

This document is important and should be read carefully. If you are in any doubt as to its contents or the action to be taken, please consult your Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately. **Investing in this offer involves risks. For any information concerning certain risk factors which should be considered by prospective investors, please refer to the section on "risk factors" commencing on page 41 of the Shelf Prospectus.**

 **United Capital**  
**UNITED CAPITAL PLC**  
RC 444999

**OFFER FOR SUBSCRIPTION OF ₦11,730,000,000 5-YEAR 15% SENIOR UNSECURED FIXED RATE SERIES 2 BONDS DUE SEPTEMBER 2027**

**UNDER THE ₦30,000,000,000 UNITED CAPITAL PLC DEBT ISSUANCE PROGRAMME**

**ISSUE PRICE: ₦1,000 PER UNIT**

**PAYABLE IN FULL ON APPLICATION**

**Book opens: Tuesday 2<sup>nd</sup> August, 2022**

**Book closes: Monday 29<sup>th</sup> August, 2022**

Investment in these Bonds is strictly for Qualified Institutional Investors and High Net Worth Individuals as defined under Rule 321 of the Rules and Regulations of the Securities & Exchange Commission (as amended)

**This Pricing Supplement and the Bonds which it offers have been approved and registered by the Securities and Exchange Commission (the "SEC" or the "Commission").**

**It is a civil wrong and a criminal offence under the Investments and Securities Act No. 29 of 2007 (the "ISA" or the "Act") to issue a prospectus which contains false or misleading information. Clearance and registration of this Pricing Supplement and the Bonds which it offers do not relieve the parties of 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 this Pricing Supplement is provided in Sections 85 and 86 of the ISA.**

This Pricing Supplement or Supplementary Prospectus ("Pricing Supplement") together with documents specified herein have been delivered to the SEC for registration. This Pricing Supplement is prepared for the purpose of Part F Rule 280 and 323(5) of the Rules and Regulation of the SEC and the listing requirements of The Nigerian Exchange Limited (the "NGX") and the FMDQ Securities Exchange Limited ("FMDQ Exchange") in connection with the ₦30,000,000,000.00 Debt Issuance Programme established by United Capital PLC (the "Issuer"). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated 28 March 2019 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 executed Shelf Prospectus can be obtained from the Issuer and Issuing Houses.

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 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 2 Bonds" or "Bonds"). An application will be made to FMDQ Exchange and/or the NGX for admission of the Bonds to its platform(s). The Bonds now being issued will upon admission to the platform(s) qualify as a security in which Trustees may invest under the Trustee Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004.

The Directors of the Issuer collectively and individually accept 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 (having made all reasonable enquiry), 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 Pricing Supplement has arisen or has been noted, as the case may be, since the publication of the Pricing Supplement. Furthermore, information 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.

**LEAD ISSUING HOUSE / BOOK RUNNER**



FSDH Capital Limited (RC 276208)

**JOINT ISSUING HOUSES / BOOK RUNNERS**



Absa Capital Markets  
Nigeria Limited  
(RC 1383925)



Kairos Capital Limited  
(RC 1517636)



UCML Capital Limited  
(RC 370890)



EMERGING  
AFRICA  
EAC Advisory Limited  
(RC 1498096)

**This Pricing Supplement is dated 14 September 2022**

This Pricing Supplement will be available on the following websites during the tenor of the Issuance  
[www.sec.gov.ng](http://www.sec.gov.ng) [www.unitedcapitalplcgroup.com](http://www.unitedcapitalplcgroup.com)

Investors may confirm the clearance of the Pricing Supplement and registration of the securities with the Securities and Exchange Commission by contacting the Commission on [sec@sec.gov.ng](mailto:sec@sec.gov.ng) or +234(0)94621100; +234(0) 94621168

## TABLE OF CONTENTS

---

DEFINITION OF TERMS.....	3
INCORPORATION OF DOCUMENTS BY REFERENCE.....	8
PARTIES TO THE OFFER.....	9
SUMMARY OF THE OFFER.....	11
INDICATIVE TRANSACTION TIMELINE.....	16
USE OF PROCEEDS .....	17
BOND REPAYMENT SCHEDULE .....	18
APPENDIX I: OTHER DISCLOSURES.....	19
APPENDIX II: DOCUMENTS AVAILABLE FOR INSPECTION.....	23
APPENDIX III: EXTRACT OF THE ISSUE RATING REPORTS.....	24
APPENDIX IV: AUDITOR'S CONFIRMATION OF GOING CONCERN STATUS.....	26
APPENDIX V: EXTRACT OF THE REPORTING ACCOUNTANT'S REPORT .....	27
APPENDIX VI: SUMMARY OF THE ISSUER'S FINANCIAL STATEMENTS.....	29
APPENDIX VII: EXTRACT FROM THE SERIES 2 TRUST DEED.....	32
APPENDIX VIII: PROCEDURES FOR APPLICATION AND ALLOTMENT .....	38
APPENDIX IX: COMMITMENT FORM.....	40

## DEFINITION OF TERMS

---

In this document, unless otherwise stated or clearly indicated by the context, the following words have the meanings stated opposite them.

<b>"Allotment Date"</b>	The date on which Bonds are allotted to successful bidders
<b>"Allotment"</b>	The issue of Bonds to successful bidders pursuant to this Pricing Supplement
<b>"Auditor"</b>	PricewaterhouseCoopers (PWC)
<b>"Book Building"</b>	A process of price and demand discovery through which the Book Runners seek to determine the price at which securities should be issued, based on demand from Qualified Institutional Investors and High Net Worth Individuals as permitted under SEC Rules 320 - 322
<b>"Book Runner(s)"</b>	The Issuing House(s) duly appointed by the Issuer to receive and collate bids (the "Book") from investors in respect of the Bonds being sold by way of Book Building
<b>"Bonds"</b>	The Series 2 Bonds being issued in accordance with the terms of the Shelf Prospectus and this Pricing Supplement
<b>"Bondholder" or "Holder"</b>	Any registered owner or beneficial owner of the Bonds or other fixed income instruments to be issued under the Programme, a person (whether currently or in the future) registered in the applicable Register of such Tranche or Series of Bonds, as the holder of those Bonds from time to time and shall include the legal, personal representative or successor of such holder and those entered as joint holders
<b>"Business Day"</b>	Any day except Saturdays, Sundays and public holidays declared by the Federal Government on which banks in Nigeria are open for business
<b>"CBN"</b>	Central Bank of Nigeria established pursuant to the Central Bank of Nigeria Act 2007 (as may be amended from time to time)
<b>"Certificates"</b>	In relation to the Bonds, a certificate in or substantially in the form specified in the Schedule to the Programme Trust Deed or such other form of confirmation as the Trustees may approve, and includes any new certificate, in each case relating to the applicable Conditions and evidencing the entitlement of the Holder of the Bonds specified in the Programme Trust Deed
<b>"Clearing System"</b>	CSCS or FMDQ Clear, as applicable
<b>"Completion Meeting Date" or "Signing Ceremony Date"</b>	The date on which all parties to the issue execute the final offer documents approved by the SEC
<b>"Coupon"</b>	The interest paid on the Bonds periodically, expressed as a percentage of the Face Value of the Bond

<b>"Coupon Commencement Date"</b>	The Issue Date of this Bonds, or such other date as may be specified in this Pricing Supplement, from which interest on the Bonds begins to accrue
<b>"Coupon Payment Date"</b>	The date on which a Coupon falls due for payment to the Bondholders, being 14 March and 14 September every year up to and including the Maturity Date, with the first coupon payment date being 14 March 2023
<b>"Coupon Period"</b>	The period from (and including) a Coupon Payment Date (or the Coupon Commencement Date in respect of the first Coupon Period only) to (but excluding) the next Coupon Payment Date
<b>"Coupon Rate"</b>	15% per annum
<b>"CSCS"</b>	Central Securities Clearing System PLC
<b>"Daily Official List"</b>	The daily official publication of the NGX, detailing price movements and information on all securities quoted on the NGX
<b>"Daily Quotation List" or "DQL"</b>	The daily official publication of the FMDQ Exchange, containing market/model prices and yields, and the values traded on all securities listed and quoted on the FMDQ Exchange
<b>"Debt Issuance Programme" or the "Programme"</b>	The <del>€</del> 30,000,000,000 debt issuance programme undertaken by United Capital PLC as described in the Shelf Prospectus, pursuant to which the Issuer may issue tranches of Bonds from time to time with varying maturities, terms and conditions and variable rates of interests; provided that the aggregate value does not exceed <del>€</del> 30,000,000,000
<b>"Depository"</b>	CSCS or FMDQ Depository
<b>"Eligible Investors"</b>	High Net-Worth Individuals and Qualified Institutional Investors as defined under the SEC Rules and Regulations;
<b>"Face Value"</b>	The par value of a Bond
<b>"Financial Indebtedness"</b>	Any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent, incurred in respect of: (a) money borrowed or raised, (b) any bond, loan stock, debenture or similar instrument; (c) acceptance or documentary credit facilities; (d) foreign exchange options; (e) rental payments, under leases and hire purchase agreements and instalments under conditional sale agreements (in all cases whether in respect of land, machinery, equipment or otherwise) entered into primarily as a method of raising finance or of financing the acquisition or use of the asset concerned; (f) any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing; and (g) guarantees, indemnities, bonds, standby letters of credit or other instruments issued in connection with the performance of contracts and or in respect of the indebtedness of any other person, provided

that any amounts owed to trade creditors in the ordinary course of business shall be excluded

<b>"FMDQ Clear"</b>	FMDQ Clear Limited
<b>"FMDQ Depository"</b>	FMDQ Depository Limited
<b>"FMDQ Exchange"</b>	FMDQ Securities Exchange Limited, a SEC-licensed market securities exchange
<b>"FMDQ Rules"</b>	The listing rules of the FMDQ Exchange
<b>"High Net Worth Individual"</b>	An individual whose aggregate net worth of investment assets (excluding personal homes, automobiles and furniture) exceeds ₦100 million, in addition to possession of evident capacity, expertise and sophistication to undertake high risk investment activities as defined by the June 2017 amendment to the Rule 321 of the SEC Consolidated Rules and Regulations, 2013
<b>"ISA"</b>	Investments and Securities Act No. 29 of 2007 (as amended from time to time)
<b>"Issue Date"</b>	The date on which the Series 2 Bonds are issued being 14 September 2022
<b>"Issue Documents"</b>	The documents required to be executed and delivered in connection with the issue of the Bonds and includes the Shelf Prospectus, the Programme Trust Deed, and in relation to any Series, the Pricing Supplement, the Series Trust Deed, and any other agreement or document filed with the Commission in relation to the issue of the Bonds
<b>"Issue Price"</b>	The price at which the Bonds are issued, as specified in this Pricing Supplement
<b>"Issuer"</b>	United Capital PLC
<b>"Issuing Houses/Book Runners"</b>	The Lead Issuing House/Book Runner and Joint Issuing Houses/Book Runners
<b>"Joint Issuing Houses/Book Runners"</b>	Absa Capital Markets Nigeria Limited UCML Capital Limited Kairos Capital Limited EAC Advisory Limited
<b>"LFN"</b>	Laws of the Federation of Nigeria 2004
<b>"Lead Issuing House/Book Runner"</b>	FSDH Capital Limited
<b>"Material Contracts"</b>	Programme Trust Deed between United Capital PLC, STL Trustees Limited, United Capital Trustees Limited and UTL Trust Management Services Limited dated 28 March 2019;  Series 2 Bond Trust Deed between United Capital Plc, EAC Trustees Limited, CardinalStone Trustees Limited and United Capital Trustees Limited, dated 14 September 2022

Vending Agreement between United Capital PLC on the one part and FSDH Capital Limited, Absa Capital Markets Nigeria Limited, UCML Capital Limited, EAC Advisory Limited and Kairos Capital Limited dated 14 September 2022

<b>"Maturity Date"</b>	The date on which the Principal Amount Outstanding shall become due and payable being 14 September 2027
<b>"Naira", "₦" or "NGN"</b>	The Naira, the lawful currency of the Federal Republic of Nigeria
<b>"NGX"</b>	Nigerian Exchange Limited
<b>"NGX Rules"</b>	The listing rules of the NGX
<b>"Offer Documents"</b>	<ul style="list-style-type: none"><li>- The Shelf Prospectus dated 28 March 2019</li><li>- The Programme Trust Deed dated 28 March 2019</li><li>- This Pricing Supplement dated 14 September 2022</li><li>- Series 2 Bond Trust Deed dated 14 September 2022</li><li>- Series 2 Vending Agreement dated 14 September 2022</li></ul>
<b>"Par Value"</b>	The value the Bondholder will get per Bond on the Maturity Date
<b>"Payment Account"</b>	The dedicated bank account to be managed by the Trustees into which the Issuer shall make payments in such sums in accordance with the terms of the Trust Deed of the Series 2 Bonds. The bank account shall form part of the trust property and shall be applied by the Trustees towards the payment of interest and repayment of principal of the Bonds
<b>"Pricing Supplement"</b>	The supplemental prospectus which contains the issue details including the price, amount, issue date and maturity date of the Series 2 Bonds
<b>"Principal Amount Outstanding"</b>	The principal amount outstanding and remaining unredeemed on the Bonds at any particular time
<b>"Programme Trust Deed" or "Trust Deed"</b>	The Programme trust deed dated 28 March 2019 made between the Issuer and the Trustees, in relation to the Programme
<b>"Prospectus" or "Shelf Prospectus"</b>	The document dated 28 March 2019 issued in accordance with the Rules and Regulations of the Commission, which details the aggregate size and broad terms and conditions of the Programme
<b>"Qualified Institutional Investor"</b>	A purchaser of securities that is financially sophisticated. These include Banks, Fund Managers, Pension Fund Administrators, Insurance Companies, Investment/Unit Trusts, Multilateral and Bilateral Institutions, Registered and/or Verifiable Private Equity Funds, Registered and/or verifiable Hedge Funds, Market Makers, Staff Schemes, Trustees/Custodians, Stock Broking Firms and any other category as the Commission may determine as stipulated by Rule 321 of the SEC Rules and Regulations

<b>"Rating Agencies"</b>	Agusto & Co. Limited and DataPro Limited or such other rating agency as may be appointed by the Issuer in respect of the Bonds
<b>"Redemption Amount"</b>	The aggregate Principal Amount Outstanding in respect of the Bonds on the Maturity Date
<b>"Receiving Bank"</b>	United Bank for Africa Plc
<b>"Registrar"</b>	Cordros Registrars Limited
<b>"Reporting Accountant"</b>	Ernst & Young
<b>"Rules &amp; Regulations"</b>	SEC Rules, FMDQ Rules and NGX Rules
<b>"SEC" or the "Commission"</b>	The Securities and Exchange Commission
<b>"SEC Rules"</b>	The Rules and Regulations of the Securities & Exchange Commission (2013) (as amended) issued pursuant to the ISA (as may be amended from time to time)
<b>"Series 2 Bond Trust Deed"</b>	The deed supplementing or modifying the provisions of the Programme Trust Deed entered into by the Issuer and the Trustees and empowering the Trustees in relation to the issuance of the Series 2 Bonds
<b>"Terms and Conditions"</b>	The terms and conditions in accordance with which the Bonds will be issued, set out in the section headed "Conditions of the Bonds" as contained in the first schedule to the Programme Trust Deed, and set out in the Series 2 Bond Trust Deed
<b>"Trustees"</b>	EAC Trustees Limited CardinalStone Trustees Limited United Capital Trustees Limited

---

## INCORPORATION OF DOCUMENTS BY REFERENCE

---

The following is a list of documents that have been filed with the SEC and are incorporated by reference in this Pricing Supplement:

- The Shelf Prospectus dated 28 March 2019;
- The Programme Trust Deed dated 28 March 2019;
- The Series 2 Bond Trust Deed dated 14 September 2022;
- The Series 2 Bond Rating Report by Agosto & Co. Limited;
- The Series 2 Bond Rating Report by DataPro Limited;
- Reporting Accountant's Report by Ernst & Young, on the consolidated financial statements of the Company and its subsidiaries for the years ended 31 December 2021, 2020, 2019, 2018, 2017;
- The Company's audited financial statements for the years ended 31 December – 2017, 2018, 2019, 2020 and 2021;
- The Material Contracts referred to on page 20 of this Pricing Supplement.

A copy of any or all the documents above, or portions thereof are incorporated by reference herein, and will be made available for viewing without charge, to each person to whom a copy of this Pricing Supplement has been delivered, upon the oral or written request of such person. In addition, such documents or portions thereof will be available from the offices of the Issuing Houses, as stated below from 8:00am till 5:00pm on Business Days, during the offer period:

### *Lead Issuing House:*

**FSDH Capital Limited**  
UAC House (4th floor)  
1/5 Odunlami Street  
Lagos

### *Joint Issuing Houses:*

**Absa Capital Markets Nigeria Limited**  
1, Murtala Muhammed Drive  
Ikoyi, Lagos

**UCML Capital Limited**  
7 Fatai Durosinmi Etti Crescent  
Off Ligali Ayorinde Street  
Victoria Island, Lagos

**Kairos Capital Limited**  
12th Floor, Elephant House  
214 Broad Street, Marina  
Lagos

**EAC Advisory Limited**  
15 Awudu Ekpekha Boulevard Street  
Lekki Phase I  
Lagos

**PARTIES TO THE OFFER**

**Directors and Company Secretary of the Issuer**

**Chika Mordi (Chairman)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



**Peter Ashade (Group Chief Executive Officer)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



**Sonny Iroche (Non-Executive Director)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



**Emmanuel N. Nnorom (Non-Executive Director)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



**Oluleke Ogunlewe (Non-Executive Director)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



**Sunny Anene (Group Executive Director)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



**Stephen Nwadiuko (Non-Executive Director)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



**Sutura Aisha Bello (Non-Executive Director)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



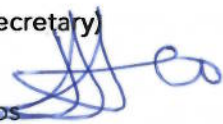
**Oladipupo Fatokun (Non-Executive Director)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



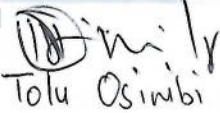
**Leo Okafor (Company Secretary)**

3<sup>rd</sup> & 4<sup>th</sup> Floors  
Afriland Towers  
97/105 Broad Street, Lagos



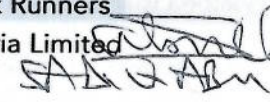
**Lead Issuing House / Book Runner**

FSDH Capital Limited  
UAC House (4th floor)  
1/5 Odunlami Street,  
Lagos



**Joint Issuing Houses / Book Runners**

**Absa Capital Markets Nigeria Limited**  
1, Murtala Muhammed Drive  
Ikoyi, Lagos



**UCML Capital Limited**

7 Fatai Durosinmi Etti Crescent,  
Victoria Island, Lagos

**EGIE AKPATA**



**Kairos Capital Limited**  
12th Floor, Elephant House  
214 Broad Street, Marina  
Lagos



**EAC Advisory Limited**  
15 Awudu Ekpekha Boulevard Street  
Lekki Phase I  
Lagos



**Solicitor to the Issuer**

**Sefton Fross**  
20B Kingsley Emu Street,  
Lekki Phase I, Lagos



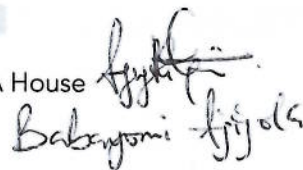
**Solicitor to the Transaction**

**G. Elias & Co.**  
6 Broad Street  
Lagos Island, Lagos



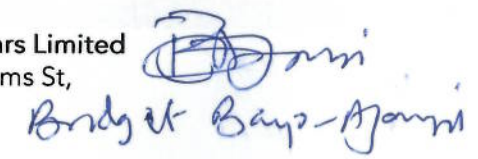
**Reporting Accountant**

**Ernst & Young**  
10th & 13th Floors, UBA House  
57 Marina, Lagos



**Registrar**

**Cordros Registrars Limited**  
21 Norman Williams St,  
Ikoyi, Lagos



**Trustees**

**EAC Trustees Limited**  
 South west, 13 Maitama Gulu Street  
 Off Raymond Njoku St,  
 Ikoyi, Lagos

*[Signature]*  
**Felicia Sonubi**

**United Capital Trustees Limited**  
 3<sup>rd</sup> & 4<sup>th</sup> Floors Afriland Towers  
 97/105 Broad Street  
 Lagos

*[Signature]*  
**Buky Ikeotuonye**

**CardinalStone Trustees Limited**  
 5, Okotie Eboh Street  
 Ikoyi, Lagos

*[Signature]*  
**EREFEMI AKEREDUN**

**Rating Agencies**

**Agusto & Co. Limited**  
 5th Floor, UBA House  
 57 Marina  
 Lagos

*[Signature]*  
**ADEBISI OLUKOJA**  
*[Signature]*

**DataPro Limited**  
 Foresight House  
 163/165 Broad Street  
 Lagos Island, Lagos

**ADEOYE OLADELE**  
*[Signature]*

**Receiving Bank**

**United Bank for Africa Plc**  
 UBA House  
 57 Marina  
 Lagos

*[Signature]*  
**Ausemya Bankole**  
*[Signature]*

**Auditor**

**PricewaterhouseCoopers**  
 Landmark Towers  
 5B, Water Corporation Road  
 Victoria Island, Lagos

*[Signature]*  
**CHIDI OJECHI**  
*[Signature]*

**Stockbrokers**

**United Capital Securities Limited**  
 3<sup>rd</sup> & 4<sup>th</sup> Floors, Afriland Towers  
 97/105 Broad Street  
 Lagos

*[Signature]*  
**Bawo Oritsefa**  
*[Signature]*

Audit Committee Members		
S/N	Names	Address
1	Paul Olele – Chairman	United Capital PLC, 3 <sup>rd</sup> & 4 <sup>th</sup> Floors, Afriland Towers, 97/105 Broad Street, Lagos
2	Alex Adio – Member	United Capital PLC, 3 <sup>rd</sup> & 4 <sup>th</sup> Floors, Afriland Towers, 97/105 Broad Street, Lagos
3	Faith George-Usman	United Capital PLC, 3 <sup>rd</sup> & 4 <sup>th</sup> Floors, Afriland Towers, 97/105 Broad Street, Lagos
4	Emmanuel Nnorom	United Capital PLC, 3 <sup>rd</sup> & 4 <sup>th</sup> Floors, Afriland Towers, 97/105 Broad Street, Lagos
5	Stephen Nwadiuko	United Capital PLC, 3 <sup>rd</sup> & 4 <sup>th</sup> Floors, Afriland Towers, 97/105 Broad Street, Lagos

## SUMMARY OF THE OFFER

---

The following are the final terms of the Series 2 Bonds that are the subject of this Pricing Supplement. These terms and conditions are only applicable to this Issue.

### Final terms of the Series 2 Bond

1. Issuer: United Capital PLC ("**United Capital**" or the "**Issuer**")
2. Description of the Bond: 5-year 15% senior unsecured fixed rate bonds due 14 September 2027
3. Series Number: 2
4. Specified Currency: Naira ("**₦**")
5. Aggregate Nominal: Up to ₦11,730,000,000
6. Issue Price: At par ₦1,000 per unit of the Bond
7. Gross proceeds: Up to ₦11,730,000,000
8. Net proceeds: ₦11,562,230,381
9. Denominations: Minimum of ₦10,000,000 (i.e., 10,000 units at ₦1,000 per unit) and multiples of ₦1,000,000 thereafter
10. Issue Date: 14 September 2022
11. Coupon Commencement Date: Interest will accrue from the Issue Date. The first Coupon Payment Date shall be on 14 March 2023 and the Interest shall be due and payable every 14 March and 14 September thereafter, in arrears, up to and including the Maturity Date
12. Tenor: 5 (five) years
13. Maturity Date: 14 September 2027
14. Principal Moratorium: Not Applicable
15. Coupon Basis: Fixed Rate
16. Coupon: 15% per annum
17. Principal Payment Basis: Bullet repayment at maturity
18. Use of Proceeds: As outlined in Use of Proceeds on page 17 of this Pricing Supplement
19. Ranking / Status of the Bond: The Bonds are direct, unsecured and senior obligations of the Issuer and the provisions of Condition 3 of the Series 2 Bond Trust Deed and Condition 2a of the Programme Trust Deed will apply

- |     |                      |  |
|-----|----------------------|--|
| 20. | Events of Default:   | See Events of Default set out in Condition 9 on Page 60 of the Programme Trust Deed dated 28 March 2019  |
| 21. | Listing(s):          | Application for listing of the Bonds will be made to the FMDQ Exchange and/or the NGX or any other exchange or over-the-counter or similar securities market approved by SEC |
| 22. | Selling Restriction: | Strictly to Qualified Institutional Investors and High Net Worth Individuals as stipulated by Rule 321 of the SEC Rules  |
| 23. | Offer Period:        | As outlined in the Indicative Transaction Timeline on page 16 of this Pricing Supplement   |
| 24. | Redemption:          | Provisions of Condition 7 of the Series 2 Bond Trust Deed  |

**Provisions relating to coupon payable**

- |     |   |  |
|-----|---|--|
| 25. | Fixed Rate Bond Provisions  |  |
|     | (i) Coupon Rate:  | 15% per annum  |
|     | (ii) Coupon Payment Date(s)/Payment Dates:                                      | Semi-annual, and payable in arrears on 14 March and 14 September of each year up to and including the Maturity Date  |
|     | (iii) Coupon Amount(s):   | As applicable for each Interest Period (Interest accumulated between each Coupon payment) using the Actual / Actual Day Count Fraction   |
|     | (iv) Day Count Fraction:  | Actual / Actual (actual numbers of days in a month/actual number of days in the year)  |
|     | (v) Business Day Convention:  | Modified Following: Where a Coupon Payment Date falls on a non-Business Day, such payment shall be postponed to the next day, which is a Business Day. If such a Business Day falls into the next calendar month, such Coupon Payment Date shall be brought forward to the Business Day immediately preceding the Coupon Payment Date. |
|     | (vi) Other terms relating to method of calculating Coupon for Fixed Rate Bonds: | N/A  |

**General provisions applicable to the Bonds**

- |     |                    |   |
|-----|--------------------|---|
| 26. | Form of Bonds:     | Electronic registration on the FMDQ Depository or CSCS platform |
|     | (i) Form of Bonds: | Dematerialised  |

- |                      |   |
|----------------------|---|
| (ii) Registrar:      | Cordros Registrars Limited  |
| 27. Trustees:        | EAC Trustees Limited, CardinalStone Trustees Limited and United Capital Trustees Limited  |
| 28. Record Date:     | No Bondholder may require the transfer of a Bond to be registered during the period of 15 (fifteen) days ending on the due date for any payment of principal or Coupon on the Bond                              |
| 29. 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") |

#### Distribution, clearing and settlement provisions

- |                             |   |
|-----------------------------|---|
| 30. Method of Distribution: | Book Building to Qualified Institutional Investors and High Net Worth Individuals |
| 31. Underwriting:           | Not applicable  |
| 32. Clearing System:        | FMDQ Clear and/or CSCS  |
| 33. Ratings:                |   |
| (i) Issuer:                 | A- by Augusto & Co. Limited<br>A by DataPro Limited                               |
| (ii) Issue:                 | A- by Augusto & Co. Limited<br>A by DataPro Limited                               |

An issue rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

#### General

- |               |   |
|---------------|---|
| 34. Taxation: | Under relevant tax laws, income accruing in, derived from, brought into, or received in Nigeria in respect of dividends, interest, royalties, discounts, charges or annuities is subject to tax. Consequently, interest payments on the Bonds by the Issuer would ordinarily be subject to withholding tax at the applicable rate of 10 per cent. |
|---------------|---|

In 2010, however, Nigeria's taxation landscape underwent a major change as the FGN announced that it would exempt certain taxes on all categories of bonds (including corporate bonds) and short-term

government securities such as treasury bills. The FGN approved a waiver of capital gains tax and income tax on all forms of debt instruments and the legislative and administrative processes required to give legal effect to the waivers save for the waiver on capital gains tax have been implemented.

In furtherance of the waiver, the FGN issued the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011 (the "CIT Order"), which exempted bonds issued by corporate bodies from tax imposed under the CITA for a period of 10 (ten) years from the effective date of the CIT Order being January 2, 2012. Given that the CIT Order expired on January 2, 2022 and was not extended, interest payment to corporate entities who are Bondholders will be subject to withholding tax.

PITA also exempts from taxation any income earned by an individual from Bonds issued by corporate bodies such as the Issuer. There is no limitation period for the exemption granted in the PITA. Except as otherwise provided by any subsequent amendments to the PITA, interest payments by the Issuer to individual Bondholders subject to the PITA will not be subject to withholding tax even after January 1, 2022.

In relation to capital gains tax, whilst there is no capital gains tax payable upon the disposal of any Nigerian government securities in Nigeria, under the provisions of the Capital Gains Tax Act, Chapter C1 LFN 2004 ("CGT Act"), capital gains tax is chargeable on gains derived from the sale of bonds and debt instruments other than Nigerian government securities (i.e. federal, state and local government bonds). However, capital gains tax may, in future, not be charged on gains realised from a disposal of corporate bonds or other non-governmental debt instruments. This is so because the FGN has approved a waiver of capital gains tax on gains from disposal of corporate bonds, but the legislative and administrative processes required to give legal effect to the waiver have not yet been implemented.

The Finance Act, 2020 now excludes securities from the payment of VAT. As such, the Bonds will not be liable to VAT even after the expiration of the VAT Exemption Order.

Furthermore, the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014 exempted the imposition of VAT on (a) commissions earned on traded value of the shares, and (b) commissions payable to the SEC, The Nigerian Exchange Limited and the CSD for a period of five (5) years from the commencement date of the order - July 25, 2014. Given that this Order expired in 2019 and was not extended, Bondholders will be required to pay VAT on commissions payable to the SEC, NGX Exchange and Depository, in respect of the Bonds.

35. Risk Factors: See Risk Factors on pages 41-46 of the Shelf Prospectus dated 28 March 2019.
36. Governing Law: The Bonds will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria
37. Appendices
- (i) Other Disclosures
  - (ii) Documents Available for Inspection
  - (iii) Extract of the Issue Rating Report
  - (iv) Auditor's Confirmation of Going Concern Status
  - (v) Extract of the Reporting Accountant's Report for the year ended December 2021
  - (vi) Summary of the Issuer's Financial Statements
  - (vii) Extract from the Series 2 Trust Deed
  - (viii) Procedures for Application & Allotment
  - (ix) Commitment Form

## INDICATIVE TRANSACTION TIMELINE

Date	Activity	Responsibility
01 July 2022	Receive SEC approval to commence Book Building	Lead Issuing House
02 August 2022	Commence Book Building	Issuing Houses and Bookrunners
29 August 2022	Conclude Book Building	Issuing Houses and Bookrunners
29 August 2022	Determine Coupon Rate and aggregate principal amount of Bonds to be issued	Issuing Houses and Bookrunners
31 August 2022	Dispatch Allotment Confirmation Notices	Issuing Houses and Bookrunners
31 August 2022	File updated Issue documents with SEC	Lead Issuing House
09 September 2022	Obtain SEC clearance of documents and No Objection to convene Signing Ceremony	Lead Issuing House
14 September 2022	Hold Signing Ceremony	All Parties
14 September 2022	Effect payment for allotment to Receiving Bank	Applicants
15 September 2022	Remit net Issue proceeds to the Issuer	Receiving Bank
16 September 2022	File executed offer documents with SEC	Lead Issuing House
16 September 2022	File Allotment Proposal with SEC	Lead Issuing House
[27 September 2022]	Receive SEC's No-objection to the Allotment Proposal	Lead Issuing House
[29 September 2022]	Effect Allotment using approved Basis of Allotment from SEC	Registrar
[04 October 2022]	Announce Allotment	Issuing Houses and Bookrunners
[04 October 2022]	Credit Depository Accounts of Allottees	Registrar
[26 October 2022]	Listing of the Series 2 Bond	Lead Issuing House / Stockbroker
[26 October 2022]	Filing of Post Allotment Report / Post Offer Compliance	Lead Issuing House

**\*NB: These dates are indicative and are subject to change**

## USE OF PROCEEDS

The net proceeds of the Series 2 Bond issuance, which are estimated at ₦11,562,230,381, after deducting issue costs (including VAT) of ₦167,769,619 representing 1.43% of the issue, shall be utilised in accordance with the table provided below:

Use of Proceeds	Amount	% Split	Duration
Repayment of existing short-term obligations	₦7,886,130,700	68.21%	3 Months
Investment in / underwriting of investment-grade fixed income securities	₦3,676,099,681	31.79%	6 Months

**1. Details and evidence of the short-term loans to be refinanced with a portion of the Bond proceeds:**

The short-term loans to be refinanced include the United Capital Series 8 & 9 Commercial Paper Issuances. Further evidence may be found in the Pricing Supplements for the aforementioned issuances, which have been made available to the public.

**2. The nature of the investments in / underwriting of investment grade fixed income securities**

The Issuer is looking to invest in secured and unsecured debt instruments rated a minimum of **BBB** or higher. The instruments will cover the following classes:

- i) Commercial paper with tenors of 270 days or less;
- ii) Bonds with tenors of 1-5 years; and
- iii) Debt Infrastructure Funds, with fund managers rated A or higher.

**3. Source of repayment for the Bond**

Repayment will be sourced from:

- a. Operating Cash Flow; and
- b. Return on Fixed Income Instruments

## BOND REPAYMENT SCHEDULE

The table below indicates the principal obligation and semi-annual coupon repayments during the tenor of the issue. The table reflects coupon of 15% and issue size of ₦11,730,000,000.

Period	Bond Obligation Repayment Date	Semi-Annual Coupon Payment (₦)	Principal Repayment (₦)	Total Payment (₦)
1	14 March 2023	879,750,000	-	879,750,000
2	14 September 2023	879,750,000	-	879,750,000
3	14 March 2024	879,750,000	-	879,750,000
4	14 September 2024	879,750,000	-	879,750,000
5	14 March 2025	879,750,000	-	879,750,000
6	14 September 2025	879,750,000	-	879,750,000
7	14 March 2026	879,750,000	-	879,750,000
8	14 September 2026	879,750,000	-	879,750,000
9	14 March 2027	879,750,000	-	879,750,000
10	14 September 2027	879,750,000	11,730,000,000	12,609,750,000

## APPENDIX I: OTHER DISCLOSURES

### Authorisation of the Series 2 Bond

At the Meeting of the Board of Directors of United Capital Plc (the "Company") which held at Afriland Towers, 97/105 Broad Street, Lagos, Nigeria on 17 February 2022, it was resolved as follows:

*Pursuant to (a) the resolution of the shareholders of the Company dated March 23, 2018 in which the Company was authorised to raise capital of up to ₦50,000,000,000.00 (Fifty Billion Naira), through the issuance of tenured bonds, notes, commercial papers, debt instruments or loans in any currency by way of a private placement, bond issuance, note issuance, book building or other methods and whether in one or more tranches, the pricing and terms of such issuance to be determined by the Directors of the Company and subject to obtaining the approvals of the relevant regulatory authorities, and (b) the establishment by the Company, of a ₦30,000,000,000.00 (Thirty Billion Naira) Bond issuance programme, approved by the Securities and Exchange Commission on April 24, 2019 (the "Programme"), the Company be and is hereby authorised to raise capital of up to ₦20,000,000,000.00 (Twenty Billion Naira) by an additional series of bond issuance under the Programme on such terms and conditions as the Board may deem fit, subject to obtaining the approvals of the relevant regulatory authorities (the "Series 2 Bonds").*

### Summary of Capital Structure of the Issuer

As at 31 December 2021, the capital structure of United Capital Plc is as follows:

S/N	Items	₦ million
1	Cash & cash equivalents	53,662
2	Short term debt	19,089
3	Long term debt	60,602
4	Total shareholders' equity	30,547
5	Guarantees	-

### Corporate Information

Contact details of the Issuer – **United Capital PLC**

<b>Registered Office:</b>	3 <sup>rd</sup> & 4 <sup>th</sup> Floors, Afriland Towers, 97/105 Broad Street, Lagos
<b>Website:</b>	<a href="http://www.unitedcapitalplcgroup.com">www.unitedcapitalplcgroup.com</a>
<b>Email:</b>	info@unitedcapitalplcgroup.com
<b>Telephone:</b>	+234-1-280-7596

Contact details of the Registrar – **Cordros Registrars Limited**

<b>Registered Office:</b>	70 Norman Williams Street, Ikoyi, Lagos
<b>Website:</b>	<a href="http://www.cordros.com">www.cordros.com</a>
<b>Email:</b>	contactcentre@cordros.com
<b>Telephone:</b>	+234-1-453 8671-4

### Claims and Litigation

As at the date hereof, the Issuer is involved in three matters (the "Suits"). In one of the Suits, there is no direct claim against the Issuer (the "First Suit"). The next Suit is a criminal proceeding filed by the Federal Republic of Nigeria (the "Complainant") at the Federal High Court (the "Court") against (i) Air Nigeria Development Limited as the 1st Defendant, (ii) United Bank for Africa Plc as the 2nd Defendant, (iii) UBA Capital Plc as the 3rd Defendant, and (iv) United Capital Plc as the 4th Defendant for failure to deduct and remit value added tax and withholding tax (the "FIRS Suit"). The Issuer and UBA Capital Plc (the 3rd Defendant) filed a preliminary objection in the FIRS Suit (the "Objection"). The final Suit is an interlocutory appeal arising in the FIRS Suit (the "Appeal"). The Appeal is against the order of the court directing that the Objection and the substantive criminal proceedings in the FIRS Suit be heard together. The total amount of liabilities alleged in

the FIRS Suit is ₦4,990,657,382.00 (Four Billion, Nine Hundred and Ninety Million, Six Hundred and Fifty-Seven Thousand, Three Hundred and Eighty-Two Naira).

It is the opinion of the transaction counsel that: (a) the outcome of the First Suit will not affect the Transaction as there is no claim against the Issuer in the same; (b) the outcome of the Appeal will not affect the Transaction as it may only impact on how quickly the Objection filed by the Issuer in the FIRS Suit will be heard; (c) the Objection filed in the FIRS Suit is likely to succeed on appeal as the grounds upon which the Objection was brought are compelling; and (d) only the Air Nigeria Development Limited (the "1st Defendant") (not the Issuer, a shareholder in the 1st Defendant) will, upon conviction, be liable to pay the penalties specified under the relevant statutes for failure to make appropriate remittances to the FIRS. In the unlikely event that the Objection is dismissed, the Issuer is not likely to be found guilty in the FIRS Suit as the Issuer is merely an alleged shareholder in the 1st Defendant which failed to make the necessary remittances to the FIRS.

### Material Contracts

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

- I. Programme Trust Deed between United Capital PLC, STL Trustees Limited, United Capital Trustees Limited and UTL Trust Management Services Limited dated 28 March 2019;
- II. Series 2 Bond Trust Deed between United Capital PLC, EAC Trustees Limited, CardinalStone Trustees Limited and United Capital Trustees Limited, dated 14 September 2022
- III. Series 2 Vending Agreement between United Capital PLC, FSDH Capital Limited, Absa Capital Markets Nigeria Limited, UCML Capital Limited, EAC Advisory Limited and Kairos Capital Limited dated 14 September 2022

Other material contracts in respect of any issuance of Bonds are disclosed in this Pricing Supplement.

### Details of Investments

		Dec 2021	Dec 2020	Dec 2019	Dec 2018
S/N	Investment Class	₦'000	₦'000	₦'000	₦'000
1	Money Market Placements	135,115,215	35,739,839	27,354,034	34,341,543
2	Loan Assets	30,592,996	24,303,516	30,852,869	29,169,978
3	Treasury Bills	8,842,628	1,020,773	6,164,358	8,466,411
4	Federal Government Bonds	8,057,445	7,649,038	12,969,434	11,848,293
5	State Government Bonds	24,802,577	27,489,331	10,244,735	15,254,001
6	Corporate Bonds	15,881,805	8,689,018	4,889,606	16,336,266
7	Quoted Equity	6,565,673	5,476,050	2,201,718	3,339,320
8	Unquoted Equity	43,578,007	12,544,921	6,232,914	3,245,294
9	Mutual Funds	145,312,574	18,590,132	3,018,927	3,264,321
	<b>Total</b>	<b>418,748,920</b>	<b>141,502,618</b>	<b>103,928,595</b>	<b>125,265,427</b>

### Consents

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

<b>Directors of the Issuer</b>	Chika Mordi Peter Ashade Sonny Iroche Emmmanuel N. Nnorom Sunny Anene Stephen Nwadiuko Sutura Aisha Bello
--------------------------------	---

	Oladipupo Fatokun Oluleke Ogunlewe
<b>Company Secretary</b>	Leo Okafor
<b>Issuing Houses</b>	FSDH Capital Limited Absa Capital Markets Nigeria Limited UCML Capital Limited EAC Advisory Limited Kairos Capital Limited
<b>Trustees</b>	EAC Trustees Limited CardinalStone Trustees Limited United Capital Trustees Limited
<b>Solicitor to the Transaction</b>	G. Elias & Co.
<b>Solicitor to the Issuer</b>	Sefton Fross
<b>Rating Agencies</b>	Agusto & Co. Limited DataPro Limited
<b>Reporting Accountant</b>	Ernst & Young
<b>Auditor</b>	PricewaterhouseCoopers
<b>Registrar</b>	Cordros Registrars Limited
<b>Stockbroker</b>	United Capital Securities Limited
<b>Receiving Bank</b>	United Bank for Africa Plc

### Indebtedness

As at 31 December 2021, the Issuer has an outstanding debt of ₦79,691 million.

<b>Borrowed Funds</b>	<b>December 2021 ₦million</b>	<b>December 2020 ₦million</b>
Borrowing from banks	53,083	48,766
Issued debt – Bonds	7,617	9,018
Commercial Papers	18,990	14,877
<b>Total</b>	<b>79,691</b>	<b>72,661</b>

### Details of Debtors Constituting 5% and Above

<b>As at 30 December 2021</b>	
<b>Client</b>	<b>Amount</b>
Trans-Niger Oil & Gas Ltd	₦30,592,996
<b>Total</b>	<b>₦30,592,996</b>
<b>As at 30 December 2020</b>	
<b>Client</b>	<b>Amount</b>
Trans-Niger Oil & Gas Ltd	₦23,387,336
<b>Total</b>	<b>₦23,387,336</b>

### Creditors Constituting 5% and Above

<b>Borrowed Funds</b>	<b>December 2021 ₦million</b>	<b>December 2020 ₦million</b>
Borrowing from banks	53,083	48,766
Issued debt – Bonds (Various Investors)	7,617	9,018
Commercial Papers (Various Investors)	18,990	14,877
<b>Total</b>	<b>79,691</b>	<b>72,661</b>

### Director's Beneficial Interest

The interest of the Directors in the issued share capital of the Company are recorded in the Register of Director' shareholding as of December 31, 2021 as follows:

S/N	Names Of Directors	31-Dec-2021	31-Dec-2021	31-Dec-2020	31-Dec-2020
		Direct	Indirect	Direct	Indirect
1	Chika Mordi	12,363	Nil	12,363	Nil
2	Adim Jibunoh (Resigned)	Nil	Nil	Nil	Nil
3	Emmanuel Nnorom	Nil	30,502.000 (Vine Foods)		26,308.460 (Vine Foods)
4	Sunny Anene	6,000,000	Nil	3,000,000	Nil
5	Dipo Fatokun	Nil	Nil	Nil	Nil
6	Peter Ashade	1,215,456	8,784,544	215,456	3,100,000
7	Stephen Nwandiuko	427,600	Nil	427,600	Nil
8	Sunny Iroche	Nil	Nil	Nil	Nil
9	Sutura Aisha Bello	Nil	Nil	Nil	Nil
10	Tokunbo Ajayi (Resigned)	6,702	Nil	Nil	Nil
11	Ogunlewe Oluleke Olugboyega	Nil	Nil	Nil	Nil

### Share Capital History

Period	Authorised Share Capital (millions)		Issued and Paid (N'm)		Type
	Increase	Cumulative	Increase	Cumulative	
2002	300,000,000	300,000,000	300,000,000	300,000,000	Initial Capital
2006	1,700,000,000	2,000,000,000	1,700,000,000	2,000,000,000	Increase
2013	1,000,000,000	3,000,000,000	1,000,000,000	3,000,000,000	Right Issue

#### - Substantial Interest in Shares (10% and above)

As of the end of December 31, 2021, the shareholders with 10% and above are shown in the table below:

Shareholders	Shareholding	%Holding
West Coast Equity Limited	1,560,000,000	26%

### Debt Securities Outstanding

S/N	Description	Amount Outstanding (N'000)
1	<del>N</del> 10 Billion Series 1 Bond Issue under the <del>N</del> 30 Billion Bond Issuance Programme	7,617,351
2	<del>N</del> 4.22 Billion Series 7 CP Issue under the <del>N</del> 50 Billion CP Issuance Programme	4,167,260
3	<del>N</del> 12.48 Billion Series 8 CP Issue under the <del>N</del> 50 Billion CP Issuance Programme	12,477,602
<b>Total</b>		<b>24,262,213</b>

## APPENDIX II: DOCUMENTS AVAILABLE FOR INSPECTION

---

Copies of the following documents can be inspected at the registered office of the Issuer and at the respective offices of FSDH Capital Limited, Absa Capital Markets Nigeria Limited, UCML Capital Limited, EAC Advisory Limited and Kairos Capital Limited between 8:00 am and 5:00 pm on any Business Day (except public holidays) from the date of issuance of this Pricing Supplement:

- i. The Certificate of Incorporation of the Issuer;
- ii. The Memorandum and Articles of Association of the Issuer;
- iii. A copy of the resolution dated November 02, 2021 passed at the meeting of the Board of Directors of United Capital PLC, approving the offer signed by a Director and the Company Secretary;
- iv. A copy of the shareholders' resolution dated November 02, 2021 passed at the Annual General meeting of the Shareholders of United Capital PLC, approving the offer signed by a Director and the Chairman;
- v. The Shelf Prospectus dated 28 March 2019 issued in respect of the ₦30,000,000,000 Debt Issuance Programme;
- vi. The Programme Trust Deed dated 28 March 2019;
- vii. The audited financial statements of the Issuer for each of the years ended 31 December 2017, 31 December 2018, 31 December 2019, 31 December 2020 and 31 December 2021;
- viii. The Reporting Accountants' report by Ernst & Young on the Audited Consolidated Financial Statements of the Issuer for each of the years ended 31 December 2017, 31 December 2018, 31 December 2019, 31 December 2020 and 31 December 2021;
- ix. This Pricing Supplement;
- x. The Series 2 Bond Trust Deed dated 14 September 2022;
- xi. The schedule of the claims and litigation and the Solicitors' opinion thereon;
- xii. The material contracts referred to on page 20 of this Pricing Supplement;
- xiii. The written consents referred to on pages 20 of this Pricing Supplement;
- xiv. The Issuer's Ratings Reports;
- xv. Letters from the SEC confirming registration of the Shelf Prospectus and approval for the offer.

# United Capital Plc

Up to ₦20 billion 5-Year Senior Unsecured Fixed-Rate Series II Bond (under the ₦30 billion Debt Issuance Programme)

Rating:

**A-\***

*\*This Issue rating is indicative. A final rating will be assigned upon receipt of all duly executed transaction documents.*

**Outlook:** Stable

**Issue Date:** 31 January 2022

**Expiry Date:** 31 January 2023

*The rating is valid throughout the life of the instrument but will be subject to annual monitoring and review.*

**Bond tenor:** 5 years

**Industry:** Securities & Investments

**Analysts:**

**Stephen Adenuga**

*stephenadenuga@agusto.com*

**Adebisi Olukoya**

*biyiolukoya@agusto.com*

**Agusto & Co. Limited**

UBA House (5th Floor)

57, Marina

Lagos

[www.agusto.com](http://www.agusto.com)

**TRANSACTION PARTIES**

**Issuer:**

*United Capital Plc*

**Lead Issuing House/Bookrunner:**

*FSDH Capital Limited*

*The Bond is adjudged to offer adequate safety of timely payment of interest and principal; however, changes in circumstances can adversely affect such issues more than those in the higher rated categories.*

## RATING RATIONALE

Agusto & Co. hereby assigns an indicative 'A-' rating to United Capital Plc's ("United Capital" or "the Issuer") Five-Year Fixed-Rate Senior Unsecured Bond of up to ₦20 billion ("the Issue" or "the Bond"). The assigned rating mirrors the standalone rating of the Issuer as the Issue represents senior unsecured obligations that rank pari passu with United Capital's other senior unsecured debts. Agusto & Co. assigned an "A-" rating to the Issuer in August 2021, with an expiry date of 30 June 2022. The Bond's proceeds will be used to underwrite fixed income securities and replace United Capital's short-term borrowings.

The Issue's coupon will be payable semi-annually starting six months from the allotment date while the principal will be repaid at maturity. The Bond's principal and coupon will be paid from the Issuer's operating cash flows. The rating is supported by United Capital's good profitability, good liquidity and funding profile, large market share and experienced management team. The rating is, however, constrained by the considerable concentration and exposure to parties related to erstwhile parent (UBA Plc) and weak capitalisation. The present global and domestic economic challenges and the likely implications for the Issuer's business have also been taken into consideration.

As at 31 December 2020, United Capital's total assets stood at ₦228 billion. Liquid assets of ₦156.5 billion, largely comprising money market placements, FGN securities and bank balances, constituted 70% of total assets. The Issuer's placements of ₦63.3 billion showed concentration as the top six counterparties accounted for 61% of the portfolio. Nonetheless, 95% of the placements were held with investment-grade financial institutions, which we consider good. The remaining 5% of the portfolio, equating to a sizeable 12% of United Capital's shareholders' funds, was however held with an unrated institution.

The copyright of this document is reserved by Agusto & Co. Limited. No matter contained herein may be reproduced, duplicated or copied by any means whatsoever without the prior written consent of Agusto & Co. Limited. Action will be taken against companies or individuals who ignore this warning. The information contained in this document has been obtained from published financial statements and other sources which we consider to be reliable but do not guarantee as such. The opinions expressed in this document do not represent investment or other advice and should therefore not be construed as such. The circulation of this document is restricted to whom it has been addressed. Any unauthorized disclosure or use of the information contained herein is prohibited.

# UNITED CAPITAL PLC

## DataPro Rating:

**A**

Security Type: ₦20billion  
Senior  
Unsecured  
Fixed Rate  
Series 2 Bond

Maturity Profile: Medium Term  
(5 years)

Maturity Date: 2026

Rating Outlook: Stable

Currency: Naira

Rating Watch: Applicable

Date Issued: 16 Nov., 2021

Valid Till: Oct., 2022

## Reference:

Abiodun Adeseyoju, FCA.  
Abimbola Adeseyoju.  
Oladele Adeoye.

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

**Up To ₦20billion Senior, Unsecured, Fixed Rate  
Series 2 Bond under the ₦30billion United  
Capital Plc Debt Issuance Programme**

## EXECUTIVE SUMMARY

	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000	2016 ₦'000
Gross Earning	12,873,897	8,591,929	9,259,398	8,915,487	9,000,955
Profit Before Tax	7,947,670	4,949,720	6,221,246	5,547,829	6,366,734
Total Asset	222,748,295	150,464,375	148,697,064	136,595,561	160,692,959
Equity	24,426,479	19,585,839	15,834,007	16,766,680	14,237,931
Total Liabilities	198,321,816	130,878,536	132,863,057	119,828,881	146,455,028
Property Plants & Equipment	565,824	357,118	301,351	248,155	170,937
Managed Funds	116,019,077	72,379,297	75,685,719	70,492,088	100,679,053

## Rating Explanation

The Long-Term Rating of A+ indicates **Low Risk**. It shows Very Good Financial Strength, Operating Performance and profile when compared to the standards established by *DataPro Limited*. In our opinion the Issuer has Very Good ability to meet obligations under the *Issue*.

**NB: This Rating is issued subject to proper execution of relevant document.**

## ISSUE QUALITY

In the course of our review, we observed the following qualities about the Issue.

- The ability of the **Issuer** to generate profit continuously in the last five (5) years.
- The Issue is a direct obligation of the **Issuer**.
- The inability of the **Issuer** to create any Mortgage, Charge, Pledge or Encumbrance on its asset in respect of any other security unless the **Issuer** obligations under the Issue is secured equally or rateably as may be deemed appropriate by the Trustees to the Issue.
- The presence of events of default in the Debt Issuance Programme.

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



07 April 2022

The Group CEO  
United Capital Plc  
3<sup>rd</sup> and 4<sup>th</sup> Floor Afriland Towers  
95/107 Broad Street  
Lagos Island

Dear Sir,

CONFIRMATION OF GOING CONCERN STATUS OF UNITED CAPITAL PLC ("UNITED CAPITAL") IN RESPECT OF THE ₦20 BILLION SERIES 2 BOND ISSUANCE

United Capital PLC is in the process of raising a Senior Unsecured Fixed Rate Series 2 Bond under its ₦20,000,000,000.00 Debt Issuance Programme registered by the Securities and Exchange Commission ("SEC").

Based on our audit of the financial statements of United Capital for the year ended 31 December 2021, we have a reasonable expectation that United Capital has adequate resources to continue as a going concern in the foreseeable future. •

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

Yours faithfully,

For and on behalf of PricewaterhouseCoopers

**Chidi Ojechi**  
Partner

*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 LIRS Payer ID: C-307409

Partners: S Abu, O Adekoya, O Adeola, T Adeleke, W Adelokunbo-Ajayi, A Akingbade, UN Akpata, O Alakhume, C Azobu, E Erhie, K Erikume, U Muoglim, C Obaro, P Obianwa, T Labiodan, C Ojechi, U Ojimah, O Oladipo, W Olowofoyeku, P Omontuemen, O Osinubi, T Oyedele, AB Rajji, O Ubah, Y Yusuf



Ernst & Young  
10th & 13th Floors  
UBA House  
57 Marina  
P.O. Box 2442, Marina  
Lagos, Nigeria

Tel: +234 (01) 631 4500  
Fax: +234 (01) 463 0481  
Email: [service@ng.ey.com](mailto:service@ng.ey.com)  
[www.ey.com](http://www.ey.com)

The Directors  
United Capital Plc  
4th Floor, Afriland Towers  
97/105 Broad Street  
Lagos, Nigeria

Gentlemen,

**ACCOUNTANT'S REPORT ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF UNITED CAPITAL PLC FOR THE YEAR ENDED 31 DECEMBER 2021**

We have reviewed the audited consolidated financial statements of United Capital Plc (the "Company") and its subsidiaries (collectively, the "Group") that comprise the consolidated statement of financial position as at 31 December 2021 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, and a summary of significant accounting policies and other explanatory information. PricewaterhouseCooper was the auditor of the Group and the Company for the year ended 31 December 2021 and an unmodified audit opinion was issued.

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

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Accountant's Responsibility**

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

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

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



## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements have not been prepared in all material respects in accordance with the International Financial Reporting Standards (IFRS).

This report is solely for the use of the Directors of United Capital Plc and other relevant parties. No part of this report may be quoted or circulated outside these parties without the prior written approval of Ernst & Young.

Yours faithfully,

-----  
Babayomi Ajjola  
FRC/2013/ICAN/00000001196  
For: Ernst & Young  
Lagos, Nigeria  
Date: 28 April 2022



## APPENDIX VI: SUMMARY OF THE ISSUER'S FINANCIAL STATEMENTS

### UNITED CAPITAL PLC

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In thousands of Nigerian Naira	Notes	2021	2020	2019	2018	2017
Gross earnings		18,065,184	12,873,897	8,591,929	9,259,399	8,420,608
Investment income	6	6,784,383	4,771,387	3,574,898	5,165,138	6,133,393
Fees and commission income	7	6,159,573	3,471,398	1,963,076	1,904,034	1,813,466
Net trading income		1,181,877	753,226	136,170	126,499	88,397
Net income from managed funds	8	2,116,131	3,490,281	2,227,064	757,475	143,516
Operating income		16,241,963	12,486,292	7,901,208	7,953,146	8,178,772
Other income	9	1,585,936	397,972	701,521	1,300,080	211,452
Net gain/(loss) on financial assets at fair value through profit or loss	10	237,285	(10,367)	(10,800)	6,173	30,384
Total income		18,065,184	12,873,897	8,591,929	9,259,399	8,420,608
Personnel expenses	11	(1,588,410)	(1,351,050)	(1,631,612)	(1,638,971)	(1,568,967)
Other operating expenses	12	(3,603,030)	(2,616,760)	(1,765,927)	(1,550,223)	(1,473,471)
Depreciation and amortisation	22/23/24	(296,280)	(286,525)	(135,115)	(115,854)	(106,179)
Net impairment (charges)/reversal	13	(453,450)	(671,891)	(109,555)	266,895	266,524
Total expenses		(5,941,171)	(4,926,226)	(3,642,209)	(3,038,153)	(2,882,093)
Operating Profit before income tax		12,124,013	7,947,671	4,949,720	6,221,246	5,538,515
Share of loss in associate	20	(206,412)	-	-	-	-
Profit before income tax		11,917,601	7,947,671	4,949,720	6,221,246	5,538,515
Income tax (expense)/credit	14	(658,863)	(136,492)	23,699	(1,883,257)	(1,176,209)
Profit for the year		11,258,738	7,811,179	4,973,419	4,337,989	4,362,306
Other comprehensive income, net of income tax						
Items that will not be reclassified subsequently to profit or loss:						
Net fair value gain/(loss) on investments in equity instruments designated as FVTOCI	35.2	11,839	424,310	(896,602)	(1,154,667)	835,068
Items that may be reclassified subsequently to profit or loss:						
Net fair value (loss)/gain on investments in debts and other financial instruments designated as FVTOCI	35.3	(950,262)	(394,848)	1,675,015	1,178,510	331,377
Other comprehensive (loss)/income for the year		(938,423)	29,462	778,413	23,843	1,166,445
Total comprehensive income for the year		10,320,315	7,840,641	5,751,832	4,361,832	5,528,751
Profit for the year attributable to:						
Equity holders of the Company		11,258,738	7,811,179	4,973,419	4,337,989	4,362,306
Total comprehensive income attributable to:						
Equity holders of the Company		10,320,315	7,840,641	5,751,832	4,361,832	5,528,751
Basic and diluted earnings per share (kobo)						
	17	188	130	83	72	73

UNITED CAPITAL PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of Nigerian Naira	Notes	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
<b>ASSETS</b>						
Cash and cash equivalents	18	53,661,848	43,420,443	30,132,099	35,186,157	25,081,054
Financial assets:						
- At Amortised cost	19.1	169,041,802	106,063,725	83,587,980	71,505,899	-
- Fair value through other comprehensive income (FVOCI)	19.2	18,129,427	15,749,936	4,592,307	13,284,789	-
- Fair value through profit or loss (FVTPL)	19.3	176,476,026	23,335,181	5,962,059	3,392,038	-
- Loans and receivables	19.1	-	-	-	-	26,716,894
- Available for sale	19.2	-	-	-	-	40,533,795
- Held to maturity	19.1	-	-	-	-	20,692,937
- Held for trading	19.3	-	-	-	-	51,280
Trade and other receivables	25	30,919,248	28,472,746	25,528,548	24,545,886	22,780,621
Investment in associate	20	4,293,588	4,500,000	-	-	-
Property and equipment	23	471,852	565,824	357,118	301,351	248,070
Intangible assets	24	78,595	42,015	43,771	14,993	24,736
Deferred tax assets	16	312,755	314,736	260,184	465,955	465,955
Rights of use of assets	22	212,819	283,694	312	-	-
<b>TOTAL ASSETS</b>		<b>453,597,959</b>	<b>222,748,300</b>	<b>150,464,378</b>	<b>148,697,068</b>	<b>136,595,342</b>
<b>LIABILITIES</b>						
Bank overdrafts	26	46,461	3,804	100,540	-	58,439
Customers deposits	29	7,403,221	2,222,054	2,226,873	1,072,817	2,598,555
Managed funds	27	327,249,024	116,019,077	72,379,297	75,685,719	70,492,088
Other liabilities	30	6,775,628	5,457,450	3,073,220	3,773,588	3,004,476
Borrowed funds	28	79,691,116	72,661,645	50,876,737	49,163,296	41,412,677
Current income tax payable	15	1,803,212	1,830,813	1,569,828	1,923,707	2,262,424
Deferred tax liabilities	16	82,500	126,974	652,041	1,243,931	-
<b>TOTAL LIABILITIES</b>		<b>423,051,162</b>	<b>198,321,817</b>	<b>130,878,536</b>	<b>132,863,058</b>	<b>119,828,659</b>
<b>SHAREHOLDERS' FUND</b>						
Share capital	32	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Share premium	33	683,611	683,611	683,611	683,611	683,611
Retained earnings	34	28,660,541	21,601,803	16,790,625	13,817,206	14,608,584
Fair value reserve	35	(1,797,355)	(858,932)	(888,394)	(1,666,807)	(1,525,512)
<b>TOTAL SHAREHOLDERS' FUND</b>		<b>30,546,797</b>	<b>24,426,483</b>	<b>19,585,842</b>	<b>15,834,010</b>	<b>16,766,683</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUND</b>		<b>453,597,959</b>	<b>222,748,300</b>	<b>150,464,378</b>	<b>148,697,068</b>	<b>136,595,342</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of Nigerian Naira	Notes	2021	2020	2019	2018	2017
Profit before income tax		12,124,013	7,947,671	4,949,720	6,221,246	5,538,515
Adjustments for:						
Depreciation of property and equipment	23	204,408	202,220	123,894	105,481	94,029
Amortization of intangible assets	24	20,996	13,936	10,909	10,373	12,150
Depreciation of right of use assets	22	70,875	70,369	312		
Foreign exchange revaluation	9	(1,366,640)	(5,887)	-	(563,010)	-
Gain on disposal of property and equipment	23.1	(34)	(79,323)	(16,997)	(4,720)	(2,682)
Dividend income on equity investments	6.1b	(1,706,570)	(470,623)	(785,554)	(742,359)	(825,205)
Impairment charges/(reversal) recognised on amortised cost instruments	13	453,450	671,891	109,555	(266,895)	(275,840)
Net loss/(gains) on equity securities	10	(237,285)	10,367	10,800	(6,173)	(30,384)
		9,769,627	8,360,621	4,402,639	4,753,943	4,510,583
Movement in working capital						
Increase in trade and other receivables		(2,220,348)	(3,334,061)	(1,067,295)	(1,982,100)	(1,694,589)
Increase/(decrease) in managed funds		211,229,947	43,639,780	(3,306,422)	5,193,631	(30,186,965)
Increase/(decrease) in customer deposits		5,181,167	(4,819)	1,154,056	(1,525,738)	(348,323)
Increase/(decrease) in other liabilities		1,360,835	2,287,494	(599,828)	769,112	(3,169,510)
Cash flows from/(used in) operations		225,321,228	50,949,016	583,078	7,208,849	(30,888,804)
Income tax paid	15	(728,957)	(455,127)	(716,299)	(978,263)	(544,540)
Net cash from/(used in) operating activities		224,592,271	50,493,889	(133,221)	6,230,586	(31,433,344)
Cash flows from investing activities						
Purchase of property and equipment	23	(110,449)	(411,119)	(179,841)	(176,632)	(207,597)
Proceeds from disposal of property and equipment		47	79,516	17,177	22,590	39,029
Purchase of intangible assets	24	(57,576)	(12,180)	(39,687)	(630)	(14,225)
(Purchase)/disposal of financial instruments designated at amortized cost		(63,321,916)	(22,719,173)	(12,271,671)	(24,268,893)	21,359,906
(Purchase)/disposal of financial instruments designated at FVOCI		(3,317,915)	(11,128,167)	9,112,410	26,342,216	(11,168,916)
(Purchase)/disposal of financial instruments designated at FVTPL		(152,079,102)	(18,072,142)	(2,580,820)	(3,340,758)	20,434,507
Purchase of held for trading instruments		-	-	-	-	(20,896)
Investment in associate		-	(4,500,000)	-	-	-
Dividends received from equity investments		1,706,570	470,623	785,554	742,359	825,205
Purchase of right of use assets	22	-	(353,751)	(624)	-	-
Net cash (used in)/provided by investing activities		(217,180,340)	(56,646,393)	(5,157,502)	(679,748)	31,247,013
Cash flows from financing activities						
Dividends paid to equity holders	34	(4,200,000)	(3,000,000)	(2,000,000)	(2,100,000)	(3,000,000)
Proceeds from borrowings	28	27,413,022	74,037,170	1,713,441	12,933,934	19,787,621
Repayments of borrowings	28	(20,383,551)	(52,252,261)	-	(5,183,315)	(13,208,065)
Net cash from/(used in) financing activities		2,829,471	18,784,909	(286,559)	5,650,619	3,579,556
Net increase/(decrease) in cash and cash equivalents		10,241,402	12,632,404	(5,577,282)	11,201,457	3,393,225
Effect of foreign exchange changes on cash and cash equivalents		(42,655)	752,676	422,685	(1,037,915)	-
Cash and cash equivalents at beginning of the year		43,416,639	30,031,559	35,186,157	25,022,615	21,629,390
Cash and cash equivalents at end of the year	31	53,615,387	43,416,639	30,031,559	35,186,157	25,022,615

## APPENDIX VII: EXTRACT FROM THE SERIES 2 TRUST DEED

---

### THE BONDS

The ₦20,000,000,000 (Twenty Billion] Naira) 15% Fixed Rate Bonds due 2027 (the “**Series 2 Bonds**” or the “**Bonds**”) by United Capital PLC (the “**Issuer**” or the “**Company**”) are authorised by resolutions dated November 2, 2021 respectively, duly and properly passed in connection with the establishment of the Programme by the Company’s shareholders and directors.

The Bonds are constituted by a Series 2 Trust Deed dated 14 September 2022 (such deed as amended and/or supplemented and/or restated from time to time, the “**Series 2 Trust Deed**”) made amongst United Capital PLC (the “**Issuer**”), United Capital Trustees Limited, EAC Trustees Limited and CardinalStone Trustees Limited (the “**Trustees**”), which expression shall include their respective successor(s) as trustees for the Bondholders.

The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Series 2 Trust Deed and those applicable to them in the trust deed which constitutes the Bonds pursuant to the Programme (the “**Programme Trust Deed**”) dated March 28, 2019, copies of which are available for inspection during normal business hours at the specified offices of the Trustees and the Issuer throughout the tenor of the Bonds. The Programme Trust Deed and the Series 2 Trust Deed are collectively referred to as the Trust Deed.

The statements set out in these terms and conditions below (the “**Conditions**”) are subject to the detailed provisions of the Series 2 Trust Deed, the broader provisions of the Programme Trust Deed and the Supplementary Shelf Prospectus/Pricing Supplement dated March 28, 2019. The definitions in Clause 1 (*Definitions and Interpretation*) and the definitions under “General Terms and Conditions of the Bonds” in Schedule 3 of the Programme Trust Deed, shall apply *mutatis mutandis* in these Conditions.

### CONDITION 1 - FORM, DENOMINATION AND TITLE

#### 1.1. FORM CONDITION AND DENOMINATION

The Series 2 Bonds are issued in registered form and in denominations of ₦1,000 each and integral multiples of ₦1,000,000, where in excess thereof. The Issuer, the Trustees and the Registrar (except as otherwise required by law) shall deem and treat the registered Bondholder (or his legal representative) as the legal and beneficial owner thereof for all purposes whether or not it is overdue and no person will be liable for so treating such Bondholder. In these Conditions, Bondholder means the person in whose name the Bond(s) is/are registered in the Register.

#### 1.2. TITLE

1.2.1. The Bonds will be issued in dematerialised (uncertificated, book-entry) form and held as items of electronic book entry by crediting the CSD Accounts of every applicant who has agreed to hold the Bonds in dematerialized form. The Series 2 Bonds shall be registered with a separate securities identification code with the CSD. However, every Bondholder is entitled, upon request, to receive a certificate covering the aggregate amount of his beneficial interest in the Series 2 Bonds.

1.2.2. All payments made to the Bondholder shall be valid and, to the extent of sums so paid, effective to satisfy and discharge the liability for the moneys payable on the Series 2 Bonds. Each Bondholder shall be entitled to deal in the Bonds held by the Bondholder in accordance with CSD procedures and guidelines and the provisions of these Conditions.

1.2.3. Statements issued by the CSD as to the aggregate number of such Series 2 Bonds standing to the credit of the securities account of any person shall be conclusive and binding for all purposes; save in the case of manifest error and such person shall be treated by the Issuer,

the Trustees and the Registrar as the legal and beneficial owner of such aggregate number of Series 2 Bonds for all purposes.

- 1.2.4. The Series 2 Bonds will be denominated in Nigerian Naira, issued at par value and in minimum subscription amounts of ₦10,000,000.00 (Ten Million Naira) and integral multiples of ₦1,000,000.00 (One Million Naira) thereafter.

## **CONDITION 2 – REGISTRATION AND TRANSFER OF THE SERIES 2 BONDS**

### **2.1 TRANSFERS**

The Bonds may be transferred in accordance with Clause 5.7 (*Transfer of Bonds and Register of Holders*) of the Programme Trust Deed.

### **2.2 FORMALITIES FREE OF CHARGE**

Registration of transfer of Series 2 Bonds will be effected without charge by the Registrar on behalf of the Issuer but upon payment (or the giving of such indemnity as the Issuer may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

### **2.3 REFUSAL TO REGISTER TRANSFERS**

Subject to the provisions of the Programme Trust Deed and rules and regulations of the SEC, and/or the Exchanges, the Registrar may refuse to register any transfer of the Series 2 Bonds where the applicable legislation requires the Issuer to do so or where the transfer is lodged during a closed period within the meaning of Condition 1(e) (*Closed Periods*) of the Programme Trust Deed.

### **2.4 RETENTION OF TRANSFERS**

The Registrar shall, as applicable, retain all instruments of transfer of the Series 2 Bonds which are registered, but any instrument of transfer of Series 2 Bonds the registration of which was declined or refused (except on the ground of suspected fraud) is to be returned to the party which lodged the transfer.

### **2.5 POWERS OF ATTORNEY**

Any power of attorney granted by a Bondholder empowering his agent to deal with, or transfer any Series 2 Bonds, which is lodged, produced or exhibited to the Registrar will be deemed to continue and remain in full force and effect as between the Issuer, the Trustees, the Registrar and the grantor of that power, and may be acted upon, until express notice in writing is given by the grantor to the Registrar that it has been revoked or notice of the death, bankruptcy or liquidation of the grantor has been received by the Registrar from the trustees, personal representatives or liquidator of the grantor.

### **2.6 TRANSMISSION BY OPERATION OF LAW**

Any person becoming entitled to any Series 2 Bonds by operation of law (including the death, liquidation or bankruptcy of any Bondholder) may, upon producing evidence of such entitlement as shall be reasonably acceptable to the Issuer, obtain registration as the Bondholder of such Series 2 Bonds or may execute a transfer of such Series 2 Bonds. This provision includes any case where a person becomes entitled as a survivor of persons registered as joint holders.

### **2.7 REGISTER**

- 2.7.1 A Register of the Series 2 Bonds shall be kept by the Registrar at its office, and there shall be entered in such Register:

2.7.1.1 the names and addresses of the Bondholders for the time being of the Series 2 Bonds;

2.7.1.2 the amount of the units of Series 2 Bonds held by every registered Bondholder;

2.7.1.3 the CSD Amount number of the Series 2 Bondholder;

2.7.1.4 the date at which the names of every registered Bondholder is entered in respect of the Bond standing in his name; and

2.7.1.5 the date at which each Bondholder ceases to be a holder of any Series 2 Bonds.

2.7.2 Any change of name or address on a part of the Series 2 Bondholder shall forthwith be notified to the Registrar and thereupon the Register shall be altered accordingly. The Trustees and the Series 2 Bondholders and any person authorised by any of them shall be entitled at all reasonable times during office hours to inspect the Register and to make copies of or take extracts from the same.

## 2.8 REGULATIONS

All transfers of Series 2 Bonds and entries on the Register will be made in accordance with the detailed regulations concerning transfer of Bonds in the Programme Trust Deed, the rules of the relevant CSD and the prevailing rules and regulations of the SEC.

## CONDITION 3 - STATUS OF THE SERIES 2 BONDS

### 3.1 RANKING

The Series 2 Bonds are direct, unsecured and senior obligations of the Issuer and the provisions of Condition 2(a) (*Status of the Senior Bonds*) of the Programme Trust Deed will apply.

### 3.2 ISSUES OF SECURITIES

The Series 2 Bonds carry no right to participate in any offering of securities by the Issuer and are not convertible into shares in the capital of the Issuer.

### 3.3 VOTING RIGHTS

Bondholders will not have any right to vote at general meetings of the shareholders of Issuer.

## CONDITION 4 - COVENANTS

### 4.1 COVENANT OF COMPLIANCE

For as long as any of the Series 2 Bonds remains outstanding, the Issuer undertakes to comply with each of the covenants stated in Clause 8 (*Covenant of Compliance*) and Condition 3 (*Covenants*) of the Programme Trust Deed.

### 4.2 TRUSTEES NOT OBLIGED TO MONITOR COMPLIANCE

The Trustees are not required to ensure that the Issuer complies with these Conditions, provided that the Issuer shall furnish the Trustees, annually, with a certificate on terms similar to those set out in the Programme Trust Deed, on which the Trustees may rely, as to such compliance.

## **CONDITION 5 - COUPON**

### **5.1 COUPON RATE**

- 5.1.1 The Bonds shall accrue Coupon from and including the Coupon Commencement Date at the Coupon Rate(s) specified in the Supplementary Shelf Prospectus/Pricing Supplement.
- 5.1.2 Coupon shall be payable semi-annually in arrears in equal payments on each Coupon Payment Date up to and including the Maturity Date.
- 5.1.3 For the purpose of making any Coupon payment, any fraction of the Naira will be disregarded. Coupon will cease to accrue on the Bonds on the earliest of (a) the date on which the Bonds are redeemed or purchased for cash by the Issuer in accordance with these Conditions; or (b) in the event of an early redemption, the date on which the Bonds are redeemed by the Issuer.
- 5.1.4 When Coupon is required to be calculated in respect of a period of less than a full six (6) months, it shall be calculated on an actual/actual basis (actual number of days in a month/actual number of days in the year).

## **CONDITION 6 – PAYMENTS**

- 6.1 Coupon Amount on Bonds due on a Coupon Payment Date will be paid to the Bondholder shown on the Register at the Record Date before the relevant Coupon Payment Date.

For the purposes of this Condition, the bank account details that payments due to a Bondholder will be credited shall be as indicated on the application form completed by the Bondholder at the point of subscription to the Series 2 Bonds or as advised in writing to the Registrar, in the case of a payment due otherwise than on a Coupon Payment Date, three (3) days before the due date for payment, and in the case of a payment due on a Coupon Payment Date, three (3) days before the Record Date. A Bondholder's registered address means its address appearing on the Register on the relevant date.

- 6.2 Payments in respect of the Series 2 Bonds are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*) herein.
- 6.3 No commissions or expenses shall be charged to the Bondholders in respect of any payments made in accordance with this Condition.

## **CONDITION 7 – REDEMPTION**

### **7.1 Redemption at Maturity**

The Issuer shall redeem the Bonds on the Maturity Date.

### **7.2 Mode of redemption of Series 2 Bonds**

At the date so fixed for redemption of the Series 2 Bonds, the Trustees shall, instruct the Registrar to pay to the Bondholder the amount payable to him in respect of such redemption together with all interest accrued and yet unpaid thereon. If, on a Payment Date, any Bondholder whose Bonds are liable to be redeemed shall fail, refuse or be unable to accept payment of the redemption moneys payable in respect thereof, the Trustees shall hold such moneys in trust for such Bondholder and interest on such Bonds shall cease to accrue as from the date fixed for redemption thereof and the Issuer shall thereby be discharged from all obligations in connection with such Bonds. The Trustees shall apply such moneys in accordance with Clause 6.1.2 of the Series 2 Trust Deed and the Trustees shall not be responsible for the safe custody of such moneys or for interest thereon except such interest (if any) as the said money may earn whilst on deposit or invested as aforesaid less any expenses incurred by the Trustees.

### 7.3 Purchase

The Issuer may at any time and from time to time purchase Series 2 Bonds through the market or by tender (available to all Series 2 Bondholders alike but not otherwise), Provided that any Bonds purchased will be cancelled and will not be available for re-issue in accordance with the Programme Trust Deed.

#### **CONDITION 8 - TAXATION**

By virtue of the provisions of the VAT Order and the CITA Order respectively, corporate bonds are exempted from the imposition of value added tax and companies income tax until year 2022. In addition, the Personal Income Tax (Amendment) Act, 2011 exempts corporate bonds from the imposition of personal income tax. This exemption is not time bound. While the VAT Order expires in 2022, the Finance Act, 2020 now excludes securities from “goods and services” for the purpose of value added tax (s.44). However, Bondholders will be required to pay VAT on commissions payable to the SEC, the Exchange and the CSD in respect of the Bonds. In respect of Coupon (if any) accruing to corporate Bondholders, post January 2022, the Issuer may be required by law to withhold tax on such Coupon payments to the corporate Bondholders. In that event, no additional amounts shall be paid to the Bondholders as a result thereof. Provided however that the Bonds shall enjoy the benefits of the provisions of the tax exemptions, and such extension, amendments, and modifications thereof.

#### **CONDITION 9 - PRESCRIPTION**

The provisions of Condition 8 (*Prescription*) of the Programme Trust Deed will apply *mutatis mutandis* to the Series 2 Bonds.

#### **CONDITION 10 – EVENTS OF DEFAULT**

The provisions of Condition 9 (*Events of Default*) of the Programme Trust Deed shall apply in respect of the Series 2 Bonds.

#### **CONDITION 11 - ENFORCEMENT**

The provision of Condition 10 (*Enforcement*) of the Programme Trust Deed will apply *mutatis mutandis* to the Series 2 Bonds.

#### **CONDITION 12 - NOTICES**

The provision of Condition 13 (*Notices*) of the Programme Trust Deed will apply to notices to and from the Bondholders.

#### **CONDITION 13 - MEETINGS OF BONDHOLDERS, MODIFICATION, WAIVER AND AUTHORISATION**

##### **13.1 MEETINGS OF BONDHOLDERS**

Schedule 1 of the Programme Trust Deed which contains provisions regarding meetings of the Bondholders will apply *mutatis mutandis* to the Series 2 Bonds.

##### **13.2 TRUSTEES TO HAVE REGARD TO INTERESTS OF BONDHOLDERS AS A CLASS**

In connection with the exercise by the Trustees of any of their trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustees shall have regard to the general interests of the Holders as a class but shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of

any such exercise for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political subdivision thereof; and the Trustees shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer, the Trustees or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders except to the extent already provided for in Condition 8 (*Taxation*) above.

### 13.3 MODIFICATION TO BE BINDING ON THE BONDHOLDERS

Any modification, abrogation, waiver, authorisation, determination or substitution shall be in accordance with the Programme Trust Deed and shall be binding on the Bondholders.

### CONDITION 14: GOVERNING LAW

The Series 2 Trust Deed, the Bonds and the Coupons shall be governed by and construed in all respects in accordance with the laws of the Federal Republic of Nigeria.

## APPENDIX VIII: PROCEDURES FOR APPLICATION AND ALLOTMENT

---

### 1. Invitation for participation

Eligible Investors are hereby invited to participate in respect of the Issue through the Issuing Houses and Bookrunners.

- 1.1 The book building process opens on [02 August 2022] and closes on [29 August 2022]. Orders must be for a minimum of ₦10,000,000.00 (Ten Million Naira) and in integral multiples of ₦1,000,000.00 (One Million Naira) thereafter.
- 1.2 Participation Amount(s) and bid coupon rate(s) (the "Orders") should be entered in the space provided in the prescribed commitment form attached to this Pricing Supplement.
- 1.3 By completing and submitting the commitment form, each participant hereby agrees that the order is irrevocable and, to the fullest extent permitted by law, the obligations in respect thereof shall not be capable of rescission or termination by any participant.
- 1.4 Participants may place Orders for the Bonds at any price within the price range subject to the minimum participation amount and the terms and conditions stated in the commitment form and this Pricing Supplement.
- 1.5 A corporate participant should affix its official seal in the box provided and state its incorporation (RC) Number or, in the case of a corporate foreign subscriber, its appropriate identification/incorporation number in the jurisdiction in which it is constituted.
- 1.6 An individual participant should sign the declaration and write his/her full name, address and daytime telephone number on the commitment form. Joint participants must all sign the commitment form.
- 1.7 Upon the completion and submission of the commitment form, the participant is deemed to have authorised the Issuer and the Issuing House to effect the necessary changes in the Pricing Supplement/Supplemental Prospectus as would be required for the purposes of filing an application for the clearance and registration of the Pricing Supplement/Supplemental Prospectus with the SEC. The commitment form shall be considered as the application form for the purposes of registration of the Pricing Supplement/Supplemental Prospectus with the SEC.
- 1.8 Participants shall not be entitled to withdraw/modify orders after the book building closing date.
- 1.9 The commitment form presents the participant with the opportunity to indicate up to three optional bid interest rates within the price range and to specify the participation amount applicable to each option. The bid coupon rates and the participation amounts submitted by the participant in the commitment form will be treated as optional demands from the participant and will not be aggregated.
- 1.10 After determination of the Coupon Rate, the maximum participation amount specified by a participant at or below the clearing price will be considered for allocation and the rest of the order(s), irrespective of the corresponding bid coupon rate(s), will become automatically invalid.
- 1.11 The Issuer in consultation with the Issuing Houses and Bookrunners reserves the right not to proceed with the Issue at any time including after the book building opening date but before the allotment date without assigning any reason thereof, subject to notifying the Commission

### 2 Payment instructions

Successful participants should ensure that payment of the participation amounts is received on the day of the Signing Ceremony, via the CBN Real Time Gross Settlement ("RTGS") or the Nigerian Inter-Bank System Electronic Funds Transfer ("NEFT") or into the following designated issue proceeds accounts

domiciled with the Receiving Bank:

Bank Name	Account Name	Account Number
United Bank for Africa PLC	United Capital Plc Series 2 Bond Issuance	1024671649

### 3 Allocation / Allotment

- 3.1 On the pricing date, the Issuing Houses and Bookrunners will analyse the demand generated at various price levels and, in consultation with the Issuer, finalise the Coupon Rate and the allocations to each participant. Allocation confirmation notices will be sent to successful participants thereafter.
- 3.2 The Directors of United Capital PLC, the Issuing Houses and Bookrunners reserve the right to accept or reject any application in whole or in part for not complying with the terms and conditions of the Issue.
- 3.3 Upon clearance of the final Pricing Supplement by the SEC, allotment of Bonds shall be effected in a dematerialised (uncertificated) form. Participants are mandatorily required to specify their FMDQ Depository Business Partner Identification (BPID) Number or CSCS Account Number, and Clearing House Number (CHN) in the spaces provided on the Commitment Form. Investors without Client BPID with FMDQ Depository will be created automatically with basic particulars. With reference to Individual Investors – Name, House Address, Email Address, Phone Numbers, BVN are deemed important; while for Corporates/Institutional Investors – RC. No., Contact Person & Email Address are deemed important. Settlement of Bonds in dematerialised form shall be effected not later than 15 (fifteen) Business Days from the Allotment Date.

### 4 Bank account details

- 4.1 Participants are required to indicate their bank account details in the space provided on the commitment form for the purposes of future payments of Coupon and the Principal Amount.
- 4.2 Participants are advised to ensure that bank account details stated on the commitment form are correct as these bank account details shall be used by the Registrar for all payments indicated in 4.1 above in connection with the Bonds.
- 4.3 Failure to provide correct bank account details could result in delays in credit of such payments or the issuance of cheques/warrants which shall be sent by registered post to the specified addresses of the affected investors. The Issuer, the Issuing Houses, the Receiving Bank, the Trustees and the Registrar shall not have any responsibility nor will any of these specified parties undertake any liability for the same.
- 4.4 The Issuer, the Issuing Houses, the Receiving Bank, the Trustees and the Registrar shall not have any responsibility nor will any of these specified parties undertake any liability for the same as the postal authority shall be deemed to be the agent of the Participant for the purposes of all cheques posted.

APPENDIX IX: COMMITMENT FORM

Application List  
Opening Date  
[02 August 2022]



RC 444999

Application List  
Closing Date  
[29 August 2022]

OFFER FOR SUBSCRIPTION OF ₦11,730,000,000.00  
5-YEAR 15% SERIES 2 FIXED RATE SENIOR UNSECURED BOND DUE SEPTEMBER 2027  
UNDER THE ₦30,000,000,000 UNITED CAPITAL PLC DEBT ISSUANCE PROGRAMME  
ISSUE PRICE: ₦1,000 PER UNIT  
PAYABLE IN FULL ON APPLICATION

LEAD ISSUING HOUSE/BOOKRUNNER



RC 276208

JOINT ISSUING HOUSES/BOOKRUNNERS



Absa Capital Markets  
Nigeria Limited  
(RC 1383925)



Kairos Capital Limited  
(RC 1517636)



UCML Capital Limited  
(RC 370890)



EAC Advisory Limited  
(RC 1498096)

Please complete all relevant sections of this Form USING BLOCK LETTERS WHERE APPLICABLE																	
PARTICIPANT STATUS (PLEASE TICK <input checked="" type="checkbox"/> )		DATE (DD/MM/YYYY)						CONTROL NO. (FOR REGISTRARS' USE ONLY)									
<input type="checkbox"/>	High Net worth Investors	<input type="checkbox"/>	<input type="checkbox"/>	/	<input type="checkbox"/>	<input type="checkbox"/>	/	2	0	2	2						
<input type="checkbox"/>	Fund Managers																
<input type="checkbox"/>	Pension Fund Administrators	<b>DECLARATION</b>															
<input type="checkbox"/>	Insurance Companies	<ul style="list-style-type: none"> <li>I/We hereby confirm that I am/we are qualified persons to participate in this Bond Issue in accordance with applicable SEC Rules and Regulations.</li> </ul>						<ul style="list-style-type: none"> <li>I/We authorise the Issuer to make the necessary changes in the Pricing Supplement for filing of the Final Pricing Supplement with the SEC without intimation to me/us and use this Commitment Form as the Application Form for the purpose of this Issue.</li> </ul>									
<input type="checkbox"/>	Investment/Unit Trusts																
<input type="checkbox"/>	Multilateral/Bilateral Inst.	<ul style="list-style-type: none"> <li>I/We confirm that I/we have read the Pricing Supplement dated [Day] [Month], 2022 and that my/our Order(s) is/are made on the terms set therein</li> </ul>						<ul style="list-style-type: none"> <li>I/We note that the Issuer and the Issuing Houses are entitled in their absolute discretion to accept or reject this Order.</li> </ul>									
<input type="checkbox"/>	Market Makers																
<input type="checkbox"/>	Staff Schemes	<ul style="list-style-type: none"> <li>I/we hereby irrevocably undertake and confirm my/our Order(s) for the Bonds equivalent to my/our Participation Amount(s) set out below at the fixed Coupon Rate</li> </ul>						<ul style="list-style-type: none"> <li>I/We agree to accept the Participation Amount as may be allocated to me/us subject to the terms in this Pricing Supplement</li> </ul>									
<input type="checkbox"/>	Trustees/Custodians																
<input type="checkbox"/>	Stock-broking Firms																
<input type="checkbox"/>	Resident Corporate Investors	<ul style="list-style-type: none"> <li>I/We authorise you to enter my/our name on the Register of Bondholders as holder(s) of the Bonds that may be allotted to me/us and to register my/our address as given below</li> </ul>															
<input type="checkbox"/>	Non-Resident Investors																
<input type="checkbox"/>	Hedge Funds																
<input type="checkbox"/>	Banks																

PARTICIPANT DETAILS (INDIVIDUAL/CORPORATE/JOINT) (Please use one box for one alphabet leaving one box blank between first word and second)

Participants have to make orders on the Commitment Form and such orders shall not be considered as multiple applications. All orders must be for a minimum amount of ₦10 million (Ten Million Naira) and in multiples of ₦1,000,000 (One Million Naira) thereafter.

ORDER 1

PARTICIPATION AMOUNT (minimum amount of ₦10million and in multiples of ₦ 1,000,000 thereafter)												COUPON RATE	
IN FIGURES	₦												
IN WORDS													

ORDER 2

PARTICIPATION AMOUNT (minimum amount of ₦10 million and in multiples of ₦ 1,000,000 thereafter)												COUPON RATE	
IN FIGURES	₦												
IN WORDS													

ORDER 3

PARTICIPATION AMOUNT (minimum amount of ₦10 million and in multiples of ₦ 1,000,000 thereafter)													COUPON RATE	
IN FIGURES	₦													
IN WORDS														

**INVESTOR DETAILS (INDIVIDUAL/CORPORATE/JOINT) (Please use one box for one alphabet leaving one box blank between first word and second)**

SURNAME/CORPORATE NAME																																																																											
FIRST NAME (FOR INDIVIDUALS ONLY)													OTHER NAMES (FOR INDIVIDUALS ONLY)																																																														
JOINT APPLICANT'S FIRST NAME (IF APPLICABLE)													OTHER NAMES (FOR JOINT APPLICANT ONLY)																																																														
CONTACT PERSON (FOR CORPORATE APPLICANT)/ NEXT OF KIN (FOR INDIVIDUAL APPLICANT)																																																																											
ADDRESS IN FULL (PLEASE DO NOT REPEAT APPLICANT(S)' NAME). POST BOX NO. ALONE IS NOT SUFFICIENT																																																																											
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="13"></td> <td colspan="13">TEL.</td> </tr> <tr> <td colspan="6">CITY</td> <td colspan="6">STATE</td> <td colspan="6">E-MAIL</td> <td colspan="6"></td> </tr> </table>																																							TEL.													CITY						STATE						E-MAIL											
													TEL.																																																														
CITY						STATE						E-MAIL																																																															

**E-ALLOTMENT DETAILS (FOR BOOK-ENTRY ALLOTMENTS ONLY)**

Please credit my/our CSCS Account as detailed below to the extent of the Bonds allotted:

PARTICIPANT'S CSCS ACCOUNT NO:		CHN (CLEARING HOUSE NUMBER):	
--------------------------------	--	------------------------------	--

**E-ALLOTMENT DETAILS (FOR BOOK-ENTRY ALLOTMENTS ONLY)**

Please credit my/our Investor's Account as detailed below to the extent of the Bonds allotted on the FMDQ Depository:

FMDQ Depository Participants BPID No:		Client BPID NO:	
---------------------------------------	--	-----------------	--

**BANK DETAILS (FOR E-PAYMENTS)**

BANK NAME		BRANCH	
ACCOUNT NO:		CITY/STATE	

**SIGNATURES**

SIGNATURES	2ND SIGNATURE (CORPORATE/JOINT)	OFFICIAL SEAL/RC. NO.
NAME OF AUTHORISED SIGNATORY <i>(Corporate only)</i>	NAME OF AUTHORISED SIGNATORY <i>(Corporate/Joint):</i>	
DESIGNATION <i>(Corporate only):</i>	DESIGNATION <i>(Corporate only):</i>	

<b>STAMP OF SELLING GROUP MEMBER</b>
(ISSUING HOUSES/BOOKRUNNERS TO THE ISSUE ONLY)