THIS DOCUMENT IS IMPORTANT AND YOU ARE ADVISED TO CAREFULLY READ AND UNDERSTAND ITS CONTENTS. IF YOU ARE IN DOUBT ABOUT ITS CONTENTS OR THE ACTION TO TAKE PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT, BANKER OR AN INDEPENDENT INVESTMENT ADVISER FOR GUIDANCE IMMEDIATELY. THIS SHELF PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF VALENCY SPV PLC AND VALENCY AGRO NIGERIA LIMITED AND THEY JOINTLY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE INQUIRIES WHICH ARE REASONABLE IN THE CIRCUMSTANCES AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN INACCURATE OR MISLEADING. INVESTING IN THIS OFFER INVOLVES RISKS. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS PLEASE REFER TO THE SECTION ON "RISK FACTORS" COMMENCING ON PAGES [65] – [66] OF THE SHELF PROSPECTUS. THE REGISTRATION OF THIS SHELF PROSPECTUS DOES NOT RELIEVE THE PARTIES OF ANY LIABILITY ARISING UNDER THE ACT FOR FALSE OR MISLEADING STATEMENTS OR FOR ANY OMISSION OF A MATERIAL FACT IN THIS SHELF PROSPECTUS.

VALENCY SPV PLC RC: 2006114

(INCORPORATED WITH LIMITED LIABILITY IN THE FEDERAL REPUBLIC OF NIGERIA)

₦50,000,000,000 (FIFTY BILLION NAIRA)

BOND ISSUANCE PROGRAMME
SHELF PROSPECTUS

Under this ₦50,000,000,000 (Fifty Billion Naira) Bond Issuance Programme ("the Programme"), Valency SPV PLC ("the Issuer" or "the SPV") under the sponsorship of Valency Agro Nigeria Limited ("Valency Agro" or "the Sponsor"), may from time-to-time issue bonds or other Debt Securities, in separate series, in amounts, at prices, and on terms to be set out in any accompanying Pricing Supplement.

The maximum aggregate nominal amount of all Debt Securities issued from time to time and outstanding under the Programme (as hereinafter defined) shall not exceed ₦50,000,000,000 (Fifty Billion Naira). The Programme has a validity period of three years (or such extended period that the Securities and Exchange Commission ("SEC" or "the Commission") may approve).

A copy of this Shelf Prospectus has been delivered to the SEC for registration. This Shelf Prospectus is to be read and construed in conjunction with any supplement thereto and all documents which are incorporated herein by reference and, in relation to any series of the Programme, together with the relevant Pricing Supplement. This Shelf Prospectus shall be read and construed on the basis that such documents are incorporated herein and form part of this Shelf Prospectus. Copies of this Shelf Prospectus can be obtained at no cost at the offices of the issuer and the issuing houses. This Shelf Prospectus has been reviewed and approved by the respective Boards of the Issuer and the Sponsor who jointly and severally accept full responsibility for the accuracy of all information given herein.

INVESTMENTS IN THE BONDS ISSUED UNDER THE PROGRAMME ARE STRICTLY FOR QUALIFIED INSTITUTIONAL INVESTORS AND HIGH NETWORTH INVESTORS AS DEFINED UNDER RULE 321 OF THE RULES AND REGULATIONS OF THE SEC, 2013 (AS AMENDED).

This Shelf Prospectus has been issued in compliance with Part IX of the Investments and Securities Act No. 29 of 2007 (as amended) ("ISA"), Rule 279 under Part F of the Rules and Regulations of the Securities and Exchange Commission ("SEC" or the "Commission"), the listing requirements of FMDQ Securities Exchange Limited ("FMDQ") and the Nigerian Exchange Limited (the "NGX") and contains particulars in compliance with the requirements of the SEC for the purpose of giving information with regard to the Programme. Debt Securities issued under the Programme may be issued in series. The final terms of the relevant series or tranche will be determined at the time of the offering of that series or tranche based on prevailing market conditions and will be set out in the relevant Pricing Supplement/Supplementary Prospectus.

This Shelf Prospectus is to be read and construed in conjunction with any supplement thereto and all documents which are incorporated herein, by reference and, in relation to any Tranches (as defined herein) of instruments, together with the relevant Pricing Supplement. This Shelf Prospectus shall be read and construed on the basis that such documents are incorporated herein and form part of this Shelf Prospectus. Copies of this Shelf Prospectus can be obtained at no cost at the offices of the Issuer and the Issuing Houses (as hereinafter defined).

This Shelf Prospectus and the Debt Securities that it offers have been approved and registered by the Securities & Exchange Commission. The registration of the Shelf Prospectus and any Pricing Supplement thereafter does not in any way whatsoever suggest that the Commission endorses or recommends the securities or assumes responsibility for the correctness of any statement made or opinions or reports expressed therein. No Debt Security will be allotted or issued on the basis of this Shelf Prospectus read together with a Pricing Supplement later than three (3) years from the date of this Shelf Prospectus unless the Validity Period (as defined below) is extended by the Commission.

The Directors of the Issuer and the Sponsor accept responsibility for the information contained in this document and declare that, having taken reasonable care to ensure that the information contained herein is to the best of their 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 this Shelf Prospectus as amended and/or supplemented from time to time has arisen or has been noted, as the case may be.

It is a civil wrong and criminal offence under the Investments and Securities Act No. 29 of 2007 (as amended) (the "Act" or "ISA") to issue a prospectus which contains false or misleading information. The clearance and registration of this Shelf Prospectus and the Debt Securities which it offers does 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 prospectus is provided in sections 85 and 86 of the ISA.

INVESTORS MAY CONFIRM THE CLEARANCE OF THIS SHELF PROSPECTUS AND REGISTRATION OF THE BONDS ISSUED THEREUNDER WITH THE COMMISSION BY CONTACTING THE COMMISSION ON sec@sec.gov.ng OR +234(0)94621100 OR +234(0) 94621168

LEAD ISSUING HOUSE / BOOK RUNNER

CORONATION

RC: 207138

JOINT ISSUING HOUSE / BOOK RUNNER

FBNQuest Merchant Bank — RC: 264978

RMB — RC: 1031371

NOVA — RC: 1413910

GREENWICH MERCHANT BANK — RC: 189502

THIS SHELF PROSPECTUS IS DATED 8 March 2024

This Shelf Prospectus will be available on the following websites throughout the Validity Period

www.sec.gov.ng www.valencyinternational.com

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1. IMPORTANT NOTICE

This Shelf Prospectus has been prepared by Coronation Merchant Bank Limited, FBNQuest Merchant Bank Limited, Rand Merchant Bank Nigeria Limited, Nova Merchant Bank Limited, and Greenwich Merchant Bank Limited (collectively, "the Issuing Houses"), in respect of the Programme, in accordance with the provisions of the Act, Rules and Regulations of the SEC, the listing and quotation requirements of the FMDQ and the NGX, for purposes of giving information with regards to the Issuer, the Sponsor, the Programme and the Debt Securities which, according to the particular nature of the Issuer and the Sponsor, is necessary to enable investors make an informed assessment of the Issuer, the Sponsor and the Securities described therein. This Shelf Prospectus has been registered with and approved by the SEC.

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 either the Issuer or the Sponsor, or any of the parties to the Programme.

Neither this Shelf Prospectus nor any other information supplied in connection with the Programme or the Debt Securities: (a) is intended to provide the basis of any credit or other evaluation; or (b) should be considered as a recommendation by either the Issuer or the Sponsor or any of the Professional Parties involved in the establishment of the Programme that any recipient of this Shelf Prospectus or any other information supplied in connection with the Programme, the Issuer or the Sponsor should purchase the Debt Securities.

Each investor contemplating purchasing any Debt Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and the Sponsor. Neither this Shelf Prospectus nor any other information supplied in connection with the Programme or Debt Securities constitutes an offer or invitation by or on behalf of the Issuer, the Sponsor or any of the parties to the Programme to any person to subscribe for or to purchase any Debt Securities.

1. Presentation of Information

The information set forth herein has been obtained from official or public sources that are believed to be reliable, but is not guaranteed to be accurate, reliable, or complete. 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 Issuer 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 Issuer and the Sponsor from their 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 Issuer and the 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 Sponsor are available on its website – www.valencyinternational.com – and other authorised publicly available Company publications. Certain statistical information presented in this Shelf Prospectus on topics such as the Nigerian economy, political landscape and related subjects have been obtained from third party sources, as described in the relevant sections. The Issuer has accurately reproduced such information and as far as it is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the information inaccurate or misleading. Neither the Issuer, the Sponsor, the Issuing Houses nor any of the Issuer or Sponsor's other professional advisers have independently verified the figures, market data or other information on which such third parties have based their report(s). Some of the estimates in this Shelf Prospectus are based on such third-party information. Prospective investors are advised to consider this statistical information with caution.

2. Financial Information

Unless otherwise indicated, the financial information regarding the Sponsor indicated in this Shelf Prospectus has been derived from the Reporting Accountants' Report on the Sponsor's audited financial statements for the years ended 31 March 2018 - 31 March 2022 ("Financial Statements"). The Financial Statements have been prepared in accordance with (a) International Financial Reporting Standards; (b) the requirements of the CAMA; and (c) the Financial Reporting Council of Nigeria Act 2011, and are presented in Naira, the reporting currency of the Sponsor.

3. 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 in totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

4. 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 Sponsor's and/or Issuer's intentions, beliefs or current expectations concerning, amongst other things, its 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 Sponsor's actual results of operations, financial condition and liquidity, and the development of the industry in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this Shelf Prospectus. In addition, even if the Sponsor's and Issuer's result of operations, financial condition and liquidity and the development of the industry in which they operate 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/or Sponsor's expectations are contained in cautionary statements in this Shelf Prospectus and include, among other things, the following:

- Overall political, economic and business environment in Nigeria;
- Economic and political conditions in international markets, including governmental changes;
- Changes in tax provisions, including tax rates or revised/new tax laws or interpretations;
- Interest rate fluctuations and changes in other capital market conditions;
- Changes in government regulations;
- The demand for the Valency's products;
- Continued hostilities and disruptions in parts of Nigeria;
- Exchange rate fluctuations; and
- The timing, impact, and other uncertainties of future actions

The sections of this Shelf Prospectus titled "Risk Factors", "Description of Valency Agro Nigeria Limited" and "Statutory and General Information" contain a more detailed discussion of the factors that could affect the Sponsor's and 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. The Sponsor and the Issuer do not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or the Sponsor or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Shelf Prospectus.

2. GLOSSARY OF DEFINED TERMS

Except where expressed otherwise, the following definitions apply throughout this document:

"Allotment Date"	The date on which the Bonds are allotted to successful bidders
"Auditors"	Grant Thornton Nigeria
"Board" or "Directors"	Board of Directors of the Sponsor or Board of Directors of the Issuer (as applicable);
"Bond Issuance Programme" or "Bond Programme" or the "Programme"	The ₦50,000,000,000 Bond Issuance Programme described in this Shelf Prospectus and any other Pricing Supplement pursuant to which the Issuer may issue several separate Series or Tranches of Debt Securities from time to time with varying maturities, terms and conditions variable rates of interests; provided however that the aggregate value does not exceed ₦50,000,000,000
"Bond Maturity Date" or "Maturity Date"	The date specified in the applicable Pricing Supplement on which the bonds are due to be redeemed
"Bond Trustees" or "Trustees"	FBNQuest Trustees Limited & CardinalStone Trustees Limited and/or any other trustee appointed by the Issuer in accordance with the Programme Trust Deed
"Bondholder" or "Holder"	Any registered owner or beneficial owner of Bond units or other Debt Securities to be issued under the Programme
"Bond(s)" or "Debt Securities" or "Securities"	Registered bonds or any other type of debt instruments or securities that will be issued by the Issuer from time to time under the programme with an aggregate value not exceeding ₦50,000,000,000 (Fifty Billion Naira) in accordance with the terms of this Shelf Prospectus and any applicable Pricing Supplement
"Book"	The collation of all bids received from Qualified Investors in respect of Bonds issued under the Programme which are being sold by way of Book Building indicating the value of the bids and the respective allocations
"Book Building"	A process of price and demand discovery through which the Issuer seeks to determine the price at which securities should be issued, based on the demand from Qualified Institutional and High Net Worth Investors
"Business Day"	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria, on which banks are open for business in Nigeria
"CAC"	Corporate Affairs Commission
"CAMA"	Companies and Allied Matters Act, No. 3 of, 2020 (as amended)
"CBN"	Central Bank of Nigeria
"Central Securities Depository" or "CSD"	CSCS or FMDQ Depository Limited
"CIT"	Companies Income Tax
"CITA"	Companies Income Tax Act Cap C21, LFN, 2004 (as amended by the Companies Income Tax (Amendment Act No. 11 of 2007) and the Finance Acts of 2019, 2020 and 2021)
"Clearing System"	CSCS or FMDQ-D

"Conditions" or 'Terms and Conditions"	Terms and conditions in accordance with which the Bonds will be issued, set out in the section of this Shelf Prospectus headed "Terms and Conditions of the Bonds", in the section of the Pricing Supplement headed "Summary of the Offer" and in the relevant Programme Trust Deed and Series Trust Deed
"Coronation MB"	Coronation Merchant Bank Limited
"Coupon"	The interest paid on any Bond (other than a Zero-Coupon Bond) issued under the Programme periodically, expressed as a percentage of the face value of the Bond
"Coupon Commencement Date"	The Issue Date for any particular Series or Tranche of Bonds or such other date as may be specified in the applicable Pricing Supplement, from which Coupon on a Series of the applicable Bonds will begin to accrue
"Coupon Payment Date"	The date on which any Coupon falls due for payment to the Holders of Bonds as specified in the applicable Pricing Supplement
"Coupon Rate"	The rate or rates (expressed as a percentage per annum) of interest payable in respect of the Bonds specified in the applicable Pricing Supplement or calculated or determined in accordance with the provisions of the applicable Pricing Supplement
"COVID-19"	The coronavirus disease, a communicable respiratory disease that causes illness in humans
"CSCS"	Central Securities Clearing Systems operated by the Central Securities Clearing Systems Plc, a securities depository and clearing system
"Daily Official List"	The daily publication of The NGX detailing price movements and information on all securities quoted on The Exchange
"Daily Quotations List"	The daily official publication of the FMDQ containing market/model prices and yields, and the values traded on all securities listed and quoted on the FMDQ
"Deed of Guarantee"	A contract issued by the Guarantor in favour of the Bondholders entitling the Trustee to require performance of the obligations undertaken by the Guarantor and to enforce such obligations on the Guarantor
"Embedded Option"	A component of a Bond which attaches certain rights to such Series or Tranche of Bond, including but not limited to callability, convertibility or exchangeability
"Exchange"	The FMDQ Securities Exchange Limited, or the NGX, or any other securities exchange recognised by the Commission
"Events of Default"	All such events as are defined under the Programme Trust Deed and particularly set out in the Series Trust Deed for the relevant Series
"Face Value" or "Par Value" or "Nominal Amount"	The nominal value of the Bond
"FGN" or "Federal Government"	Federal Government of Nigeria
"Final Terms" or "Pricing Supplement" or "Supplementary Prospectus"	The document(s) to be issued pursuant to this Shelf Prospectus, which shall provide final terms and conditions of a specific Series or Tranches of Bonds issued under the Programme and is to be read in conjunction with the Shelf Prospectus

“Final Redemption Amount”	In respect of the Bond, its principal amount or such other amount as may be specified in the applicable Pricing Supplement
“FIRS”	Federal Inland Revenue Service
“Fixed Rate Bonds”	Bonds in respect of which Coupon is to be calculated and paid on a fixed rate basis
“Fixed Rate”	The rate of interest payable in respect of Fixed Rate Bonds
“Floating Rate Bonds”	Bonds in respect of which Coupon is to be calculated and paid on a floating rate basis
“Floating Rate”	The rate of interest payable in respect of Floating Rate Bonds
“FMDQ”	FMDQ Securities Exchange Limited, an over-the-counter securities exchange and self-regulatory organisation licensed by the SEC, Nigeria to provide a platform for, inter alia, the listing, quotation, registration, and trading of securities
“FMDQ-D”	FMDQ Depository Limited, a securities depository and clearing system
“Force Majeure”	Means such acts but not limited to acts of God, acts of war, revolution, civil commotion, strikes, fires, floods, earthquakes, destructive lightning, epidemics, pandemics, change of law and/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
“FX”	Foreign Exchange
“GDP”	Gross Domestic Product
“Grace Period”	Means the grace period or cure period allowed under the terms of the Programme Trust Deed or the Final Terms within which a potential Guaranteed Event may be cured, or such other period as may be determined by the Trustees
“Guarantor”	Valency International PTE Limited
“High Net-Worth Investors” or “HNI”	is as defined in the SEC Rules
“Holder(s)” or “Bondholder(s)”	Registered or beneficial owner of the Bonds to be issued in accordance with this Shelf Prospectus and the applicable Pricing Supplement
"IFRS"	International Financial Reporting Standards as issued by the International Accounting Standards Board
“Index-Linked Coupon Bond”	Bonds in respect of which Coupon will be calculated by reference to an index and/or formula or to changes in the prices of securities or commodities or to such other factors as may be prescribed in the applicable Pricing Supplement
“Instalment Amount”	The portion of the Principal Amount payable on an Instalment Date, as may be specified in the applicable Pricing Supplement;
“Instalment Date”	A date specified in the applicable Pricing Supplement on which an Instalment Amount will be payable
“ISA” or “the Act”	Investments and Securities Act (No. 29 of 2007) (as amended)
“Issue Date”	In respect of any particular Series or Tranche, the date on which the relevant series or Tranche (as applicable) of the Bonds are issued, as specified in the applicable Pricing Supplement

“Issue Price”	The price at which any Bond is issued as specified in the applicable Pricing Supplement
“Issuer”	Valency SPV Plc
“Issuing Houses” or “Dealers”	The Lead Issuing House and the Joint Issuing House
“Joint Issuing House”	FBNQuest Merchant Bank Limited, Rand Merchant Bank Nigeria Limited, Nova Merchant Bank Limited, and Greenwich Merchant Bank Limited
“Lead Issuing House”	Coronation Merchant Bank Limited
“LFN”	Laws of the Federation of Nigeria 2004
“Material Adverse Effect”	For as long as the Bonds are outstanding, the occurrence of any event or series of events, which, in the opinion of Trustees, has adversely affected or could adversely affect (a) the ability of the Issuer to perform or comply with any of its obligations under the Trust Deed or (b) the business, operation, performance, condition (financial or otherwise), assets, or prospects of the Issuer; or (c) the validity enforceability of any of the Bond Issuance Programme documents or rights or remedies of any party thereunder;
“Maturity Date”	The date on which any Principal Amount of Bonds of a Series or Tranche becomes due and payable
“Naira”, “/NGN” or “₦”	Nigerian Naira, the legal tender and currency of Nigeria for the time being
“NBS”	National Bureau of Statistics
“Nigeria”	The Federal Republic of Nigeria and the term “Nigerian” shall be construed accordingly
“NGX”	The Nigerian Exchange Limited
“Offer”	The offer of the Bonds to investors
“OTC”	Over-the-counter
“Payment Date”	Either Maturity Date, Coupon Payment Date or Redemption Date
“PFAs”	Pension Fund Administrators
“PIT”	Personal Income Tax
“PITA”	Personal Income Tax Act Cap, P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No. 20 of 2011 and the Finance Acts of 2019, 2020 and 2021)
“Principal” or “Principal Amount”	The nominal amount of each Bond, as specified in the applicable Pricing Supplement
“Professional Party(ies)”	Professionals engaged by the Issuer in connection with the establishment of the Programme as listed out on pages [14-15] of this Shelf Prospectus
“Programme Size”	The maximum aggregate outstanding Principal Amount of all the Bonds that may be issued under the Programme, being ₦50,000,000,000 (Fifty Billion) Naira
“Programme Trust Deed”	The Programme Trust Deed dated on or about the date of this Shelf Prospectus between the Issuer, the Sponsor and the Trustees in connection with the Debt Issuance Programme and under which the Bonds will be constituted

“Qualified Institutional Investor”	Qualified Institutional Investors as defined in Rule 321 of the SEC Rules
“Qualified Investors”	Qualified Institutional Investors and High Net Worth Investors, as stipulated by the SEC Rules
“Rating Agency”	DataPro Limited GCR Ratings or any other SEC-registered rating agency appointed by the Sponsor
“Receiving Bank”	Coronation Merchant Bank Limited FBNQuest Merchant Bank Limited
“Record Date”	The date on which the list of holders of the Bonds is extracted from the Register for the purposes of making Coupon payments
“Redemption Amount”	The aggregate principal amount outstanding in respect of the Bonds on the Maturity Date
“Register”	The Bond register kept at the specified office of the Registrar into which shall be entered the names and addresses of each Bondholder and the particulars, transfers and redemption of the Bonds held by each Bondholder
“Registrar”	Coronation Registrars Limited
“SEC” or “the Commission”	Securities and Exchange Commission, Nigeria
“SEC Rules”	The rules and regulations of the SEC, 2013 issued pursuant to the ISA (as amended from time to time)
“Senior Bonds”	Bonds (or other similar securities) that rank pari passu without any preference of one above another by reason of priority of date of issue, currency of payment or otherwise with all other senior unsecured obligations of the Issuer, present and future, and such additional features as may be specified in the applicable Pricing Supplement
“Series”	Tranche of Bonds together with any further Tranche or Tranches of Bonds which are: expressed to be consolidated and form a single series and are identical in all respects except for their respective Issue Dates, Embedded Options, Coupon Commencement Dates and/or Issue Prices (as applicable).
“Series Trust Deed”	A Deed supplementing or modifying the provisions of the Programme Trust Deed entered into by the Issuer, the Sponsor and the Bond Trustees with regards to a specific Series or Tranche (as applicable) and empowering the Trustees to hold, administer and manage the applicable assets
“Settlement Date”	The date on which the buyer (successful bidder/investor) must pay for the Bonds
“Shelf Prospectus” or “Prospectus”	This Prospectus that the Issuer has filed in accordance with the SEC Rules, which contains details of the Programme
“Sponsor”	Valency Agro Nigeria Limited
“Subordinated Bonds”	Bonds that 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 unsecured obligations of the Issuer, 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 unsecured obligations

"Tranche"	Bonds which are identical in all respects (as applicable) (including as to listing) except for their respective Issue Dates and/or Maturity Dates, Coupon Commencement Dates and/or Issue Prices (as applicable)
"Trust Deeds"	The Programme Trust Deed or Series Trust Deeds
"Trustees Act"	Trustee Investments Act Chapter T22, LFN 2004
"Validity Period"	A period of three (3) years from the date of this Shelf Prospectus, save as may be extended further to the approval of the SEC
"Variable Coupon Amount Bond"	A Bond on which payment of Coupon will be calculated by reference to a variety of financial instruments, a currency exchange rate or any other index or formula or as otherwise provided in the relevant Pricing Supplement
"VAT"	Value Added Tax as provided for in the Value Added Tax Act, Chapter V1, LFN 2004 (as amended by Value Added Tax (Amendment) Act No. 12 of 2007 and the Finance Acts of, 2019, 2020 and 2021)
"VAT Act"	The Value Added Tax Act, Cap V1, LFN 2004 (as amended by the Value Added Tax (Amendment) Act No 12 of 2007 and the Finance Acts of 2019, 2020 and 2021)
"Zero Coupon Bond"	Non-interest-bearing Bond or similar securities.

3. INCORPORATION OF DOCUMENTS BY REFERENCE, ISSUE OF PRICING SUPPLEMENTS AND CORPORATE INFORMATION

This Shelf Prospectus should be read and construed in conjunction with:

i. the Financial Statements, comprising of the audited annual financial statements of the Sponsor (and the notes thereto) and any quarterly or interim financial statements of the Sponsor for the life of the Programme prepared in compliance with the IFRS prescribed by the Financial Reporting Council of Nigeria ("FRCN") (which includes standards and interpretations approved by the FRCN), together with its pronouncements thereon from time to time on a consistent basis;
ii. Management Accounts; and
iii. each applicable Pricing Supplement or Supplemental Prospectus relating to any Series or Tranche of the Instruments issued under this Shelf Prospectus.

The Sponsor will, in the event of any material change in its financial position, which is not reflected in this Shelf Prospectus, prepare an amendment or supplement to this Shelf Prospectus. Also, the Sponsor's information given in this Shelf Prospectus and the terms and conditions of additional Debt Securities to be issued under the Programme may be updated in a Pricing Supplement pursuant to the SEC Rules. Any such amendment or supplement will be incorporated by reference to this Shelf Prospectus and form an integral part hereof.

Any statement contained in a document that is incorporated by reference herein shall be deemed to have modified or superseded such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Shelf Prospectus.

The Issuer or the Sponsor (as applicable) will provide, upon written request and at no cost to each prospective investor, a copy of any document deemed to be incorporated herein by reference, unless such documents have been modified or superseded. Requests for such documents shall be directed to the Issuer at its registered office as set out in this Shelf Prospectus or the Issuing Houses at the following addresses: **Issue of Pricing Supplements**

Coronation Merchant Bank Limited 10, Amodu Ojikutu Street, Victoria Island, Lagos	**FBNQuest Merchant Bank Limited** 16, Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos	**Rand Merchant Bank Nigeria Limited** 3rd Floor East Tower, Wings Complex 17A, Ozumba Mbadiwe Street, Victoria Island, Lagos
Nova Merchant Bank Limited 23, Kofo Abayomi Street Victoria Island Lagos	**Greenwich Merchant Bank Limited** Plot 1698A, Oyin Jolayemi Street Victoria Island Lagos	

Following the registration of this Shelf Prospectus with the SEC, a Pricing Supplement may be prepared by the Issuer and the Issuing Houses (in relation to a Series or Tranches of Bonds) for the approval of the SEC in accordance with the SEC Rules. The Issuer and Sponsor's information given in this Shelf Prospectus and the terms and conditions of the Bonds to be issued under the Programme may be updated in a Supplementary Prospectus or the applicable Pricing Supplement pursuant to the SEC Rules. Statements contained in any such Pricing Supplement, shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus.

Corporate information of the Issuer, Sponsor and Guarantor:

Guarantor: Valency International PTE Limited

Registered Address: 10 Anson Road, 18-26 International Plaza, Singapore 079903
Website: www.valencyinternational.com
Contact telephone number and email: +65-6692 9460

Sponsor: Valency Agro Nigeria Limited

Registered Address: Along Unity Estate Off Lagos-Ibadan Expressway, Ibafo, Ogun State, Nigeria
Website: www.valencyinternational.com
Contact telephone number and email: +234 912 380 9115

Issuer: Valency SPV PLC

Registered Address: Along Unity Estate Off Lagos-Ibadan Expressway, Ibafo, Ogun State, Nigeria
Website: www.valencyinternational.com
Contact telephone number and email: +234 912 380 9115

4. DECLARATION BY THE ISSUER

15 November 2022

DECLARATION BY THE ISSUER

The Shelf Prospectus and Pricing Supplement have been prepared on our behalf to provide information and disclosures on relevant aspects of Valency SPV Plc ("the Issuer") and Valency Agro Nigeria Limited ("the Sponsor"), to prospective investors in connection with the Programme and the investment in the securities to be issued thereon.

On behalf of the Board of Directors, we hereby make the following declarations to the best of our knowledge and belief:

1. We confirm that the information contained in the Shelf Prospectus and Pricing Supplement is in accordance with the facts and contains no omission likely to affect its import.

2. There has been no significant change in the financial condition or material adverse change in the prospects of the Issuer as of the date of publication of the Shelf Prospectus and Pricing Supplement.

3. The Issuer is not in breach of any terms and conditions in respect to borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve (12) months preceding the date of the Shelf Prospectus and Pricing Supplement; and

4. No prosecution has been commenced against the Issuer during the twelve (12) calendar months immediately preceding the date of the Shelf Prospectus and Pricing Supplement in respect of any breach or contravention of any provision of the Companies and Allied Matters Act or the listing requirements of any Securities Exchange on which the securities of the Sponsor are listed.

Yours faithfully,

SIGNED for and on behalf of,
VALENCY SPV PLC

By its duly authorized representatives

Oluwasola Seweje Director	**Rotimi Obende** Director	**Ayomide Akinkuade** Director
Babatunde Adewolu Director	**Mathmer Legal Practitioners** Company Secretary	

Along Unity Estate Road, Off Lagos – Ibadan Express Way, Ibafo, Ogun State.

ADETOLA BUCKNOR TAIWO
Notary Public
20, Eleshin Street, Obalende
Lagos, Nigeria
DECEMBER 15 2022

5. DECLARATION BY THE SPONSOR

VALENCY AGRO NIGERIA LTD.

27 October 2023

DECLARATION BY THE SPONSOR

The Shelf Prospectus and Pricing Supplement have been prepared on our behalf to provide information and disclosures on relevant aspects of Valency SPV Plc ("the Issuer") and Valency Agro Nigeria Limited ("the Sponsor"), to prospective investors in connection with the Programme and the investment in the securities to be issued thereon.

On behalf of the Board of Directors, we hereby make the following declarations to the best of our knowledge and belief:

1. We confirm that the information contained in the Shelf Prospectus and Pricing Supplement is in accordance with the facts and contains no omission likely to affect its import.

2. There has been no significant change in the financial condition or material adverse change in the prospects of the Sponsor as of the date of publication of the Shelf Prospectus and Pricing Supplement.

3. The Sponsor is not in breach of any terms and conditions in respect to borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve (12) months preceding the date of the Shelf Prospectus and Pricing Supplement; and

4. No prosecution has been commenced against the Sponsor during the twelve (12) calendar months immediately preceding the date of the Shelf Prospectus and Pricing Supplement in respect of any breach or contravention of any provision of the Companies and Allied Matters Act or the listing requirements of any Securities Exchange on which the securities of the Sponsor are listed.

Yours faithfully,

SIGNED for and on behalf of,
VALENCY AGRO NIGERIA LIMITED

By its duly authorized representatives

OJHA TRILOCHAN	**BOSE AMIT**	**FOLUSHO OLORUNDA & ASSOCIATES**
Director	Chief Financial Officer	Company Secretary

FOLUSHO OLORUNDA & ASSOCIATES (FORTE CHAMBER)

MOJEED KAMAR (Esq.) Suite 13, POWA Plaza Opp, Area F, Ikeja, Lagos. 08023040317 Notary Public

TARISED & ATTESTED BY ME
MOJEED KAMAR (Esq.
(Other Checks Not Precluded)
Barrister, Solicitor & Notary Public
08023040317, 08064508593

Address: Along Unity Estate Road, Off Lagos - Ibadan Express Way, Ibafo, Ogun St
☎: +234 9070060305
Formerly known as Valency Cashew Processing Ltd.

6. PARTIES TO THE PROGRAMME

ISSUER
VALENCY SPV Plc Along Unity Estate Off Lagos-Ibadan Expressway, Ibafo, Ogun State, Nigeria www.valencyinternational.com +234 912 380 9115

BOARD OF DIRECTORS OF THE ISSUER AND COMPANY SECRETARY	
Oluwasola Seweje **(Director)** 10, Amodu Ojikutu Street Victoria Island, Lagos	**Ayomide Akinkuade** **(Director)** 10, Amodu Ojikutu Street Victoria Island, Lagos
Rotimi Obende **(Director)** 16, Keffi Street, off Awolowo Road Ikoyi, Lagos	**Babatunde Adewolu** **(Director)** 16, Keffi Street, off Awolowo Road Ikoyi, Lagos
Mathmer Legal Practitioners **(Company Secretary)** 28, Supo Adetunji Street, Papa Ajao Lagos State	

SPONSOR
Valency Agro Nigeria Limited Along Unity Estate Off Lagos-Ibadan Expressway, Ibafo Ogun State, Nigeria

BOARD OF DIRECTORS OF THE SPONSOR AND COMPANY SECRETARY	
Basba Nand Balodi **(Managing Director)** RA 4411, Offshore Incorp. Centre Road Town, Tortola British Virgin Islands	**Trilochan Ojha** **(Director)** 517, Aderoju Adewuyi, Opebi Lagos State
Amit Bose **(Director)** 517, Aderoju Adewuyi, Opebi Lagos State	**Uchechukwu Nwabueze Wigwe** **(Director)** Along Unity Estate Off Lagos-Ibadan Expressway Ibafo, Ogun State
Ituah Olajide Ighodalo **(Director)** Along Unity Estate Off Lagos-Ibadan Expressway Ibafo, Ogun State	**Folusho Olorunda & Associates** **(Company Secretary)** 122, Okota Road Okota, Lagos State.

GUARANTOR
Valency International PTE Limited 10 Anson Road, 18-26 International Plaza Singapore 079903

PROFESSIONAL PARTIES

LEAD ISSUING HOUSE
Coronation Merchant Bank Limited 10, Amodu Ojikutu Street Victoria Island, Lagos

JOINT ISSUING HOUSES	
FBNQuest Merchant Bank Limited 16, Keffi Street, Off Awolowo Road S.W. Ikoyi, Lagos	**Rand Merchant Bank Nigeria Limited** 3rd Floor East Tower, Wings Office Complex 17A, Ozumba Mbadiwe Street, Victoria Island, Lagos
Nova Merchant Bank Limited 23, Kofo Abayomi Street Victoria Island, Lagos	**Greenwich Merchant Bank Limited** Plot 1698A, Oyin Jolayemi Street Victoria Island, Lagos

SOLICITOR TO THE ISSUE
Wigwe & Partners Plot 2, Block 19A, Jerry Iriabe Street Lekki Phase 1, Lagos State

JOINT TRUSTEES	
FBNQuest Trustees Limited 16, Keffi Street, Off Awolowo Road S.W. Ikoyi, Lagos	**CardinalStone Trustees Limited** 5, Okotie Eboh Street Ikoyi, Lagos

Advised by
Banwo & Ighodalo
48, Awolowo Road
South-West, Ikoyi, Lagos

RATING AGENCIES

DataPro Limited
Ground Floor, Foresight House
163/165, Broad Street by Marina Waterfront
Lagos Island

Global Credit Rating Company Limited
New Africa House (11th Floor)
31, Marina
Lagos Island

REGISTRAR

Coronation Registrars Limited
9, Amodu Ojikutu Street
Victoria Island, Lagos

REPORTING ACCOUNTANT

PricewaterhouseCoopers (PwC Nigeria)
Landmark Towers, 5B, Water Corporation Road
Victoria Island, Lagos

AUDITOR

Grant Thornton Nigeria
3rd & 4th Floors
294 Herbert Macaulay Way, Sabo
Yaba, Lagos

RECEIVING BANKS

Coronation Merchant Bank Limited
10, Amodu Ojikutu Street
Victoria Island, Lagos

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

7. THE PROGRAMME

A copy of this Shelf Prospectus and the documents specified herein have been delivered to the SEC for approval and registration.

This Shelf Prospectus is being issued in compliance with the provisions of the ISA, the SEC Rules, and the listing requirements of the relevant Exchange, and contains particulars in compliance with the requirements of the SEC for the purpose of giving information to the public with regards to the Programme being undertaken by the Issuer. In the event that any issue under the Programme is to be listed, an application will be made to either the Governing Council of the NGX for the admission of such Instruments to its Daily Official List and/or to the FMDQ for the admission to its Daily Quotations List for the listing of the Bonds. Upon admission, the Bonds will qualify as securities in which Bond Trustees may invest under the Trustees Act

The Board of Directors of the Sponsor and the Issuer represents that they have taken all reasonable care to ensure that the information concerning the Sponsor and the Issuer (as applicable) as contained in this Shelf Prospectus is true and accurate in all material respects as at the date of this Shelf Prospectus and that as of the date hereof there are no other material facts, in relation to the Sponsor or the Issuer, the omission of which would make misleading any statement herein, whether in fact or opinion.

LEAD ISSUING HOUSE / BOOK RUNNER

CORONATION
RC: 207138

JOINT ISSUING HOUSES / BOOK RUNNERS

FBNQuest Merchant Bank
RC: 264978

RMB
RC: 1031371

NOVA
RC: 1413910

GREENWICH MERCHANT BANK
RC: 189502

on behalf of

VALENCY

VALENCY SPV PLC RC: 2006114

(INCORPORATED WITH LIMITED LIABILITY IN THE FEDERAL REPUBLIC OF NIGERIA)

is authorised to distribute this Shelf Prospectus in respect of the

₦50,000,000,000 Bond Issuance Programme

This Shelf Prospectus has been registered with the SEC. The registration of this Shelf Prospectus and any subsequent Pricing Supplement shall not be taken to indicate that the SEC endorses or recommends the Bonds described herein or assumes responsibility for the correctness of any statements made or opinions or reports expressed herein.

This Shelf Prospectus must be read in conjunction with the relevant Pricing Supplement to be issued by the Issuer from time to time within the Validity Period. No Bonds will be issued on the basis of this Prospectus read together with any Pricing Supplement later than three (3) years after the issue date indicated on the cover of this Shelf Prospectus unless the Validity Period is extended by the SEC.

This Shelf Prospectus contains:

- on page 12, the declaration to the effect that the Issuer did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve calendar months immediately preceding the date of filing an application with the SEC for the registration of this Shelf Prospectus;
- on page 13, the declaration to the effect that the Sponsor did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve calendar months immediately preceding the date of filing an application with the SEC for the registration of this Shelf Prospectus;
- on page 74-76, an extract of the Rating Report on the Sponsor by the Rating Agencies for incorporation in this Shelf Prospectus; and

- an extract of the Reporting Accountant's Report on the audited consolidated financial statements of the Sponsor, prepared by PricewaterhouseCoopers (PwC).
- the legal opinion issued by the Solicitors to the Issuer, on the effect of any claims and litigation against the Sponsor on the Programme.

Validity Period of the Shelf Prospectus and Delivery of Documents:

This Shelf Prospectus is valid until 8 March 2027. No Bonds shall be issued or allotted on the basis of this Shelf Prospectus read together with the applicable Pricing Supplement(s) after the expiration of the Validity Period unless the Validity Period is extended by the SEC. Copies of this Shelf Prospectus can be obtained from the offices of the Issuer and the Issuing Houses (as set out on page 14 and 15 above) throughout its Validity Period.

8. TRANSACTION OVERVIEW

Description of Transaction Structure

The Issuer, Valency SPV Plc, is a special purpose vehicle set up solely to borrow or raise money from the Nigerian capital markets or other international markets, either by way of a stand-alone issue or by the establishment of programmes of such amounts on such terms and conditions as its Board may determine, the net proceeds of which will be applied towards certain funding requirements of the Sponsor in accordance with the terms of the Transaction Implementation Agreement between the Issuer, the Sponsor and the Trustees dated on or around the date of this Shelf Prospectus (the "**TIA**").

Utilization of the Issue Proceeds

The net proceeds of the Debt Securities under the Programme will be applied towards certain funding requirements of the Sponsor as specified in the applicable pricing supplement.

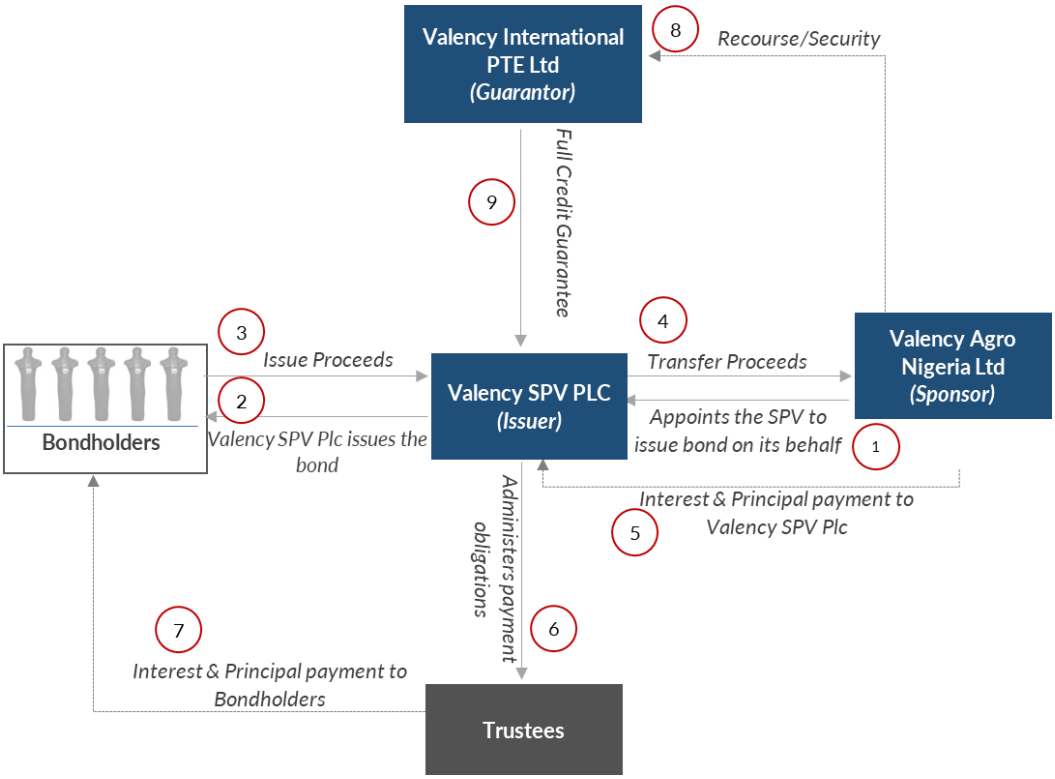
Servicing of the Bonds

The payment of Coupons and the scheduled repayment of principal, in accordance with the repayment schedule in the applicable Pricing Supplement, will be serviced from the Payment Account administered by the Trustees as specified in the applicable Series Trust Deeds.

Undertaking

The Debt Securities are backed by an undertaking issued by the Sponsor in favour of the Issuer and the Trustees on behalf of Bondholders supporting all the obligations of the Issuer under the Programme.

Structure of the Issue



Description of the Issue

I. Valency Agro Nigeria Limited ("Valency Agro" or "the Sponsor") appoints Valency SPV Plc ("the Issuer") to raise capital on its behalf via the issuance of Bonds;

II. The Issuer shall issue the Bonds to Qualified Institutional Investors on behalf on the Sponsor;

III. Investors subscribe to Valency SPV Plc Bond Issue and the net proceeds is transferred to the SPV;

IV. Proceeds from the Bonds will be passed – through to the Sponsor under the terms of the Trust Deed and the Transaction Implementation Agreement; in accordance with the Use of Proceeds set out in the applicable pricing supplement;

V. Periodic interest and principal payments are made to the SPV by Valency Agro in accordance with the TIA, which will be transferred to the Payment Account administered by the Trustees;

VI. The Guarantor and Sponsor shall have a joint and several obligations to pay the periodic interest and principal payments payable on the Bonds to the Trustees in line with the terms of the applicable Trust Deed;

VII. The Trustee shall, subject to the Sponsor making the funds available, ensure that payments are made to the Bondholders of each scheduled coupon and principal on the Bonds;

VIII. The Bonds shall be fully guaranteed by Valency International PTE Limited. The Guarantee constitutes a contract in favour of the Bondholders as third-party beneficiaries entitling the Trustee to require performance of the obligations undertaken by the Guarantor and to enforce such obligations against the Guarantor. The intent and purpose of the Guarantee is to ensure that the Bondholders, under all circumstances and regardless of any factual and legal circumstances, motivations and considerations on the basis of which the Obligors may fail to effect payment, shall receive the scheduled principal and coupon payable pursuant to the terms and conditions of the Bonds on the due dates in accordance with the Repayment Schedule set out on page 18 of the Pricing Supplement;

IX. Accordingly, the Guarantor shall within the Grace Period allowed under the terms of the Trust Deed within which a potential payment default may be remedied, pay all amounts required under the Guarantee without any restrictions if the Sponsor for any reason, fails to pay the amounts due and payable in respect of the Bonds.

Guarantee

The Bonds constitutes direct, unconditional, senior, guaranteed and secured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The Bonds are backed by the unconditional and irrevocable guarantee of the Guarantor, by way of continuing guarantee, of the due and punctual observance and performance by the Issuer of all of its payment obligations in respect of all scheduled principal amounts and coupon due and payable by the Issuer under the terms of the Deed of Guarantee. The payment obligations of the Sponsor in respect of the Bonds and the Guarantor under the Deed of Guarantee shall at all times rank at least equally with all unsubordinated indebtedness and monetary obligations of the Issuer's present and future, except for obligations mandatorily preferred by applicable law.

Principal Transaction Documents

The under listed is a summary of the key legal agreements required for the above-referenced structure and is qualified in its entirety by reference to the detailed provisions of this Shelf Prospectus, the Programme Trust Deed and supplemental documents to be issued in relation to a particular Series.

1. **Shelf Prospectus:** This is a disclosure/marketing document containing material disclosures, amongst others, issued by the Issuer together with the applicable pricing supplement(s) in connection with the Offers under the Programme. The Shelf Prospectus is registered with and approved by the SEC.
2. **Pricing Supplement:** This document typically contains the final terms and such other relevant disclosures as may be required by the ISA and SEC Rules.
3. **Transaction Implementation Agreement (TIA):** means the Agreement between the Issuer, the Sponsor and/or other principal party(ies) stating the major terms under which the transaction will be implemented.
4. **Deed of Covenant:** This is a deed of undertaking issued by the Sponsor in favour of the Issuer and the Joint Trustees for (i) the settlement of payment obligations of the Issuer, (ii) ensuring the performance by the Issuer of all its obligations under the Programme documents, (iii) ensuring compliance with all applicable laws and regulations including performance of all necessary acts for the legal and efficient running of the Issuer as a going concern during the entire term of the Programme.
5. **Deed of Guarantee:** This is a deed of guarantee issued by the Guarantor in favour of the Bondholders entitling the Trustee to require performance of the obligations undertaken by the Guarantor and to enforce such obligations against the Guarantor.
6. **Programme Trust Deed and Series Trust Deeds:** The Programme Trust Deed is entered into by the Issuer, the Sponsor and the Joint Trustees and sets out the terms, conditions and covenants governing the issuance of Debt Securities, the appointment of Trustees and the relationship between the parties under the Programme. Each Series Trust Deed shall be executed by the Issuer, the Sponsor and the Joint Trustees (as well as such other Trustee that may be appointed in connection with the relevant Series) and shall be issued in connection with each Series of Bonds.
7. **Vending Agreement:** This agreement is executed by the Sponsor, the Issuer and the Issuing Houses in connection with each Series of Bonds issued under the Programme for the marketing and sale of the Bonds to investors, amongst others, by the Issuing Houses.

9. SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from and qualified in its entirety by the remainder of this Shelf Prospectus and, in relation to the terms and conditions of any particular Series of Bonds, the applicable Pricing Supplement. Words and expressions defined in "Form of the Bonds" and "Terms and Conditions of the Bonds" shall have the same meaning in this summary:

Issuer	Valency SPV Plc
Sponsor	Valency Agro Nigeria Limited
Guarantor	Valency International PTE. Limited
Programme Size	₦50,000,000,000.00
Programme Description	A Bond Issuance Programme being undertaken by Valency SPV Plc through which Bonds with varying maturities be issued, the maximum aggregate Principal Amount outstanding of which shall not exceed the Programme Size. The Bonds shall be fully guaranteed by Valency International PTE Limited. Under the terms of the Programme, Bonds issued may be convertible, non-convertible, senior, subordinated, unsecured, secured, Fixed Rate Bonds, Floating Rate Bonds, reverse floating Bonds, Zero-Coupon Bonds or any combinations thereof, all of which shall be denominated in Naira or in such other currency and on such other terms and conditions as may be agreed between the Issuer, the Sponsor and the Issuing Houses and specified in the relevant Pricing Supplement. 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 The Bonds shall be constituted by the Programme Trust Deed. Series Trust Deeds will be issued in respect of each Series.
Lead Issuing House	Coronation Merchant Bank Limited
Joint Issuing Houses	FBNQuest Merchant Bank Limited, Rand Merchant Bank Nigeria Limited, Nova Merchant Bank Limited, and Greenwich Merchant Bank Limited, or any other Issuing House as may be specified in the Pricing Supplement
Registrar	Coronation Registrars and/or such other registrar as may be specified in the relevant Pricing Supplement
Methods of Issue	The Bonds under this Programme may be issued by way of a public offer, private placement, book build, or any other methods as specified in the applicable Pricing Supplement and permitted by the SEC
Use of Proceeds	The proceeds of the Programme will be utilized as stated in the Pricing Supplement

Interest Rates	The Bonds may be interest-bearing or non-interest bearing. Interest (if any) may be at a fixed rate or vary as indicated in the Pricing Supplement and may vary during the lifetime of the relevant Series
Currency	The Bonds will be denominated in Naira or such currency or currency units as may be agreed between the Issuer, the Sponsor and the Issuing Houses, subject to compliance with all applicable legal and/or regulatory requirements of the Commission
Ratings	The Bonds issued under this Programme will be rated by at least one rating agency duly registered and/or recognized with the SEC and such rating shall be reviewed annually in accordance with the SEC Rules and Regulations
Status of the Bonds	The Bonds, subject to modification in the Series Trust Deed and applicable Pricing Supplement, constitute senior/subordinated, direct, unsecured/secured and unconditional obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Bonds and in respect of principal and any coupon on the Bonds shall at all times rank at least equally with all other similar obligations of the Issuer, present and future except for obligations mandatorily preferred by law applying to companies generally
Events of Default	The events of default under the Bonds are as specified within the Programme Trust Deed and as modified in respect of any Series by the applicable Series Trust Deed. The Trustees shall notify the Commission of such event(s) of default as required by the SEC Rules and Regulation
Form of the Bonds	The Bonds will be issued in dematerialized form and shall be transferable. The issue and ownership of the Bonds will be effected and evidenced by the particulars of the Bonds being entered in the Register by the Registrar and the Bonds being electronically credited in the CSD accounts of the Bondholder
Ranking	The Bonds shall constitute direct, unconditional, senior, guaranteed and secured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer in respect of the Bonds and the Guarantor under the Deed of Guarantee shall, save for such exceptions as may be provided by applicable law, at all times rank at least pari passu with all other unsecured unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, both present and future. The Bonds qualify as securities in which trustees, insurance companies, and pension fund administrators may invest under the Trustee Investment Act, the Insurance Act, 2003, and the Pension Reform Act, 2014 respectively. The due payment of the outstanding principal and coupon amount expressed to be payable by the Issuer under this Deed up to the Guaranteed Amount has been unconditionally and irrevocably guaranteed under and in accordance with the terms of the Deed of Guarantee dated on or about the date hereof.
Issuance in Series	The Bonds will be issued in series (each a "Series"). The Bonds of each Series will all be subject to identical terms, whether as to currency or maturity or otherwise, or terms which are identical except that the issue date, the amount of the first payment of interest and/or the denomination thereof may be different. Each

	Series may comprise of one or more tranches issued on different issue dates. A Series may only be comprised of Bonds in registered form
Maturity of Bonds	Bonds may be issued with such maturities as may be agreed with the Issuer and as indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the Issuer or any laws or regulations applicable to the Issuer or the relevant specified currency
Issue Price	Bonds may be issued at par or at a discount to par. The Issue Price of a specific Series shall be defined in the Applicable Pricing Supplement
Closing Date	The closing date of a specific Series or Tranche shall be stated in the relevant Pricing Supplement relating to that Series
Opening Date	The Opening Date of a specific Series shall be stated in the relevant Pricing Supplement relating to that Series
Coupon	The Debt Securities may be interest-bearing or non-interest bearing. The Coupon if any, payable on the Bonds shall be determined by the Issuer, the Sponsor and the Issuing Houses and stated accordingly in the Applicable Pricing Supplement
Frequency	The frequency of payment of interest and any other monies due on the Debt Securities shall be specified in the applicable Pricing Supplement for the Bond being issued
Denominations	The Bonds will be issued in such denominations as may be agreed between the Issuer and the Issuing Houses and as specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements, and in accordance with usual market practice
Early Redemption	Early redemption will be permitted only to the extent specified in the applicable Pricing Supplement and then only subject to any applicable legal or regulatory limitations
Principal Redemption	Bonds will be redeemed on the dates specified in the Applicable Pricing Supplement
Redemption	The Bonds may be redeemable at par or at such other redemption amount as may be specified in the applicable Pricing Supplement
Redemption Amount	The relevant Pricing Supplement will specify the redemption amount or if applicable, the basis for calculating the redemption amount payable
Interest and Principal Payment	The Issuer will pay interest (save in the case of Zero-Coupon Bonds) and principal on each Series to applicable Bondholders of record on the dates stated in the applicable Pricing Supplement.
Repayment	Repayment terms in respect of the Bonds issued under the Programme shall be specified in the relevant Pricing Supplement for the Series or Tranche being issued.

Tenor	The tenor of a particular Series or Tranche of Bonds shall be determined by the Issuer and the relevant Issuing Houses and specified accordingly in the relevant Pricing Supplement for the Bonds being issued.
Business Day Convention	Where the day on which a payment is due to be made is not a Business Day, that payment shall be effected on the next succeeding Business Day unless that succeeding business day falls in a different month in which case, payment shall be made on the immediately preceding Business Day
Listing	Each Series or Tranche of Bonds may be unlisted or listed on recognised securities Exchanges such as the FMDQ, the NGX and/or any other relevant securities exchange as specified in the applicable Pricing Supplement
Bonds Trading & Liquidity	Bonds may trade OTC or on any other recognized trading platform between banks and qualified market counterparties. Dealers will be obliged to quote two-way prices for the Bonds
Availability	The Programme will be continuously available during the Validity Period
Variable Coupon Amount Bonds	The Pricing Supplement issued in respect of each Series of Bonds of Variable Coupon Amount Bonds will specify the basis for calculating the amounts of interest payable, which may be by reference to a variety of financial instruments, a currency exchange rate or any other index or formula or as otherwise provided in the relevant Pricing Supplement
Provision of Debt Service Reserve Account	A Debt Service Reserve Account **("DSRA")** may be created in respect of any Tranche or Series in accordance with the provisions of the applicable Series Trust Deed. The DSRA, where established, shall be managed by the Trustees
Subscription of Bonds	The Bonds may be subscribed to in accordance with the form of application set out in the relevant Pricing Supplement relating to the Bonds being issued.
Taxation	See "Tax Considerations" on page 64 of this Shelf Prospectus dated September 5th, 2023. Pursuant to the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011 and Value Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011, all Bonds in Nigeria were exempt from taxes ordinarily imposed under the Companies Income Tax Act 2004 and from the imposition of Value Added Tax respectively, for a period of ten years from the date the Orders became effective on January 2, 2012. These Orders have however now lapsed, the terminal date being January 2, 2022. Accordingly, the Issuer shall be required - by law - to withhold tax on the coupons accruing on Bonds held by corporate entities. This requirement to deduct withholding tax is without exception as regards corporate entities and the Issuer shall be obliged to deduct the tax from coupon payments to corporate bondholders. Furthermore, by virtue of the Personal Income Tax (Amendment) Act 2011, corporate bonds are also generally also exempt from personal income tax ("PIT"). However following the expiration of the exemption granted by the Honourable Minister of Finance under a notice titled the Personal Income Tax Exemption of Holders of Bonds and Short-Term Government Securities Notice (dated 2 January 2012) and further to a notice by the Lagos State Internal Revenue Service titled Payment of Personal Income Tax on Profit from Bonds and Short-

	Term Government Securities (dated June 28, 2022), PIT is now applicable on income derived and interest earned by individuals and non-limited liability entities resident in Lagos State from bonds and short-term securities in accordance with the Personal Income Tax (Amendment) Act 2004 with effect from January 2, 2022, except for bonds issued by the Federal Government of Nigeria. In the event of disposal of Bonds held, the proceeds from the sale of the Bonds are exempt from the tax imposed under the VAT Act by virtue of the Finance Act 2020.
Modification	Without prejudice to the provisions of the Programme Trust Deed, the Trustees may agree with the Issuer, without the consent of the Holders but subject to the SEC approval, to any modification to the Trust Deed of a formal, minor, or technical nature or to correct a manifest error. The Trustees may also so agree, subject to SEC approval, to any modification to the Trust Deed that is in their opinion not materially prejudicial to the interests of the Holders
Underwriting	The Bonds may be partially or fully underwritten on a standby or firm basis as specified in the relevant Pricing Supplement
Negative Pledge	The Issuer shall not create any mortgage, charge, pledge, lien or any encumbrance upon the whole or any part of its present or future undertaking, business, assets or revenues to secure any indebtedness for listed bonds or other listed securities, unless the Issuer's obligations under the Bonds are secured equally and rateably therewith or have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustees in their absolute discretion shall deem not to be materially less beneficial to the Bondholders
Governing Law	The Bonds and all related contractual documentation will be governed by and construed in accordance with Nigerian law
Statement of Indebtedness	Details of all indebtedness of the Issuer and Sponsor at the time of issuance of any Bonds under the Programme will be disclosed in the applicable Pricing Supplement relating to the relevant Series or Tranche
Terms and Conditions	The terms and conditions applicable to each Series (the "Terms and Conditions") will be agreed between the Issuer, Sponsor and the Issuing Houses at or prior to the time of issuance of such Series and will be specified in the relevant Pricing Supplement. The Terms and Conditions applicable to each Series will therefore be those set out on pages 27 to 44 hereof as supplemented, modified by the relevant Pricing Supplement
Other Conditions	Such other terms and conditions as may be incorporated by reference into, modified by, or supplemented by the applicable Pricing Supplement

Transaction Documents	Shelf Prospectus Pricing Supplement Programme Trust Deed Series Trust Deed Transaction Implementation Agreement Vending Agreement Deed of Guarantee Underwriting Agreement (where applicable)

10. TERMS AND CONDITIONS OF THE BONDS

The following is the text of the terms and conditions of the Bonds which subject to amendment and as completed, modified, supplemented, varied or replaced, in whole or in part, by the final terms which are attached to the applicable Series Trust Deed, and Supplementary Shelf Prospectus/Pricing Supplement (the "Final Terms") and save for the italicised text will be endorsed on the Certificates issued in respect of the Bonds.

The provisions of these Terms and Conditions of the Bonds (the "General 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. Bonds will be issued in individual Tranches which, together with other Tranches, may form a Series of Bonds. Any provisions of the Final Terms modifying, supplementing or replacing, in whole or in part, the provisions of these General Conditions shall be deemed to so modify, supplement or replace, in whole or in part, the provisions of these General Conditions; alternative or optional provisions of these General 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 General Conditions; and all provisions of these General Conditions which are inapplicable to the Bonds shall be deemed to be deleted from these General Conditions as required to give effect to the terms of the relevant Final Terms.

Introduction

The Bonds are constituted by a trust deed (the "Programme Trust Deed") dated September 5th, 2023 between Valency SPV Plc (the "Issuer"), Valency Agro Nigeria Limited (the "Sponsor"), and FBNQuest Trustees Limited ("FBNQuest Trustees") and CardinalStone Trustees Limited ("CardinalStone Trustees"). (FBNQuest Trustees and CardinalStone Trustees are jointly referred to as the Trustees which expression shall include all persons for the time being appointed as Trustee or Trustees under the Programme Trust Deed).

Any Tranche or Series of Bonds which is to be created and issued pursuant to the Programme Trust Deed shall be constituted by, be subject to and have the benefit of a Series Trust Deed (the "Series Trust Deed") between the Issuer, the Sponsor and the Trustees. The Issuer shall execute and deliver such Series Trust Deed to the Trustees containing such provisions (whether or not corresponding to any of the provisions contained in the Programme Trust Deed) as the Trustees may require. Each Series Trust Deed shall set out the form of the Tranche of Bonds to be so constituted thereby and may be accompanied by legal opinions (in form and substance satisfactory to the Trustees) or supporting authorisations/approvals as may be required by the Trustees.

The Bondholders are entitled to the benefit of and 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. The Programme Trust Deed and any Series Trust Deed are hereinafter collectively referred to as the "Trust Deed".

These terms and conditions include summaries of and are subject to the detailed provisions of the Programme Trust Deed and the Series Trust Deed. Except otherwise stated, words and expressions defined in the Programme Trust Deed shall bear the same meanings when used herein.

Interpretation and General Definitions

In these General Conditions unless inconsistent with the context or separately defined in the Supplementary Shelf Prospectus/Pricing Supplement, the following expressions shall have the following meanings:

(i) **"Call Option"** if specified as applicable in the Supplementary Shelf Prospectus/Pricing Supplement, means the option of the Issuer to redeem the Bonds early in that Tranche of Bonds in whole or, if so specified in the Supplementary Shelf Prospectus/Pricing Supplement, in part at the Optional Redemption Amount(s) on the Optional Redemption Date(s) in accordance with Condition 4(d) (Redemption at the Option of the Issuer (Call Option);

(ii) **"Coupon Period"** means the period beginning on (and including) the Coupon Commencement Date and ending on (but excluding) the first Coupon Payment Date and each successive period beginning on (and including) a Coupon Payment Date and ending on (but excluding) the next succeeding Coupon Payment Date;

(iii) **"Coupon Rate"** means the applicable rate of the Coupon; for Floating Rate Bonds, this will be the rate determined on a Coupon Termination Date for each Coupon Period by the Trustees for that Coupon Period;

(iv) **"Coupon Termination Date"** means the date specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(v) **"Early Redemption Amount"** means the amount at which the Bonds will be redeemed by the Issuer pursuant to the provisions of Conditions 4(d) (Redemption at the Option of the Issuer (Call Option)) and/or Condition 9 (Events of Default), or as set out in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(vi) **"Final Broken Amount"** means the amount specified as such in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(vii) **"Fixed Rate Bonds"** means Bonds that carry a predetermined Coupon Rate payable in arrears on a fixed date or fixed dates in each year and on redemption or on such other dates as may be indicated in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(viii) **"Floating Rate Bonds"** means Bonds on which the Coupon payable in arrears changes periodically based on some pre-determined benchmark, in respect of such period or on such date(s) as may be indicated in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(ix) **"Guarantor"** means Valency International PTE Ltd (Valency International) an international commodity trading house situated in Singapore.

(x) **"Guarantee":** means the credit enhancement provided by the Guarantor in relation to the Bonds, the details of which are set out in the Deed of Guarantee.

(xi) **"Indexed Coupon Bonds"** means Bonds on which Coupon is payable on the basis of a particular price index specified in the applicable Final Terms;

(xii) **"Initial Broken Amount"** means the amount specified as such in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(xiii) **"Instalment Amount"** means the amount expressed as a percentage of the Nominal Amount of an Instalment Bond, being an instalment of principal (other than the final instalment) on an Instalment Bond;

(xiv) **"Instalment Bonds"** means Bonds redeemable in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(xv) **"Mixed Rate Bonds"** means Bonds that carry Coupon Rates payable on any combination of Fixed Rate Bonds or Floating Rate Bonds, or Indexed Bonds for respective periods, each as specified in the Supplementary Shelf Prospectus/Pricing Supplement.

(xvi) **"Optional Redemption Amount"** means in respect of any Bond, its Nominal Amount or such other amount as may be specified in, or determined in accordance with, the Supplementary Shelf Prospectus/Pricing Supplement;

(xvii) **"Optional Redemption Date"** means the date(s) specified as such in the Supplementary Shelf Prospectus/Pricing Supplement in relation to a Series or Tranche of Bonds pursuant to which the Issuer is specified as having an option to redeem in accordance with Condition 4(d) (Redemption at the option of the Issuer (Call Option));

(xviii) **"Senior Bonds"** means unsubordinated and unsecured Bonds of a Series or Tranche, the terms of issue of which provide that such Bonds are senior as to rank pari passu with the Senior Indebtedness of the Issuer and such additional terms as may be specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(xix) **"Senior Claims"** means the claims of all creditors of the Issuer (including, without limiting the generality of the foregoing, all claims in respect of deposits with or loans to the Issuer and all claims to interest thereon or in respect thereof, statutory preferences and other legally-required payments, obligations under hedging and other financial instruments), excluding all claims in respect of Subordinated Indebtedness;

(xx) **"Senior Creditor"** means a holder of Senior Claims;

(xxi) **"Senior Indebtedness"** means the aggregate of all Senior Claims in respect of the Issuer;

(xxii) **"Subordinated Bonds"** means the unsecured Bonds, the terms of which provide that they are subordinated so as to rank pari passu with the Subordinated Indebtedness of the Issuer; and such

additional terms as may be specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement;

(xxiii) **"Subordinated Indebtedness"** means the aggregate of (i) indebtedness of the Issuer, under the Subordinated Bonds; and (ii) all other indebtedness of the Issuer, which are subordinated in the event of the Winding up of the Issuer, to the claims of Senior Creditors;

(xxiv) **"Zero Coupon Bonds"** means Bonds issued by the Issuer, at a deep discount from their face value and on which Coupon is not payable during the life of the Bond.

CONDITION 1

CURRENCY, FORM, TITLE AND DENOMINATION

(a) Issue and Currency

The Bonds may be issued by the Issuer in Series or Tranches pursuant to the Programme Trust Deed. A Tranche of Bonds may, together with a further Tranche or Tranches, form a Series of Bonds issued, provided that the aggregate nominal amount of all Bonds Outstanding under the Programme at any one point in time does not exceed the Programme Limit. The Supplementary Shelf Prospectus/Pricing Supplement for each Tranche of Bonds is (to the extent relevant) incorporated herein for the purposes of those Bonds and supplements these General Conditions.

The Supplementary Shelf Prospectus/Pricing Supplement may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these General Conditions, replace or modify these General Conditions for the purposes of those Bonds.

The Bonds shall be in registered form or as may be specified in the applicable Final Terms, in a specified currency and in specified denomination(s).

(b) Form and Title

Uncertificated Bonds

The Bonds shall be issued in dematerialised (book-entry) form which shall be registered with a separate securities identification code with the CSD and each Bondholder shall be issued an E-allotment Notification. Each Bondholder shall be entitled to deal in the same, in accordance with CSD procedures and guidelines.

The CSD Statement of Account shall be conclusive and binding for all purposes save in the case of manifest error and such person named therein shall be treated by the Issuer, the Trustees and the Registrar as the legal and beneficial owner of such aggregate number of Bonds for all purposes.

Certificated Bonds

A Bondholder may elect to receive a Certificate covering the aggregate Principal Amount of his beneficial interest in the Bonds, PROVIDED THAT joint Bondholders 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 Bondholders whose name appears first in the Register and the delivery of a Certificate to one of such persons shall be deemed to be sufficient delivery to all.

Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the Register.

Title to the Bonds passes only by registration in the Register. The Bondholder of any Series will (except as otherwise required by law) be treated as its legal and beneficial owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the Bondholder.

(c) Listing

A Tranche of Bonds may be listed on NGX and/or the FMDQ or on such other or further financial exchange(s) as may be determined by the Issuer, subject to any applicable laws. Unlisted Bonds may also be issued under the Programme. The Supplementary Shelf Prospectus/Pricing Supplement will specify whether or not a Series or Tranche of Bonds will be listed, on which financial exchange(s) they are to be listed (if applicable) and, if such Series or Tranche of Bonds are to be listed on NGX, the relevant platform or sub-market of NGX such Tranche of Bonds are to be listed.

(d) Denomination

The aggregate nominal amount specified currency and specified denomination of a Series or Tranche of Bonds will be specified in the Supplementary Shelf Prospectus/Pricing Supplement.

(e) Closed Periods

No Bondholder may require the transfer of the Bonds: (i) during the period of fifteen (15) days ending on the due date for redemption of, or payment of any Coupon or Instalment Amount in respect of that Bond; (ii) after any Bond has been called for redemption by the Issuer or a Bondholder pursuant to Condition 4 (Redemption, Purchase and Options); or (iii) following the issuance of default notice to the Issuer by the Trustees pursuant to Condition 9 (Events of Default).

CONDITION 2

STATUS OF THE BONDS

(a) Status of the Senior Bonds

Unless otherwise specified in the Supplementary Shelf Prospectus/Pricing Supplement, the Senior Bonds shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference or priority among themselves. The payment obligations of the Issuer under the Senior Bonds in respect of principal and any Coupon thereon shall, save for such obligations as may be preferred by applicable legislation relating to creditor's rights, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

(b) Status of the Subordinated Bonds

Subordinated Bonds are direct, unsecured and subordinated obligations of the Issuer and rank pari passu and without any preference among themselves and at least pari passu with the claims of all holders of Subordinated Indebtedness.

In the event of the winding-up of the Issuer, the claims of the Trustees and the holders of Subordinated Bonds against the Issuer to payment of principal and Coupon in respect of the Subordinated Bonds will rank:

(a) subordinated in right of payment to the payment of all Senior Indebtedness; and

(b) pari passu without any preference among themselves.

CONDITION 3

COVENANTS

For as long as any of the Bonds remains outstanding (as defined in the Programme Trust Deed), the Issuer shall/undertakes to comply with the following covenants:

(a) Negative Pledge

The Issuer shall not create any mortgage, charge, pledge, lien or any encumbrance upon the whole or any part of its present or future undertaking, business, assets or revenues to secure any indebtedness for listed bonds or other listed securities, unless the Issuer's obligations under the Bonds are secured equally and rateably therewith or have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustees in their absolute discretion shall deem not to be materially less beneficial to the Bondholders.

(b) Indebtedness

Save as provided in the Programme Trust Deed, the Issuer, without the prior written consent of the Trustees (such consent not to be unreasonably withheld or delay), shall not incur any other indebtedness, other than the issue of Bonds under the Programme;

(c) Restricted Payments

Save as provided in the Programme Trust Deed, the Issuer, without the prior written consent of the Trustees (such consent not to be unreasonably withheld or delayed), shall not declare or pay any dividend in cash or otherwise or make a distribution (whether by way of redemption, acquisition or otherwise) in respect of its share capital if an Event of Default has occurred and is continuing.

(d) No Consolidation or Merger

Save as provided in the Programme Trust Deed, the Issuer, without the prior written consent of the Trustees (such consent not to be unreasonably withheld or delayed), shall not consolidate with or merge into any other Person (or enter into any transaction whose effect would be similar to that of a merger) or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its property and assets to any Person by one or more transactions or series of transactions (whether related or not).

(e) Cessation of Business

Save as otherwise permitted in the Programme Trust Deed, the Issuer shall not cease to carry on its business as a full, effective and valid going concern. The Issuer shall not, without the prior written consent of the Trustees (such consent not to be unreasonably withheld or delayed), have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property (including office premises or like facilities). The Issuer shall not engage in any business or activities:

(a) other than the Permitted Investments and any security in respect thereof, or purchasing debt securities issued by, or any future loans to the Sponsor and performing any act incidental to or necessary in connection with the foregoing; and

(b) not permitted under its memorandum and articles of association or relevant laws applicable to its continued corporate existence.

The Issuer shall procure that no material change that would have a Material Adverse Effect is made to the nature of its business from that carried on as at the date of the relevant Series Trust Deed or conduct its business in a manner that might jeopardize the Issuer's fulfilment of its obligations under the Trust Deed.

(f) Trustees Not Obliged to Monitor Compliance

The Issuer shall furnish the Trustees annually, with a certificate on which the Trustees may rely to confirm the Issuer's compliance with the Conditions (including Conditions 3(c), 3(d) and 3(e)). Notwithstanding this, the Trustees are not obliged to monitor compliance by the Issuer with the Conditions (including Conditions 3(c), 3(d) and 3(e)).

CONDITION 4

REDEMPTION, PURCHASE AND OPTIONS

A Series or Tranche of Bonds will be redeemed on the Maturity Date in accordance with Condition 4(a) (Scheduled Redemption). If "Redemption at the option of the Issuer (Call Option)" and/or "Redemption at the option of the Bondholders (Put Option)" is specified as applicable in the Supplementary Shelf Prospectus/Pricing Supplement, a Tranche of Bonds may, or upon the occurrence of an Event of Default as set out in Condition 9 (Events of Default) be redeemed prior to its Maturity Date in accordance with this Condition 4 (Redemption, Purchase and Options).

(a) Scheduled Redemption

Unless previously redeemed or purchased and cancelled as specified below, the Bonds will be redeemed at the Final Redemption Amount on the Maturity Date subject to the provisions contained in Condition 5 (Payments).

(b) Redemption by Instalments and Final Redemption

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 4, Bonds of a Series or Tranche that provide for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in respect of such Bonds. The outstanding nominal amount of such Bonds shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Bonds, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount. The Registrar shall update the Register to reflect the amount outstanding within five (5) Business Days of the Instalment Date.

(ii) "Instalment Amount" means the portion of the Principal Amount payable on a date specified in the applicable Final Terms (the "Instalment Date")

(iii) Unless previously redeemed, purchased and cancelled as provided below, the Bonds shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided in respect of the Bonds, is its nominal amount) or, in the case of Bonds falling within paragraph (i) above, its final Instalment Amount.

(c) Early Redemption

The Early Redemption Amount payable in respect of Bonds of a Series (upon redemption of such Bonds pursuant to Condition 4(c) or upon it becoming due and payable as provided in Condition 9 (Events of Default), shall be the Final Redemption Amount unless otherwise specified in the Final Terms in respect of the Bonds.

(d) Redemption at the Option of the Issuer (Call Option)

If the Issuer is specified in the Supplementary Shelf Prospectus/Pricing Supplement as having an option to redeem, the Bonds may, be redeemed at the option of the Issuer in whole or, if so specified in the Supplementary Shelf Prospectus/Pricing Supplement, in part, upon the Issuer, having given:

(i) not less than thirty (30) and not more than sixty (60) days, or such other period as specified in the Supplementary Shelf Prospectus/Pricing Supplement, notice to the Bondholders in accordance with Condition 13 (Notices); and

(ii) not less than seven (7) days before giving the notice referred to above, to redeem all or some of the Bonds then Outstanding on the Optional Redemption Date(s) (Call) and at the Optional Redemption Amount(s) (Call) specified in, or determined in the manner specified in, the Supplementary Shelf Prospectus/Pricing Supplement together, if appropriate, with Coupon accrued up to (but excluding) the Optional Redemption Date(s) (Call).

(iii) Any such redemption amount must be of a nominal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Maximum Redemption Amount, both as specified in the Supplementary Shelf Prospectus/Pricing Supplement, if applicable. In the case of a partial redemption of Bonds, the Bonds to be redeemed (Redeemable Bonds) will be selected individually by lot; and in each such case not more than thirty (30) days prior to the date fixed for redemption (such date of selection being hereinafter called the Selection Date).

A list of the serial numbers of the individual Certificates will be published in accordance with Condition 13 (Notices) not less than ten (10) days prior to the date fixed for redemption.

Holders of Redeemable Bonds shall surrender the individual Certificates, together with Receipts and Coupon (if any) relating to the Bonds in accordance with the provisions of the notice given to them by the Issuer. Where only a portion of the Bonds represented by such Certificates, Receipts and Coupon (as applicable) are redeemed, the Registrar shall deliver new individual Certificates, Receipts and Coupon (as applicable) to such Holders in respect of the balance of the Bonds.

(e) Redemption at the Option of the Bondholders (Put Option)

If a Put Option is specified in the Supplementary Shelf Prospectus/Pricing Supplement, the Issuer shall, at the option of a Bondholder, giving not less than fifteen (15) days and not more than thirty (30) days' notice to the Issuer (or such other notice period as may be specified in respect of the Bonds), redeem such Bonds on the Optional Redemption Date(s) at its Optional Redemption Amount together with Coupon (if any) accrued to the date fixed for redemption.

In order to exercise the put option, the Bondholder must deposit with the Issuer at the Office (with a copy to the Trustees), a duly completed put option exercise notice ("Exercise Notice") within the notice period and give the Trustees such instructions as may be necessary to give effect to the exercise of the put option. Once such option has been exercised by the deposit of an Exercise Notice, it may not be withdrawn without the prior consent of the Issuer.

(f) Redemption for Taxation Reasons

If so specified in the Supplementary Shelf Prospectus/Pricing Supplement, the Bonds may be redeemed at the option of the Issuer in whole, or in part,

(i) at any time (if neither the Floating Rate Bonds provisions nor the Indexed Bonds provisions are specified in the Supplementary Shelf Prospectus/Pricing Supplement as being applicable or, if they are, such provisions are not applicable at the time of redemption); or

(ii) on any Coupon Payment Date (if the Floating Rate Bonds Provisions or the Indexed Bonds provisions are specified in the Supplementary Shelf Prospectus/Pricing Supplement as being applicable and are applicable at the time of redemption); or

(iii) on giving not less than thirty (30) days nor more than sixty (60) days' notice to the Holders (which notice shall be irrevocable) at their Early Redemption Amount together with the Coupon accrued to the date fixed for redemption, if:

(a) the Issuer satisfies the Trustees and the SEC immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Nigeria or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Series or Tranche of the Bonds; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than ninety (90) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustees and the SEC a certificate signed by two (2) Directors stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

Provided, however, that no such notice of redemption shall be given earlier than:

(i) where the Bonds may be redeemed at any time, ninety (90) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts or would be entitled (as such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities; or

(ii) where the Bonds may be redeemed only on a Coupon Payment Date, sixty (60) days prior to the Coupon Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts or would not be entitled (or such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities.

CONDITION 5

PAYMENTS

(a) Only Bondholders named in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a Business Day) before the relevant due date (the "Record Date") shall be entitled to payment of amounts due and payable in respect of Bonds.

(b) Payments of an Instalment Amount (where applicable), the Principal Amount, Periodic Distribution, final Instalment Amount and Coupon (where applicable) will be made in the relevant currency and by credit/electronic funds transfer to the specified bank account of the Bondholder. Provided however that the Issuer shall withhold amounts due to a Bondholder until a bank account is specified in writing by the Bondholder and the Bondholder shall not be entitled to any further Coupon, return or other payment in respect of any such delay. Coupon or returns on Bonds due will be paid to the Bondholder shown on the Register of Bonds of a Series at the close of business on the Record Date. The Bondholder 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.

(c) If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, epidemic, pandemics, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer shall make such payment by cheque of any such amounts made payable to the relevant Bondholder. Such payments by cheque shall be sent by registered post to the address of the Bondholder of registered Bonds as set forth in the Register or, in the case of joint Bondholders of Registered Bonds, the address set forth in the Register of that one of them who is first named in the Register in respect of that Bond. Payment by electronic transfer to the Bondholder first named in the Register shall discharge the Issuer of its relevant payment obligations under

the Bonds. Cheques may be posted by registered post, provided that the Issuer shall not be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Bondholders for the purposes of all cheques posted in terms of this Condition 5(c) (Payments).

(d) If the due date for payment of any amount in respect of the Bonds is not a Business Day, then the Bondholder thereof shall not be entitled to payment of the amount due until the following Business Day unless the day falls in the next calendar month, in which case the due date will be the immediately preceding day that is a Business Day, and the Bondholder shall not be entitled to any further Coupon, return or other payment in respect of any such delay. For the purpose of this Condition, "Business Day" means any day, other than a Saturday, Sunday or a Federal Government declared public holiday, 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.

(e) All payments of all amounts (whether in respect of principal, Coupon or otherwise) due and payable in respect of any Bonds shall be made by the Trustees or the Registrars (if so instructed by the Trustees) from the Designated Accounts on behalf of the Issuer.

(f) Interpretation of the Principal Amount:

(i) Any reference in the General Conditions to the Principal Amount in respect of the Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to the Principal Amount under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Programme Trust Deed:

(a) the Final Redemption Amount of the Bonds;

(b) the Early Redemption Amount of the Bonds;

(c) the Optional Redemption Amount(s) (if any) of the Bonds;

(d) in relation to Bonds redeemable in instalments, the Instalment Amounts; and

(e) any premium and any other amounts (other than Coupon) which may be payable by the Issuer under or in respect of the Bonds.

CONDITION 6

TRANSFER OF BONDS

(a) Transfer of Bonds

All Bonds issued pursuant to the Programme Trust Deed shall be transferable subject to the provisions for registration of transfers contained therein.

Any Person becoming entitled to registered Bonds in consequence of the death or liquidation of the holder of such Bonds may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 6 (Transfer of Bonds) or of his title as the Issuer shall require, be registered himself as the holder of such Bonds or, subject to any procedure/requirements the Issuer shall require and the provisions on transfer, may transfer such Bonds.

The Register shall be maintained at the offices of the Registrar and the Registrar shall provide for the registration of any Bonds with respect to each Tranche or Series of Bonds or its transfer under such reasonable regulations as the Registrar with the approval of the Issuer and the Trustees may prescribe.

The Register shall reflect the number of registered Bonds issued and Outstanding, the date upon which each of the Bondholders was registered as such. The Register shall contain the name, address, and bank account details of the holders of the registered Bonds. The Register shall set out the Nominal Amount of the Bonds issued to such Bondholders and shall show the date of such issue. The Register shall be open for inspection during the normal business hours of the Registrar to any Bondholder or any person authorised in writing by any Bondholder.

Each Tranche or Series shall be registered in the applicable Register. Any transfer of Bonds represented by a Certificate shall be effective only to the extent that such transfer is registered in the Register, by the Bondholder or transferee thereof in person or by his attorney duly authorised in writing, upon presentation and surrender of the Certificate (if the Bonds are issued in physical form) together with a written instrument of transfer in a form satisfactory to the Registrar duly executed by or on behalf of the registered Bondholder

and the transferee by a duly authorised attorney. Upon surrender of the aforesaid documents to facilitate the registration of transfer of Bonds, the Registrar shall if the above stated conditions are met, register such transfer, and deliver a new Certificate (if any) to the transferee as appropriate.

The transfer of Bonds in dematerialised (book entry) form shall be regulated by the CSD procedures and guidelines.

The Register shall be closed during such periods, not exceeding an aggregate of thirty (30) days in any year.

(b) Prohibition on Stripping

Where so specified in the Supplementary Shelf Prospectus/Pricing Supplement, Bonds which shall be issued subject to the condition that the relevant Bonds (including rights to Instalment Amounts and/or Coupon thereon, as applicable) may only be transferred to a single transferee at a time and accordingly that the various rights in respect of such Bonds may not be stripped and transferred to various transferees at different times.

Stripping of Bonds is otherwise permitted.

CONDITION 7

TAXATION

(a) The Federal Government of Nigeria by the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order, 2011, had exempted corporate bonds from taxes ordinarily imposed under the Companies Income Tax Act Chapter C21, LFN 2004 (as amended by the Finance Acts) for ten (10) years. The exemption expired on January 1, 2022, hence the Issuer will be required by law to withhold tax on Coupon payments to the corporate Bondholders. By virtue of the Finance Act, 2020 which expressly excludes securities from the definition of goods under the Value Added Tax Act, the proceeds realized from a disposal of the Bonds will not be liable to VAT. However, commissions payable to the SEC, the Exchange and the CSD for stock exchange transactions will be subject to VAT 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 generally also exempt from personal income tax ("PIT"). However following the expiration of the exemption granted by the Honourable Minister of Finance under a notice titled the Personal Income Tax Exemption of Holders of Bonds and Short-Term Government Securities Notice (dated 2 January 2012) and further to a notice by the Lagos State Internal Revenue Service titled Payment of Personal Income Tax on Profit from Bonds and Short-Term Government Securities (dated June 28, 2022), PIT is now applicable on income derived and interest earned by individuals and non-limited liability entities resident in Lagos State from bonds and short-term securities in accordance with the Personal Income Tax (Amendment) Act 2004 with effect from January 2, 2022, except for bonds issued by the Federal Government of Nigeria. Notwithstanding the foregoing, the Bonds shall enjoy the benefits of the provisions of any re-enactment of the tax exemptions, and such extension, amendments and modifications thereof.

(b) The relevant Series Trust Deed will indicate the tax consequences of investment in the relevant Series or Tranche of Bonds.

(c) Condition 7(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.

CONDITION 8

PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within six (6) years from the appropriate Relevant Date in respect of the Principal Amount and Coupon.

As used in these General Conditions, "Relevant Date" in respect of any payment means the date on which such payment first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven (7) days after that on which notice is duly given to the Holders that such payment will be made.

CONDITION 9

EVENTS OF DEFAULT

Upon the happening of any of the following events ("Events of Default"), the Issuer shall forthwith notify all the Bondholders and the Trustees. The Trustees at their discretion may, and if so requested in writing by Bondholders of at least one-tenth in principal amount of the Bonds of the relevant Series then outstanding, or if so directed by a Special Resolution of the Bondholders of the Bonds of the relevant Series, shall give written notice to the Issuer at its specified office, effective upon the date of receipt thereof by the Issuer, that an Event of Default has occurred and that the Bonds are immediately due and repayable, whereupon the Early Redemption Amount (if any) of the Bonds together with any accrued interest to the date of payment shall become immediately due and payable:

(i) **Non-Payment**: default is made in the payment on the due date of the Principal Amount in respect of the Bonds and such default continues for a period of seven (7) Business Days; or

(ii) **Non-Payment of Coupon**: default is made in the payment on the due date of Coupon in respect of the Bonds; and such default continues for a period of seven (7) Business Days; or

(iii) **Breach of Other Obligations**: the Issuer does not perform or comply with any one or more of its other obligations in the Bonds or the Programme Trust Deed which default is incapable of remedy, or is not remedied within thirty (30) days after written notice of such default shall have been given to the Issuer by the Trustees at their specified office; or

(iv) **Cross-Default:** (A) any other present or future indebtedness of the Issuer for or in respect of monies borrowed or raised becomes due and payable prior to its stated maturity by reason of any default on the part of the Issuer or the Sponsor, or (B) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (C) the Issuer or the Sponsor fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any monies borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of one or more of the events mentioned above in this paragraph (iv) have occurred and equals or exceeds ₦1,000,000,000.00 (One Billion Naira); or

(v) **Enforcement Proceedings**: a distress, attachment, execution or other legal process is levied, enforced or commenced against the property, assets or revenues of the Issuer or Sponsor, where the value of such property, assets or revenue exceeds ₦1,000,000,000.00 (One Billion Naira), and such distress, attachment, execution or other legal process is not discharged or stayed within one hundred and eighty (180) days; or

(vi) **Release of Sponsor:** if there shall be any release of the Sponsor from its obligations under this Deed, or any of the Programme Documents, other than in accordance with this Deed, including any release by operation of law, or any failure by the Sponsor to make payment when demanded by the Trustees in accordance with the Programme Documents; or

(vii) **Event of Default under the Transaction Implementation Agreement**: if there shall be an occurrence of an event of default under the Transaction Implementation Agreement; or

(viii) **Security Enforced**: any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or Sponsor over a material part of the Issuer's property, assets or revenues, becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person); or

(ix) **Insolvency:** the Issuer or the Sponsor is, or is deemed by law or a Court to be insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or Sponsor; or

(x) **Winding-up**: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or the Sponsor, or the Issuer or the Sponsor shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of Directors threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Trustees or by a Special Resolution of the Bondholders; or

(xi) **Failure to take action**: any action, condition or thing (including the obtaining of any consent, license, approval or authorisation) now or hereafter necessary to enable the Issuer and/or the Sponsor to comply

with their obligations under the Programme Trust Deed for the issuance of the Bonds is not taken, fulfilled or done, or any such consent, license, approval or authorisation shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect, resulting in the Issuer and/or the Sponsor being unable to perform any of their obligations in terms of the Bonds or the Programme for the issuance of the Bonds for a period of two (2) weeks after the date on which written notice of such failure, requiring same to be remedied shall have been given to the Issuer and/or the Sponsor by the Trustees.

Provided that if the failure is one which can be remedied but cannot be completely remedied within the two (2) weeks after written notice has been given, it shall not be an Event of Default with respect to such Series as long as the Issuer and/or the Sponsor has taken active steps within the two (2) weeks after such written notice has been given to remedy the failure and is diligently pursuing such remedy; or

(xii) **Material Adverse Effect:** Upon the occurrence of an event with a Material Adverse Effect; or

(xiii) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or the Sponsor.

CONDITION 10

ENFORCEMENT

(a) The Trustees may, at any time, at their discretion and without notice institute such proceedings as they think fit to enforce their rights under the Trust Deed in respect of the Bonds of a relevant Series including the repayment of the Bonds at any time after the Bonds shall have become repayable under the terms of issue (including pursuant to Condition 9 (Events of Default), but shall not be bound to do so unless:

(i) they have been so requested in writing by the Bondholders of not less than one-tenth in principal amount of the outstanding Bonds of a relevant Series or has been so directed by a Special Resolution passed at a meeting of the Bondholders convened in accordance with clause 1.2 of Schedule 1 of this Deed; and

(ii) they have been indemnified, prefunded and/or secured to their satisfaction.

(b) No Bondholder shall be entitled to proceed directly against the Issuer to enforce the provisions of the Trust Deed unless the Trustees having become bound so to proceed, fail so to do within fourteen (14) Business Days and the failure shall be continuing, in which case the Bondholder, shall have only such rights against the Issuer as those which the Trustees are entitled to exercise.

(c) The Trustees or the Bondholders shall be entitled to all remedies available under the law for the recovery of amounts owing in respect of the Bonds or under the Trust Deed.

(d) The Trustees shall also file a notice of any default and remedies being pursued with the SEC within ten (10) days of becoming aware of the occurrence of an Event of Default.

(e) If the Floating Rate Bonds or Index Linked Coupon Bonds of any Series become immediately due and repayable under Condition 9 (Events of Default) the rate and/or amount of coupon payable in respect of them will be calculated by a calculation agent (where so specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement) (the "Calculation Agent") at the same intervals as if such Bonds had not become due and repayable, the first of which will commence on the expiry of the Coupon Period during which the Bonds of the relevant Series become so due and repayable mutatis mutandis in accordance with the provisions of Condition 11 (Coupon and Other Calculations) except that the rates of Coupon need not be published.

(f) Upon the occurrence of an Event of Default, the Trustees shall at their discretion be entitled to liquidate the Designated Accounts and or Permitted Investments for the payment of the amounts outstanding on the Bonds, provided however that the Trustees shall only be obliged to distribute to the Bondholders up to the extent of such amounts as they realise from the Designated Accounts or disposal of the Permitted Investments and such amounts shall be applied to meet the obligations of the Issuer in accordance with the Programme Trust Deed and the applicable Series Trust Deed.

(g) Upon the occurrence of an Event of Default under the Transaction Implementation Agreement, the Trustees may be entitled to proceed directly against the Sponsor in respect of the resulting amount due and payable by the Sponsor.

CONDITION 11

COUPON AND OTHER CALCULATIONS

If the Supplementary Shelf Prospectus/Pricing Supplement so specifies, the Bonds of any Tranche will bear Coupon from the Coupon Commencement Date at the Coupon Rate(s) specified in, or determined in accordance with, the Supplementary Shelf Prospectus/Pricing Supplement and such Coupon will be payable in respect of each Coupon Period on the Coupon Payment Date(s) specified in the Supplementary Shelf Prospectus/Pricing Supplement. The Coupon payable on the Bonds of any Series or Tranche for a period other than a full Coupon Period shall be determined in accordance with the Supplementary Shelf Prospectus/Pricing Supplement.

(a) Coupon on Fixed Rate Bonds

Coupon on Fixed Rate Bonds will be paid on the Coupon Payment Dates specified in the Supplementary Shelf Prospectus/Pricing Supplement.

Accrual of Coupon

The Bonds shall bear Coupon from the Coupon Commencement Date at the Coupon Rate payable in arrears on each Coupon Payment Date, subject as provided in Condition 5 (Payments). Each Bond will cease to bear Coupon from the relevant Coupon Termination Date.

Fixed Coupon Amount

The Coupon Amount payable in respect of each Bonds for any Coupon Period shall be the relevant Fixed Coupon Amount and, if the Bonds are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

Calculation of Coupon Amount

The amount of Coupon payable in respect of each Bond for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Coupon Rate to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the specified currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the specified denomination of such Bond divided by the Calculation Amount, provided that:

(i) if an Initial Broken Amount is specified in the Supplementary Shelf Prospectus/Pricing Supplement, then the first Coupon Amount shall equal the Initial Broken Amount specified in the Supplementary Shelf Prospectus/Pricing Supplement; and

(j) if a Final Broken Amount is specified in the Supplementary Shelf Prospectus/Pricing Supplement, then the final Coupon Amount shall equal the Final Broken Amount specified in the Supplementary Shelf Prospectus/Pricing Supplement.

(b) Coupon on Floating Rate Bonds and Indexed Linked Coupon Bonds

Accrual of Coupon

The Bonds shall bear Coupon from the Coupon Commencement Date on the outstanding nominal amount at the Coupon Rate payable in arrears on each Coupon Payment Day, subject as provided in Condition 5 (Payments). Each Bond will cease to bear Coupon from the Coupon Termination Date.

Floating Coupon Rate

The Floating Coupon Rate which is applicable to a Series or Tranche of Floating Rate Bonds for a Coupon Period will be determined in the manner specified in the relevant Supplementary Shelf Prospectus/Pricing Supplement.

Indexed Coupon

If the Indexed Coupon Bond provisions are specified in the Supplementary Shelf Prospectus/Pricing Supplement as being applicable, the Coupon Rate(s) applicable to the Bonds for each Coupon Period will be determined in accordance with the manner specified in the Supplementary Shelf Prospectus/Pricing Supplement.

Maximum and/or Minimum Coupon Rate

If the Supplementary Shelf Prospectus/Pricing Supplement specifies a Maximum Coupon Rate for any Coupon Period, then the Coupon Rate for such Coupon Period shall in no event be greater than such Maximum Coupon Rate and/or if it specifies a Minimum Coupon Rate for any Coupon Period, then the Coupon Rate for such Coupon Period shall in no event be less than such Minimum Coupon Rate.

Determination of Floating Coupon Rate and Calculation of Coupon Amount

The Trustees, in the case of Floating Rate Bonds will, at or as soon as practicable after each time at which the Coupon Rate is to be determined in relation to each Coupon Period, procure the calculation of or calculate the Coupon Amount payable in respect of each Bonds for such Coupon Period. The Coupon Amount will be calculated by applying the Coupon Rate for such Coupon Period to the Calculation Amount and multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the specified currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the specified denomination of the relevant Bond divided by the Calculation Amount.

Calculation of Other Amounts

If the Supplementary Shelf Prospectus/Pricing Supplement specifies that any other amount is to be calculated (by the Calculation Agent, if any), the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the Supplementary Shelf Prospectus/Pricing Supplement.

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The Calculation Agent, if any, will cause each Coupon Rate determined by it, together with the relevant Coupon Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s) to be notified to the Issuer, the Trustees, any Exchange on which the relevant Floating Rate Bonds are for the time being listed, as soon as possible after their determination and in any event not later than the later of the day that is three (3) Business Days before the relevant Coupon Payment Date and the relevant Coupon Determination Date for that Coupon Period. Notice thereof shall also promptly be given to the Bondholders in accordance with Condition 13 (Notices).

Each Coupon Rate determined by the Calculation Agent, together with the relevant Coupon Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s) shall be made available to the Bondholders in respect of any unlisted Floating Rate Bonds promptly upon request.

The Calculation Agent will be entitled to recalculate any Coupon Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Coupon Period. Any such amendment will be promptly notified to the Issuer, the Trustees and to the Bondholders in accordance with Condition 13 (Notices) and, the relevant Exchange where the Tranche of Bonds is listed. If the Calculation Amount is less than the minimum Specified Denomination, the Calculation Agent shall not be obliged to publish each Coupon Amount but instead may publish only the Calculation Amount and Coupon Amount in respect of a Bond having the minimum Specified Denomination.

(c) Coupon on Mixed Rate Bonds

The Coupon Rate payable from time to time on Mixed Rate Bonds shall be the Coupon Rate payable on any combination of Fixed Rate Bonds or Floating Rate Bonds, or Indexed Bonds for respective periods, each as specified in the Supplementary Shelf Prospectus/Pricing Supplement. During each such applicable period, the Coupon Rate on the Mixed Rate Bonds shall be determined and fall due for payment on the basis that and to the extent that such Mixed Rate Bonds are Fixed Rate Bonds, Floating Rate Bonds or Zero-coupon Bonds, or Indexed Bonds, as the case may be.

(d) Coupon on Partly Paid Bonds

In the case of Partly Paid Bonds, coupon will accrue on the paid-up Nominal Amount of such Bonds and otherwise as specified in the Supplementary Shelf Prospectus/Pricing Supplement from the Coupon Commencement Date to the Coupon Termination Date.

(e) **Coupon on Instalment Bonds**

In the case of Instalment Bonds, Coupon will accrue on the amount outstanding on the relevant Bonds from time to time and otherwise as specified in the Supplementary Shelf Prospectus/Pricing Supplement from the Coupon Commencement Date to the Coupon Termination Date.

(f) **Coupon on Unpaid Amounts**

Each Bond (or in the case of the redemption of part only of a Bond, that part only of such Bond) will cease to bear coupon (if any) from the Coupon Termination Date. If on the date of redemption and upon due presentation of the Bond, payment of principal is improperly withheld or refused, coupon shall accrue at the rate specified in the Supplementary Shelf Prospectus/Pricing Supplement from the date on which such amount is due and payable until the date on which all amounts due in respect of such Bonds have been paid.

(g) **Business Day Convention:** If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent such date shall be the last Business Day of the Month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(h) Margin, Maximum/Minimum Rates of Coupon, Instalment Amounts and Redemption Amounts Rate Multipliers and Rounding

(I) If any Margin or Rate Multiplier is specified in respect of the Bonds (either (i) generally, or (ii) in relation to one or more Coupon Accrual Periods), an adjustment shall be made to all Rates of Coupon, in the case of (i), or the Rates of Coupon for the specified Coupon Accrual Periods, in the case of (ii), calculated in accordance with Condition 11(d) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(II) If any Maximum or Minimum Rate of Coupon, Instalment Amount or Redemption Amount is specified in respect of the Bonds, then any Rate of Coupon, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(III) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified): (i) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up); (ii) all figures shall be rounded to seven significant figures (with halves being rounded up); and (iii) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up. For these purposes, "unit" means the lowest amount of such currency that is available as legal tender, in the country of such currency.

(i) **Calculations**

The Coupon payable in respect of any Bonds for any Coupon Accrual Period shall be calculated by multiplying the product of the Rate of Coupon and the calculation amount as specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement ("the Calculation Amount") by the Day Count Fraction for such Coupon Accrual Period, unless a Coupon Amount (or formula for its calculation) is specified in respect of such Coupon Accrual Period, in which case the Coupon Amount payable per Calculation Amount in respect of such Bonds for such Coupon Accrual Period shall equal such Coupon Amount (or be calculated in accordance with such formula). Where any Coupon Period comprises two or more Coupon Accrual Periods, the Coupon Amount payable per Calculation Amount in respect of such Coupon Period shall be the sum of the Coupon Amount payable in respect of each of those Coupon Accrual Periods. In respect of any other period for which Coupon is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which Coupon is required to be calculated.

"Day Count Fraction" means, in respect of the calculation of an amount of Coupon on Bonds of a Series for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Coupon Period or latest Accrual Period, the "Calculation Period"):

(I) if **"Actual/365" or "Actual/Actual-ICMA"** is specified in respect of the Bonds, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(II) if **"Actual/365 (Fixed)"** is specified in respect of Bonds of a Series, the actual number of days in the Calculation Period divided by 365;

(III) if **"Actual/360"** is specified in respect of Bonds of a Series, the actual number of days in the Calculation Period divided by 360;

(IV) if **"30/360", "360/360" or "Bonds Basis"** is specified in respect of the Bonds, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

(V) if **"30/360"** is specified in respect of the Bonds, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

and

(VI) if **"Actual/Actual"** is specified in respect of the Bonds:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and (b) if the Calculation Period is longer than one Determination Period, the sum of: (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"Coupon Accrual Period" means the period beginning on (and including) the Coupon Commencement Date and ending on (but excluding) the first Coupon Period Date and each successive period beginning on (and including) a Coupon Period Date and ending on (but excluding) the next succeeding Coupon Period Date.

"Coupon Amount" means

(I) in respect of a Coupon Accrual Period, the amount of Coupon payable per Calculation Amount for that Coupon Accrual Period and which, in the case of Fixed Rate Bonds, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Coupon Payment Date ending the Coupon Period of which such Coupon Accrual Period forms part; and

(II) in respect of any other period, the amount of Coupon payable per Calculation Amount for that period.

"Coupon Determination Date" means, with respect to a Rate of Coupon and Coupon Accrual Period, the date specified as such in respect of the Bonds.

"Coupon Period Date" means each Coupon Payment Date unless otherwise specified in the Supplementary Shelf Prospectus/Pricing Supplement.

"Coupon Rate" or "Rate of Coupon" means the rate of interest payable from time to time in respect of Coupon bearing Bonds of a Series or Tranche and that is either specified or calculated in accordance with the provisions in respect of such Bonds.

"Determination Date" means the date specified in respect of the Coupon of a Series or, if none is so specified, the Coupon Payment Date.

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date.

CONDITION 12

REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and/or Registrar may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

CONDITION 13

NOTICES

(a) Notices to the Bondholders

All notices to the Bondholders will be valid if mailed to them at their respective addresses of record in the relevant register of Bonds of a Series maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the SEC Rules and the rules and regulations of any securities exchange or other relevant authority on which the Bonds are for the time being listed. Any notice shall be deemed to have been given in the case of a notice of meeting at the expiration of seven (7) days after the mail containing same is posted and in any other case at the expiration of five (5) days following the date on which the notice was posted or on the date of publication in national newspapers, or if published more than once or on different dates, on the date of the first publication. Where a notice is served personally or sent by courier, it shall be deemed to have been duly given or made at the time of actual receipt. Where a notice is sent by electronic mail transmission, it shall be deemed to be duly given or made upon receipt of an electronic mail from the recipient, confirming that the said notice has been duly received or upon receipt of an electronic mail confirming that the said electronic mail has been read by the recipient provided that in the case of any electronic mail transmission sent after 4.30 pm, it shall be deemed to have been duly received on the next Business Day.

A meeting of the Bondholders may be called by giving not less than twenty-eight (28) days' notice in writing if consent is accorded thereto by Holders holding not less than seventy-five per cent (75%) of the nominal amount of the Bonds for the time being outstanding.

(b) Notices from the Bondholders

Notices to be given by any Bondholder shall be in writing and given by lodging the same, together with the relevant Certificate (if any), with the Registrar.

CONDITION 14

MEETINGS OF BONDHOLDERS

The Programme Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by a Special Resolution of a modification of any of these General Conditions.

The quorum for any meeting convened to consider a Special Resolution shall be two (2) or more persons holding or representing by proxy in the aggregate not less than 75% of the Nominal Amount of the Bonds held by the applicable class for the time being outstanding.

Any Special Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed).

CONDITION 15

ENTITLEMENT AND INDEMNIFICATION OF THE TRUSTEES

In connection with the exercise of its functions (including but not limited to those referred to in this Condition), the Trustees shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustees shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

The Programme Trust Deed contains provisions for the indemnification of the Trustees and for its relief from responsibilities. The Programme Trust Deed also contains provisions pursuant to which the Trustees are entitled, inter alia, (i) to enter into business transactions with the Issuer and to act as trustees for the Bondholders of any other securities issued or guaranteed by, or relating to, the Issuer, (ii) to exercise and enforce their rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interest of, or consequence for, the Bondholders and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

CONDITION 16

TRUST PROVISIONS

(a) Declaration of Trust

All monies or Assets received by the Trustees in respect of the Bonds or amounts payable under the Trust Deed shall, despite any appropriation of all or part of them by the Issuer, be held by the Trustees in trust to apply them in accordance with the provisions of the Trust Deed.

(b) Representative of Bondholders

The Trustees are the representative of the Bondholders and are authorised to act on behalf of the Bondholders in accordance with the General Conditions and the Trust Deed and are hereby further authorised to contact the Registrar and/or the CSD for the purposes of obtaining information: (i) as to the aggregate nominal amount outstanding of any Series of Bonds; (ii) relating to the identity of Bondholders; and (iii) for the purposes of giving notices to Bondholders under Condition 13 (Notices).

(c) Binding Effect of the Conditions and the Trust Deed

The Bondholders are deemed to have accepted and will be bound by the General Conditions and the terms of the Trust Deed.

CONDITION 17

MODIFICATION OF THE TRUST DEED

The Trustees may agree with the Issuer, without the consent of the Bondholders but subject to the prior review and approval of the SEC, to (i) any modification of any of the provisions of the Trust Deed which is in the opinion of the Trustees of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustees not materially prejudicial to the interests of the Bondholders. PROVIDED THAT such consolidation, modification, alteration or addition does not prejudice the interests of the Bondholders and that such consolidation, modification, alteration or addition does not operate to release the Trustees, the Sponsor or the Issuer from any responsibility to the Bondholders.

No such consolidation, modification, alteration or addition shall impose any further payment on the Bondholders in respect of the Bonds held by them or any liability in respect thereof.

CONDITION 18

FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Bondholders to create and issue further Bonds, subject to the Programme Limit (the "Additional Bonds"), having terms and conditions which are identical to any of the other Bonds already issued under the Programme (the "Existing Bonds") or the same in all respects save for their respective Issue Prices, Coupon, Issue Dates and aggregate Nominal Amounts, so that the Additional Bonds shall be consolidated by the Issuer to form a single Series with the Existing Bonds as may be applicable.

CONDITION 19

GOVERNING LAW

The provisions of these General Conditions and the Bonds are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria. The Issuer has agreed for the benefit of the Trustees and the Bondholders that the courts of Nigeria are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Trust Deed, the Bonds and/or the Coupons or any non-contractual obligation arising out of or in connection with them.

11. OVERVIEW OF THE NIGERIAN ECONOMY

*The information in this section has been extracted from documents and other publications released by various officials and other public and private sources, such as the CBN, the International Monetary Fund ("**IMF")**, the Nigerian Debt Management Office ("**DMO**"), the National Bureau of Statistics ("**NBS**"), the Nigerian Federal Ministry of Finance ("**FMF**") and the Organization of Petroleum Exporting Countries ("**OPEC**"), as indicated herein. There is not necessarily any uniformity of views among such sources as to such information provided. We have not independently verified the information included in this section. The information in this section has 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.*

Introduction

Nigeria is the largest economy in Africa by GDP. In the fourth quarter of 2022, Nigeria's nominal GDP was ₦ 56,757,889.95 (in millions) and real GDP growth was recorded at 3.52%, showing a sustained positive growth for the ninth consecutive quarter since the recession witnessed in 2020 when negative growth rates were recorded in the second quarter and third quarter of 2020.

According to the World Bank, with an estimate of over 213.4 million people, Nigeria is the most populous country in Africa and the 7th most populous country in the world. The country's population is forecast to grow at an average of 2.58% annually with its total population expected to reach 233 million by 2025. The NBS also estimates a labour force of 89.51 million; with an average life expectancy of 55 years, according to the United Nations Population Fund (UNFPA).

The country has the 11th largest proven crude oil and natural gas reserves in the world. According to OPEC, Nigeria is the seventh largest oil producing country globally. Nigeria is also a significant exporter of cocoa, rubber and cassava, in addition to other significant natural resources.

Economy

Despite the worst downturn in recent history in 2020, owing to the COVID-19 pandemic and the subsequent depression of oil prices, the Nigerian economy sustained a growth momentum for the ninth consecutive quarter since the last recession in 2020. The economy's growth rate slowed to 3.10% in 2022, compared to 3.40% in 2021

The transition to a multi-party democracy in 1999 ushered in a period of improved political stability, economic liberalisation reforms and macroeconomic stability. The economy enjoyed sustained high economic growth for more than a decade between 2000 and 2014, with annual real GDP growth averaging about 7.7% within the period. The non-oil sector was the major driver of growth, supported by liberalisation reforms in the telecommunications and financial services sectors, as well as a commodity price boom which buoyed consumption expenditure.

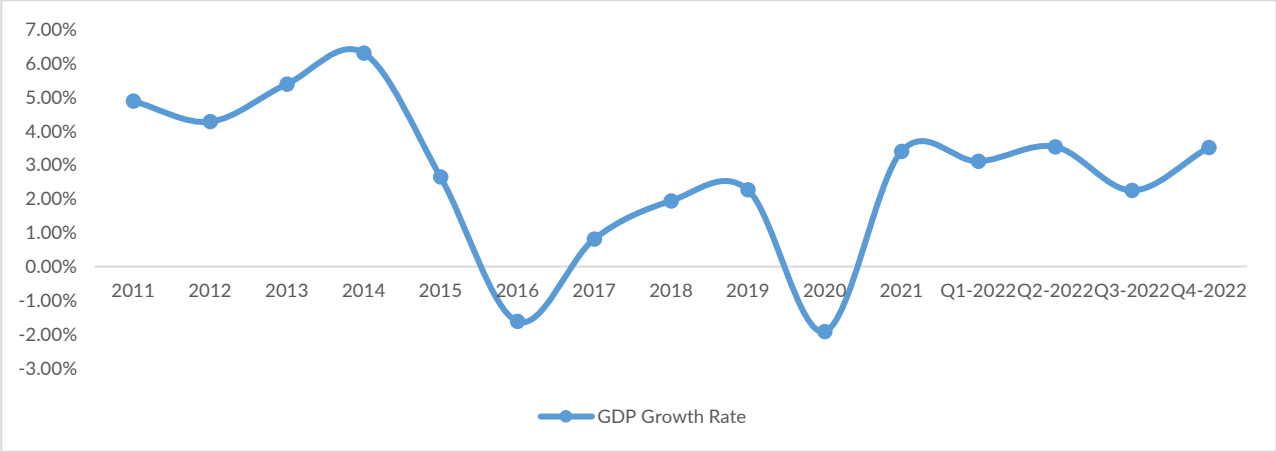
In April 2014, Nigeria rebased its GDP from the 1990 base year to 2010. As a result of the rebasing, Nigeria became the largest economy in Africa (surpassing South Africa) and the 26th largest economy in the world, with a nominal GDP of US$568.5 billion in 2014. In addition, real GDP growth post-rebasing was 6.3% in 2014. In 2014, services contributed about 52%; while manufacturing and agriculture, respectively contributed about 9% and 23% to GDP.

Growth momentum has slowed significantly since 2014, partly due to a commodity price slump and attacks on oil production facilities in the Niger Delta region. Improvements in hydraulic fracturing technology helped enable oil and gas producers to tap reserves in shale formations across North America. As a result of the shale oil boom which boosted global crude oil supply, oil prices fell from US$114.60 per barrel in June 2014 to a low of US$30.66 per barrel in January 2016.

Nigeria's crude oil production (including condensates) also fell from 2.21 million barrels per day in 2014 to 1.81 million barrels per day in January 2016 after renewed attacks on oil facilities in oil producing communities in the Nigeria Delta. The oil & gas sector accounted for over 90% of exports and 70% of Federally Collected Revenue in 2014. As such, the decline in oil production and prices led to a twin shock in the current and fiscal accounts, with feedback effects on foreign exchange liquidity and consumption spending. Consequently, real GDP growth weakened to 2.65% in 2015 and the economy slipped into its first recession since 1991 in 2016 as GDP contracted by 1.62%.

In response to the drop-in oil prices and widening current account deficit, the CBN initially responded pro-cyclically by raising interest rate and devaluing the NGN/USD rate twice between October 2014 and February 2015. The CBN later changed its strategy in H2-2015 by loosening monetary policy. The exchange rate was also pegged at the interbank market despite investors' concern on overvaluation of the Naira and weak foreign exchange (FX) liquidity.

Figure 1: Nigeria's Real GDP Growth (2011 – Q4-2022)



Source: NBS

The CBN also introduced capital control policies to reduce pressure on the trade account and allocate scarce foreign exchange. The CBN's policy barring certain importers from accessing foreign exchange and classifying their goods as 'not valid for FX' was among certain currency control measures introduced by the Apex Bank particularly aimed at curbing "speculative activities". Other measures include restrictions on foreign currency cash deposits into domiciliary accounts and restrictions on foreign currency loans granted to firms earning local currency revenue.

Nigerian security forces have made some gains against Boko Haram insurgents in the North East region, but challenges remain. The government pronounced the insurgents "technically defeated" in 2015 but the group has continued to claim responsibility for random guerrilla attacks on military formations and civilian population in the North-East region. There is also the rising threat of secession with some groups in the South East of Nigeria clamouring for secession to form their own nation called 'Biafra'. These groups are the 'Movement for the Actualization of the Sovereign State of Biafra' (MASSOB) and the 'Indigenous People of Biafra' (IPOB). The recent clashes between Nigeria's security agencies and protesting members of the Islamic Movement of Nigeria (IMN) Shiite Muslims in Abuja also highlights some security risks.

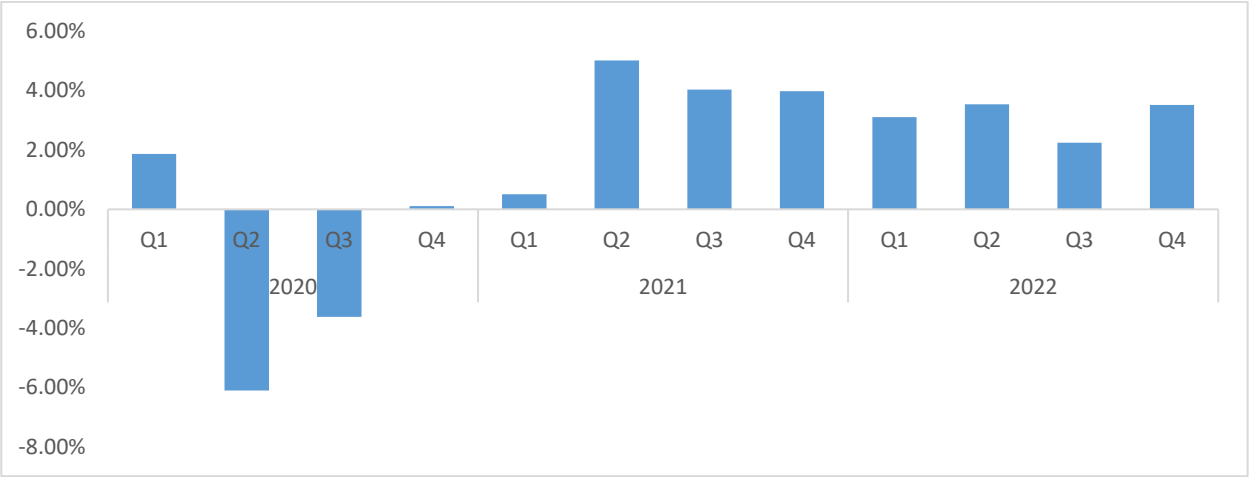
Inflation rose to 22.04% in March 2023 from 21.91% in February 2023. However, the monetary policy rate which had been at 11.5% since September 2020, in a bid to spur recovery from the recession recorded due to the Covid-19, has now been raised by the apex bank to 18.0%. This move is targeted at curbing the rising rate of inflation in the country, while still cautiously ensuring economic growth. Total public debt stood at 23.20% of GDP as at 31 December 2022. Domestic debt represented 59.56% of total debt, and external debt, 40.44%. As at December 2022, the FGN has spent N3.7 trillion on debt servicing (N2.7 trillion on domestic debt servicing and N1.0 trillion on external debt servicing) compared with the budgeted N3.95 trillion for debt servicing in the FGN's 2022 budget. The increase in the total debt profile can be primarily attributed to the FGN's revenue underperformance.

Nigeria – Key Macroeconomic Indicators

Gross Domestic Product (GDP)

Nigeria's Gross Domestic Product (GDP) grew by 3.52% (year-on-year) in real terms in the fourth quarter of 2022, marking ninth consecutive quarters of growth following the negative growth rates recorded in the second and third quarters of 2020. This growth rate declined from 5.01% in the second quarter of 2021 when rapid growth was recorded following the toll the COVID-19 pandemic exacted on the economy in the second quarter of 2020. In addition, the persistent rise in the general price level have adversely impacted on the fourth quarter 2022 performance. The 2022 fourth quarter growth rate decreased by 0.47% points from 3.98% growth rate recorded in the fourth quarter of 2021 and increased by 1.27% points relative to 2.25% in the third quarter of 2022.

Figure 2: Quarterly Trends in Real GDP Growth (Q1:2020 – Q4:2022)



Source: NBS

As at Q4-2022, aggregate nominal GDP stood at ₦56,757,889.95 (in millions). This performance is higher when compared to the fourth quarter of 2021 which recorded aggregate GDP of N49,276,018.23 (in millions), indicating a year-on-year nominal growth rate of 15.18%. The nominal GDP growth rate in the fourth quarter of 2022 was higher relative to the 13.11% growth recorded in the fourth quarter of 2021 and higher compared to the 15.83% growth recorded in the preceding quarter. For better clarity, the Nigerian economy has been classified broadly into the oil and non-oil sectors.

The nation in the February 2023 recorded an average daily oil production of 1.30 million barrels per day (mbpd), higher than the daily average production of 1.26 mbpd recorded in the January 2023, which represents the highest output level since January 2022 when production averaged 1.39 million bpd. The oil sector recorded real GDP growth rate of –13.38% (year-on-year) in the fourth quarter of 2022 indicating a decrease of 5.33% points relative to the rate recorded in the corresponding quarter of 2021. Growth also increased by 9.29% points when compared to the third quarter of 2022 which was –22.67%. Quarter-on-Quarter, the oil sector recorded a growth rate of -14.93% in the fourth quarter of 2022. The Oil sector contributed 4.34% to the total real GDP in the fourth quarter of 2022, down from the figures recorded in the corresponding period of 2021 and the preceding quarter, where it contributed 5.19% and 5.66% respectively.

The non-oil sector grew by 4.44% in real terms during the reference quarter (Q4-2022). This rate was lower by 0.29% points compared to the rate recorded same quarter of 2021 and 0.18% points higher than the third quarter of 2022. This sector was driven in the fourth quarter of 2022 mainly by information and communication (telecommunication), trade, agriculture (crop production), financial and insurance (financial institutions), manufacturing (food, beverage & tobacco), real estate and construction, accounting for positive GDP growth. In real terms, the non-oil sector contributed 95.66% to the nation's GDP in the fourth quarter of 2022, higher than the share recorded in the third quarter of 2021 which was 94.81% and higher than the third quarter of 2022 recorded as 94.34%.

Public Debt

As at December 2022, Nigeria's total public debt was ₦46.25 trillion, compared to the total public debt stock of ₦39.56 trillion as at December 31, 2021.

The 2020-2023 debt management strategy targets a debt composition of 70:30 for domestic and external debt, respectively, as against 60:40 at end-2019, so as to reduce the cost of servicing while taking into consideration the need to moderate foreign exchange risk. The DMO's medium term strategy also targets a domestic debt mix of 75:25 for long- and short-term debts, respectively, with the objective of effectively managing refinancing risks. The Federal Government has subsequently reduced its treasury bills liabilities and achieved the objective of lengthening the maturity profile of its domestic debt.

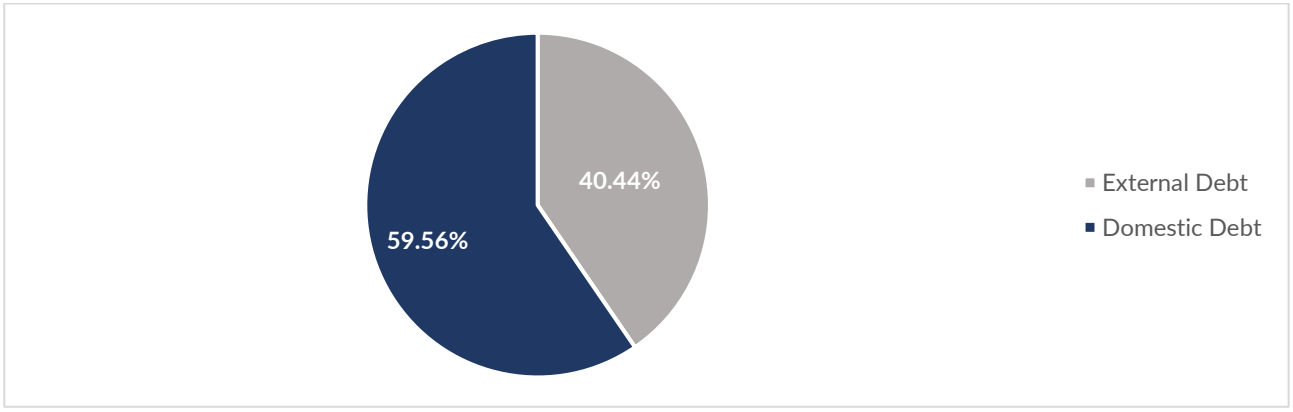
After Nigeria exited recession in 2017, the level of new borrowing at the federal level as shown in the Annual Appropriation Acts, had been declining as part of the government's measures to moderate the rate of growth in the public debt stock in order to ensure debt sustainability. New borrowing to part finance budget deficits had declined steadily from ₦2.36 trillion in 2017 to: ₦2.01 trillion in 2018, ₦1.61 trillion in 2019 and ₦1.59 trillion in the first 2020 Appropriation Act. This trend was reversed in 2021 due to the economic and social impact of the COVID-19 Pandemic as new borrowing in the 2021 Appropriation Act was ₦5.60 trillion.

Apart from the new domestic borrowing of ₦2.3 trillion, the other new borrowings were concessional loans from the International Monetary Fund (USD3.34 billion) and other multilateral and bilateral lenders. This incremental

borrowing to part-finance the 2020 Budget and the additional issuance of promissory notes to settle some arrears of the Federal Government of Nigeria, contributed to the increase in public debt stock. New domestic borrowings by state governments also contributed to the growth in the public debt stock.

Total public debt to gross domestic product as at December 31, 2022 was 23.20% compared to the ratio of 35.20% as at September 30, 2022 and remains within Nigeria's self-imposed limit of 40%. The various initiatives of government to increase revenues such as the Strategic Revenue Growth Initiative and the Finance Act, 2020, should help shore up government's revenue and reduce the debt service to revenue ratio.

Figure 3: Public Debt Profile as at December, 2022



Source: DMO

Foreign Reserves

Nigeria's foreign reserve closed the year 2022 at US$37.1 billion, depreciating marginally compared to US$39.09 billion recorded at the beginning of August 2022. However, it declined by US$3.43 billion, compared to US$40.52 billion at the start of the year. This is according to data obtained from the daily external reserve movement tracker, released by the CBN.

Pressure on the Nigerian foreign exchange reserves has forced it to shed a whopping US$3.43 billion in the year 2022, despite the surge in crude oil prices. Despite the apex bank's interventions in the forex market, the Nigerian economy is starved of foreign exchange as currency traders continue to complain about restricted forex liquidity, causing the local currency to depreciate more in the FX market.

Foreign Exchange

At the official Investors and Exporters (I&E) market, the Naira-US dollar exchange rate depreciated by 5.7% in 2022, closing the year at ₦461.5/US$1 compared to ₦435/US$1 recorded as of the close of trade in the previous year. Also, the exchange rate at the parallel market depreciated by 23.1% to an average of ₦735/US$1 in a highly volatile year that saw the exchange surge to ₦900/US$1 in November.

To safeguard the Naira, the Central Bank has implemented a plethora of restrictions, ranging from prohibiting the selling of dollars to bureau de changes (BDCs) in July 2021 to prohibiting the broadcast of black-market rates on AbokiFX in September 2021.

In 2019, the CBN adjusted the foreign exchange rate for computing customs duty to ₦326 from ₦306. The NGN/USD rate in the Investors' and Exporters' Window (I&E Window), which is most flexible of the multiple exchange rates, closed flat year-on-year in 2019 at ₦364.70 The currency initially strengthened following the conclusion of the 2019 presidential election in February 2019, but gave up gains towards the end of the year due to capital outflow pressures. The I&E window has also remained liquid with average daily turnover rising to US$263 million in 2019 from US$242 million in 2018. At the BDC segment, the Naira recovered fully from the speculative bout in November 2018, and traded flat at ₦360 between January 2019 to November 2019, before weakening by 0.6% month-on-month in December 2019 to ₦362.00 due to seasonal uptick in demand. Similarly, the NGN/USD rate in the official market is flat year-to-date at ₦307 and traded within a narrow band of ₦305-₦307 between August 2016 and December 2019.

The CBN has made further adjustments to FX rates in 2020 at different segments of the FX market, due to increasing fiscal and external funding needs associated with the outbreak of COVID-19. The CBN adjusted its intervention rate in the BDC segment to ₦378 from ₦357 and raised the end-user price to ₦380 from ₦360. In the official market, we saw a much bigger devaluation, as the CBN adjusted the NGN peg used for converting government revenue to ₦360 from ₦307. The CBN has also adjusted its intervention rate in the I&E Window to ₦385 levels from ₦366,

thus leading to a 5.8% year-to-date depreciation in USD/NGN rate in the window. Nigeria has received emergency funding from the IMF (US$3.4bn) to support fiscal and external accounts. However, financing gaps are expected to persist.

In a move that took local Nigerian financial markets by surprise, the CBN embarked on sweeping measures to clean the rot that had allegedly occurred in the trading of foreign exchange at BDCs. The CBN alleged that the BDCs had abused the regular sales of foreign exchange to them by selling FX at rates above the agreed guidelines, thereby engaging in what the regulator called 'rent seeking'. The CBN Governor stated that the CBN would also no longer approve BDC licence applications. The decision reached by the MPC was premised on the committee's observation that the BDCs had, contrary to their mandate, become wholesale dealers conducting large FX transactions above their sales limit of US$5,000 per person and instead concluded single transactions worth millions of dollars.

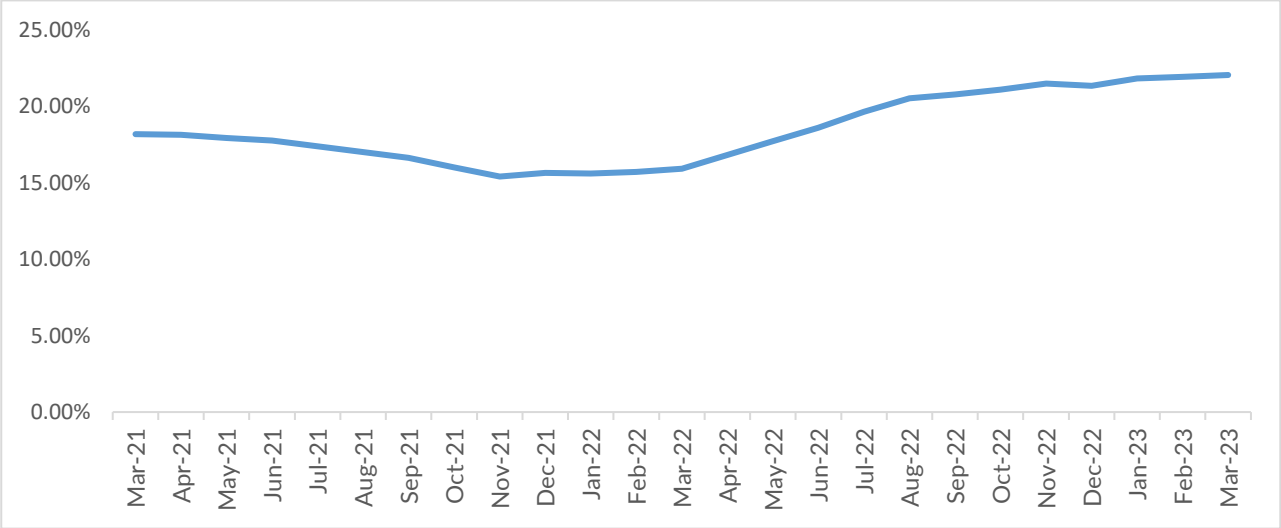
The CBN Governor, Godwin Emefiele, noted that there had been an astronomical rise in operators who numbered 5,689 as of June 2021, a significant rise from 74 dealers in 2005. He further noted that the regulator received an average BDC application of 500 monthly. The CBN boss said that BDC operators disregarded prevailing rates and spurred the gradual dollarization of the domestic economy. According to the Governor, before the Bank's decision, the CBN sold US$20,000 weekly to over 5,000 BDCs amounting to over US$100m weekly and US$1.57bn annually. In a bid to reduce the pressure on the country's FX, commercial banks were directed to set up FX teller points in all branches to ensure the direct sale of FX to buyers.

Inflation

Consumer Price Index (CPI) for March 2023 was 527.0 relative to 517.4 in February 2023. In March 2023, on a year-on-year basis, the headline inflation rate was 22.04%. This was 5.12% points higher compared to the rate recorded in March 2022, which was 16.92%.

On a month-on-month basis, the Headline inflation rate in March 2023 was 22.04%, which was 0.13% higher than the rate recorded in February 2023 (21.91%). The percentage change in the average CPI for the twelve months period ending March 2023 over the average of the CPI for the previous twelve months period was 20.37%, showing a 1.86% increase compared to 16.54% recorded in March 2022.

Figure 4: Monthly Inflation Trend (March 2021 – March 2023)



Source: NBS

In 2020, headline inflation rate averaged 13.21% largely due to the economic impacts of the global pandemic that resulted in global lockdowns, lowered manufacturing, restrictions in the movement of people and goods and increased demands of goods and services. This also reflects the effects of the currency devaluation of the Naira last year. Headline inflation rose sharply during the pandemic, peaked at 18.2% in March 2021 and subsequently moderated to 15.4% in November 2021. The deceleration was helped by high base effect and land border re-openings. Despite the moderation, Nigeria's inflation remained the 7th highest in Africa. According to the World Bank, this elevated inflation has pushed about 8 million Nigerians into poverty between 2020 and 2021.

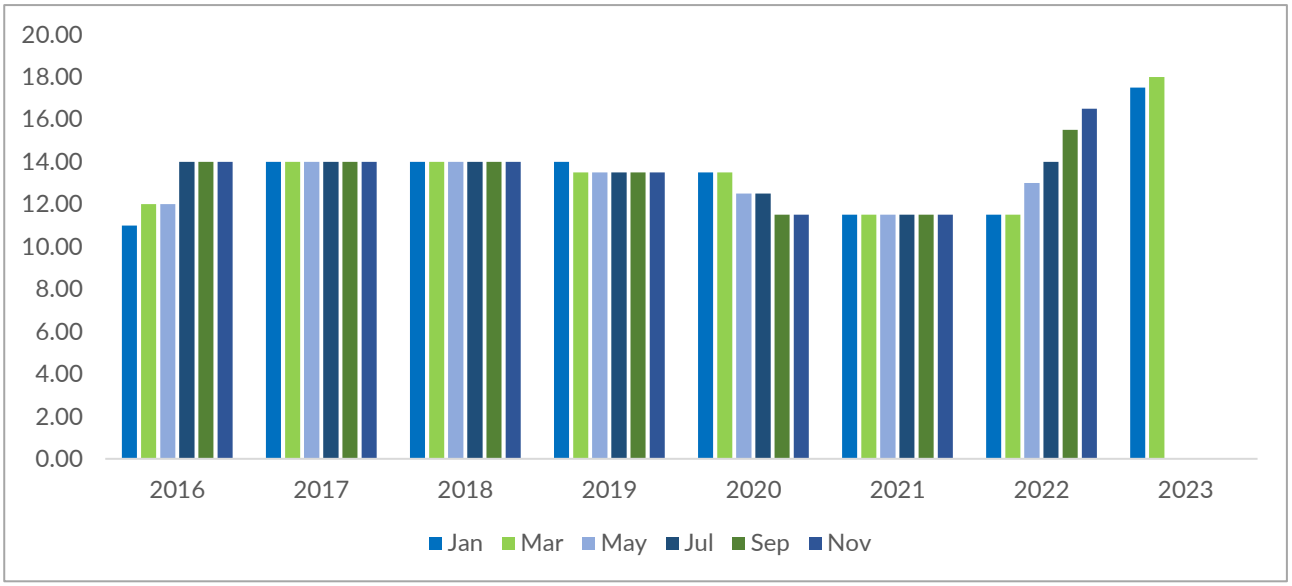
On a year-on-year basis, in the month of March 2023, the urban inflation rate was 23.07%, this was 6.63% points higher compared to 16.44% recorded in March 2022. On a month-on-month basis, the urban inflation rate was 2.00% in March 2023, this was a 0.15% increase compared to February 2023 (1.85%). The corresponding twelve-month average for the urban inflation rate was 21.00% in March 2023. This was 3.90% higher compared to 17.10% reported in March 2022.

The rural inflation rate in March 2023 was 21.09% on a year-on-year basis; this was 5.67% higher compared to the 15.42% recorded in March 2022. On a month-on-month basis, the rural inflation rate in March 2023 was 1.72%, up by 0.14% compared to February 2023 (1.58%). The corresponding twelve-month average for the rural inflation rate in March 2023 was 19.79%. This was 3.79% higher compared to 16.00% recorded in March 2022.

Interest Rates

In March 2023, the CBN raised the Monetary Policy Rate (MPR) by 50 basis points to 18.0 per cent from 17.5 per cent. The Cash Reserve Requirement (CRR) was retained at a minimum of 32.5 per cent as well as the Liquidity Ratio (LR) at 30 per cent. According to the governor (Godwin Emefiele), this is to maintain economic stability and rein in inflation.

Figure 5: Monetary Policy Rate (January 2016 – March 2023)



Source: CBN

Unemployment Rate

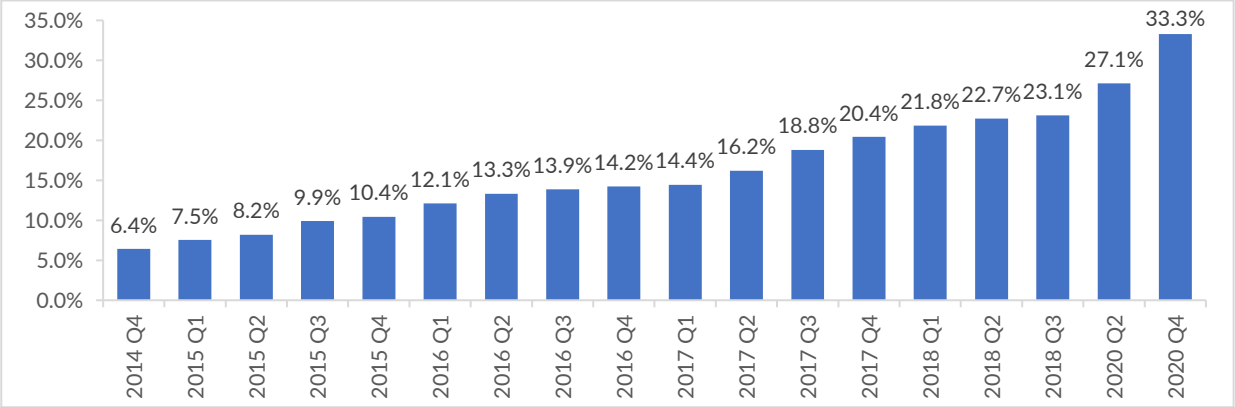
According to the NBS, the number of persons in the economically active or working age population (15-64 years of age) as at the second quarter of 2020 was 116,871,186, 1.2% higher than the figure recorded in the third quarter of 2018, which was 115,492,969. Of this number, 80,291,894 is estimated to be the number of persons in the labour force (i.e. people within ages 15-64, who are able and willing to work), 11.3% less than the number of persons in the third quarter of 2018. Of this number, those within the age bracket of 25-34 were highest, with people in this age bracket making up 29.1% of the labour force (23,328,460).

The total number of people in employment as at the second quarter of 2020 was 58,527,276. Of this number, 35,585,274 were full-time employed (i.e. worked 40+ hours per week), while 22,942,003 were under-employed (i.e. working between 20-29 hours per week). This figure is 15.8% less than the people in employment in the third quarter of 2018.

The unemployment rate as at the second quarter of 2020 was 27.1%, up from the 23.1% recorded in the third quarter of 2018. The underemployment rate increased from 20.1% in the third quarter of 2018 to 28.6%. The unemployment rate among rural dwellers was 28%, up from 23.9% in the third quarter of 2018, while urban dwellers reported a rate of 25.4%, up from 21.2%. In the case of underemployment among rural dwellers, it rose to 31.5% from 22.8%, while the rate among urban dwellers rose to 23.2% from 13.7% in the third quarter of 2018. The unemployment rate among young people (15-34 years) was 34.9%, up from 29.7%, while the rate of underemployment for the same age group rose to 28.2% from 25.7% in the third quarter of 2018. These rates were the highest when compared to other age groupings.

The number of unemployed people in Nigeria, Africa's largest economy, increased to over 21 million (33.3% of the total labour force) in the last quarter of 2020, the highest the country has reported since the NBS started collating the data in 2014. Nigeria's job crisis does not exist in a vacuum. Perennial under-funding of education in the country has resulted in a significant decline in both the quality of teachers and infrastructure in schools.

Figure 6: Unemployment Rate (Q4: 2014 – Q4: 2020)



Source: NBS

The problems are compounded by recurring strike actions by public university lecturers amid protests over low wages and benefits.

Outlook

Nigeria's economy has posted GDP expansion for four quarters since its last recession recorded in 2020. However, the current growth rate levels are unable to halt the steady decline in average incomes and the rise in poverty. The impact of the COVID-19 virus has further exposed the country's macroeconomic weaknesses, including heavy dependence on oil, the substantial untaxed informal economy and the slow permeation of reforms and policies into the real economy. Historically, the first quarter of the year records relatively weaker output levels when compared with the second, third and fourth quarters. We estimate that GDP at current market prices as high as pre-pandemic levels (2019) for each quarter this year. We considered increased vaccination rate, stable oil prices above USD65/b and sustained growth in the major sectors, among others. For sectorial growth, we note that the steady financial injections/interventions into select sectors such as agriculture by the CBN have assisted with keeping economic activity afloat within these sectors. The issue of a large informal economy is one reason for the misalignment between the growth figures recorded in these sectors and intervention efforts. The NBS is expected to embark on its GDP-rebasing exercise in 2023. Before the rebasing exercise can be completed, preliminary surveys are required. We understand that these surveys are already being conducted.

Following the implementation of the Petroleum Industry Bill, providing the legal framework for the selling of shares, the Nigerian National Petroleum Corporation (NNPC) finally became a private company – the Nigerian National Petroleum Company Ltd. The former state-owned company, known for its relatively poor leadership and lack of profits for some 45 years, will now be independent of government and operate without state funding, with the new goal of delivering value to its shareholders.

12. OVERVIEW OF AGRICULTURAL SECTOR

With increased worldwide awareness of food security and sustainable food production, agriculture is rapidly growing as one of the key industries on both a global and local level. The major food crops that are considered important for food security in Nigeria are Vegetables, Tubers (yam, cassava), Legumes (groundnut, cowpeas) and Cereals (Rice, wheat, millet, sorghum, and maize). These food commodities have not met domestic demand, which leads to most of these goods being imported, with rice having the highest import amount of US$300 million annually.

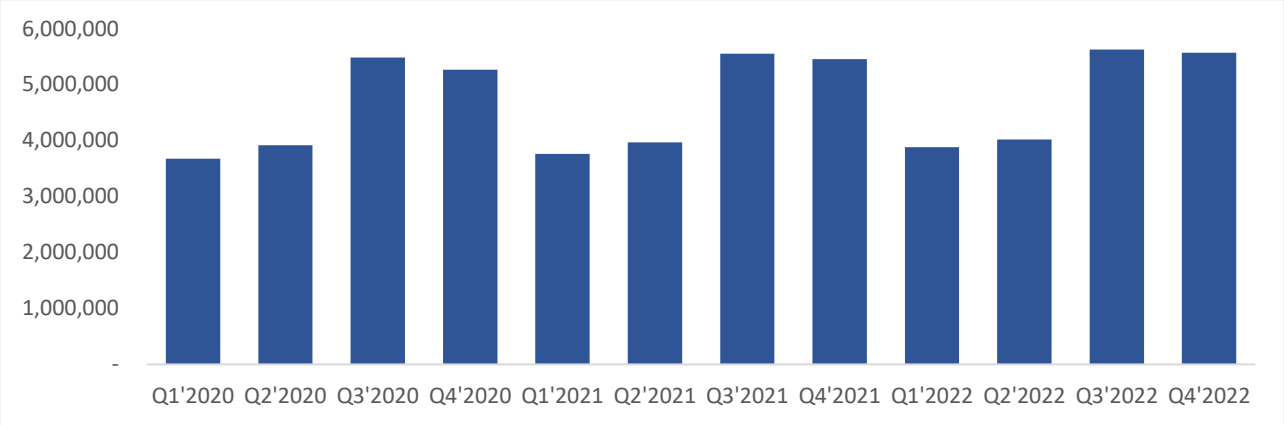
In pursuit of the economic diversification agenda, the government of Nigeria has continued to prioritize agricultural development in its policy and budgetary plans. The target is to build a strong agribusiness economy capable of meeting domestic food demand goals, generating export revenues, and creating jobs. The increased national focus on the sector has generated opportunities in the whole agricultural value chain, with farm inputs supply for production.

The FGN has also introduced and implemented several initiatives, key amongst which is the Anchor Borrowers Program (ABP) managed by the Central Bank of Nigeria (CBN) to support small holder farmers with funding and farm inputs. Under the ABP, state governments and private sector organizations, including food-processing companies, acting as "the anchor," can access funds at single digit rates from the CBN to provide inputs to farmers to produce agricultural commodities.

With a population of over 200 million people in Nigeria, Agriculture dominates the economy in Nigeria. Agriculture is broadly divided into four sectors in Nigeria – crop production, fishing, livestock, and forestry. Crop production remains the largest segment and it accounts for about 91.09% of the sector's total output. This is followed by livestock, fishing, and forestry at 6.18%, 1.77% and 0.95% respectively. Agriculture remains one of the largest sectors in Nigeria contributing an average of 26% to the nation's GDP over the past two years (Q1' 2020 – Q4' 2022). In addition, the sector contributes about 25.58% of the country's total GDP, which makes it the second largest sector contributing to GDP after the manufacturing sector.

GDP from Agriculture in Nigeria increased to ₦5,568,554.89 million in the fourth quarter of 2022 from ₦3,879,731.92 million in the first quarter of 2022.

Figure 7: Agriculture's contribution to GDP (₦'Million) – Q1'2020 – Q4'2022



Source: National Bureau of Statistics, Nigeria

The sector is being transformed by commercialization at the small, medium, and large-scale enterprise levels. On the other hand, the Nigerian Agricultural sector has encountered several challenges ranging from an obsolete land tenure system that limits access to land (1.8 ha/farming household), a very low level of irrigation development (less than 1 percent of cropped land under irrigation), limited adoption of research findings and technologies, high cost of farm inputs, poor access to credit, inefficient fertilizer procurement and distribution, insufficient storage facilities and poor access to markets and more recently, changes in average temperatures, rainfall, climate extremes and infestation of pests and diseases causing organisms precipitated by climate change pose great challenge to agriculture. This is coupled with a high dependence on rainfed agriculture which has made the Agricultural Production System highly vulnerable to adverse seasonal variations. These have all contributed to low agricultural productivity (average of 1.2 metric tons of cereals/ha) with high postharvest losses and waste in Nigeria.

TRADE STATISTICS IN THE AGRICULTURAL SECTOR

According to data from the NBS, the value of total trade in agricultural goods in the fourth quarter of 2022 stood at ₦615.42 billion of which exports were valued at ₦170.59 billion. Exports of agricultural goods increased by 102.59% and by 28.54% when compared to the value recorded in the third quarter of 2022 (₦84.21 billion) and the fourth quarter of 2021 (₦132.71 billion) respectively.

GOVERNMENT POLICIES AND PROGRAMMES TO PROMOTE LOCAL TRADE AND EXPORTS

i. **Agriculture Promotion Policy:** The policy aims to improve access to international markets by enhancing access to market information through a National Agricultural Information System and creating specialized export market support teams to enhance export capacity.

ii. **Nigeria–Africa Trade and Investment Promotion Programme ("NATIPP"):** This programme was jointly launched by the African Export-Import Bank, Nigerian Export-Import Bank, and the Nigerian Export Promotion Council. The aim of NATIPP is to facilitate the expansion of Nigeria's trade and investment into Africa.

iii. **Presidential Economic Diversification Initiative:** The Presidential Economic Diversification Initiative (PEDI) aims to enhance trade capacity in Agriculture by facilitating new investments in the Agricultural and Agro-allied industries, reducing regulatory bottlenecks, and enabling access to credit.

iv. **Zero Reject Initiative:** This initiative was launched to enhance the acceptability of Nigerian products internationally. It is aimed at improving Agricultural exports through the institution of global quality standards and product standardization.

v. **Economic and Export Promotion Incentives:** The Government has placed trade barriers on select Agricultural goods to protect local producers and stimulate growth of the industry. In addition, several economic incentives are offered to Agric. Investors in Nigeria including income tax relief, zero import duty on equipment, VAT exemptions, etc.

MARKET OUTLOOK

Average production of agricultural commodities is expected to grow; however, government aims at improving self-sufficiency for multiple crops and dairy will largely fall short.

In recent years, the government has attempted to encourage local production through incentives coupled with import regulations, including a ban on foreign currency for food importers. However, numerous structural challenges – including challenges from Islamist insurgency in the north of the country, instability will constrain production growth. The country also faces numerous short-term challenges, such as avian flu outbreaks and elevated feed prices in the poultry sector, and disrupted wheat imports due to the Russia-Ukraine War.

Over the long term, the initiatives for improved seeds and better yields are expected to boost crop performance in the agricultural sector.

13. DESCRIPTION OF VALENCY SPV PLC

Introduction

Valency SPV Plc. was incorporated in Nigeria on December 1, 2022, with registered number RC. 2006114, as a public limited company with its head office along Unity Estate off Lagos-Ibadan Expressway, Ogun State. The Issuer has no subsidiaries or affiliates and has been established as a special purpose vehicle for the purpose of issuing Debt Securities to finance the capital and finance needs of the Sponsor.

The issued share capital of the Issuer is ₦2,000,000 (Two Million Naira) divided into 2,000,000 (Two Million) ordinary shares of ₦1 (One Naira) each. The ordinary shares of the Issuer are equally divided and held Coronation Trustees Limited and FBNQuest Trustees Limited. Both Coronation Trustees and FBNQuest Trustees Limited have no beneficial interest in and derives no benefit from their holding of the Shares.

As set out in the Issuer's Memorandum and Articles of Association ("MemArts"), the principal objective of the Issuer, amongst other things, is to borrow or raise money from the Nigerian capital markets or other international markets, either by way of a stand-alone issue or by the establishment of programmes of such amounts as may from time to time be determined by the Board of Directors of the Company and to issue bonds, notes, shares, or other debt, equity, derivatives, debt-linked, equity-linked, credit-linked, currency-linked, inflation-linked, index-linked, commodity-linked, bond replicas, asset-backed and/or other hybrid securities, whether convertible, redeemable, senior, secured, unsecured, subordinated, preferred and/or other types of structured notes, securities and instruments, within such maturity periods and upon such other terms and conditions as may be determined from time to time, by the Board of Directors of the Company and approved by relevant regulatory authorities. The directors of the Issuer have by a resolution dated 14th November 2022 approved the issuance of the Bonds. Neither the Sponsor nor any associated body of the Sponsor owns directly or indirectly any of the shares in the share capital of the Bond Trustee or the Issuer.

Principal Activities

The principal activity of the Issuer is to act as a Special Purpose Vehicle (SPV) for the promotion of agricultural activities and green house projects by borrowing or raising money from the Nigerian capital markets or other international markets, either by way of a stand-alone issue or by the establishment of programmes of such amounts on such terms and conditions as its Board may determine, the net proceeds of which will be applied towards certain funding requirements of the Sponsor in accordance with the terms of the Transaction Implementation Agreement between the Issuer, the Sponsor and the Trustees dated on or around the date of this Shelf Prospectus (the "TIA") and in accordance with the terms of the relevant Programme documents. Copies of the MemArts of the Issuer may be inspected at the specified offices of the Issuer or the Sponsor. The Issuer's activities are restricted by its MemArts and the terms of the Trust Deed, and other related documents.

Directors' Interests

No director has any interest in the promotion of the Sponsor.

Profile of the Directors

Oluwasola Soweje – *Director*

Appointed December 1, 2022

Sola has over Seventeen (17) years of experience across different sectors of the financial services industry in a developing economy, she has been able to garner requisite knowledge and expertise and have served in various capacities. She currently serves as the Managing Director of Coronation Trustees Limited. Prior to her appointment as the Managing Director, Coronation Trustees Limited, she served as the Managing Director, Capital Express Global Trustees Limited from 2021 to February 2022. She also served as the Head, Business Development and Relationship Management (BDRM) of United Capital Trustees Limited, as a direct report to the Managing Director/CEO. Prior to this, she was the Manager, Investment Services at Capital Bancorp Plc briefly where her responsibilities included Relationship Management, Portfolio Management and Origination to enable Capital Bancorp to maintain existing client relationships and bringing in new clients; increasing the AUM by ₦ 500m in about 4 months of working with them.

She holds a bachelor's degree in Zoology from the University of Ibadan (1998). She is an associate member of the Chartered Institute of Stockbrokers and a CFA Institute candidate.

Ayomide Akinkuade – *Director*

Appointed December 1, 2022

Ayomide Akinkuade is the Head of Sales and Trust Services at Coronation Trustees Limited. He has over ten (10) years of experience in Equities Trading, Wealth Management and Trust Services. He has been directly involved in structuring of both Onshore and Offshore Trust.

He holds a BSc. In Accounting from Obafemi Awolowo University (2010). He also holds a degree in Leadership and Strategic Management, from University of South Wales, UK (2019).

Rotimi Obende – *Director*

Appointed December 1, 2022

Rotimi Obende, is a member of the FBNQuest Trustees team and currently heads the Private Trust business at FBNQuest Trustees. Prior to this, Rotimi was responsible for Strategy Development and has extensively been involved in helping clients structure their Estate Plans.

A Fellow of the Institute of Chartered Accountants of Nigeria (FCA), Rotimi also holds a Bsc. in Accounting from the University of Benin (1996) and a Certificate in Personal Financing Planning with the University of Lagos (2007). Rotimi has facilitated many courses on Finance and Accounting, and in Personal Financial Planning, an experience he garnered while working with the Institute of Financial Planning, Lagos. Rotimi has extensive experience in Strategy Development, Research, Financial Analysis, Financial Planning, Accounting and Estate Planning.

Babatunde Adewolu – *Director*

Appointed December 1, 2022

Babatunde obtained an LLB Hons from Obafemi Awolowo University Ile Ife (2007) and a B.L Hons from the Nigerian Law School (2008). He specializes in corporate and securities law. He started out as a solicitor/commercial litigator in the law firm of Bolaji Ayorinde SAN & Co (BA LAW) in 2008 where he majored in commercial litigation and arbitration. He also garnered experience in debt recovery and corporate insolvency.

In 2010, Babatunde joined the full-fledged commercial law firm of G.Elias & Co. He was an active member of the firm's commercial litigation, capital markets and project finance teams. He acquired valuable experience in legal documentation in project finance and syndicated lending at the firm. He joined FBNQuest Trustees in 2012. He is Head of Corporate Trusts and chairs the Product Development Committee at FBNQuest Trustees. He is presently the General Secretary of the Association of Corporate Trustees of Nigeria.

Employees

The Issuer has no employees.

Indebtedness

The Issuer has no indebtedness as at the date of this Shelf Prospectus other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein.

Material Contracts

Apart from the Programme documents to which it is a party, the Issuer has not entered into any material contracts other than in the ordinary course of its business.

No Material Adverse Change

Since the date of the Issuer's incorporation, there has been no material adverse change, or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of the Issuer.

Financial Information

Since the date of incorporation, the Issuer has not commenced operations and no financial statements have been compiled or published as at the date of this Shelf Prospectus.

Litigation

Since its incorporation, the Issuer is not and has not been engaged in any litigation or arbitration proceedings which may have or have had during such period a significant effect on its respective financial position and, as far as the Issuer is aware, no such litigation or arbitration proceedings are pending or threatened.

14. OVERVIEW OF VALENCY AGRO NIGERIA LIMITED

BACKGROUND

Valency Agro Nigeria Limited, previously known as Valency Cashew Processing Nigeria Limited and with registration number 1158788, was incorporated in Nigeria on 11 December 2013 as a private limited liability company. The Issuer's corporate office is located along Unity Estate Road, Off Lagos-Ibadan Expressway, Ibafo, Ogun State, Nigeria.

As at 31 March 2023, Valency has an authorised share capital of ₦10,000,000,000 comprising 10,000,000,000 ordinary shares of ₦1.00 each, while its issued and paid-up share capital is ₦7,000,000,000 comprising 7,000,000,000 ordinary shares of ₦1.00 each. Its principal activities include processing of raw cashew nuts and general wholesale and retail trade (including general imports and exports).

Valency has become a prominent integrated supply chain manager across Africa and Asia. Through an already established extensive global reach, the Sponsor has developed excellent sourcing networks directly with farm gate suppliers and manufacturing processors while also nurturing strong local and international relationships worldwide. Valency has also expanded its presence across the value chain with operations in logistics, warehousing and through its own processing facilities.

Shareholders (31 March 2023)	Number of shares held	% Shareholding
Valency International Trading Pte Ltd.	6,930,000,000	99%
Praveen Kumar Jain	70,000,000	1%
	7,000,000,000	**100%**

PRODUCTS AND SERVICES

Origination and Trading			**Processing**		**Branded Retail & B2B Distribution**
Agriculture	**Fertilizer**	**Industrial**	**Agriculture**	**Industrial**	
Raw Cashew Nuts	Urea	Steel	Cashew Processing	Corrugated Roofing Sheets	Fertilizer
Grains-Wheat,Maize	DAP				Cashew Kernel
Sugar and Cocoa	MOP	Chemicals			
Rice			Sesame and soybean cleaning		Agro-chemical
Pulses	NPK				
Soybean and Sesame					

KEY HIGHLIGHTS

1. Origination & Distribution Network

As part of its core competency Valency possesses a deep network of origination and distribution hubs. Origination centres are used to purchase commodities close to the farm gate and Distribution centres provide an excellent route to market infrastructure for consumer products and/or agri inputs.

2. Manufacturing and Processing Infrastructure

Valency has a deep manufacturing and processing presence and takes pride in the ownership of the largest cashew

processing plant in Ogun State, Nigeria. The Issuer has raw cashew procurement and drying centres in Lagos, Ogun, Ogbomosho, Kano, Anyigba and Ankpa. It also has sesame cleaning facilities in Kano, Lagos and the Middle Belt, as well as cocoa drying machines in its centre at Ogun state.

3. Strong brands

With the right strategy, Valency has created a strong brand image for the company and its products distributed in various markets. The Sponsor has put strict and consistently outperforming quality management system in place to ensure good experience for customers each time they buy Valency's products or carry out other business transactions with Valency.

4. Sustainability

Valency follows a sustainable business model which views its stakeholders such as the farmers and communities within which it operates as partners. The Sponsor is also deeply involved in the communities in which it operates through Corporate Social Responsibility (CSR) initiatives such as health benefits, education support and farmer trainings. Valency uses environmentally friendly processing technology for the extraction of cashew nut shell liquid and cashew shell waste which is used to generate fuel.

PROFILES OF BOARD OF DIRECTORS OF VALENCY

Valency's current Board members compose of highly qualified and experienced professionals from diverse fields. The Sponsor's board brings a depth of international and domestic experience in business development and agro business.

Profiles of the current Board members are highlighted below:

S/N	Name	Position
1	Basba Nand Balodi	Executive Director
2	Uchechukwu Wigwe	Independent Director
3	Ituah Olajide Ighodalo	Independent Director
4	Trilochan Ojha	Country Head, Valency Agro Nig. Ltd
5	Amit Bose	Regional CFO, Valency Agro Nig. Ltd

Basba Nand Balodi – *Executive Director*

Mr. Basba is an Executive Director at Valency whose length of experience in Valency Group spans thirteen (13) years. He has a total of thirty-eight (38) years of industry experience. He is a founding member at Valency Agro Nigeria Limited. He was previously the Commercial Manager at Swiss Singapore Overseas Enterprises Pte Ltd.

Uchechukwu Wigwe – *Independent Director*

Mr. Uchechukwu Wigwe is an independent director at Valency since 2021. He holds the position as the Managing Partner at Wigwe & Partners. Since he became the Managing Director at Wigwe Partners, He has played critical role in the creation of many businesses in its portfolio, as well as overseeing regions.

He has over 20 years' experience in the commodities industry in trading and risk management. He wields strong expertise in advising on various practice areas including Construction and Infrastructure, Energy and Natural Resources. He has also developed a strong practice in Corporate Insolvency and Debt Recovery.

Uche has a master's degree [LL.M.] in Petroleum Law and Policy from the University of Dundee, Scotland, a Bachelor of Law degree [LL.B.] from the University of Ibadan, and a Bachelor of Science [BS.C] in Banking and Finance from the University of Port Harcourt.

Uche is a qualified member of the Nigerian Bar, and he is the current 2nd Vice Chairman of the Construction Projects & Infrastructure Committee of the Nigerian Bar Association Section on Business Law (NBA-SBL). He is also a member of the International Bar Association [IBA] and the Association of International Petroleum Negotiators [AIPN].

Ituah Olajide Ighodalo - *Independent Director*

Ituah Olajide Ighodalo is a qualified chartered Accountant. He is partner in the 5th largest accounting practice firm in Nigeria, SIAO. He is the Chairman, FAMAD Nig Plc NSIA Insurance, FINATRUST Micro Finance Bank Ltd, The Clinix Diagnostic Center, Roch Tools Ltd., Capitalgate Ltd., Elizabeth R Events Management Ltd., Trinicorp Nig Ltd., amongst others. He sits on the board of Mannox Integrated Ltd Gulf Insurance Brokers, and several other companies.

He is also on the board of the Pastor E A Adeboye Professorial Chair for Mathematics (UNILAG), The Bassey Andah Foundations, The Africa Cancer Center and Chairs the Christopher Kolade Chairs Endowment Foundation, the Vivian Fowler Memorial College for Girls Governing Board. He is the Publisher/Editor-in-Chief of the TIMELESS Media Group, Chairman Trinity Media and Films, Celebr8 Music Festival, and producer Courage Center TV series. He has written and published several articles, papers, and books.

He holds a bachelor's degree from the University of Ibadan and a master's degree from the University of Hull. He is also a graduate of Harvard Business School and a member of the Institute of Chartered Accountant of Nigeria (ICAN). He has garnered over twenty (20) years of industry experience from PricewaterhouseCoopers (PwC), Ighodalo & Co. and Valency Agro Nigeria Limited.

Trilochan Ojha – *Country Head*

Mr. Trilochan has over twenty-eight (28) years' experience in the industry. Before he joined Valency, Mr. Trilochan worked at Wacot Limited, African agro Multichem & Nagarjuna fertilizer. He has a Master of Business Administration (MBA).

Amit Bose – *Regional Chief Financial Officer*

Mr. Amit is a chartered accountant with over sixteen (16) years' experience in the industry. Before he joined Valency, Mr. Amit worked at Olam, ITC Limited & KPMG.

PROFILE OF MANAGEMENT TEAM OF VALENCY

The Management of Valency comprises of eight (8) individuals who bring the wealth of their respective experiences to bear on the Company's operations.

Their profiles are as follows:

S/N	Name	Position
1	Trilochan Ojha	Country Head
2	Amit Bose	Regional Chief Financial Officer
3	Parshuram Patel	Group Quality Head
4	Arvind Tiwari	Group Cashew processing head
5	Shyam Holani	Finance Head
6	Pradip Tiwari	Procurement Head
7	Neeraj Dhall	Supply Chain Head
8	Anil Shukia	Factory Head

Trilochan Ojha – *Country Head*

Mr. Trilochan has over twenty-eight (28) years' experience in the industry. Before he joined Valency, Mr. Trilochan worked at Wacot Limited, African agro Multichem & Nagarjuna fertilizer. He has a Master of Business Administration (MBA).

Amit Bose – *Regional Chief Financial Officer*

Mr. Amit is a chartered accountant with over sixteen (16) years' experience in the industry. Before he joined Valency, Mr. Amit worked at Olam, ITC Limited & KPMG.

Parshuram Patel - *Group Quality Head*

Mr. Patel is the Group Quality Head of Valency Agro Nigeria Limited. He recently joined the Sponsor and has industry experience of over 18 years. Before he joined Valency Group, Mr. Patel has performed roles in consulting, manufacturing, food safety and quality in the world leading food companies like TGI group (Wacot & Chi LTD), IFFCO Dubai, General Mills India, Reliance Retail Ltd, ITC LTD and Bisleri International Ltd. His educational qualification includes a Bachelor of Technology and a Master of Technology.

Arvind Tiwari - *Group Cashew Processing Head*

Mr. Arvind is the Group Cashew Processing Head and a highly experienced professional with strong technical and production skills. He has worked with Valency for over a year and has over 10 years' experience in the industry. Mr. Arvind's experience spans across roles in consulting, manufacturing, food safety and quality in world leading food companies like TGI group (Wacot & Chi Ltd.), IFFCO Dubai, General Mills India, Reliance Retail Ltd, ITC LTD, and Bisleri International Ltd. He holds a Bachelor of Technology from HBTI Kanpur.

Shyam Holani – *Finance Head*

Mr. Shyam is the Finance Head of Valency Agro Nigeria Limited and his experience in the industry spans a twelve (12)-year period. Prior to joining Valency, he was Accounts & Finance Head in Construction, Plastic Manufacturing and Trading in India, Dubai and Nigeria. Mr. Shyam is a Chartered Accountant, a Certified Company Secretary as well as a Bachelor of Commerce.

Pradip Tiwari - *Procurement Head*

Mr. Pradip is the Procurement head, and he has worked with Valency for over twelve (12) years. He has gathered over seven (7) years of experience in the industry and worked with AST Enterprise Incorporation before joining Valency. His educational qualifications include MBA Finance and International Marketing.

Neeraj Dhall – *Supply Chain Head*

Mr. Neeraj is the head of Supply Chain with over two years' experience in Valency. He has garnered about seventeen (17) years' experience in the industry, having previously worked with Godrej & Olam Supply Chain Management/Sales. Mr. Neeraj has a Post Graduate Diploma in Business Analytics and is a Mechanical Engineer.

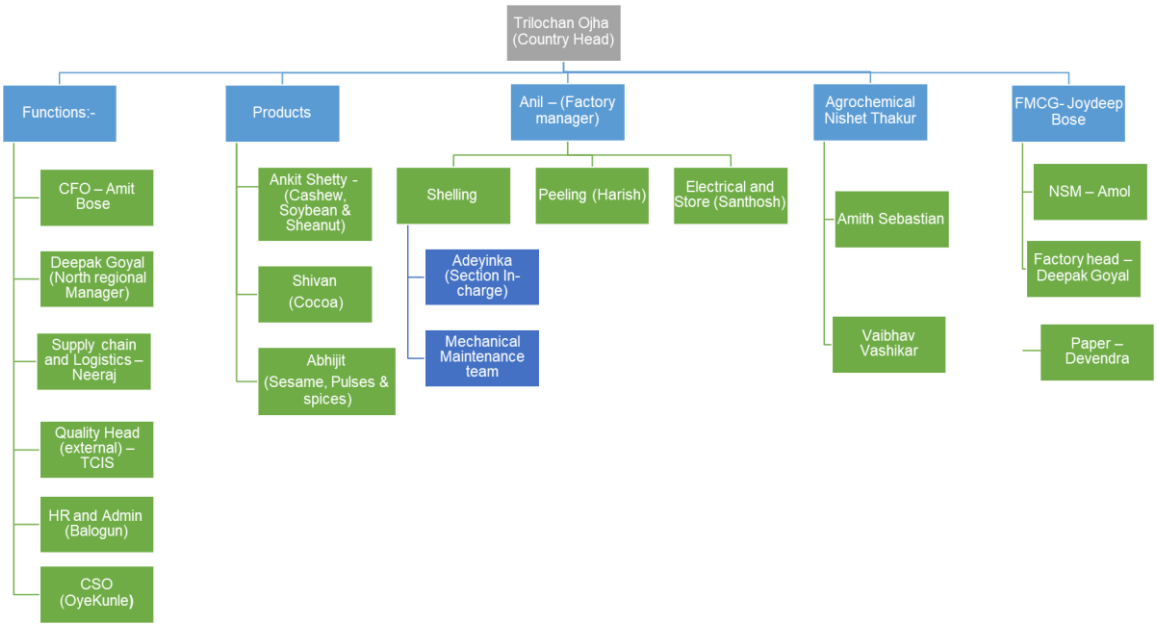
Anil Shukia - *Factory Head*

Mr. Anil is the Factory Head and he has worked at Valency for about two years. Prior to joining Valency, he worked with Nestle Pvt Ltd. He holds a bachelor of technology from HBTI, Kanpur, India. He has a total of nine (9) years of industry experience.

ORGANISATIONAL STRUCTURE

Valency's business is divided into three-dimensional organizational matrix: Business Heads, Country Heads and Function Heads. The Business Heads are global product strategists, allocators of assets and resources as well as cross border co-ordinators. The Country Heads are strategic contributors and implementers, they are also sensors and builders. The third category, the Function Heads, are the catalysts for worldwide innovation and learning. They identify and transfer best practices as well as champion knowledge transfer among employees.

VALENCY'S ORGANISATION, MANAGEMENT & STAFF – GLOBAL MATRIX



CORPORATE GOVERNANCE

The Sponsor is firmly committed to effective corporate governance principles and best practices. Though not a public company, the Sponsor generally operates in line with the principles set out in SEC's Code of Corporate Governance for Public Companies and the Financial Reporting Council of Nigeria (FRCN) Code of Corporate Governance, to the extent appropriate for the size and nature of its business.

EQUITY

As at 31 March 2022, the Sponsor's authorised share capital was ₦10,000,000,000 comprising of 10,000,000,000 ordinary shares of N1.00 each, while its issued and paid-up share capital is ₦ 7,000,000,000 comprising 7,000,000,000 ordinary shares of ₦1.00 each.

NO MATERIAL ADVERSE CHANGE

Since the date of the Issuer's incorporation, there has been no material adverse change, or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of the Issuer.

LITIGATION

The Issuer is not and has not been since its incorporation engaged in any litigation or arbitration proceedings which may have or have had during such period a significant effect on its respective financial position and, as far as the Issuer is aware, no such litigation or arbitration proceedings are pending or threatened.

USE OF PROCEEDS

Unless otherwise stated in the applicable Pricing Supplement, the net proceeds from each issue of the bonds will be advanced by the Issuer to finance its working capital requirements and there shall be no diversion of the proceeds to another business or entity.

15. OVERVIEW OF VALENCY INTERNATIONAL PTE LTD

Valency International Pte Ltd (Valency International) is an international commodity trading house incorporated and domiciled in the Republic of Singapore, with its headquarters situated at 10 Anson Road, 18-26 International Plaza, Singapore 079903.

Valency International trades in a diversified portfolio of products that are classified as, Agro & Consumer Goods, Sulphur & Fertilizers, Steel & Scrap, and Others.

The company's rapid expansion stems from the efficient, experienced and professional members of the organization, whose key focus is to create sustainable value for all stakeholders. The management at Valency International holds extensive knowledge and experience in the field of commodity trading. Over the years, they have passed on their expertise and passion for trading to all of the teams that work in 15 different countries and built a strong trading organization together.

Board of Directors

S/N	Name	Position
1	Praveen Kumar Jain	Managing Director
2	Sumit Jain	Director
3	Ajaib Hari Dass	Director
4	Jagdish Achleshwar Prasad Parihar	Director

16. TAX CONSIDERATIONS

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

Except as otherwise indicated, this summary only addresses Nigerian tax legislation in effect and in force at the date hereof, as interpreted and applied by the courts or tax authorities in Nigeria, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

Pursuant to the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011 and Value Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011, all Bonds in Nigeria were exempt from taxes ordinarily imposed under the Companies Income Tax Act 2004 and from the imposition of Value Added Tax respectively, for a period of ten years from the date the Orders became effective on January 2, 2012. These Orders have however now lapsed, the terminal date being January 2, 2022.

Accordingly, the Issuer shall be required - by law - to withhold tax on the coupons accruing on Bonds held by corporate entities. This requirement to deduct withholding tax is without exception as regards corporate entities and the Issuer shall be obliged to deduct the tax from coupon payments to corporate bondholders.

Furthermore, by virtue of the Personal Income Tax (Amendment) Act 2011, corporate bonds are also generally also exempt from personal income tax ("PIT"). However following the expiration of the exemption granted by the Honourable Minister of Finance under a notice titled the Personal Income Tax Exemption of Holders of Bonds and Short-Term Government Securities Notice (dated 2 January 2012) and further to a notice by the Lagos State Internal Revenue Service titled Payment of Personal Income Tax on Profit from Bonds and Short-Term Government Securities (dated June 28, 2022), PIT is now applicable on income derived and interest earned by individuals and non-limited liability entities resident in Lagos State from bonds and short-term securities in accordance with the Personal Income Tax (Amendment) Act 2004 with effect from January 2, 2022, except for bonds issued by the Federal Government of Nigeria.

In the event of disposal of Bonds held, the proceeds from the sale of the Bonds are exempt from the tax imposed under the VAT Act by virtue of the Finance Act 2020.

17. RISK FACTORS

The following section does not describe all the risks (including those relating to each prospective investor's circumstances) with respect to an investment in the Bonds. The risks in the following section are provided as general information only. Before making any investment decision, prospective investors should carefully read this Shelf Prospectus in its entirety, including the risk factors set out below. Investors should also seek professional advice before making investment decisions in respect of the Bonds.

Further to the above, the Issuer and the Sponsor disclaims any responsibility for advising prospective investors of such risks as they exist at the date of this Shelf Prospectus or as such risks may change from time to time. Prospective Investors should consult their own financial and legal advisers about the risks associated with an investment in the Debt Securities.

An investment in the Debt Securities involves certain risks, most of which may or may not occur and neither the Issuer nor the Sponsor nor any of the Issuing Houses is in a position to express a view on the likelihood of any such contingency occurring. Accordingly, prospective investors should carefully consider, amongst other things, the following risk factors together with all of the other information included in this Shelf Prospectus and any applicable Pricing Supplement before purchasing the Debt Securities

RISKS FACTORS RELATING TO NIGERIA

Economic Risk

The Sponsor's operations are predominantly conducted in Nigeria, where most of its customers also reside. Accordingly, the Sponsor's business, results of operations, and/or financial condition depend significantly on the economic and political conditions prevailing in Nigeria.

The agricultural sector contributes significantly to the Nigerian economy in terms GDP and employs two-third of the country's labour force. As such, any decline in agricultural production will negatively impact the economy. Also, economic indicators such as inflation, foreign exchange, monetary policy rates amongst others largely impact the performance of agribusinesses in Nigeria. Certain economic policies such as the border closure in 2020 also have adverse effects on agri-commodity export in Nigeria, causing a significant decline in production and higher food prices.

The Sponsor's operations is closely linked to general economic conditions in Nigeria. A protracted economic downturn will put further constraints on business cost, investments and lending, which in turn would reduce activities in the private sector, especially in infrastructure development, which may consequently impact the Sponsor's revenues.

Political Risk

Nigeria's political, economic and social stability has been characterized by political and religious conflicts, terrorism, and social and religious tensions, any or all of which may materially and adversely impact economic conditions and growth in the country.

In recent years, Nigeria has experienced considerable unrest, terrorism and political and religious conflicts. Divisions based on geography can be magnified by religious differences, particularly between the north, which has a predominantly Muslim population, and the south, which has a predominantly Christian population. These regional affiliations have in the past contributed to, and may continue to contribute to, political and religious tension, which can also lead to social unrest. Insurgent activities in the north-east region of the country have also resulted in social and economic damage.

Despite the recent successes in combating insurgent groups, the risk of insurgents regrouping remains. Until the Government is able to address the root of the problems that contribute to this (such as poverty, low level of education, religious intolerance, weak enforcement of law and order and insecurity), insurgent groups are expected to continue to operate, especially in the north-eastern part of Nigeria

RISKS RELATING TO THE SPONSOR

Business Risks – These are risks associated with the business activities of the Company

Price risk

The prices of agricultural commodities are as volatile as the weather – if weather conditions are favourable, there is more supply of a particular commodity thereby keeping prices low while bad weather conditions lead to shortage of supply creating price spikes. This price risk can affect the operations and profitability of Valency Agro Nigeria Limited.

Export Risk

Valency Agro is exposed to risks associated with exportation of Agri commodities in Nigeria. The Sponsor's operations are consequently affected by the high cost of exportation arising from; high levies being charged at the point of exporting cargo, stifling red tape, corruption and lack of synergy among the port operators and all regulatory bodies charged with the responsibility of ensuring export goods are properly cleared and certified.

Underdeveloped road infrastructure

Farmers are often plagued by the inability to transport their goods to the off-takers due to poor road infrastructure. A lot of such goods are lost during transit due to frequent accidents that occur during the road trip. Despite the ongoing efforts by the federal government, the problems still persist thereby impeding the development of the industry. Congested roads serve as one major hindrance to the free flow of movement for the shipment of goods and cargoes from one point to another. Long-queue of lorries to enter different port premises to either deliver or pick goods is evidence of this factor. This further puts an upward pressure on costs and leads to higher prices.

Legal Risk – The risk that counterparties may not fulfil contractual agreements

This could arise from the type and nature of contractual agreements entered into by the Sponsor. There is a risk that the Sponsor's counterparties in these agreements may fail to fulfil their obligations. There is also the risk that Valency may not perform its obligations, thereby exposing the Sponsor to litigation.

RISK RELATING TO THE ISSUER

The Issuer is a special purpose vehicle with no cash flow, operations nor significant assets and was established for the purpose of issuing the Bonds on behalf of the Sponsor. The Issuer has an obligation under the Conditions to pay such amounts of principal and interest, and additional amounts (if any) as are due in respect of the Bonds. However, the Issuer's obligation to pay is equal to the amount of principal, interest and additional amounts (if any) received and retained (net of tax) by or for the account of the Issuer from the Sponsor pursuant to the corresponding Notes.

The Issuer is exposed to a risk of default by its counterparty - the Sponsor. The source of repayment to the Bondholders is primarily payment received by the Issuer. Consequently, if the Sponsor fails to meet its payment obligations on the Notes in full, it will result in the Bondholders receiving less than the scheduled amount of principal and/or interest and/or other amounts (if any) payable on the bonds. Investors are relying solely on the creditworthiness of the Sponsor. Therefore, investment in the bonds also involves the risk that subsequent changes in the actual or perceived creditworthiness of the Sponsor may adversely affect the market value of such bonds.

RISK RELATING TO THE BONDS

Liquidity Risk

Bonds are traded after their initial issuance and may trade at a discount to their initial offering price, depending on the market for similar securities, general economic conditions and the financial condition and prospectus of the Sponsor. Although applications will be made for Bonds issued under the Programme to be admitted and traded on the FMDQ and/or the NGX, there is no assurance as to the development or liquidity of any trading market for any particular issue of the bonds.

Credit rating may not reflect the potential impact of the Bond's risks

The Bonds will be assigned a rating by SEC-registered rating agencies and any other independent rating agency. The ratings may not reflect all the risks related to the structure, market, additional factors discussed above, and any 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.

Early Redemption

The Bonds may be subject to early redemption therefore Bondholders may face the risks that the Bonds will be redeemed before maturity in a falling interest rate environment, forcing the Bondholders to reinvest the proceeds at a lower rate of return.

18. HISTORICAL FINANCIAL INFORMATION

The financial information set out in this Shelf Prospectus has been extracted from the audited annual financial statements of the Sponsor and is available at the specified office of the Sponsor. This section should be read and construed in conjunction with the audited interim financial statement(s) published subsequently for the financial years prior to the issuance of Instruments under the relevant Pricing Supplement. The Financial Statements for the years ended March 31, 2018, to March 31, 2022 are hereby incorporated by reference and are available for inspection. Kindly refer to page 100 "Documents Available for Inspection" section of this Shelf Prospectus.

Extract from independent report of the Reporting Accountants covering the 5-year period from March 31, 2018 – March 31, 2022.

STATEMENT OF PROFIT AND LOSS - VALENCY AGRO NIGERIA LIMITED					
	31-Mar-2018 ₦	**31-Mar-2019** ₦	**31-Mar-2020** ₦	**31-Mar-2021** ₦	**31-Mar-2022** ₦
Revenue	4,787,238,940	17,928,828,189	31,922,858,806	45,935,957,466	64,127,807,013
Other Income	5,813,525	37,784,493	169,023,714	328,186,974	322,286,377
Changes in Inventories	1,473,248,646	1,778,742,420	2,189,803,595	3,460,695,183	-
Costs of Material	(5,530,230,305)	(17,852,259,037)	(32,884,915,975)	(45,311,613,259)	(57,525,223,656)
Selling and Distribution Expenses	(4,420,058)	(1,286,362)	(410,886)	(13,234,274)	(49,121,526)
Administrative Expenses	(56,614,114)	(216,510,136)	(552,319,008)	(816,487,541)	(1,503,426,370)
Employee Benefits Expense	(198,785,975)	(288,047,707)	(435,665,545)	(426,974,295)	-
Depreciation and Amortisation	(213,182,092)	(270,138,285)	(299,608,900)	(365,841,351)	(456,173,666)
Operating Profit	**263,068,567**	**1,117,113,575**	**108,765,801**	**2,790,688,903**	**4,916,148,172**
Finance Costs	(70,873,208)	(62,961,450)	(113,244,603)	(1,371,350,204)	(3,033,627,384)
Exchange Gain/ (Loss)	(144,986,574)	(100,990,420)	904,513,252	145,448,734	40,963,727
Profit Before Tax	**47,208,785**	**953,161,705**	**900,034,450**	**1,564,787,433**	**1,923,484,515**
Tax Written Back/ (Expense)	(4,012,242)	(68,120,495)	77,242,048	(127,760,980)	229,211,399
Profit for the year	**43,196,543**	**885,041,210**	**977,276,498**	**1,437,026,453**	**2,152,695,914**
Other Comprehensive Income:					
Revaluation Surplus	252,158,119	594,791,824	470,592,365	443,077,437	1,582,301,761
Total Comprehensive Income for the year	**295,354,662**	**1,479,833,034**	**1,447,868,863**	**1,880,103,890**	**3,734,997,675**

STATEMENT OF FINANCIAL POSITION - VALENCY AGRO NIGERIA LIMITED					
	31-Mar-2018 ₦	**31-Mar-2019** ₦	**31-Mar-2020** ₦	**31-Mar-2021** ₦	**31-Mar-2022** ₦
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	4,595,934,824	5,087,373,502	4,576,009,287	5,165,197,036	7,299,517,782
Right of Use Assets	-	-	895,751,672	823,123,158	2,594,782,087
Capital Work in Progress	-	32,844,115	300,000	204,839,416	55,700,083
Investment in Subsidiary	-	-	-	-	9,999,999
Prepayments	-	-	120,433,970	109,807,443	-
	4,595,934,824	**5,120,217,617**	**5,592,494,929**	**6,302,967,053**	**9,959,999,951**

STATEMENT OF FINANCIAL POSITION - VALENCY AGRO NIGERIA LIMITED					
Current Assets					
Inventories	2,059,267,593	3,838,010,013	6,028,967,156	12,753,048,874	20,128,860,409
Trade and Other Receivables	-	3,048,196,880	18,163,836,240	17,497,997,127	42,084,136,247
Cash and Cash Equivalents	388,009,351	96,383,859	196,602,724	1,676,223,351	2,070,079,668
Prepayments	1,010,189,762	23,601,150	117,678,378	1,011,758,287	198,749,105
	3,457,466,706	**7,006,191,902**	**24,507,084,498**	**32,939,027,639**	**64,481,825,429**
TOTAL ASSETS	**8,053,401,530**	**12,126,409,519**	**30,099,579,427**	**39,241,994,692**	**74,441,825,380**
EQUITY AND LIABILITIES					
Equity Attributable to Owners					
Share Capital	10,000,000	10,000,000	10,000,000	495,100,000	495,100,000
Revaluation Reserve	2,267,975,572	2,862,767,396	3,333,359,761	3,776,437,198	5,358,738,959
Revenue Reserves	(16,487,882)	502,892,864	1,480,169,362	2,917,195,818	5,069,891,732
	2,261,487,690	**3,375,660,260**	**4,823,529,123**	**7,188,733,016**	**10,923,730,691**
Non-Current Liabilities					
Shareholders' Loan	-	-	-	6,748,158,600	6,748,158,600
Deferred Tax Liabilities	-	418,886,293	336,578,274	458,498,141	229,191,453
	-	**418,886,293**	**336,578,274**	**7,206,656,741**	**6,977,350,053**
Current Liabilities					
Borrowings	-	-	5,728,324,282	19,720,943,503	42,159,053,210
Trade and Other Payables	201,385,488	694,746,483	2,877,231,725	1,191,766,981	9,874,360,212
Contract Liabilities	-	-	91,227,755	-	-
Amounts Due to Related Companies	5,586,516,110	7,627,858,348	16,237,622,296	3,928,053,339	4,501,394,813
Income Tax Payable	4,012,242	9,258,135	5,065,972	5,841,112	5,936,401
Overdraft Facility	-	-	-	-	-
	5,791,913,840	**8,331,862,966**	**24,939,472,030**	**24,846,604,935**	**56,540,744,636**
Total Liabilities	**5,791,913,840**	**8,750,749,259**	**25,276,050,304**	**32,053,261,676**	**63,518,094,689**
Total Equity and Liabilities	**8,053,401,530**	**12,126,409,519**	**30,099,579,427**	**39,241,994,692**	**74,441,825,380**

STATEMENT OF CASH FLOWS - VALENCY AGRO NIGERIA LIMITED					
	31-Mar-2018 ₦	**31-Mar-2019** ₦	**31-Mar-2020** ₦	**31-Mar-2021** ₦	**31-Mar-2022** ₦
Cash flows from operating activities					
Profit Before Tax	47,208,785	953,161,705	900,034,450	1,564,787,433	1,923,484,515
Non-cash adjustments					
Depreciation	213,182,092	270,138,285	299,608,900	365,841,351	456,173,666
Amortization of Intangible Assets	165,094	-	-	-	-
Reclassification	-	-	-	-	(120,433,970)
Capital Asset Written-Off	(4,875,427)	-	-	-	-
Operating Profit Before Working Capital Changes	**255,680,544**	**1,223,299,990**	**1,199,643,350**	**1,930,628,784**	**2,259,224,211**
Decrease/(Increase) in Inventories	(1,473,248,646)	(1,778,742,420)	(2,190,957,143)	(6,724,081,718)	(7,375,811,535)

STATEMENT OF CASH FLOWS - VALENCY AGRO NIGERIA LIMITED					
Decrease/(Increase) in Trade and Other Receivables	(912,307,072)	(2,061,608,268)	(15,115,639,360)	1,150,939,116	(24,586,139,120)
Decrease/(Increase) in Prepayments	-	-	(214,511,198)	(883,453,382)	922,816,625
Decrease/(Increase) in Trade and Other Payables	195,156,401	493,360,995	2,182,485,242	(1,685,464,744)	8,682,593,231
Contract Liabilities	-	-	91,227,755	(91,227,755)	-
Increase in Amounts Due to Related Companies	3,791,641,635	2,041,342,238	8,628,073,143	(5,561,410,357)	573,341,474
	1,601,242,318	**(1,305,647,455)**	**(6,619,321,561)**	**(13,794,698,840)**	**(21,783,199,325)**
Tax Paid	-	(9,648,774)	(9,258,135)	(5,065,972)	-
Net Cash Flow from Operating Activities	**1,856,922,862**	**(91,996,239)**	**(5,428,936,346)**	**(11,869,136,028)**	**(19,523,975,114)**
Cash flows from Investing Activities					
Capital Work in Progress	-	(32,844,115)	(3,475,955)	(278,788,893)	(364,114,111)
Right of Use Assets	-	-	-	-	(1,734,480,000)
Investment in Subsidiary	-	-	-	-	(9,999,999)
Purchase of Property, Plant & Equipment	(1,540,095,062)	(166,785,141)	(195,693,115)	(365,073,672)	(411,684,166)
Net Cash flow from Investing Activities	**(1,540,095,062)**	**(199,629,256)**	**(199,169,070)**	**(643,862,565)**	**(2,520,278,276)**
Cash flows from Financing Activities					
Loans/Overdraft Facility	-	-	5,728,324,282	13,992,619,221	22,438,109,707
Net Cash flow from Financing Activities	-	-	**5,728,324,282**	**13,992,619,221**	**22,438,109,707**
Increase/(Decrease) in cash and cash equivalents	**316,827,800**	**(291,625,495)**	**100,218,866**	**1,479,620,628**	**393,856,317**
Cash and Cash Equivalents at beginning of the year	71,181,552	388,009,351	96,383,859	196,602,724	1,676,223,351
Cash and Cash Equivalents as at end of the year	**388,009,352**	**96,383,856**	**196,602,725**	**1,676,223,352**	**2,070,079,668**
Cash and Cash Equivalent Consist of:					
Cash at Bank	386,633,401	92,099,628	174,934,667	1,629,912,144	2,054,409,204
Cash in Hand	1,375,950	4,284,231	21,668,057	46,311,207	15,670,464
	388,009,351	**96,383,859**	**196,602,724**	**1,676,223,351**	**2,070,079,668**

19. REPORTING ACCOUNTANT'S REPORT

29 December 2022

Independent assurance report to:

The Board of Directors
Valency Agro Nigeria Limited
Along Unity Estate Road
Ibadan Express Way
Ibafo, Ogun
Nigeria

and

The Managing Director
Coronation Merchant Bank Limited
Coronation House
10, Amodu Ojikutu Street
Victoria Island
Lagos

Dear Sirs,

We have reviewed the accompanying financial information of Valency Agro Nigeria Limited, which comprise:

a. the statement of financial position as at the years ended 31 March 2018, 31 March 2019, 31 March 2020, 31 March 2021 and 31 March 2022;
b. the statements of profit or loss and other comprehensive income for the years then ended,
c. the statements of changes in equity for the years then ended;
d. the statements of cash flows for the years then ended;
e. the summary of significant accounting policies and other explanatory notes (together "the financial information").

The financial information is based on the audited financial statements of Valency Agro Nigeria Limited.

Directors Responsibility

The Directors are responsible for the preparation and fair presentation of the financial statements on which the financial information is based, in accordance with the basis of accounting described in the statement of significant accounting policies and for such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for the contents of the prospectus in which this report is included.

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial information. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised).

PricewaterhouseCoopers Chartered Accountants
Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria
T: +234 1 271 1700, www.pwc.com/ng *TIN: 01556757-0001 BN: 958268*

Partners: S Abu, O Adekoya, T Adeleke, W Adetokunbo-Ajayi, S Adu, E Agbeyi, A Akingbade, UN Akpata, O Alakhume, A Atitebi, C Azobu, A Banjo, E Erhie, K Erikume, M Iwelumo, H Jaiyeola, T Labeodan, U Muogilim, C Obaro, C Ojechi, U Ojinmah, O Oladipo, W Olowofoyeku, P Omontuemhen, O Osinubi, T Oyedele, O Ubah, C Uwaegbute, Y Yusuf

(ISRE) 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial information is 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 information in accordance with ISRE 2400(Revised) is a limited assurance engagement. The review primarily consists of making inquiries of management and others as appropriate, applying analytical procedures and evaluating 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 this financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial information does not present fairly, in all material respects the state of the financial position of the company as at the dates stated and of its profit or loss and cash flows for the years then ended, in accordance with the Company's accounting policies.

Basis of Accounting

Without modifying our conclusion, we draw attention to the Statement of significant accounting policies included in the financial information which describes the basis of accounting. The financial information is prepared for inclusion in the prospectus to be issued in connection with the proposed capital raising transaction by Valency Agro Nigeria Limited under the N50 Billion Debt Issuance Programme. As a result, the financial information may not be suitable for another purpose.

Yours faithfully

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

29 December 2022

Engagement Partner: Edafe Erhie
FRC/2013/ICAN/00000001143

VALENCY SPV PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES
AS AT 14 DECEMBER 2022

The Companies and Allied Matters Act, 2020 requires the Directors to prepare financial statements for each financial period that give a true and fair view of the state of financial affairs of the company at the end of each financial period. The responsibilities include ensuring that the company:

- Keeps proper accounting records that disclose with accuracy, the financial position of the company and comply with the requirement of the Companies and Allied Matters Act, 2020;

- Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

- Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates that are consistently applied.

The Directors accept responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates in conformity with the International Financial Reporting Standards (IFRS) and the Companies and Allied Matters Act, 2020.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

Oluwasola Seweje
Director

Ayomide Akinkuade
Director

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VALENCY SPV PLC

STATEMENT OF AFFAIRS
AS AT 14 DECEMBER 2022

	Note	14 Dec 2022 ₦
Assets		
Current Assets		
Directors Current Account	5	2,000,000
Total Assets		**2,000,000**
Equity & Liabilities		
Equity Attributable to Owners		
Share Capital	6	2,000,000
General Reserve		(2,000,000)
		-
Liabilities		
Current Liabilities		
Payables	7	2,000,000
Total Liabilities		
Total Equity and Liabilities		**2,000,000**

These accounts were approved by the Board of Directors on _____
and signed on its behalf by:

Oluwasola Seweje
Director

Ayomide Akinkuade
Director

The notes on pages 10 to 11 form an integral part of these financial statements.

21. EXTRACT OF RATINGS REPORT

Credit Rating Announcement

GCR assigns an initial Issuer rating of BBB+(NG) to Valency Agro Nigeria Limited on the credit strengths of its parent company, Outlook Stable.

Rating Action

Lagos, Nigeria, 17 October 2022 – GCR Ratings ("GCR") has assigned national scale long-term and short-term Issuer ratings of BBB+(NG) and A2(NG) respectively to Valency Agro Nigeria Limited on the credit strengths of its parent company, with the Outlook accorded as Stable.

Rated Entity / Issue	Rating class	Rating scale	Rating	Outlook / Watch
Valency Agro Nigeria Limited	Long Term Issuer Short Term Issuer	National National	BBB+(NG) A2(NG)	Stable Outlook

Rating Rationale

The ratings accorded to Valency Agro Nigeria Limited ("Valency Agro" or "the Company") reflect the creditworthiness of the broader Valency International Pte Limited ("Valency International" or "the Group"). This is because Valency International has provided an irrevocable and unconditional full guarantee on the present and future obligations of Valency Agro. As a result, whilst the ratings have been assigned exclusively to Valency Agro, its creditworthiness is supported by the financial and corporate strengths of the parent company. Valency Agro is a wholly subsidiary of Valency International, contributing about 25% to group revenue. The Company contributes to the Group's key agricultural commodities business, with strong operational integration across the value chain and management. Given the full guarantee, the analytical discussion below therefore focuses primarily on Valency International.

The assigned ratings are driven by the Group's strong position within its Sub-Saharan markets, where the bulk of its trading commodities are sourced, and the solid distribution channels of its Singaporean market. However, these rating strengths are counterbalanced by its weak leverage metrics due to elevated gross debt and working capital absorptions.

Valency International is a global agricultural commodity trading group, with strong local and international relationships, which have helped in developing strong sourcing networks directly with farm-gate suppliers, supporting its agricultural commodities export business and agrochemicals trading. However, its competitive position is moderated by its small size when compared with leading players, which have globally competitive brands within the international agro-commodities markets.

The Group has reported strong earnings trajectory over the review period, with recent growth supported by increased processing capacity across its key markets, combined with higher demand and selling prices. The EBITDA margin registered at a review period high of 4.3% for the year ended 31 March 2022 ("FY22"), supported by the higher margin agrochemicals business. GCR projects revenue to improve over the medium term, given Valency International's capacity expansion drive, and the rising demand for food. Notwithstanding periodic volatility in commodity markets, earnings margins are also anticipated to widen in the coming years as sales volume increase within the higher margin agrochemicals business.

Nigeria | Corporate Analysis | Public Credit Rating

Related Criteria and Research

Criteria for the GCR Ratings Framework, January 2022
Criteria for Rating Corporate Entities, January 2022
GCR Ratings Scales, Symbols & Definitions, May 2022
GCR Country Risk Scores, August 2022
GCR Nigeria Corporate Sector Risk Scores, April 2022

Ratings History

Valency Agro Nigeria Limited					
Rating class	Review	Rating scale	Rating	Outlook/Watch	Date
Long term Issuer	Initial/last	National	BBB+(NG)	Stable	October 2022
Short Term Issuer	Initial/last	National	A2(NG)		

RISK SCORE SUMMARY

Risk score	
Operating environment	**9.25**
Country risk score	6.25
Sector risk score	3.00
Business profile	**1.00**
Competitive position	1.00
Management and governance	0.00
Financial profile	**(3.25)**
Earnings	0.25
Leverage & capital structure	(3.50)
Liquidity	0.00
Comparative profile	**0.00**
Group support	0.00
Peer analysis	0.00
Total Risk Score	**7.00**

Glossary

Credit Rating	See GCR Rating Scales, Symbols and Definitions.
Debt	An obligation to repay a sum of money. More specifically, it is funds passed from a creditor to a debtor in exchange for interest and a commitment to repay the principal in full on a specified date or over a specified period.
Diversification	Spreading risk by constructing a portfolio that contains different exposures whose returns are relatively uncorrelated. The term also refers to companies which move into markets or products that bear little relation to ones they already operate in.
Exposure	Exposure is the amount of risk the holder of an asset or security is faced with as a consequence of holding the security or asset. For a company, its exposure may relate to a particular product class or customer grouping. Exposure may also arise from an overreliance on one source of funding. In insurance, it refers to an individual or company's vulnerability to various risks
Interest Cover	Interest cover is a measure of a company's interest payments relative to its profits. It is calculated by dividing a company's operating profit by its interest payments for a given period.
Issuer	The party indebted or the person making repayments for its borrowings.
Leverage	With regard to corporate analysis, leverage (or gearing) refers to the extent to which a company is funded by debt.
Long Term Rating	See GCR Rating Scales, Symbols and Definitions.
Rating horizon	The rating outlook period, typically 18 to 24 months.
Risk Management	The process of identifying and monitoring business risks in a manner that offers a risk/return relationship that is acceptable to an entity's operating philosophy.
Short Term Rating	See GCR Rating Scales, Symbols and Definitions.
Short Term	Current; ordinarily less than one year.

VALENCY AGRO NIGERIA LIMITED

Long-Term Rating:

A⁻

Short Term Rating:	A1
Previous Rating:	BBB⁺
Rating Outlook:	Positive
Trend:	UP
Currency:	Naira
Date issued:	2 Sept., 2022
Valid Till:	1 Sept., 2023

Reference:
Abiodun Adeseyoju, FCA.
Abimbola Adeseyoju
Oladele Adeoye

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

EXECUTIVE SUMMARY

	2022 ₦'000	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000
Turnover	64,127,807	45,935,957	31,922,859	17,966,613	4,793,052
Pre-tax-profit	2,032,144	1,575,198	900,034	953,162	47,209
Shareholders' Funds	10,803,179	7,663,483	4,823,529	3,375,660	2,261,488
Fixed Asset	9,939,373	6,302,967	5,592,495	5,120,218	4,595,935
Total Asset	65,812,644	39,099,055	30,099,579	12,141,861	8,053,402
Long-term Debt	7,206,657	7,206,657	-	-	-

Rating Explanation

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

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 Company, 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 Company's Audited and Management Accounts.

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

Overall, the following were observed:

Strengths:

- Experienced Management Team
- Very Good Asset Utilization
- Good Profitability

Weakness:

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.

22. CONFIRMATION OF GOING CONCERN STATUS OF THE SPONSOR

VALENCY AGRO NIGERIA LTD.

27 October 2023

The Managing Director
Coronation Merchant Bank Limited
Coronation House
10, Amodu Ojikutu Street
Victoria Island
Lagos

Dear Sir,

CONFIRMATION OF GOING CONCERN STATUS OF VALENCY AGRO NIGERIA LIMITED ("VALENCY" OR THE "SPONSOR")

Valency SPV Plc is in the process of seeking registration of its proposed ₦50 Billion Debt Issuance Programme ("the Programme") with the Securities & Exchange Commission ("SEC"), for which Valency Agro Nigeria Limited is the Sponsor.

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

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

Yours faithfully,
For and on behalf of **Valency Agro Nigeria Limited:**

BOSE AMIT
Chief Financial Officer

OJHA TRILOCHAN
Managing Director

Address: Along Unity Estate Road, Off Lagos - Ibadan Express Way, Ibafo, Ogun State.
☎: +234 9070060305
Formerly known as Valency Cashew Processing Ltd.

23. CONFIRMATION OF GOING CONCERN STATUS BY THE AUDITORS

Grant Thornton

Chartered Accountants
Grant Thornton Nigeria
2A Ogalade Close
Off Ologun Agbaje Str.
Off Adeola Odeku Str.
Victoria Island, Lagos
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T +2348167149350
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www.grantthornton.com.ng

20 December 2022

The Managing Director
Coronation Merchant Bank Limited
Coronation House

Dear Sir,

GOING CONCERN STATUS OF VALENCY AGRO NIGERIA LIMITED ("VALENCY" OR THE "SPONSOR") IN RESPECT OF THE ESTABLISHMENT OF THE VALENCY SPV PLC'S ₦50 BILLION DEBT ISSUANCE PROGRAMME

Valency SPV Plc is in the process of seeking registration of its proposed ₦50 Billion Debt Issuance Programme ("the Programme") with the Securities & Exchange Commission ("SEC"), for which Valency Agro Nigeria Limited is the Sponsor.

We have audited the financial statements of the Sponsor for the year ended 31 March 2022, which were prepared in accordance with the International Financial Reporting Standards, the Companies Allied Matters Act, 2020, and the Financial Reporting Council of Nigeria Act, 2011.

Based on our audit of the financial statements of Valency for the year ended 31 March 2022, we confirm that nothing has come to our attention that causes us to believe that the Sponsor will not continue as a going concern in the foreseeable future. Therefore, we consider it appropriate that the Directors of Valency have prepared the financial statements for the year ended 31 March 2022 on a going concern basis.

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

Yours faithfully,
For: **Grant Thornton Nigeria**

Nonyerem Opara
Partner

NIGERIAN BAR ASSOCIATION NBA PATRICK L. UZUM

Partners:
Ngozi A. Ogwo
Orji J. Okpechi
Victor O. Osifo
Nkwachi U. Abulu
Uchenna G. Okigbo
Ajayi O. Irivboje
Nonyerem O. Opara
Kingsley Opara
Lateef Emiola

24. STATUTORY AND GENERAL INFORMATION

Authorisation of the Programme

In line with the Issuer's Board Resolution dated 14th November 2022, the Board of Directors of the Issuer, passed a resolution approving the establishment of the proposed ₦50 billion Debt Issuance Programme and the issuance of Debt Securities thereunder during the subsistence of the Programme.

Incorporation and Share Capital History of the Sponsor

Legal Form

The Sponsor was incorporated as a private limited liability company on December 11, 2013 with the name Valency Cashew Processing Limited. The company commenced operations on 1 April- 2015. The company changed its name to Valency Agro Nigeria Limited on 20 May 2019.

Principal Activity

The principal activities of the Sponsor are processing of raw cashew nuts, cocoa, pea-nut, sesame seeds, processing, packaging, trading and processing agricultural products, produce buyers, sellers, dealers and exporters of potatoes, rubber, groundnut, rice, pepper, kapok, sage, cotton coal, mango, vegetables, palm, agriculture and mineral resources.

Also, to carry on the business of general contract, trading, marketing, sale and distribution of general goods be they manufactured or not, commission agents, manufacturer's representatives, importers, exporters, general suppliers, general contractors and general merchants; to buy, sell and manufacture and deal in articles, substances, products, systems and appliances that will enable it realise its set objectives of that is commonly or usually bought, sold, manufactured or dealt in by persons carrying on any of the businesses having objects similar to that of the company.

Share Capital History

As at 31 March 2023, the Sponsor's authorised share capital was ₦10,000,000,000 comprising 10,000,000,000 ordinary shares of ₦1.00 each, while its issued and paid-up share capital is ₦7,000,000,000 comprising 7,000,000,000 ordinary shares of ₦1.00 each.

Shareholding Structure

As at 31 March 2023, Valency Agro Nigeria Limited has an authorised share capital of ₦10,000,000,000 comprising 10,000,000,000 ordinary shares of ₦1.00 each, while its issued and paid-up share capital is ₦7,000,000,000 comprising 7,000,000,000 ordinary shares of ₦1.00 each. . Below is a breakdown of the shareholding structure:

S/N	Name	Number of Shares Held	Shareholding
1	Valency International PTE Ltd	6,930,000,000	99%
2	Praveen Kumar Jain	70,000,000	1%
	Total	7,000,000,000	100%

Directors' Interests in Contracts

For the purpose of section 303 of the Companies and Allied Matters Act, 2020, none of the directors has notified the company of any direct or indirect interest in contracts or proposed contracts with the company during the year.

Indebtedness

As of 31 March 2023, Valency Agro Nigeria Limited has an indebtedness of ₦42.2 billion, which constitutes loan capital, overdrafts, short term loans, charges, or similar indebtedness, other than those arising in the ordinary course of business.

Claims and Litigation

As of 31 March 2023, the Sponsor has no claims and litigation.

25. EXTRACTS FROM THE PROGRAMME TRUST DEED

3. APPOINTMENT OF TRUSTEES AND DECLARATION OF TRUST

3.1 The Issuer hereby appoints the Trustees as the representatives of the Bondholders in accordance with the provisions of this Deed, any Series Trust Deed and the SEC Rules, and the Trustees will hold the benefit of the covenants, rights and other obligations of the Issuer herein contained, for the benefit of the Holders in accordance with this Deed.

3.2 The Parties agree that the appointment of each Trustee shall be specific to the one or more Series of Bonds under the Programme in respect of which that Trustee is specifically named as trustee, and that each Trustee shall be bound by this Deed and the relevant Series Trust Deed

3.3 By execution hereof, the Trustees have accepted and agreed to be bound by and to enforce the powers, and perform the duties and obligations of the Trustees specifically set forth herein and hereby declare themselves Trustees for the Bondholders to hold the benefit of the covenants, rights and other obligations on the part of the Issuer herein contained in trust for the benefit of the Bondholders subject to the terms of this Deed and/or any Series Trust Deed.

3.4 By execution hereof, the Issuer and the Sponsor accept to be bound by the terms of this Deed and perform their duties and obligations under this Deed.

3.5 Any sums received by the Trustees whether of principal, interest or otherwise from the Issuer, shall be received by the Trustees in trust to apply same towards the repayment of Principal Amount and Coupon, fees, indemnities, costs, and charges in accordance with this Deed; provided that the rights of each Bondholder as set out in this Deed and the relevant Series Trust Deed is preserved and preferred.

3.6 The trust created herein shall be a continuing obligation and shall be of full force and effect until terminated in accordance with this Deed.

4. PURPOSE

4.1 The net proceeds from the issue of the Bonds (after deduction of all statutory fees and the costs and expenses incurred in connection with the issuance of such Series of Bonds) shall be maintained in a designated payment account established by the Issuer and applied in accordance with the applicable Series Trust Deed and Final Terms.

4.2 Without prejudice to the generality of the foregoing and the subsequent provisions of this Deed, the Trustees shall be entitled to, but shall not be bound to enquire as to the application of the proceeds of the Bonds.

5. AMOUNT AND ISSUE OF THE BONDS

5.1. The Issuer may issue Bonds from time to time in one or more Series in an aggregate nominal amount not exceeding the Programme Limit through book building, private placement, public offering, or any other methods as determined by the Issuer. Each Series may be issued in Tranches on the same or different Issue Dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and save in respect of the Issue Date, Coupon, Issue Price, first Coupon Payment Date and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the applicable Series Trust Deed and Final Terms.

5.2. The Issuer shall be at liberty from time to time (but subject always to the provisions of this Deed) without the consent of the Bondholders to create and issue further Bonds having terms and conditions which are the same as the Bonds of any Tranche under the Programme save for the amount and date of the first Coupon payment and so that the Bonds may be consolidated and form a single series with the outstanding Bonds of a particular Series.

5.3. The Bonds shall be issued at the Issue Price and shall be subscribed for in the multiples and in the manner set forth in the relevant Supplementary Shelf Prospectus/Pricing Supplement or Final Terms.

6. FORMS OF THE BONDS

6.1 Form of Bonds

The Bonds of each Series or Tranche shall be issued in dematerialised (book-entry) form and made eligible for admission to Listing. However, the Bonds may be listed or unlisted at the discretion of the Issuer. The tenor of the Bonds for each Series shall be specified in the relevant Series Trust Deed.

6.2 Title

6.2.1 Issue of Bonds in Dematerialised Form

The Bonds shall be issued in dematerialised (book-entry) form and each Bondholder shall be issued an E-allotment Notification. Each Bondholder shall be entitled to deal in the same in accordance with CSD procedures and guidelines.

The CSD Statement of Account shall be conclusive and binding for all purposes save in the case of manifest error and such person stated in the CSD Statement of Account shall be treated by the Issuer, the Trustees, and the Registrar as the legal and beneficial owner of such aggregate number of Bonds for all purposes.

6.2.2 Physical Certificates

Notwithstanding section 6.2.1 above, a Bondholder may elect to receive a Certificate covering the aggregate Principal Amount of his beneficial interest in the Bonds, **PROVIDED THAT** joint Bondholders 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 Bondholders whose name appears first in the Register and the delivery of a Certificate to one of such persons shall be deemed to be sufficient delivery to all.

6.3 Persons Deemed Owners

Except as may subsequently be agreed between the Parties to a Series Trust Deed, a Bondholder (or his legal representative) shall be deemed and regarded as the legal and beneficial owner of the Bonds registered in his name for all purposes including but not limited to the payment of the Principal Amount, premium (if any) and Coupon (where applicable).

6.4 Currency, Medium and Place of Payment

6.4.1 The Principal Amount, premium (if any), and Coupon (where applicable) on the Bonds shall be denominated and payable in Naira.

6.4.2 Payment of the Principal Amount, premium (if any) and Coupon (where applicable) shall be made in the manner specified in the Final Terms.

6.4.3 Payment of the Final Redemption Amount shall be made in the manner as specified in the Final Terms.

6.4.4 Any payment made pursuant to 6.4.1 to 6.4.3 above shall be deemed valid and shall satisfy and discharge the Issuer of any obligation to make payment on such Bonds to the extent of the amount paid.

6.5 Execution of Certificates

All Certificates shall be executed for and on behalf of the Issuer by a Director and the company secretary. The signatures of a Director and the company secretary may be mechanically or electronically reproduced or engraved on the Certificates. Each Certificate so executed and authenticated shall be a binding and valid obligation of the Issuer to the Holder.

6.6 Exchange of Certificates and CSD Statement of Account

Upon presentation and surrender of any Certificate to the Registrar together with written instructions satisfactory to the Registrar, (duly executed by the registered Bondholder or his attorney duly authorised in

writing), the Certificate may be exchanged for an amount equal to the aggregate outstanding Principal Amount or final Instalment Amount (where applicable) of registered Bonds of that Series or Tranche; provided that such surrender and exchange shall occur on the Maturity Date of each Series or Tranche or any other date in respect of a Series or Tranche as specified in the relevant Series Trust Deed and/or Supplementary Shelf Prospectus/Pricing Supplement.

The CSD rules and procedure will apply to the exchange of the CSD Statement of Account in the case of dematerialised Bonds.

6.7 Transfer of Bonds and Register of Holders

6.7.1 All Bonds issued pursuant to this Deed shall be transferable subject to the provisions for registration of transfers contained herein.

6.7.2 The Issuer shall cause the Register, with respect to each Tranche or Series of Bonds, to be maintained at the offices of the Registrar and the Registrar shall provide for the registration and transfer of any Bonds under such reasonable regulations as the Registrar with the approval of the Issuer and the Trustees may prescribe.

6.7.3 Each Tranche or Series shall be registered in the applicable Register. The Register shall contain the names and addresses of the Bondholders, the respective number of Bonds held, the nominal value of the Bonds, the date of allotment or purchase, the CSD account number of the Bonds together with any other information that may be deemed necessary by the Issuer or the Trustees. Any transfer of Bonds represented by a Certificate shall be effective only to the extent that such transfer is registered in the Register, by the Bondholder or transferee thereof in person or by his attorney duly authorised in writing, upon presentation and surrender of the Certificate (if the Bonds are issued in physical form) together with a written instrument of transfer in a form satisfactory to the Registrar duly executed by or on behalf of the registered Bondholder and the transferee or by a duly authorised attorney. Upon surrender of the aforesaid documents to facilitate the registration of transfer of Bonds, the Registrar shall, if the above stated conditions are met, register such transfer, and deliver a new Certificate (if any) to the transferee as appropriate.

6.7.4 The transfer of Bonds in dematerialised (book entry) form shall be regulated by the CSD procedures and guidelines.

6.7.5 The Trustees and the Bondholders or any of them and any person authorised in writing by any of such persons shall, upon giving the Registrar at least two (2) Business Days' prior written notice, be at liberty at all reasonable times during business hours to inspect the Register and to take copies of the Register certified by the Registrar or any authorised officer of the Issuer and extracts from same or any part thereof.

6.7.6 The Register shall be closed during such periods, not exceeding an aggregate of thirty (30) days in any year.

6.8 **Statements of Account**

The Issuer and the Trustees may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on (without liability), as sufficient evidence thereof, the CSD Statement of Account or any form of record made by the CSD or such other form of evidence and/or information and/or certification as they shall, in their absolute discretion, think fit to the effect that at any particular time or throughout any particular period any particular person is, was, or will be, shown in its records as the Bondholder of a particular nominal amount of Bonds and, if it does so rely, such CSD Statement of Account, form of record, evidence, information or certification shall be conclusive and binding on all concerned.

6.9 Separate Series

The Bonds of each Series shall form a separate Series of Bonds and accordingly, unless for any purpose the Trustees and the Issuer in their absolute discretion shall otherwise determine, the provisions of Clauses 6 to 39 (both inclusive) and Schedule 3 shall apply *mutatis mutandis* separately and independently to the Bonds of each Series and in such Clauses and Schedule, the expressions **Bonds** and **Bondholders** shall be construed accordingly.

7. REDEMPTION OF BONDS

7.1 The Bonds will be redeemed at their Principal Amount (to the extent of the amount unpaid as of the Maturity Date) plus premium (if any) and Coupon (where applicable) on the Maturity Date, (or earlier at the option of the Issuer or the Bondholders if so provided in the relevant Series Trust Deed).

7.2 The mode and terms of redemption of the Bonds will be as stated in the relevant Series Trust Deed and in accordance with Schedule 3 Condition 4 (*Redemption*, *Purchase* and *Options*).

7.3 The Trustees shall not be required to take any steps to ascertain whether an Event of Default, or any other event which could lead to the exercise of a Put Option (as defined in Schedule Condition 4 (*Redemption*, *Purchase* and *Options*)) has occurred and shall not be liable for omitting to take any such steps.

8. FEES, DUTIES AND TAXES

Unless otherwise stated in the Shelf Prospectus and the relevant Supplementary Shelf Prospectus/Pricing Supplement, the Issuer shall pay any stamp, issue, registration, documentary and other similar fees, duties and taxes, including receipted expenses, interest and penalties, payable on or in connection with (a) the execution and delivery of this Deed; (b) the constitution and issuance of the Bonds; (c) any action taken by or on behalf of the Trustees or (where permitted under this Deed so to do) any Bondholder to enforce this Deed; and (d) agreed professional and other statutory fees incurred in connection with the establishment of the Programme.

9. COVENANT OF COMPLIANCE

9.1 The Issuer, the Sponsor and the Trustees covenant with each other that they will comply with, perform, and observe all the provisions of this Deed which are binding on them. The Trustees shall hold the benefit of this covenant upon trust for themselves and the Bondholders.

9.2 The Conditions shall be binding on the Issuer, the Trustees and the Bondholders. The Trustees shall hold the benefit of this covenant upon trust for themselves and the Bondholders.

10. CANCELLATION OF BONDS AND RECORDS

10.1 The Issuer shall procure that all Certificates of Bonds: (i) redeemed or (ii) purchased by or on behalf of the Issuer, any holding company of the Issuer or any other Subsidiary of such holding company, or (iii) which, being mutilated or defaced, have been surrendered and replaced, or (iv) lost or stolen, and replaced; may be cancelled by or on behalf of the Issuer and a certificate or statement stating:

10.1.1 the aggregate Principal Amount of Bonds which have been redeemed;

10.1.2 the serial numbers of such Bonds;

10.1.3 the aggregate nominal amount of Bonds (if any) which have been purchased by or on behalf of the Issuer or any Subsidiary of the Issuer (if any) and cancelled;

shall be given to the Trustees by the Registrar on behalf of the Issuer as soon as reasonably practicable and in any event, within [two (2) Months] after the date of such redemption, purchase, payment, exchange or replacement (as the case may be). The Trustees may accept such certificate as conclusive evidence of redemption, purchase or replacement *pro tanto* of the Bonds or of cancellation of the Bonds.

10.2 The Issuer shall procure: (a) that the Registrar shall keep a full and complete record of all Bonds and of their redemption or purchase by or on behalf of the Issuer or any Subsidiary of the Issuer (if any), any cancellation or any payment (as the case may be) and of all replacement Bonds issued in substitution for lost, stolen, mutilated, defaced or destroyed Bonds; (b) that the Registrar shall with regards to interest bearing Bonds, retain a list of Bondholders to whom interest was paid; and (c) that such records shall be made available to the Trustees within the period stated in Clause 10.1 above.

11. APPLICATION OF MONIES

11.1 All monies received by the Trustees from the Issuer and/or the Sponsor under this Deed shall, be apportioned *pari passu* and rateably between each Tranche or Series of the Bonds, and all monies received by the Trustees under this Deed from the Issuer shall be held by the Trustees upon trust to apply them in the following order of priority:

11.1.1 **FIRSTLY**, in payment or satisfaction of all amounts then due and unpaid under Clause 19.1 to the Trustees and/or any Appointee;

11.1.2 **SECONDLY**, in or towards payment *pari passu* and rateably of the aggregate Principal Amount and Coupon then due and unpaid in respect of the Bonds of that Series or Tranche;

11.1.3 **THIRDLY**, in or towards payment *pari passu* and rateably of the aggregate Principal Amount and Coupon then due and unpaid in respect of the Bonds of other Series or Tranche; and

11.1.4 **FOURTHLY,** in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer and any other person).

Without prejudice to this Clause 11, any monies which represent the Principal Amount or Coupon in respect of Bonds which have become void or in respect of which claims have been prescribed under Schedule 3 Condition 8 (*Prescription*), shall be repaid to the Issuer.

11.2 Notwithstanding the foregoing, if the Trustees shall so determine, payments may be made on account of principal monies and premiums before the interest (if applicable) or the whole of the interest on Bonds of Outstanding Series or Tranche have been paid but such alteration in the order of payment of principal monies premium and interest shall not prejudice the right of Holders to receive the full amount to which they would have been entitled if the primary order of payment had been observed or any less amount which the sum ultimately received may be sufficient to pay.

12. ENFORCEMENT

The rights and duties of the Trustees, and the rights and duties of the Bondholders in respect of the Bonds as to recovery of amounts owing on the Bonds upon the occurrence of an Event of Default or the enforcement of the provisions of this Deed are set out in Schedule 3 Condition 10 (*Enforcement*).

13. INVESTMENT BY TRUSTEES

13.1 Subject to the provisions of each Series Trust Deed, if the amount of the monies at any time available in the Designated Accounts for the payment of the Principal Amount, premium (if any) and Coupon (where applicable) on the Bonds of any Series or Tranche shall be less than ten per cent (10%) of the amount due and payable on the Bonds, the Trustees may at their discretion, pending payment, invest such monies in Permitted Investments or place such monies in some or one of the deposits hereinafter authorised for such periods as it may consider expedient with power from time to time at the like discretion to vary such deposits and to accumulate such deposits and the resulting interest and other income derived therefrom until such accumulated deposits shall amount to ten per cent (10%) of the amount due and payable under the Bonds and then the accumulated deposits shall be applied in the settlement of amounts due on or in respect of the Bonds of the relevant Series or Tranche and in the payment of all amounts due and unpaid to the Trustees.

13.2 All interest and other income deriving from such deposits shall also be applied in payment or satisfaction of all amounts then due and payable to the Trustees and/or any Appointee, otherwise held for the benefit of, and paid to the Bondholders of such Series or Tranche as the case may be, in accordance with Clause 11. Subject to the selection criteria, if any bank selected is a subsidiary, holding or associated company of the Trustees, it need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on similar deposits by the bank's other customers which it deals with on an arm's length basis.

13.3 Any amount remaining after the application by the Trustees of the interest and other income deriving from such deposits under this Clause 13.2 shall be deposited in the Designated Accounts for the purpose of the payment of the Principal Amount, premium (if any) and Coupon (where applicable) on the Bonds of any Series or Tranche.

13.4 Subject to this Clause 13, any monies subject to the trusts under this Deed which at any given time are not required for the discharge of any obligations hereunder within the five (5) days immediately following a Coupon Payment Date may be invested by the Trustees in the name or under the control of the Trustees in Permitted Investments.

13.5 The Trustees shall select Permitted Investments in accordance with prudent investment standards, which shall be safe liquid investments capable of meeting the payment obligations of the Issuer. The Trustees shall not be liable for making any investment in accordance with the provisions of this Deed or any loss resulting

from such investment so made, except for its own negligence, misconduct, insider or self-dealing constituting a breach of trust under the Trustees Act, the ISA or any other applicable law.

13.6 Statement of Investment Principles

The Trustees undertake to invest the monies available in the Designated Accounts in accordance with, and based on, the approved portfolio allocation as set out in the relevant Series Trust Deed.

14. PARTIAL PAYMENTS

Upon any payment other than payment in full against surrender of Bonds of a Series or Tranche, the CSD Statement of Account in respect of which such payment is made shall be produced to the Trustees or the Registrar by or through whom such payment is made and the Trustees shall cause the Registrar to ensure that the CSD Statement of Account and records of the Bondholder are updated to reflect the partial redemption, but the Trustees may in any particular case or generally in relation to the Bonds dispense with such obligation upon such indemnity being given by the Bondholder as the Trustees shall think sufficient.

15. UNDERTAKINGS OF THE SPONSOR AND THE ISSUER

15.1 The Sponsor undertakes to the Trustees, that so long as the Issuer has any actual or contingent liability to the Trustees or the Bondholders, the Sponsor shall not exercise any of the following rights which it may at any time have, whether by reason of performance by the Sponsor of its obligations under this undertaking or otherwise:

(i) the right to be indemnified by the Issuer or to claim payment of any money which may be owing or incurred by the Issuer to the Sponsor on any account whatsoever, or exercise any other right, claim or remedy in respect of such money;

(ii) the right to prove in the Issuer's winding up or insolvency; or

(iii) the right to participate in any security held, or money received, by the Trustees on account of the payment obligations and the liability of the Sponsor under this Deed shall not be reduced or discharged by any amount held by the Trustees on account for the Issuer.

15.2 The Sponsor undertakes to the Trustees, that so long as the Issuer has any actual or contingent liability to the Trustees or the Bondholders, none of the events set out below shall discharge the liabilities or the obligations of the Sponsor under this Deed or any of the Programme Documents, or impair the rights, powers and remedies of the Trustees under this Deed:

(i) any amalgamation, consolidation, merger or reconstruction by or between the Trustees and any other person or any sale or transfer of the whole or any part of the assets of any of the Trustees to any other person (including any rights under this Deed);

(ii) the winding-up, dissolution, liquidation, administration, bankruptcy or reorganisation of the Issuer or any change in its constitution, status, function, control or ownership;

(iii) any amendment to, or variation, waiver or release by operation of law of any of the payment obligations or any other security or guarantee for the payment obligations;

(iv) the existence of any claim or set-off or other rights which the Sponsor may have against the Issuer, the Trustees or any other person;

(v) the grant by the Trustees to the Issuer of any waiver or the withdrawal or restriction by the Trustees of any waiver or the absence of any notice to the Sponsor of any such granting, withdrawal or restriction;

(vi) any failure by the Trustees to realize, or to fully realize, the value of, or any release, discharge, exchange or substitution of, any security (including this undertaking) taken in respect of the Issuer's obligations;

(vii) the existence, whether known to the Trustees or not, of a default under this Deed or a Series Trust Deed, any time or other indulgence being granted or being agreed to be granted to the Issuer or any other person, in respect of its obligations under or pursuant to or under any other security or any arrangement or compromise entered into by the Trustees with the Issuer or any other person;

(viii) any of the obligations of the Sponsor or any other person under this Deed or Series Trust Deed, or security taken in respect of any of the obligations of the Issuer being or becoming illegal, invalid, unenforceable, impaired or ineffective in any respect; or

(ix) any other act, event or omission which might operate to discharge, impair or otherwise affect any of the obligations of the Sponsor under this Deed or any of the rights, powers or remedies conferred upon the Trustees by this Deed or by law.

15.3 Both the Sponsor and the Issuer hereby irrevocably and unconditionally undertake to the Trustees:

15.3.1 the due and punctual payment in accordance with this Deed of the principal of and interest on all Bonds and of any other amounts payable by the Issuer under this Deed; and

15.3.2 the due and punctual performance and observance by the Issuer of each of the other provisions of this Deed to be performed or observed by the Issuer.

If, any payment received by the Trustees or any Bondholder from the Issuer pursuant to the provisions of this Deed in relation to the Bonds shall (whether on the subsequent bankruptcy, insolvency or corporate reorganisation of the Issuer or, without limitation, on any other event) be avoided or set aside for any reason, such payment shall not be considered as discharging or diminishing the liability of the Sponsor and this undertaking shall continue to apply as if such payment had at all times remained owing by the Issuer, and the Sponsor shall indemnify the Trustee and the Bondholders in respect thereof.

15.4 Unless otherwise specified in the Series Trust Deed, the Sponsor hereby agrees that its obligations hereunder shall be unconditional and that the Sponsor shall be fully liable irrespective of the validity, regularity, legality or enforceability against the Issuer of, or of any defence or counter-claim whatsoever available to the Issuer in relation to its obligations under this Deed, whether or not any action has been taken to enforce the same or any judgment obtained against the Issuer, whether or not any of the other provisions of this Deed have been modified, whether or not any time, indulgence, waiver, authorisation or consent has been granted to the Issuer by or on behalf of the Bondholders or the Trustees, whether or not any determination has been made by the Trustees pursuant to Schedule 3 Condition 9 (*Events of Default*), whether or not there have been any dealings or transactions between the Issuer, any of the Bondholders or the Trustees, whether or not the Issuer has been dissolved, liquidated, merged, consolidated, bankrupted or has changed its status, functions, control or ownership, and whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defence to the Sponsor arising under this Clause 15. Accordingly, the validity of this undertaking shall not be affected by reason of any invalidity, irregularity, illegality or unenforceability of all or any of the obligations of the Sponsor under this Deed and this undertaking shall not be discharged nor shall the liability of the Sponsor under this Deed be affected by any act, thing or omission or means whatsoever whereby its liability would not have been discharged if it had been the principal obligor under the Bonds.

15.5 Without prejudice to the provisions of Clause 23 (*Trustees Not Bound to Enforce Covenants*), the Trustees may determine from time to time whether or not they will enforce this undertaking without making any demand of or taking any proceedings against the Issuer and may from time to time make any arrangement or compromise with the Sponsor in relation to this undertaking which the Trustees may consider expedient in the interests of the Bondholders.

15.6 The Sponsor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of dissolution, liquidation, merger or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest or notice with respect to the Bonds or the indebtedness evidenced thereby and all demands whatsoever and hereby covenants that this undertaking shall be a continuing undertaking until the complete performance of the obligations contained in this Deed in relation to the Bonds and shall be additional to, and not instead of, any security or other undertaking, guarantee or indemnity at any time existing in favour of any person, whether from the Sponsor or otherwise.

15.7 The Sponsor shall indemnify the Trustees with or without demand, from and against any loss, cost, expense or liability of any kind that may be incurred by the Trustees, or brought against the Trustees as a result of the Issuer failing to perform its payment obligations under this Deed duly and punctually, or as a result of any of the obligations being or becoming void, voidable, unenforceable or ineffective against the Issuer for any reason whatsoever, whether known to the Trustees or not.

15.8 If any monies shall become payable by the Sponsor under this undertaking, the Sponsor shall not, so long as the same remain unpaid, without the prior written consent of the Trustees:

(i) in respect of any amounts paid by it under this undertaking, exercise any rights of subrogation or contribution or, without limitation, any other right or remedy which may accrue to it in respect of or as a result of any such payment; or

(ii) in respect of any other moneys for the time being due to the Sponsor by the Issuer, claim payment thereof or exercise any other right or remedy;

(including in either case claiming the benefit of any security or right of set-off or, on the liquidation of the Issuer, proving in competition with the Trustees). If, notwithstanding the foregoing, upon the Winding up of the Issuer, any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, shall be received by the Sponsor before payment in full of all amounts payable under this Deed shall have been made to the Bondholders, such payment or distribution shall be received by the Sponsor on trust to pay the same over immediately to the Trustees for application in or towards the payment of all sums due and unpaid under this Deed in accordance with Clause 11.

15.9 Until all amounts which may be or become payable by the Issuer under this Deed have been irrevocably paid in full, the Trustees may:

15.9.1 refrain from applying or enforcing any other monies, security or rights held or received by the Trustees in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and the Sponsor shall not be entitled to the benefit of the same; and

15.9.2 hold in a suspense account any monies received from the Sponsor or on account of the Sponsor's liability under this undertaking, without liability to pay interest on those moneys but will be liable to account for any moneys if any interest accrues thereon.

15.10 The Sponsor shall pay interest to the Trustees on all sums demanded under this Deed, from the date of the Trustee's demand under this Deed or, if earlier, the date on which the relevant loss, cost or expenses arose in respect of which such demand has been made, in each case until, but excluding, the date of actual payment (after as well as before judgment). All such interest shall accrue on a day-to-day basis and be calculated by the Trustees on the basis of the day count fraction and at the interest rate/coupon rate specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement.

16. COVENANTS TO PAY

16.1 The Issuer and the Sponsor covenants with the Trustees that they shall, in accordance with the provisions of this Deed and the relevant Final Terms of any Series, unconditionally pay or procure to be paid to or to the order of the Trustees in immediately available freely transferable funds in Nigerian Naira (or such other currency specified in the relevant Final Terms), the Principal Amount Outstanding of the Bonds of such Series or any of them becoming due for payment on that due date and shall (subject to the Conditions and except in the case of zero coupon bonds) until all such payments (after as well as before any judgment or other order of any court of competent jurisdiction) are duly made, unconditionally pay or procure to be paid to or to the order of the Trustees as aforesaid on the dates provided for in the Conditions, interest on the Principal Amount Outstanding (or such other amount as may be specified in the relevant Final Terms) of the Bonds or any of them of such Series from time to time as set out in the Conditions provided however that:

(a) every payment of principal or interest in respect of such Bonds or any of them made to any Bondholder in the manner provided in the applicable Final Terms shall satisfy, to the extent of such payment, the relevant covenant by the Issuer and the Co-obligors contained in this Clause except to the extent that there is default in the subsequent payment thereof to the relevant Bondholders in accordance with the Conditions;

(b) if any payment of principal or interest in respect of such Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the relevant Bondholders or, if earlier, the fifth day after notice has been given to the relevant Bondholders in accordance with Condition 18 (Notices) of Schedule 1 that the whole of such principal, together with interest which has accrued and is to accrue pursuant to this proviso has been received by the Trustees except; and

(c) in any case where payment of the whole or any part of the Principal Amount due in respect of any Bond is improperly withheld or refused on the Redemption Date (other than in circumstances contemplated by proviso (b) above) interest shall continue to accrue on the whole or such part of

such Principal Amount (except in the case of Zero Coupon Bonds, to which the provisions of Condition 6 shall apply), from the date of such withholding or refusal until the date either on which such Principal Amount is paid to the relevant Bondholders or, if earlier, the fifth day after which notice is given to the relevant Bondholders in accordance with Condition 13 (Notices) of Schedule 13 that the full amount payable in respect of the said Principal Amount (including the Coupon, if unpaid together with interest which has accrued and is to accrue pursuant to this proviso) is available for collection by the relevant Bondholders, such payment is in fact made

16.2 The Issuer and the Sponsor's obligations in respect of the Bonds to be issued under the Programme including the obligation to pay all amounts due under the Bonds shall be backed by the Deed of Undertaking.

17. OTHER COVENANTS OF THE ISSUER

17.1 The Issuer covenants and agrees that:

17.1.1 save for transactions involving an internal restructuring or an arrangement necessitated by any law or regulation, wherein prior notification to the Trustees will suffice, it shall not without the prior written consent of the Trustees (which consent may only be withheld by the Trustees if it is of the reasonable opinion that to do so will be materially prejudicial to the interests of the Bondholders) consolidate with or merge into any other Person (or enter into any transaction whose effect would be similar to that of a merger or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its property and assets to any Person by one or more transactions or series of transactions (whether related or not) (any such consolidation or merger (or transaction whose effect would be similar to that of a merger) and any such transaction or series of transactions, a "consolidation" or "merger") if such consolidation or merger would have a Material Adverse Effect, unless:

17.1.1.1 the Issuer shall be the continuing Person or the successor Person (as a result of such consolidation or merger), shall be a corporation organised and validly existing under the laws of Nigeria, and shall expressly assume by a supplemental trust deed to this Deed in form and substance satisfactory to the Trustees, all of the obligations of the Issuer under this Deed;

17.1.1.2 immediately before and after giving effect to such consolidation or merger, no Potential Event of Default or Event of Default shall have occurred and be continuing;

17.1.1.3 a Rating Reaffirmation is obtained in respect of such merger or consolidation or transfer of assets, as the case may be; and

17.1.1.4 the Issuer or such successor Person, as the case may be, shall have delivered to the Trustees, a certificate signed by two of its directors stating the consolidation or merger complies with the provisions of Clauses 17.1.2.1 to 16.1.2.3 above.

17.1.2 it shall faithfully perform at all times, any and all covenants including covenants set out in Condition 3 (*Covenants*) of Schedule 3, undertakings, stipulations and provisions on its part to be performed as provided in this Deed and in the relevant Series Trust Deed for every issue of Bonds of any Series or Tranche executed and delivered hereunder and in all proceedings of the Issuer pertaining thereto.

17.1.3 it shall pay the Trustees such fees as may be agreed between the Parties, and reimburse the Trustees, for all agreed reasonable and proper out of pocket costs and expenses as they may incur in connection with the performance of their duties under this Deed including the agreed costs for convening and holding meetings of Bondholders.

17.1.4 it shall advise the Trustees immediately upon the occurrence of an event which it is aware or ought reasonably to be aware of constituting a Force Majeure Event, the steps being taken and proposed to be taken by the Issuer in relation to such event and the date on which that Force Majeure Event no longer exists; Provided that such event will only be accepted by the Trustees as a Force Majeure Event where it is reasonably satisfied that such event impedes the Issuer's ability to discharge its obligations under this Deed, or in relation to the Bonds, and the Issuer has deployed all reasonable efforts which are consistent with accepted practices to resume performance of its obligations as soon as practicable under the circumstances.

17.2 So long as any of the Bonds remains outstanding, the Issuer shall and the Sponsor shall procure that the Issuer shall:

17.2.1 at all times carry on and conduct its affairs in a proper and diligent manner;

17.2.2 procure that the rating of the Issuer and the Bonds be reviewed annually by a rating agency duly registered with the SEC as may be required under the ISA and SEC Rules;

17.2.3 give or procure to be given to the Trustees such opinions, certificates and information as they shall reasonably require and in such form as they shall reasonably require for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in them under this Deed or by operation of law;

17.2.4 at all times keep books of account and upon reasonable notice, allow the Trustees and any Appointees to whom the Issuer shall have no reasonable objection, free access to such books of account at all reasonable times during normal business hours;

17.2.5 send to the Trustees (in addition to any copies to which the Trustees may be entitled as a holder of any securities of the Issuer) two (2) copies in English language of every report, circular and notice of general meeting and every other document issued or sent to its shareholders within ten (10) Business Days after the issue or publication thereof;

17.2.6 forthwith give notice in writing to the Trustees of the coming into existence of any Security Interest which would require any security to be given to the Bonds pursuant to the applicable Series Trust Deed or of the occurrence of any Event of Default or any Potential Event of Default;

17.2.7 send to the Trustees within five (5) Business Days copies of every financial report, (including its annual accounts, semi-annual accounts and quarterly accounts) sent to the NGX, the FMDQ (where applicable) and the SEC in accordance with the timelines prescribed by the NGX, FMDQ and the SEC;

17.2.8 within five (5) Business Days after a demand in writing by the Trustees provide a certificate in or substantially in the form set out in Schedule 4 (*Form of Directors' Certificate*) signed by two (2) of its Directors to the effect that as at a date not more than five (5) Business Days before delivering such certificate (the relevant certification date) there did not exist and had not existed since the relevant certification date of the previous certificate (or, in the case of the first such certificate, the date hereof) any Event of Default or any Potential Event of Default (or if such exists or existed specifying the same) and that during the period from and including the relevant certification date of the last such certificate (or, in the case of the first such certificate, the date hereof) to and including the relevant certification date of such certificate that it has complied with all its obligations contained in this Deed;

17.2.9 at all times execute all such further documents, and perform all acts and things as may be reasonably necessary at any time or times in the reasonable opinion of the Trustees for the purpose of discharging their functions under, or giving effect to, this Deed;

17.2.10 at all times ensure that the Registrar maintains a Register in accordance with this Deed and the Conditions;

17.2.11 use its best endeavours to maintain the quotation or Listing on the relevant stock exchange of those of the Bonds which are quoted or listed or, if it is unable to do so having used such endeavours, use its best endeavours to obtain and maintain a quotation or Listing of such Bonds on such other stock exchange or exchanges or securities market or markets as the Issuer may decide and also upon obtaining a quotation or Listing of such Bonds issued by it on such other stock exchange or exchanges or securities market or markets enter into a trust deed supplemental to this Deed to effect such consequential amendments to this Deed as the Trustees may require or as shall be requisite to comply with the requirements of any such stock exchange or securities market;

17.2.12 give notice to the Bondholders, the Trustees and the SEC of the appointment, resignation or removal of the Registrar (other than the appointment of the initial Registrar) at least thirty (30) days prior to such event taking effect; provided always that so long as any of the Bonds remain outstanding in the case of the termination of the appointment of the Registrar, no such termination shall take effect until a new Registrar has been appointed by the Issuer on terms previously approved in writing by the Trustees, provided that the Trustees shall not be required to approve the fees payable to the Registrar;

17.2.13 send to the Trustees, not less than ten (10) days or such other shorter notice as may be agreed by the Trustees and Issuer, prior to which any such notice is to be given, the form of every notice to be given to the Bondholders and obtain the prior written approval of the Trustees to, and promptly give to the Trustees, two copies of the final form of every notice to be given to the Bondholders;

17.2.14 in order to enable the Trustees ascertain the nominal amount of the Bonds of each Series for the time being outstanding for any of the purposes referred to in the proviso to the definition of Outstanding in Clause 1.42, deliver to the Trustees within ten (10) Business Days upon being so requested in writing by the Trustees, a certificate in writing signed by two of its Directors or other authorised signatories, setting out the total number and aggregate nominal amount of the Bonds of each Series or Tranche issued which:

(i) up to and including the date of such certificate have been purchased by the Issuer, any Subsidiary of the Issuer (if any), any holding company of the Issuer or any other Subsidiary of such holding company, and cancelled; and

(ii) are at the date of such certificate held by, for the benefit of, or on behalf of, the Issuer, any holding company of the Issuer or any other Subsidiary of such holding company;

17.2.15 give prior notice to the Trustees of any proposed redemption and, if it shall have given notice to the Holders of its intention to redeem any Bonds, duly proceed to redeem the Bonds accordingly.

18. OTHER COVENANTS OF THE SPONSOR

The Sponsor hereby covenants with the Trustees that, so long as any of the Bonds remain outstanding, it will duly perform and comply with the obligations expressed to be undertaken by it as set out below.

18.1 The Sponsor shall provide to the Trustees and the Rating Agency:

18.1.1 as soon as same are available (and in any event within ninety (90) days of the end of the Sponsor's financial year), the audited consolidated financial accounts of the Sponsor for each financial year;

18.1.2 as soon as same are available (and in any event within thirty (30) days of the end of the first six (6) months of the Sponsor's financial year), the unaudited consolidated financial accounts of the Sponsor for those six (6) months; and

18.1.3 an annual Directors' certificate in or substantially in the form set out in the Schedule 4 (*Directors' Certificate*) certifying as to the absence of any Event of Default or, if there is an Event of Default, describing the action the Sponsor is taking or proposes to take to remedy the same.

18.2 The Sponsor shall permit its Auditors to communicate directly with the Trustees or their Appointees following the occurrence and during the continuance of an Event of Default.

18.3 The Sponsor shall:

18.3.1 ensure that the Issuer duly performs and complies with the obligations expressed to be undertaken by it as set out in the Programme Documents and in respect of the Bonds; and

18.3.2 comply in all material respects with all applicable laws, rules, regulations and licenses unless failure to perform such obligations or comply with such terms and conditions would not reasonably be expected to have a Material Adverse Effect.

18.4 The Sponsor shall not (i) merge or consolidate with any other person, or (ii) directly or indirectly transfer to any person all or substantially all of its properties or assets as an entirety in one or more related transactions unless such person assumes the Sponsor's obligations under the Programme Documents and:

18.4.1 no Event of Default would occur or be reasonably expected to occur as a result of such merger or consolidation or transfer of assets, as the case may be; and

18.4.2 a Rating Reaffirmation is obtained in respect of such merger or consolidation or transfer of assets, as the case may be.

18.5 For so long as any of the Bonds remain outstanding, the Sponsor shall not create or permit to subsist any charge, mortgage, lien, pledge or other security interest upon any of its assets or any other property or any

other indebtedness guaranteed by it, without the prior written consent of the Trustees (such consent not to be unreasonably withheld). Where the Trustees so consent, the Sponsor shall at the same time as the creation of such indebtedness grant to the Trustees (for the benefit of the Bondholders) the same or equivalent security as is granted in relation to the indebtedness.

18.6 The Sponsor shall insure and keep insured to the satisfaction of the Trustees and to the full replacement value thereof all such parts of its assets as are of an insurable nature against loss or damage by fire, explosion, lightning, storm, tempest, flood (where appropriate), aircraft and things dropped therefrom and such other risks as in accordance with sound commercial practice are normally insured against by companies carrying on a similar business in one or more insurance offices of repute and shall produce the policies of such insurance (or evidence of renewal thereof) to the Trustees if required and duly pay or cause to be paid the premiums and other sums of money payable in respect of all such insurance and if required, produce to the Trustees the receipt for the same within seven (7) days of the same being requested by the Trustees.

19. REMUNERATION AND INDEMNIFICATION OF TRUSTEES

19.1 The Issuer and or the Sponsor shall during the continuance of this Deed and until the trust hereof shall be finally wound up, pay to the Trustees both the engagement fee and annual remuneration for each Series or Tranche for their services as Trustees as from the completion date of each Series or Tranche, such remuneration to be at such rate and to be paid on such dates as may from time to time be agreed between the Issuer and the Trustees in a separate fee letter. Provided that such fee and remuneration shall not exceed the maximum fees prescribed in the SEC Rules (expressed as a percentage cap of the size of an offer).

19.2 Where the occurrence of an Event of Default or a Potential Event of Default requires or where the Trustees consider it expedient or necessary or are requested by the Issuer to undertake duties which the Trustee considers to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustees under this Deed, the Issuer and/or the Sponsor shall pay to the Trustees such additional remuneration as shall be agreed between them in a separate fee letter.

19.3 The Issuer shall in addition pay to the Trustees an amount equal to the amount of any VAT or similar tax chargeable in respect of the Trustees' remuneration under this Deed, provided that it is understood that the Issuer shall deduct applicable withholding tax from all remuneration referred to in this Clause 19.

19.4 In the event of the Trustees and the Issuer failing to agree:

19.4.1 upon the amount of the remuneration as contemplated in Clause 19.2; or

19.4.2 upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustees under this Deed, such matters shall be determined by an investment bank or person (acting as an expert and not as an arbitrator) selected by the Trustees and approved by the Issuer or, failing such approval, nominated (on the application of the Trustees and Issuer) by the Director General for the time being of the SEC (the expenses involved in such nomination and the fees of such person being payable by the Issuer and/or the Sponsor) and the determination of any such person shall be final and binding upon the Trustees and the Issuer.

19.5 The Issuer and/or the Sponsor shall also pay and discharge all Liabilities reasonably incurred by the Trustees in relation to the preparation and execution of the Programme Documents, and the exercise of its powers and the performance of its duties hereunder including any appointment made pursuant to this Deed, and in any other manner in relation to this Deed, including but not limited to reasonable travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Trustees in connection with any action taken by or on behalf of the Trustees for enforcing this Deed; Provided that the Trustees shall seek and obtain the prior written consent of the Issuer to incur any such Liabilities in excess of an aggregate sum of ₦200,000.00 (Two Hundred Thousand Naira) in any one (1) calendar year; unless such expense is incurred for the purposes of enforcing the provisions of this Deed against the Issuer upon the occurrence of an Event of Default, in which case such consent shall not be required.

19.6 All amounts payable under this Clause shall be payable by the Issuer and/or the Sponsor within twenty-one (21) Business Days from the date of the written demand by the Trustees.

20. ESTABLISHMENT OF DESIGNATED ACCOUNTS

20.1 Unless otherwise stated in any Series Trust Deed, the Issuer shall, not later than fifteen (15) Business Days before the first Coupon Payment Date for each Tranche or Series of Bonds, open a Designated Account, no matter the name called under the relevant Series Trust Deed, in the name of the Trustees, into which the Issuer shall pay, or procure the payment of, at least three (3) Business Days before a Coupon Payment Date, Instalment Date (as defined in Condition 4 of Schedule 3) or Maturity Date ("**Funding Date**") all monies due under the relevant Tranche or Series of Bonds at the time to the Bondholders. Each Series Trust Deed shall specify how the relevant Designated Account will be funded.

20.2 The Trustees shall at the expense of the Issuer notify the Issuer and the Sponsor:

20.2.1 at least five (5) Business Days before a Funding Date of an impending Funding Date;

20.2.2 if it has not by close of business on the Funding Date received the full amount required for payment to the Bondholders, that it has not received the said amount; and

20.2.3 if it has received the full amount of any sum payable in respect of the Bonds.

21. POWERS, RIGHTS, DUTIES AND RELIEFS OF THE TRUSTEES

21.1 Subject to the provisions of this Deed, the Trustees shall enjoy all powers, reliefs, and indemnities of a trustee preserved under all applicable laws for the time being in force.

21.2 The Trustees shall have the power to do any act in accordance with this Deed, the relevant Series Trust Deed, the ISA, SEC Rules and any applicable law which shall be on behalf of and for the benefit of the Bondholders.

21.3 The Trustees shall have the following duties and responsibilities:

21.3.1 To act in accordance with the provisions of this Deed, the relevant Series Trust Deed, the ISA, SEC Rules and any applicable law and safeguard the rights of the Bondholders as relate to the Issuer's obligations under the Programme;

21.3.2 To summon, as and when necessary, meetings of all Bondholders of a Tranche or Series whereat a statement of affairs on the management of any funds standing to its credit on behalf of the Bondholders shall be presented, and or any other necessary business and or matter shall be presented and determined. A meeting shall be convened by the giving of at least twenty-eight (28) clear days' written notice to all Holders (specifying the date, venue, time and agenda at the meeting), and the said notice shall also be published in at least two (2) national newspapers. The procedure of, and regulations for, such a meeting of the Bondholders shall be in accordance with Schedule 1 of this Deed;

21.3.3 Not to enter into contracts or other arrangements that would amount to a Conflict of Interest in the performance of their obligations under this Deed, or any other customary obligations of a trustee.

21.4 Prior to an Event of Default and after the curing or waiving of all Events of Default which may have occurred, the Trustees shall not be liable except for the performance of such duties as specifically set down herein.

21.5 The Trustees shall have no Liability for any act or omission to act hereunder, or under any other instrument or document executed pursuant hereto except for the Trustees' negligence and misconduct.

21.6 The duties and obligations of the Trustees shall be determined solely by the express provisions hereof, and no implied powers, duties or obligations of the Trustees, save as mandated by the ISA, SEC Rules or any other applicable law, shall be construed into this Deed.

21.7 Upon the occurrence of an Event of Default, the Trustees shall subject to the provisions of this Deed, exercise such rights and utilise such powers vested in them under this Deed, the ISA and the SEC Rules and shall use the required degree of care and skill in the exercise of their duties.

21.8 The Trustees shall have no duty, responsibility or obligation for the issuance of Bonds or for the validity or exactness thereof, or of any document relating to such issuance.

21.9 The Trustees shall have no duty, responsibility or obligation for the payment of Bonds except in accordance with the terms and provisions hereof or any Series Trust Deed.

21.10 The Trustees shall not be required to expend or risk their own funds or otherwise incur any liability in the performance of their duties or in the exercise of their rights or powers as trustee, except such liability as may result from their negligence and/or misconduct.

21.11 Notwithstanding any other provisions hereof, the Trustees shall have no Liability for (a) an error of judgment made in good faith by a Responsible Officer, unless it shall be proved that both or either of the Trustees was negligent in ascertaining the pertinent facts, provided always that any resulting Liability shall be borne by the Trustee in default; or (b) an action taken or omitted to be taken by them in good faith in accordance with the lawful direction of the Bondholders of not less than a simple majority in Principal Amount of Bonds then outstanding.

21.12 It is hereby expressly agreed and declared as follows:

21.12.1 The Trustees, acting reasonably and in good faith, may in relation to this Deed, act on the opinion or advice of, or any information from any solicitor, valuer, surveyor, broker, auctioneer, accountant, or other expert, whether obtained by the Issuer, Sponsor or by the Trustees, and shall not be responsible for any loss occasioned by their reliance on such opinion, advice or information; provided however that the Trustees have exercised due care and diligence in relying on any such advice, opinion or information; and any such advice, opinion or information may be obtained or sent by letter or electronic mail.

21.12.2 Unless otherwise stated in the Series Trust Deed, the Trustees shall not be responsible for the monies paid by Bondholders for the Bonds or be bound to see to and or monitor the application thereof.

21.12.3 Save as herein otherwise provided, the Trustees shall not be bound to take any steps to ascertain whether any event has happened upon the occurrence of which any Tranche or Series of Bonds may be declared immediately repayable.

21.12.4 The Trustees shall not be responsible for having acted upon any resolution passed at a duly convened, properly constituted meeting of the Bondholders in respect whereof minutes have been made and signed, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution with the effect that the resolution was not valid or binding upon the Holders, except where the Trustees had prior knowledge of such defect; in which case the Trustees shall become liable for such acts.

21.12.5 Without prejudice to the right of indemnity conferred by law on the Trustees, the Trustees and every Appointee shall be entitled to be indemnified by the Issuer and the Sponsor in respect of all liabilities and agreed expenses incurred by them in the execution of the powers and trusts hereof or of any powers, authorities or discretions vested in them pursuant to this Deed; provided that the Trustees and such Appointee have not been fraudulent, negligent or acted in default of their powers.

21.12.6 The Trustees shall not be liable for any act pursuant to or under this Deed, save only for the Trustees' negligence and misconduct and any breach of trust committed by them; provided that nothing contained in this clause shall exempt the Trustees from or indemnify them against any liability for breach of trust where the Trustees fail to show the degree of care and diligence required of them, having regard to the provisions hereof conferring on the Trustees, several powers, authorities and discretions.

21.12.7 The Issuer and/or the Sponsor shall reimburse the Trustees, in so far as may be lawful, in respect of all agreed costs and expenses incurred by the Trustees in relation to or arising out of any application made to any court by the Trustees or any of the Bondholders for an order that the trust hereof may be carried out under the direction of the court or for an order or declaration relating to the administration of the trust hereof or the enforcement of the rights hereunder of the Trustees or the construction of this Deed.

21.12.8 In the absence of bad faith and negligence on the part of the Trustees, the Trustees may conclusively rely upon and shall be protected in acting or refraining from acting upon any

document, including but not limited to any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order or other paper or document reasonably believed by it to be genuine and to have been signed or presented by proper officials of the Issuer relating to any matter primarily within the knowledge of the Issuer, the Bondholders or agents or attorneys of the Bondholders, as sufficient evidence thereof; provided that in the case of any such document specifically required to be furnished to the Trustees hereby, the Trustees shall be under a duty to examine the same to determine whether it conforms to the requirements thereof. The Trustees shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, or other paper or document submitted to the Trustees; provided however that the Trustees, in their discretion, may make such further inquiry or investigation into such facts or matters as they may deem prudent.

21.12.9 Any certificate or report of the Auditors or any other person called for by or provided to the Trustees (whether or not addressed to the Trustees) in accordance with or for the purposes of this Deed may be relied upon by the Trustees as sufficient evidence of the facts stated therein notwithstanding that such certificate or report and/or any engagement letter or other document entered into by the Trustees in connection therewith contains a monetary or other limit on the liability of the Auditors or such other person in respect thereof and notwithstanding that the scope and/or basis of such certificate or report may be limited by any engagement or similar letter or by the terms of the certificate or report itself.

21.12.10 The Trustees shall be entitled to assume without enquiry, in the absence of knowledge by or express notice to them to the contrary, that the Issuer and the Sponsor are duly performing and observing all the covenants and provisions herein contained which are to be performed and observed by them and it shall be at the discretion of the Trustees whether to take any action or proceedings or to enforce the performance thereof, and the Trustees shall not be bound to declare any Tranche or Series of the Bonds immediately repayable or to take any steps to enforce payment thereof or any of the provisions of this Deed unless and until in any of such cases the Trustees are required to do so in writing by the registered Bondholders of at least three quarters (¾) of the nominal value of the Bonds or by a Special Resolution passed at a duly convened meeting of Bondholders; Provided that the Trustees shall in any case inform the Bondholders of the happening of any Event of Default that comes to their knowledge.

21.12.11 The Trustees in the exercise of the powers and discretions vested in them pursuant to this Deed shall comply with the provisions of the ISA, SEC Rules and any other applicable law.

21.12.12 In addition to the above, the Trustees shall:

(a) comply with the fiduciary duties owed to the Bondholders in accordance with this Deed and the applicable laws and act in the best interest of the Bondholders;

(b) ensure the prompt payment of principal and coupon to the holders upon receipt of funds in the Designated Account;

(c) act impartially and solely in the best interest of all Bondholders in the management of the trust property;

(d) not let their duties and that owed to the Bondholders conflict and not commingle their funds with those of the trust;

(e) segregate their assets from the trust property;

(f) clearly identify the funds/assets which are held in trust for the Bondholders;

(g) not pledge or charge the trust property except as permitted by this Deed, the ISA, SEC Rules or any applicable law;

(h) take all necessary steps to ensure that the assets of the trust are adequately protected; and

(i) not delegate their duties except as permitted by this Deed.

26. EXTRACTS OF MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE ISSUER

Below are the relevant extracts from the Issuer's Memorandum and Articles of Association:

3. The objects for which the Company is established are:
    a. To borrow or raise money from the Nigerian capital markets or other international markets, either by way of a stand-alone issue or by the establishment of Programmes of such amounts as may from time to time be determined by the Board of Directors of the Company and to issue bonds, notes, shares, or other debt, equity, derivatives, debt-linked, equity-linked, credit-linked, currency-linked, inflation-linked, index-linked, commodity-linked, bond replicas, asset-backed and/or other hybrid securities, whether convertible, redeemable, senior, secured, unsecured, subordinated, preferred and/or other types of structured notes, securities and instruments, within such maturity periods and upon such other terms and conditions as may be determined from time to time, by the Board of Directors of the Company and approved by relevant regulatory authorities
    b. To invest in the bonds, notes, shares, stocks, debentures, debenture stock, annuities or other securities, issued and or sold by Valency Agro Nigeria Limited or any entity within Valency Agro Nigeria Limited's group, and to invest in securities issued and/or sold by any corporate entities and/or any state government or any other government agency and parastatal, whether within or outside Nigeria, and to make investments of any description in such manner as maybe determined by the Board of Directors of the Company
    c. To raise or borrow money and to grant security over its assets, property and undertakings for such purposes and to enter into arrangements for such purposes, and to negotiate loans of every description
    d. To do all things ancillary and incidental to the purposes or objects set out above, to carry on any other business which may seem to the Company capable of being conveniently carried on in accordance with these objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property.
    e. To promote and invest in agricultural activities and green house projects by investing in the bonds, notes, shares, stocks, debentures, debenture stock, annuities or other securities, issued and/or sold and to invest in securities issued and/or sold by any corporate entities and/or any state government or any other government agency and parastatal, whether within or outside Nigeria, and to make investments of any description in such manner as may be determined by the Board of Directors of the Company, for promoting agricultural activities and green house projects.
    f. To promote and invest in agricultural activities and green house projects by raising or borrowing money and to grant security over its assets, property and undertakings for such agricultural or greenhouse project purposes and to enter into arrangements for such purposes, and to negotiate loans of every description.
    g. To do all things ancillary and incidental to the purposes or objects set out above, to carry on any other business which may seem to the Company capable of being conveniently carried on in accordance with these objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
    h. To promote and invest in agricultural activities and green house projects by borrowing or raising money from the Nigerian capital markets or other international markets, either by way of a stand-alone issue or by the establishment of programmes of such amounts as may from time to time be determined by the Board of Directors of the Company and to issue bonds, notes, shares, or other debt, equity, derivatives, debt-linked, equity-linked, credit-linked, currency-linked, inflation-linked, index-linked, commodity-linked, bond replicas, asset-backed and/or other hybrid securities, whether convertible, redeemable, senior, secured, unsecured, subordinated, preferred and/or other types of structured notes, securities and instruments, within such maturity periods and upon such other terms and conditions as may be determined from time to time, by the Board of Directors of the Company and approved by relevant regulatory authorities.

27. EXTRACT FROM THE BOARD RESOLUTION OF THE PROGRAMME

THE FEDERAL REPUBLIC OF NIGERIA
THE COMPANIES AND ALLIED MATTERS ACT NO. 3 OF 2020 (AS AMENDED)

PUBLIC COMPANY LIMITED BY SHARES

RESOLUTION OF THE BOARD OF DIRECTORS

OF

VALENCY SPV PLC

At the meeting of the board of directors of the Valency SPV Plc (the "Company") held on the 28 day of February, 2023 at Along Unity Estate Road, Off Lagos - Ibadan Expressway, Lagos, at 12:00pm, the following Resolutions were proposed and duly passed:

a. "that the Company be and is hereby authorized to establish a capital raising programme in an amount of up to ₦50,000,000,000 (Fifty Billion Naira) for the issuance of sukuks, investment certificates, notes, bonds and/or any other instruments either as a standalone issue or by the establishment of a debt issuance programme whether by way of public offering, private placement, book building process or any other method(s), in such tranches, series or proportions, at such coupon or interest rates (where applicable), within such maturity periods, at such dates and time and on such terms and conditions as may be specified by the Board and in compliance with applicable rules and regulations; subject to obtaining the approvals of relevant regulatory authorities (the "Programme");

b. that the Company be and is hereby authorized to enter into all such agreements, deeds, notices and other documents, appoint such professional parties and advisers, perform all such other acts and do all such other things as may be necessary to give effect to above resolutions, including without limitation, complying with the directives of any regulatory authority;

c. that any 2 (two) directors of the Company or a director and the company secretary of the Company be and are hereby authorized to sign and/or execute all documents and agreements in connection with the Programme; and

d. that the Company be and is hereby authorized to take such further lawful action and do such further things necessary for and incidental to effecting the above resolutions."

This resolution may be executed in one or more counterparts, each of which, when read together, shall comprise one and the same instrument.

DATED THIS 14TH DAY OF NOVEMBER 2022

DIRECTOR
NAME: OLUWASOLA SEWEJE

DIRECTOR
NAME: AYOMIDE AKINKUADE

DIRECTOR
NAME: ROTIMI OBENDE

DIRECTOR
NAME: BABATUNDE ADEWOLU

VALENCY AGRO NIGERIA LTD.

THE FEDERAL REPUBLIC OF NIGERIA
THE COMPANIES AND ALLIED MATTERS ACT NO. 3 OF 2020 (AS AMENDED)

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION OF THE BOARD OF DIRECTORS

OF

VALENCY AGRO NIGERIA LIMITED

We, the undersigned being all the directors of Valency Agro Nigeria Limited ("the Company") who on the date of this resolution are entitled to attend and vote at meetings of the board of directors of the Company ("the Board") hereby pass the following resolutions and agree that the said resolutions for all purposes shall be valid and effective as if same had been passed by us at a meeting of the Board duly convened and held:

a. "that the Company be and is hereby authorized to guarantee, support and/or sponsor the establishment of a capital raising programme in an amount of up to ₦50,000,000,000 (Fifty Billion Naira) by Valency SPV Plc and the issuance of sukuks, investment certificates, notes, bonds and/or any other instruments either as a standalone issue or by the establishment of a debt issuance programme whether by way of public offering, private placement, book building process or any other method(s), in such tranches, series or proportions, at such coupon or interest rates (where applicable), within such maturity periods, at such dates and time and on such terms and conditions as may be determined by the management of the Company ("the Management") and in compliance with applicable rules and regulations; subject to obtaining the approvals of relevant regulatory authorities (the "Programme").

b. that the Company be and is hereby authorized to enter into all such agreements, deeds, notices and other documents, appoint such professional parties and advisers, perform all such other acts and do all such other things as may be necessary to give effect to above resolutions, including without limitation, complying with the directives of any regulatory authority;

c. that any two directors of the Company or a director and the company secretary of the Company be and are hereby authorized to sign and/or execute all documents and agreements in connection with the Programme;

d. that all acts carried out by Management hitherto in connection with the above, be and are hereby ratified; and

e. that the Company be and is hereby authorized to take such further lawful action and do such further things necessary for and incidental to effecting the above resolutions."

This resolution may be executed in one or more counterparts, each of which, when read together, shall comprise one and the same instrument.

DATED THIS 27TH DAY OF OCTOBER 2023

DIRECTOR
NAME: BASBA NAND BALODI

DIRECTOR
NAME: BOSE AMIT

DIRECTOR
NAME: WIGWE UCHECHUKWU NWABUEZE

DIRECTOR
NAME: OJHA TRILOCHAN

DIRECTOR
NAME: IGHODALO ITUAH OLAJIDE

28. DECLARATION

Except as otherwise disclosed herein:

i. No share of the Issuer is under option or agreed conditionally or unconditionally to be put under option;

ii. No commissions, discounts, brokerages or other special terms have been granted to any person in connection with the issue or sale of any share of the Issuer;

iii. Save as disclosed herein, the Directors of the Issuer have not been informed of any shareholding representing 5% or more of the issued share capital of the Sponsor;

iv. There are no founders, management or deferred shares or any options outstanding;

v. There are no material service agreements between the Issuer, any of its Directors and employees other than in the ordinary course of business;

vi. There are no long-term service agreements between the Issuer and any of its Directors and employees;

vii. No prosecution has commenced against the Issuer or any of its subsidiaries in respect of any securities law or CAMA;

viii. No action has been taken against the Issuer by FMDQ and The NGX in respect of any breach of the listing requirements of the Exchange;

ix. No Director or key management personnel and key technical personnel has been involved in any of the following (in or outside Nigeria):

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

Purpose of Issue and Use of Proceeds

The net proceeds from each issue of the Bonds shall be in compliance with the rules and regulation applicable to such Bonds, and specified in the relevant Pricing Supplement pursuant to the Transaction Implementation Agreement and approved by the SEC.

Costs and Expenses

The costs and expenses of undertaking this Debt Issuance Programme including fees payable to the SEC, the FMDQ and professional parties, filing fees, stamp duties, legal fees, other expenses, brokerage commission and the costs of printing and advertising the Offer are payable by the Issuer and will be deducted from the gross issue proceeds

Material Contracts

The following agreements have been entered into by the Issuer and/or the Sponsor and are considered material to the Programme:

- A Programme Trust Deed dated on or about the date of this Shelf Prospectus between the Issuer, the Sponsor and the Joint Trustees in connection with the Programme;
- A Transaction Implementation Agreement dated on or about the date of this Shelf Prospectus between the Sponsor, the Issuer and, the Joint Trustees;
- A Series Trust Deed, dated on or about the date of this Shelf Prospectus, between the Issuer and the Joint Trustees;

- A Deed of Covenant, dated on or about the date of this Shelf Prospectus issued by the Sponsor in favour of the Issuer and the Joint Trustees;
- A Deed of Guarantee, dated on or about the date of this Shelf Prospectus issued by the Guarantor in favour of the Bondholders and the Trustee;
- A Vending Agreement, dated on or about the date of this Shelf Prospectus between the Issuer, the Sponsor and the Issuing Houses; and
- The List of Documents in Section A of the Material Contracts opinion for the Sponsor issued by the Solicitors to the Issuer and Issue.

Other than as stated above, the Issuer, as at the date of this Shelf Prospectus, does not have any subsisting material contracts (in the context of this Bond Issuance Programme) other than those entered into in the ordinary course of business. Other material contracts in respect of any issuance of Debt Securities under the Programme will be disclosed in the applicable Pricing Supplement in respect of that Series or Tranche of Debt Securities.

Relationship between the Sponsor and its Advisers

There is no relationship between the Sponsor and its advisers as at the date of this Shelf Prospectus.

Merger or other Transactions

As at the date of this Shelf Prospectus, the Directors are not aware of the following during the preceding financial year or current financial year:

- A merger or takeover offer by third parties in respect of the Sponsor's securities; and
- A merger or takeover by the Sponsor in respect of another company's securities.

Related-Party Transactions

Related parties of the Company are entities considered to have the ability to control or exercise influence over the company, its operational decisions and business transactions. The definition includes key management personnel of the company, parents and subsidiaries of Valency Agro Nigeria Limited (Formerly Valency Cashew Processing Limited). Details of transactions between the Valency Agro and related parties are disclosed below:

S/N	Related Parties	Nature of Transaction	Relationship	Amount (₦)
1	Valency International PTE Ltd	99% holding in Valency	Parent	6,930,000,000
2	Praveen Kumar Jain	1% holding in Valency	Shareholder	70,000,000
3	Valency International – DMCC	Business Transactions – Logistics	Related Company	

Consents

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

Directors of the Issuer	Oluwasola Seweje Ayomide Akinkuade Rotimi Obende Babatunde Adewolu
Company Secretary of the Issuer	Mathmer Legal Practitioners
Directors of the Sponsor	Basba Nand Balodi Trilochan Ojha Amit Bose Uchechukwu Nwabueze Wigwe Ituah Olajide Ighodalo
Company Secretary of the Sponsor	Folusho Olorunda & Associates
Guarantor	Valency International PTE Limited

Issuing Houses	Coronation Merchant Bank Limited FBNQuest Merchant Bank Limited Rand Merchant Bank Nigeria Limited Nova Merchant Bank Limited Greenwich Merchant Bank Limited
Joint Trustees	FBNQuest Trustees Limited CardinalStone Trustees Limited
Solicitor to the Issue	Wigwe & Partners
Registrar	Coronation Registrars Limited
Reporting Accountant	Pricewaterhouse Coopers (PwC)
Rating Agencies	DataPro Limited GCR Ratings
Receiving Bank	Coronation Merchant Bank Limited FBNQuest Merchant Bank Limited
Auditor	Grant Thornton Nigeria

Documents Available for Inspection

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

a. The Certificate of Incorporation of the Issuer and the Sponsor duly certified by the CAC;

b. The Memorandum and Articles of Association of the Issuer and the Sponsor duly certified by the CAC;

c. The Shelf Prospectus issued in respect of the Issue;

d. The Supplementary Shelf Prospectus, if any;

e. The audited consolidated financial statements of the Sponsor for each of the years ended 31 March 2018, 31 March 2019, 31 March 2020, 31 March 2021 and 31 March 2022;

f. Reporting Accountants' Report on the audited accounts of the Sponsor for the five (5) years ended 31 March 2018 to 31 March 2022;

g. The audited Statement of Affairs of the Issuer for the period ended 30 November 2022;

h. The list of outstanding claims and litigation of the Sponsor together with the Opinion of the Solicitors to the Issue prepared therewith;

i. The material contracts referred to on page 98 - 99;

j. Sponsor's ratings reports issued by DataPro Limited and GCR Ratings referred to on page 74-76;

k. Bond ratings reports issued by DataPro Limited and GCR Ratings;

l. The written consents of parties referred to on page 99 - 100;

m. The Board Resolution of the Sponsor dated 14th November 2022 authorizing the Programme;

n. The Issuer's Board Resolution dated 14th November 2022 authorizing the Programme;

o. Letter from the SEC confirming registration of the Prospectus; and

p. Letter of approval from the FMDQ.

29. PROFORMA PRICING SUPPLEMENT

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

PRICING SUPPLEMENT

THIS DOCUMENT IS IMPORTANT, AND YOU ARE ADVISED TO CAREFULLY READ AND UNDERSTAND ITS CONTENTS. IF YOU ARE IN ANY DOUBT ABOUT ITS CONTENTS OR THE ACTION TO TAKE, KINDLY CONSULT YOUR STOCKBROKER, ACCOUNTANT, BANKER, SOLICITOR OR ANY OTHER PROFESSIONAL ADVISER FOR GUIDANCE IMMEDIATELY. THIS PRICING SUPPLEMENT AND THE SECURITIES, WHICH IT OFFERS HAVE BEEN REGISTERED BY THE SECURITIES AND EXCHANGE COMMISSION. THE INVESTMENTS AND SECURITIES ACT (ISA) NO 29 OF 2007, PROVIDES FOR CIVIL AND CRIMINAL LIABILITIES FOR THE ISSUE OF A PROSPECTUS WHICH CONTAINS FALSE OR MISLEADING INFORMATION. THE REGISTRATION OF THIS PRICING SUPPLEMENT AND THE SECURITIES WHICH IT OFFERS DOES NOT RELIEVE THE PARTIES OF ANY LIABILITY ARISING UNDER THE ACT FOR FALSE OR MISLEADING STATEMENTS OR FOR ANY OMISSION OF A MATERIAL FACT IN THIS PRICING SUPPLEMENT. INVESTORS ARE ADVISED TO NOTE THAT LIABILITY FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THE PROSPECTUS IS PROVIDED IN SECTIONS 85 AND 86 OF THE ISA. INVESTING IN THIS OFFER INVOLVES RISKS. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS PLEASE REFER TO THE SECTION ON "RISK FACTORS" COMMENCING ON PAGES [65] – [66] OF THE SHELF PROSPECTUS.

INVESTMENT IN THE BONDS IS STRICTLY FOR QUALIFIED INSTITUTIONAL INVESTORS AND HIGH NETWORTH INDIVIDUALS AS DEFINED UNDER RULE 321 OF THE RULES AND REGULATIONS OF THE SECURITIES & EXCHANGE COMMISSION.

VALENCY SPV PLC (RC: 2006114)

(INCORPORATED WITH LIMITED LIABILITY IN THE FEDERAL REPUBLIC OF NIGERIA)

UP TO [●] ₦ billion [●]% Series 1 Fixed Rate Bonds Due [●]
UNDER THE ₦50,000,000,000 BOND ISSUANCE PROGRAMME
Issue Price: ₦1,000
Payable in full on Application

Application List Opens: [●] Application List Closes: [●]

This Pricing Supplement is prepared pursuant to Rules 279(3)6(b) of the Rules and Regulation of the Securities & Exchange Commission ("the Commission" or SEC), 2013 (as amended) the listing requirements of the FMDQ Securities Exchange Limited ("FMDQ") and the rules and regulations of Nigerian Exchange Limited ("NGX") in connection with the ₦50,000,000,000.00 Bond Issuance Programme established by Valency SPV Plc ("the Issuer"). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated [·] and any other supplements 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.

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 prevail. 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 any of the Issuing Houses at no cost.

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.

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 (the "Series 1 Bonds" or "Bonds"). Application has been made to the FMDQ/Governing Council of The NGX for the admission of the Bonds to the Daily Official List of the Exchange. The Bonds now being issued will upon admission to the Daily Official List qualify as a security in which Trustee may invest under the Trustee Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004.

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.

INVESTMENT IN THE BONDS IS STRICTLY FOR ELIGIBLE INSTITUTIONAL INVESTORS AND HIGH NETWORTH INDIVIDUALS AS DEFINED UNDER RULE 321 OF THE RULES AND REGULATIONS OF THE SECURITIES & EXCHANGE COMMISSION.

This Pricing Supplement and the Debt Securities that it offers have been approved and registered by the Securities & Exchange

TERMS OF THE OFFER	
Issuer:	Valency SPV Plc
Sponsor:	Valency Agro Nigeria Limited
Guarantor	Valency International PTE Limited
Description of the Bonds:	**[●]** Year [●]% Fixed Rate Senior Secured Bonds Due **[●]**
Series Number:	1
Aggregate Principal Amount of Bonds:	**[●]**
Issue Price:	At par (100%) at ₦1,000 per unit of the Bonds
Programme Size:	₦50,000,000,000.00
Issue Size:	**[●]**
Tenor:	**[●]**years
Minimum Subscription:	Minimum of ₦10,000,000 (Ten Million Naira) (i.e. 10,000 units at ₦1,000 per unit) and multiples of ₦1,000,000 (One Million Naira) thereafter. Bids below the Minimum Subscription will be disregarded except where the bid forms part of a cumulative bid from the same investor group (e.g. a PFA) that is greater than the Minimum Subscription. Final allotment to respective bidders may be less than the Minimum Subscription if bids must be pro-rated for any reason
Issue Date	**[●]**
Maturity Date:	**[●]**
Principal Moratorium:	Not Applicable
Coupon Basis:	Fixed Rate
Redemption/Payment Basis:	Bullet Repayment
Ranking:	The Bonds shall constitute direct, unconditional, senior, guaranteed and secured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer in respect of the Bonds and the Guarantor under the Deed of Guarantee shall, save for such exceptions as may be provided by applicable law, at all times rank at least pari passu with all other unsecured unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, both present and future. The Bonds qualify as securities in which trustees, insurance companies, and pension fund administrators may invest under the Trustee Investment Act, the Insurance Act, 2003, and the Pension Reform Act, 2014 respectively. The due payment of the outstanding principal and coupon amount expressed to be payable by the Issuer under this Deed up to the Guaranteed Amount has been unconditionally and irrevocably guaranteed under and in accordance with the terms of the Deed of Guarantee dated on or about the date hereof.

Guarantor:	Valency International PTE Limited ("Valency PTE"), a company incorporated and domiciled in Singapore. The registered office and principal place of business is situated at 10, Anson Road, 18-26 International Plaza, Singapore 079903.
Guarantee:	The Bonds are backed by the unconditional and irrevocable guarantee of the Guarantor, by way of a continuing guarantee, of the due and punctual observance and performance by the Issuer of all of its payment obligations in respect of all scheduled principal amounts and coupon due and payable by the Issuer under the terms of the Deed of Guarantee. In the case of a claim under the Guarantee in respect of the Bonds, payments of all amounts due under the Guarantee shall be made no later than the applicable scheduled payment date and, in any case, no later than the last day of any grace period granted to the Issuer, and only in the scheduled repayment instalments specified in the Repayment Schedule on page [•]. In the event of a default on the Bonds, the Guarantee cannot be accelerated unless the Guarantor in its sole discretion elects to do so by notice in writing to the Guarantee Trustee. If no such election is made, the Guarantor will continue to be liable to make timely payments of the Guaranteed Amounts in accordance with the Repayment Schedule
Security:	Not Applicable
Listing:	Application for listing of the Bonds will be made to the FMDQ Securities Exchange
Method of Distribution:	Offer for subscription by Book Building
Offer period:	[•]
PROVISIONS RELATING TO COUPON PAYABLE	
Fixed Rate Note Provisions:	
Interest Rate:	[•]
(i) Coupon Payment Date(s)/Payment Dates:	Coupon on the Series 1 Bonds will be payable semi-annually, on [•] and [•] of each year commencing on [•] until the maturity date
(ii) Coupon Amount(s):	As applicable for each Coupon period (Coupon accumulated between each Coupon payment) using the actual/actual day count fraction
(iii) Business Day Convention:	Where the day on which a payment is due to be made is not a Business Day, that payment shall be effected on the next succeeding Business Day unless that succeeding Business Day falls in the next calendar month in which case, such coupon payment date shall be brought to the immediately preceding Business Day
(iv) Other terms relating method of calculating interest for Fixed Rate Bonds:	Not Applicable

(v) Day Count Fraction:	Actual/Actual
PROVISIONS RELATING TO REDEMPTION	
Optional Early Redemption:	
(i) Call Option:	Not Applicable
(ii) Put Option:	Not Applicable
Scheduled Redemption/Amortization:	Not Applicable
Redemption Amount(s):	In full at final maturity
Scheduled Redemption Dates:	Not Applicable
GENERAL PROVISIONS APPLICABLE TO THE BONDS	
Form of Bonds:	The Series 1 Bonds will be issued in registered, dematerialized form. The issue and ownership of the Series 1 Bond will be effected and evidenced by the particulars of the Series 1 Bonds being entered in the Register by the Registrars and the Series 1 Bonds being electronically credited in the Depository accounts of the Bondholders
Registrar:	Coronation Registrars Limited
Bond Trustees	CardinalStone Trustees Limited & FBNQuest Trustees Limited
Record Date:	No Bondholder may require the transfer of a Bond to be registered during the period of fifteen (15) days ending on the due date for any payment of principal or Coupon on the Bond
Other terms or special conditions:	Not Applicable
DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS	
Issuing Houses:	Coronation Merchant Bank Limited (Lead Issuing House), FBNQuest Merchant Bank Limited, Rand Merchant Bank Nigeria Limited, Nova Merchant Bank Limited, and Greenwich Merchant Bank Limited (Joint Issuing Houses)
Method of Distribution:	Offer for Subscription by Book-Building
Underwriting:	The offer will not be underwritten
Bond Settlement:	Bond purchases will be settled by electronic funds transfers through either CBN Inter-Bank Funds Transfer System ("CIBFTS"), National Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS")
Clearing System:	FMDQ Clear Limited and/or Central Securities Clearing System Plc
Depository:	FMDQ Depository Limited and/or Central Securities Clearing System Plc
GENERAL	
Rating:	
(i) Guarantor:	[•] by [•]
(ii) Sponsor:	"A-"by DataPro Limited "BBB+" by GCR Ratings Limited

(iii) Issue:	"**[●]**" by DataPro Limited
Taxation:	See "Tax Considerations" on page [●] of the Programme Memorandum dated November [●]. Pursuant to the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011 and Value Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011, all Bonds in Nigeria were exempt from taxes ordinarily imposed under the Companies Income Tax Act 2004 and from the imposition of Value Added Tax respectively, for a period of ten years from the date the Orders became effective on January 2, 2012. These Orders have however now lapsed, the terminal date being January 2, 2022. Accordingly, the Issuer shall be required - by law - to withhold tax on the coupons accruing on Bonds held by corporate entities. This requirement to deduct withholding tax is without exception as regards corporate entities and the Issuer shall be obliged to deduct the tax from coupon payments to corporate bondholders. Furthermore, by virtue of the Personal Income Tax (Amendment) Act 2011, corporate bonds are also generally also exempt from personal income tax ("PIT"). However following the expiration of the exemption granted by the Honourable Minister of Finance under a notice titled the Personal Income Tax Exemption of Holders of Bonds and Short-Term Government Securities Notice (dated 2 January 2012) and further to a notice by the Lagos State Internal Revenue Service titled Payment of Personal Income Tax on Profit from Bonds and Short-Term Government Securities (dated June 28, 2022), PIT is now applicable on income derived and interest earned by individuals and non-limited liability entities resident in Lagos State from bonds and short-term securities in accordance with the Personal Income Tax (Amendment) Act 2004 with effect from January 2, 2022, except for bonds issued by the Federal Government of Nigeria. In the event of disposal of Bonds held, the proceeds from the sale of the Bonds are exempt from the tax imposed under the VAT Act by virtue of the Finance Act 2020.
Risk Factors:	See "Risk Factors" on pages [62-64] of the Programme Memorandum dated [●]
Governing Law:	The Bonds will be governed by, and construed in accordance with the laws of the Federal Republic of Nigeria
Listing:	Application for listing of the Bonds will be made to the FMDQ
Appendices	
A	Repayment Schedule

B	Abridged Indicative Timetable
C	Profile of Members of the Board of Issuer
D	Extract from the Series 1 Trust Deed
E	Extract from Memorandum and Articles of Association
F	Other Disclosures
G	Extract from the Board Resolution
H	Extract from the Issuer's Rating Report
I	Extract from the Issue Rating Report
J	Extract of the Reporting Accountant's Report
K	Confirmation of the Going Concern Status of the Sponsor
L	Confirmation of the Going Concern Status of the Auditor
M	Declaration of the Sponsor
N	Declaration of the Issuer
O	Litigation Opinion on the Sponsor
P	Audited Financial Statements of the Sponsor
Q	Procedure for Application and Allotment
R	Commitment Form