resistance from northern governors and lawmakers created delays.

Despite attempts at economic reforms and policy changes, persistent problems such as terrorism, economic instability and governance inefficiencies hindered progress. Issue-based coalitions are gaining traction, focusing on shared goals like security, youth development and economic survival. Politicians have begun reevaluating party loyalty, prioritizing influence, relevance and policy impact.

In the year 2025, expectations remain high for economic stabilization, improved governance and effective implementation of reforms.

ECONOMIC ENVIRONMENT

Nigeria's economy has undergone notable structural transformation, influenced by global economic shifts, technological progress and evolving consumer behavior. Reflecting these changes, the *National Bureau of Statistics (NBS)* recently rebased the country's Gross Domestic Product (GDP), updating the base year from 2010 to 2019. Following this adjustment, nominal GDP for 2024 was estimated at ₦372.82 trillion, positioning Nigeria as the fourth-largest economy in Africa.

The country's real GDP grew by 3.13% (year-on-year) in Q1 2025, with the Services sector driving performance, growing by 4.33% and accounting for 57.50% of real GDP.

In real terms, the growth of the Finance Sector totaled 15.03%. This is 13.57% higher than the rate recorded in Q1 2024 and 9.04% higher than the rate recorded in Q4 2024. Quarter-on-quarter growth in real terms stood at 17.50%. Its overall contribution to real GDP increased to 3.60% from 3.23% in Q1 2024 and 2.46% in Q4 2024.

The financial services landscape continues to evolve, driven by technological advancements in fintech. Innovations such as mobile banking, digital payments, and blockchain technology are revolutionizing the sector. These shifts are not only improving financial inclusion but also reshaping the competitive dynamics, challenging traditional financial institutions to adapt to a rapidly changing market.

Despite the positive growth trends, the sector faces several challenges. The ongoing scarcity of foreign currency, exacerbated by reduced oil revenues and a lack of export diversification, remains a critical issue. Although the Central Bank of Nigeria (CBN) unified the Foreign Exchange market and floated the naira in June 2023, the local currency has experienced a significant devaluation. As at 12th of August, 2025, the naira was trading at N1,537.09 in the official market and N1,555/\$1 at the parallel market. Portfolio inflows into Nigeria's bond and equity markets increased by 15% as at May 2025, helping to boost domestic forex liquidity.

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

To address inflation and maintain economic stability, the CBN's Monetary Policy Committee (MPC) has implemented multiple hikes in the Monetary Policy Rate (MPR), which stood at 27.50% as at July 2025. Notwithstanding, inflationary pressures have begun easing. Headline inflation declined from 22.97% in May to 22.22% in June 2025.

In 2024, the Nigerian capital market demonstrated resilience and renewed momentum. The Nigerian Exchange Group (NGX), Nigeria's primary stock exchange, recorded a strong performance in the first quarter, with market capitalization

exceeding ₦55 trillion, driven by rising investor interest, improved corporate earnings, and confidence in government reforms.

Nigeria's Capital Market and Financial Services Industry is on a growth trajectory supported by fintech innovation, regulatory reforms, and increasing investor confidence. While challenges remain—including currency volatility, inflation, and governance issues- the sector remains a critical pillar of economic development. With continued investment, digitization, and supportive policies, the industry is poised to contribute significantly more to national output, financial inclusion, and job creation in the coming years.

ISSUE QUALITY

In the course of our review, the following qualities were observed:

- The Investment Grade of *the Sponsor*.
- *The Issue* rank pari-passu without preference with other direct, unsecured, and unsubordinated obligations of *the Issuer*.
- The Transaction Structure surrounding the *Bond*.
- Establishment of a *Debt Service Reserve Account*.
- The presence of *Events of Default* in the Programme.

LEGAL OPINION


The following were observed from the documents reviewed.

- The Issuer is a legal entity and is capable of participating in a transaction of this nature.
- Each of the obligations under the Bond constitutes legally valid, binding and enforcement obligations of the Issuer under Nigerian Law.
- The transaction documents with all their respective schedules and appendices are legal, valid, binding and enforceable under Nigerian Law in accordance with their terms.
- Each of the transaction documents is in proper legal form.

CONCLUSION

We have reviewed the documents relating to the Transaction Structure of the Issue. The ability to repay obligation under the Issue is dependent on the capacity of the Sponsor. Consideration was also given to the governance structure around the management of the Transaction Accounts.

Consequently, we assigned a Rating of "A- "

Signed: 
Name: Oladele Adeoye
Designation: Chief Rating Officer
Date: 15th August, 2025

For and on behalf of:
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USER GUIDE

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

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

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

LONG-TERM RATING

Investment Grade

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

financial strength is vulnerable to adverse changes in economic conditions.

Non-Investment Grade

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