

SHELF PROSPECTUS

THIS DOCUMENT IS IMPORTANT AND YOU ARE ADVISED TO CAREFULLY READ AND UNDERSTAND ITS CONTENTS. IF YOU ARE IN DOUBT ABOUT ITS CONTENTS OR THE ACTION TO TAKE, PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT, BANKER OR AN INDEPENDENT INVESTMENT ADVISER FOR GUIDANCE IMMEDIATELY. THIS SHELF PROSPECTUS HAS BEEN REVIEWED AND APPROVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF ARDOVA PLC AND THEY JOINTLY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE INQUIRIES WHICH ARE REASONABLE IN THE CIRCUMSTANCES AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN INACCURATE OR MISLEADING.

FOR INFORMATION ABOUT CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE RISK FACTORS ON PAGES 63 TO 65.



ARDOVA PLC (RC 4119) **₦60,000,000,000 DEBT ISSUANCE PROGRAMME** **SHELF PROSPECTUS**

THIS SHELF PROSPECTUS IS TO BE READ AND CONSTRUED IN CONJUNCTION WITH ANY SUPPLEMENT THERETO AND ALL DOCUMENTS WHICH ARE INCORPORATED HEREIN, BY REFERENCE AND, IN RELATION TO ANY SERIES OR TRANCHE (AS DEFINED HEREIN) OF SECURITIES, TOGETHER WITH THE APPLICABLE PRICING SUPPLEMENT. THIS SHELF PROSPECTUS SHALL BE READ AND CONSTRUED ON THE BASIS THAT SUCH DOCUMENTS ARE INCORPORATED HEREIN AND FORM PART OF THIS SHELF PROSPECTUS.

THIS SHELF PROSPECTUS AND THE SECURITIES THAT IT OFFERS HAVE BEEN APPROVED AND REGISTERED BY THE SECURITIES AND EXCHANGE COMMISSION ("SEC" OR THE "COMMISSION"). IT IS A CIVIL WRONG AND CRIMINAL OFFENCE UNDER THE INVESTMENTS AND SECURITIES ACT (NO. 29 OF 2007) (THE "ACT" OR "ISA") TO ISSUE A PROSPECTUS WHICH CONTAINS FALSE OR MISLEADING INFORMATION. THE CLEARANCE AND REGISTRATION OF THIS PROSPECTUS AND THE SECURITIES WHICH IT OFFERS DOES NOT RELIEVE THE PARTIES FROM ANY LIABILITY ARISING UNDER THE ACT FOR FALSE AND MISLEADING STATEMENTS CONTAINED HEREIN OR FOR ANY OMISSION OF A MATERIAL FACT.

THIS SHELF PROSPECTUS HAS BEEN ISSUED IN COMPLIANCE WITH PART IX OF THE ISA, PART F RULE 279 OF THE RULES AND REGULATIONS OF THE SEC 2013 (AS AMENDED FROM TIME TO TIME) ("SEC RULES") AND CONTAINS PARTICULARS WHICH ARE COMPLIANT WITH THE REQUIREMENTS OF THE COMMISSION FOR THE PURPOSE OF GIVING INFORMATION WITH REGARDS TO THE ARDOVA PLC ₦60,000,000,000 DEBT ISSUANCE PROGRAMME (THE "PROGRAMME").

BONDS ISSUED UNDER THE PROGRAMME MAY BE ISSUED IN SERIES. THE FINAL TERMS OF THE RELEVANT SERIES WILL BE DETERMINED AT THE TIME OF THE OFFERING OF THAT SERIES BASED ON PREVAILING MARKET CONDITIONS AND WILL BE SET OUT IN THE RELEVANT PRICING SUPPLEMENT/SUPPLEMENTARY PROSPECTUS.

THE REGISTRATION OF THE SHELF PROSPECTUS AND ANY PRICING SUPPLEMENT THEREAFTER DOES NOT IN ANY WAY WHATSOEVER SUGGEST THAT THE COMMISSION ENDORSES OR RECOMMENDS THE SECURITIES IT OFFERS OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED THEREIN. NO SECURITIES WILL BE ALLOTTED OR ISSUED ON THE BASIS OF THIS SHELF PROSPECTUS READ TOGETHER WITH ANY SUPPLEMENTARY PROSPECTUS OR PRICING SUPPLEMENT LATER THAN THREE (3) YEARS FROM THE DATE OF THIS SHELF PROSPECTUS UNLESS THE VALIDITY PERIOD (AS SUBSEQUENTLY DEFINED) IS RENEWED BY THE COMMISSION.

THE ISSUER ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS SHELF PROSPECTUS. TO THE BEST OF ITS KNOWLEDGE AND BELIEF (HAVING TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS DOCUMENT IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION.

INVESTORS ARE ADVISED TO NOTE THAT LIABILITY FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS SHELF PROSPECTUS IS PROVIDED IN SECTIONS 85 AND 86 OF THE ISA.

INVESTORS MAY CONFIRM THE CLEARANCE OF THIS PROSPECTUS AND REGISTRATION OF THE SECURITIES WITH THE SECURITIES AND EXCHANGE COMMISSION BY CONTACTING THE COMMISSION ON SEC@SEC.GOV.NG OR +234(0)94621100; +234(0) 94621168.

Issuing Houses/Bookrunners



VETIVA
CAPITAL MANAGEMENT LIMITED
RC.485600



Stanbic IBTC
Capital
RC 1031358

THIS SHELF PROSPECTUS IS DATED 12 NOVEMBER, 2021

This Shelf Prospectus will be available on the following websites throughout the validity period

www.ardovapl.com

www.sec.gov.ng

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PRESENTATION OF INFORMATION

Ardova Plc ("Ardova" or the "Company") maintains its books of accounts in Naira and in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Unless otherwise specifically stated elsewhere in this Shelf Prospectus, the financial information set forth herein relates to the Company and its consolidated subsidiaries (the "Group") and has been derived from the Group's audited consolidated financial statements as at and for the year ended 31 December, 2020 (the "2020 Financial Statements"), 31 December 2019 (the "2019 Financial Statements") and 31 December 2018 (the "2018 Financial Statements") (together, the "Financial Statements"). The Financial Statements were prepared in accordance with IFRS and in the manner required by Companies and Allied Matters Act No. 3 of 2020 (as amended) ("CAMA") and the Financial Reporting Council of Nigeria Act No. 6 of 2011.

The Financial Statements as prepared and audited by PKF Professional Services Limited (up till 2018) and Deloitte and Touche (2019 till date) (the "Auditors"), who were auditors of the Company for those financial years. The Financial Statements were audited by the Auditors in accordance with the International Standards on Auditing issued by International Federation of Accountants (IFAC) ("International Standards on Auditing").

In addition to the professional relationship established between the Issuer and any of its advisers pursuant to this Programme, there may exist other relationships between the Issuer and its advisers. The acquisition by Ignite Investments and Commodities Limited was funded through a bank loan from Stanbic IBTC Bank Plc. Stanbic IBTC Bank Plc and other relationship banks have direct lending relationship with Ardova Plc. Stanbic IBTC Capital Limited is also acting as financial adviser to the Group as regards the proposed acquisition of 100% equity stake in Enyo Retail and Supply Limited.

Certain statistical information presented in this Shelf Prospectus on topics such as the Nigerian economy, political landscape and related subjects have been obtained from third party sources, as described in the relevant sections. The Company has accurately reproduced such information and as far as it is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the information inaccurate or misleading. Neither the Company, the Issuing Houses nor any of the Company's other professional advisers have independently verified the figures, market data or other information on which such third parties have based their report(s). Some of the estimates in this Shelf Prospectus are based on such third-party information. Prospective investors are advised to consider this statistical information with caution.

DEFINITION OF TERMS

The following definitions apply throughout this document except where otherwise stated:

"Allotment"	The issue of Bonds to successful investors pursuant to the relevant Pricing Supplement
"Allotment Date"	The date on which Bonds are allotted to successful investors
"Ardova" or the "Company"	Ardova Plc
"Auditors"	PKF Professional Services Limited and Deloitte and Touche (as applicable)
"Board" or "Board of Directors" or "Directors"	Board of Directors of Ardova in the relevant context, comprising those persons whose names appear on page 15 of this Shelf Prospectus
"Bonds"	The registered bonds or any other type of debt instruments or securities that will be issued by the Company from time to time in accordance with the terms of the Shelf Prospectus and any applicable Pricing Supplement with the maximum aggregate Principal Amount not exceeding ₦60,000,000,000
"Bondholder" or "Holder"	Any registered owner of the Bonds
"Bond Issuance Programme" or "Debt Issuance Programme" or the "Programme"	The ₦60,000,000,000 debt issuance programme being undertaken by Ardova Plc as described in this Shelf Prospectus, pursuant to which the Company may issue Series of Bonds from time to time up to a maximum aggregate Principal Amount of ₦60,000,000,000
"Bond Maturity Date"	The date specified in the applicable Pricing Supplement on which the Principal Amount of the Bonds of a Series or Tranche are due and payable
"Book"	The collation of all bids received from Qualified Investors in respect of Bonds issued under the Programme which are being sold by way of Book Building indicating the value of the bids and the respective allocations
"Book Runner(s)"	The Issuing House(s) duly appointed by the Issuer to maintain the Book in respect of the Bonds being sold by way of Book Building
"Book Building"	As defined in SEC Rule 321, a process of price and demand discovery through which a Book Runner seeks to determine the price at which securities should be issued, based on the demand from Qualified Investors
"Business Day"	Any day, other than a Saturday, Sunday or public holiday declared by the Federal Government, on which banks are opened for business in Nigeria
"CAMA"	Companies and Allied Matters Act No. 3 of 2020 (as amended)
"CBN"	Central Bank of Nigeria
"CGT ACT"	Capital Gains Tax Act, Chapter C1, LFN 2004 (as amended by the Finance Acts)
"CIT"	Companies Income Tax
"Conditions" or "Terms and Conditions"	Terms and conditions in accordance with which any Bond will be issued, set out in the section of this Shelf Prospectus headed "Terms and Conditions of the Bonds" and in the relevant Trust Deeds
"Coupon"	The interest paid on any Bond (other than a Zero Coupon Bond) periodically, expressed as a percentage of the face value of the Bond
"Coupon Commencement Date"	The Issue Date for any particular Series or Tranche of Bonds or such other date as may be specified in the applicable Pricing Supplement, from which Coupon on a Series or Tranche of the applicable Bonds

DEFINITION OF TERMS

	will begin to accrue
"Coupon Payment Date"	The date on which any Coupon falls due for payment to the Bondholders as specified in the applicable Pricing Supplement
"Coupon Rate"	The rate or rates (expressed as a percentage per annum) of interest payable in respect of the Bonds specified in the applicable Pricing Supplement or calculated or determined in accordance with the provisions of the applicable Pricing Supplement
"CSCS"	Central Securities Clearing System, operated by Central Securities Clearing System Plc
"CSD" or "Depository"	CSCS or FMDQ Depository Limited
"Daily Official List"	The daily publication of the Exchange detailing price movements and information on all securities quoted on The Exchange
"Daily Quotation List"	The daily official publication of the FMDQ containing market/model prices and yields, and the values traded on all securities listed and quoted on the FMDQ
"DataPro"	DataPro Limited
"Events of Default"	All such events as are defined under the Programme Trust Deed and particularly set out in the Series Trust Deed for the relevant Series
"FGN" or "Federal Government"	Federal Government of Nigeria
"Finance Acts"	Finance Act, 2019 and Finance Act, 2020
"Fixed Rate Bonds"	Bonds in respect of which Coupon is to be calculated and paid on a fixed rate basis
"Floating Rate Bonds"	Bonds in respect of which Coupon is to be calculated and paid on a floating rate basis
"FMDQ"	FMDQ Securities Exchange Limited
"GCR"	Global Credit Rating Company Limited
"GDP"	Gross Domestic Product
"High Net Worth Investor"	High Net Worth Investor with a minimum net worth of ₦100,000,000.00 (One Hundred Million Naira) (excluding assets such as automobiles, homes and furniture)
"IFRS"	International Financial Reporting Standards
"Index Linked Coupon Bonds"	Bonds in respect of which Coupon will be calculated by reference to an index and/or formula or to changes in the prices of securities or commodities or to such other factors as may be prescribed in the applicable Pricing Supplement
"ISA"	Investments and Securities Act No. 29 of 2007 (as amended from time to time)
"Issue Date"	The date on which any Bond is issued as specified in the applicable Pricing Supplement
"Issue Price"	The price at which any Bond is issued as specified in the applicable Pricing Supplement
"Issuing Houses"	Vetiva Capital Management Limited and Stanbic IBTC Capital Limited
"LFN"	Laws of the Federation of Nigeria
"Naira/NGN" or "₦"	The Nigerian Naira

DEFINITION OF TERMS

"Nigeria"	The Federal Republic of Nigeria
"PFAs"	Pension Fund Administrators
"PIT"	Personal Income Tax
"PITA"	Personal Income Tax Act Chapter, P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No. 20 of 2011 and the Finance Acts)
"Pricing Supplement" or "Supplementary Prospectus"	The document(s) to be issued pursuant to the Shelf Prospectus which shall provide final terms and conditions of a specific Series of debt securities issued under the Programme and read in conjunction with the Shelf Prospectus
"Principal" or "Principal Amount"	The nominal amount of each Bond, as specified in the applicable Pricing Supplement
"Professional Parties"	Professionals engaged by the Issuer in connection with the establishment of the Programme as listed out on Pages 15 to 16 of this Prospectus
"Programme Trust Deed"	The Programme Trust Deed dated on or about the date of this Shelf Prospectus between the Issuer and the Trustees in connection with the Bond Issuance Programme and under which the Bonds will be constituted
"Qualified Institutional Investor(s)"	Qualified Institutional Investors as defined in Rule 321 of the SEC Rules
"Rating Agencies"	Global Credit Rating Company Limited and DataPro Limited
"Record Date"	The date on which the list of Holders of the Bonds is extracted from the Register for the purposes of making Principal Amount and Coupon payments
"Registrar" or "Registrars"	Africa Prudential Plc or any other person so appointed by the Issuer
"Register"	The record maintained by the Registrar detailing amongst others, the particulars of Bondholders, nominal amount of Bonds held by each Bondholder and all subsequent transfers and changes in ownership of the Bonds
"SEC" or "Commission"	Securities and Exchange Commission, Nigeria
"SEC Rules"	The rules and regulations of the SEC (issued pursuant to the ISA) and as may be amended from time to time
"Securities Exchange"	FMDQ, Nigerian Exchange Limited and/or relevant securities exchanges
"Series"	Tranche of Bonds (as applicable) together with any further Tranche or Tranches of Bonds which are identical in all respects except for their respective Issue Dates, Bond Maturity Dates, Coupon Commencement Dates and/or Issue Prices (as applicable)
"Series Trust Deed"	A deed supplementing or modifying the provisions of the Programme Trust Deed entered into by the Issuer and the Trustees with regards to a specific Series or Tranche and empowering the Trustees to hold, administer and manage the applicable debt service reserve account or sinking fund, amongst other things in respect of the Bonds being issued under a particular Series
"Shelf Prospectus" or "Prospectus"	This Prospectus that the Company has filed in accordance with the SEC Rules
"The Exchange"	Nigerian Exchange Limited

DEFINITION OF TERMS

"Tranche"	Bonds which are identical in all respects except for their respective Issue Dates, Bond Maturity Dates, Coupon Commencement Dates and/or Issue Prices (as applicable)
"Transaction Documents"	The Shelf Prospectus, Supplementary Prospectus/Pricing Supplement, the Trust Deeds, Vending Agreement and all related documents
"Trust Deeds"	Programme Trust Deed and Series Trust Deed(s)
"Trustees"	Vetiva Trustees Limited, Stanbic IBTC Trustees Limited, ARM Trustees Limited; and any other Trustee appointed by the Issuer
"Validity Period"	A period not exceeding three (3) years from the date of this Shelf Prospectus
"VAT"	Value Added Tax
"VAT Act"	The Value Added Tax Act (Chapter V1) LFN 2004 (as amended by the Value Added Tax (Amendment) Act No 12 of 2007 and the Finance Acts
"Zero Coupon Bonds"	Non-interest bearing Bond or similar securities

DECLARATION BY THE ISSUER

1, APCOcell Road,
5012, Lagos, Nigeria
+234 1 277 5100



DECLARATION BY THE ISSUER

This Prospectus has been prepared on our behalf with a view of providing information and disclosures on relevant aspects of Ardoval Plc (the "Company"), in perspective in connection with the Programme and the investment in the securities to be issued therein.

1. On behalf of the Board of Directors, we hereby make the following declarations to the best of our knowledge and belief;
2. We confirm that the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import;
3. There has been no significant change in the financial condition or material adverse change in the prospects of the Company as at the date of publication of this Shelf Prospectus;
4. The Company is not in breach of any terms and conditions in respect to borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve (12) months preceding the date of this Shelf Prospectus; and
5. No prosecution has been commenced against either the Company or any of its subsidiaries during the twelve (12) months immediately preceding the date of this Shelf Prospectus in respect of any breach or contravention of any provision of the Companies and Allied Matters Act or the listing requirements of any Securities Exchange on which the securities of the Company are listed.

SIGNED for and on behalf of
ARDOVA PLC

By its duly authorized representatives


Olumide Adeosun
Chief Executive Officer


Moshood Olajide
Chief Financial Officer


Oladewinde Nelson-Ene
Company Secretary


NOTARIZED BY ME
THIS 5th DAY OF May 2021

IFEOMA M. EDENGENE
Notary Public



www.ardovalplc.com

Directors:
Oladewinde Nelson-Ene (Chairman)
Oladewinde Nelson-Ene (Company Secretary)
Moshood Olajide (Executive Director, Finance & Operations)
Oladewinde Nelson-Ene (Executive Director, Finance & Operations)
Oladewinde Nelson-Ene (Executive Director, Finance & Operations)
Oladewinde Nelson-Ene (Executive Director, Finance & Operations)

CONFIRMATION OF GOING CONCERN BY THE ISSUER

1, APCO Road
Bona Lagos, Nigeria
+234 1 277 6100



20 April 2021

THE MANAGING DIRECTOR
Veriva Capital Management Limited
Plot 266B, Kofo Abayomi Street
Victoria Island
Lagos

THE CHIEF EXECUTIVE
Stanbic IBTC Capital Limited
IBTC Place, Walter Carrington Crescent
Victoria Island
Lagos

Dear Sirs,

CONFIRMATION OF GOING CONCERN STATUS OF ARDOVA PLC ("ARDOVA")

Ardoval Plc is in the process of seeking registration of its proposed ₦60 Billion Debt Issuance Programme by the Securities and Exchange Commission ("SEC").

Based on our review of the financial statement of Ardoval for the year ended 31 December, 2020, we have a reasonable expectation that Ardoval 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 Ardoval Plc


Olumide Adeosun
Chief Executive Officer


Moshood Olajide
Chief Financial Officer

www.ardovalplc.com

Directors
Adekunle Ademola (Chairman)
Moshood Olajide (Managing Director & Finance & Risk Management)
Moses Adenuga (Managing Director & Operations)
Adekunle Ademola (Independent Non-Executive Director)
Adekunle Ademola (Independent Non-Executive Director)

NOTICE TO PROSPECTIVE INVESTORS

This Shelf Prospectus has been prepared by the Company in connection with its Programme, pursuant to which the Company proposes to issue Bonds with varying maturities, terms and conditions and is issued, for purposes of giving information to prospective investors in respect of the Bonds.

The Programme provides some flexibility for the Company as it accommodates the issuance of series of Bonds in accordance with applicable laws, this Shelf Prospectus and the Terms and Conditions.

Following the registration of this Shelf Prospectus with the SEC, the SEC will register the Bonds as they are issued under each Series.

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

Investment Advice

Neither this Shelf Prospectus nor any other information supplied in connection with the Bonds is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Company, any of the Professional Parties that any recipient of this Shelf Prospectus or any other information supplied in connection with the Bonds should purchase the Bonds.

The receipt of this Shelf Prospectus or any information contained in it or supplied with it or subsequently communicated to any person is not to be construed as constituting investment advice from the Company or the Professional Parties, to any prospective investor. Prospective investors should make their independent assessment of the benefits of subscribing to the Bonds and should obtain their own professional advice in connection with any prospective investment by them in the Bonds. Neither the Shelf Prospectus nor any other information supplied in connection with the Programme or the Bonds constitutes an offer or invitation by or on behalf of the Company or any of the Professional Parties to any person to subscribe to or purchase the Bonds.

Neither the delivery of this Shelf Prospectus nor the offering, sale or delivery of the Bonds shall in any circumstances imply that the information contained herein concerning the Company is correct at any time after the date of this Shelf Prospectus or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date of the document containing same.

The Professional Parties expressly do not undertake to review the financial condition or affairs of the Company throughout the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention. The Professional Parties have not separately verified the information contained in this Shelf Prospectus and accordingly no representation, warranty or undertaking, express or implied, is made and to the fullest extent permitted by law, no responsibility or liability is accepted whether in contract or otherwise by the Professional Parties as to the accuracy or completeness of the information contained in this Shelf Prospectus or any other information supplied in connection with the Bonds or their distribution. Each person receiving this Shelf Prospectus acknowledges that it has not relied on the Issuing Houses or any other Professional Party or any person affiliated with any of them in connection with its investigation of the accuracy of this Shelf Prospectus or such information or its investment decision.

The Company and the members of the Board, whose names appear on page 15 of this Shelf Prospectus, individually and collectively accept full responsibility for the accuracy of the information contained herein and have taken reasonable care to ensure that the material facts contained in this Shelf Prospectus are true and accurate in all material respects and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no material facts, the omission of which, would make any material statement herein misleading or untrue.

NOTICE TO PROSPECTIVE INVESTORS

Statistical Information, Data and Figures

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

Some statistical information reported in this Shelf Prospectus have been reproduced from official publications of, and information supplied by, a number of the Nigerian government agencies and ministries, and other third party sources, including the CBN, the International Monetary Fund (the "IMF"), the Debt Management Office (the "DMO") and the National Bureau of Statistics (the "NBS"). Views may necessarily vary among the sources from which the information in this Shelf Prospectus was obtained. This third-party information is presented under "Industry Overview", "Macro-Economic Overview" and "Risk Factors". Where such third-party information appears in this Shelf Prospectus, it has been cited as such. The Company has accurately reproduced such information, has not independently verified such information included in this Shelf Prospectus and, so far as the Company is aware and is able to ascertain, no facts have been omitted that would render the reproduced information inaccurate or misleading. The Company has relied on the accuracy of this information without independent verification.

Prospective investors are, therefore, advised to consider this information with caution. The underlying information, on which market studies are based, is to all intents and purposes, speculative. As such, these market and industry studies may not be accurate or appropriate. While neither the Company nor the Professional Parties have any reason to believe that any of the market or industry is materially inaccurate, neither the Issuer nor the Professional Parties have independently verified the figures, market data or other information on which third parties have based their studies and no representation is made by the Company or the Professional Parties with respect to the accuracy or completeness of any of these market or industry studies.

Cautionary Statement regarding Forward Looking Statements

This Shelf Prospectus and any applicable Pricing Supplement may contain statements that constitute forward looking statements that involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. All statements other than statements of historical facts included in this Shelf Prospectus are forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the plans, strategies, objectives or goals of the Company and its subsidiaries, the Company's future economic performance or prospects, the potential effect on the Company's future economic performance or prospects, the potential effect on the Group's future performance of certain contingencies; and assumptions underlying any such statements. The forward-looking statements by the Company concerning its anticipated development have been included solely for illustrative purposes.

Words such as "believes", "anticipates", "expects", "estimates", "may", "is/are expected to", "intends", "will", "will continue", "should", "would", "seeks", "approximately", "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

The Company is not obliged to and does not intend to update these forward-looking statements except as may be required by applicable securities laws. All subsequent written or oral forward-looking statements attributed to the Issuer, or persons acting on the Issuer's behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Shelf Prospectus. A prospective investor in the Bonds should not place undue reliance on these forward-looking statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved.

Hence, forward-looking statements are not guarantees of future performance of the Issuer or the industry in which the Issuer operates and that the Issuer's actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially

NOTICE TO PROSPECTIVE INVESTORS

from those made in or suggested by the forward-looking statements contained in this Prospectus. Such forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realized. In the event that the Issuer's actual results of operations, financial condition, liquidity and the development of the industry in which the Issuer operates are consistent with the forward looking statements contained in this Prospectus, it is not guaranteed that those results or developments would be indicative of results or developments in subsequent periods.

A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include the following amongst others:

- Overall political, economic and business conditions in Nigeria;
- Economic and political conditions in international markets, including governmental changes;
- Changes in government regulations, especially those pertaining to the Oil and Gas sector;
- Changes in tax requirements, including tax rate changes, new tax laws and revised tax law interpretations;
- The demand for the Issuer's products and services;
- Competitive factors in the industries in which the Issuer and its customers operate;
- Interest rate fluctuations and other capital market conditions;
- Exchange rate fluctuations; and
- The timing, impact and other uncertainties of future actions.
- Adverse rating actions by credit rating agencies in respect of the Company;
- Acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; and
- The Company's success at managing the risks involved in the foregoing.

The list above is not exhaustive. The sections of this Shelf Prospectus titled "*Risk Factors*" contain more detailed discussions on the factors that could affect the Company's future performance and the industry in which it operates.

If one or more of the risks or uncertainties described under "Risk Factors" or elsewhere in this Shelf Prospectus materializes, or if underlying assumptions prove incorrect, the Issuer's actual results, performance or achievements or industry results may be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements speak only to the date of this Shelf Prospectus or as of such earlier date at which such statements are expressed to be given.

The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's beliefs or the Issuer's expectations with regards thereto or any change in circumstances, events or conditions on which any such statements are based. Thus, when evaluating forward-looking statements, prospective investors should carefully consider the foregoing factors and other uncertainties and events, as well as the other risks identified in this Shelf Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

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

1. Each applicable Pricing Supplement or Supplementary Prospectus relating to any Series or Tranche of the Bonds issued under this Prospectus.
2. The audited accounts (and notes thereto) and any audited interim financial statements published subsequent to such audited accounts of the Issuer for the five financial years prior to each issue of Bonds under this Programme, which shall be deemed to be incorporated in, and to form part of this Shelf Prospectus and which shall be deemed to modify and supersede the contents of this Shelf Prospectus as appropriate.

The Issuer will, in the event of any material change in its financial position which is not reflected in this Shelf Prospectus, prepare an amendment or supplement to this Shelf Prospectus; also, the Issuer's information given in this Shelf Prospectus and the terms and conditions of additional Bonds to be issued under the Programme may be updated in a Supplementary Prospectus/Pricing Supplement pursuant to the Rules and Regulations of the SEC. Any such amendment or supplement is hereby incorporated by reference into this Shelf Prospectus and forms an integral part hereof. Any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Shelf Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Shelf Prospectus.

Availability of Information

This Shelf Prospectus and any Supplementary Prospectus, if applicable, are accessible, and copies of same may be obtained (without charge) at the offices of the Issuing Houses (as set out on page 15 from 8:00 a.m. until 5:00 p.m. on Business Days, during the validity of the Programme.

Additional information may be obtained by contacting the Issuing Houses on any Business Day during the period between the respective opening and closing dates of any Series or Tranche of Bonds issued under the Programme as specified in the applicable Pricing Supplement; provided that the Issuing Houses possess such information or can acquire and provide it to the prospective investor without unreasonable effort or expense.

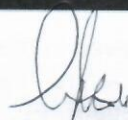

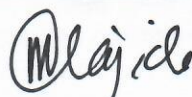

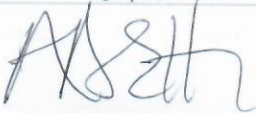
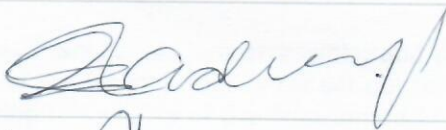
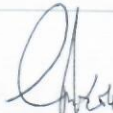
Copies of the Financial Statements of the Issuer incorporated by reference herein may be obtained from the Issuer's website at: www.ardovapl.com.



ISSUE OF PRICING SUPPLEMENT

Following the registration of this Shelf Prospectus with the SEC, a Pricing Supplement may be prepared by the Issuer and the Issuing Houses (in relation to a Series or Tranches of Bonds) for the approval of the SEC in accordance with the SEC Rules.


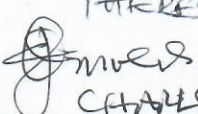




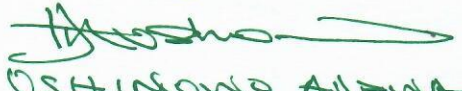
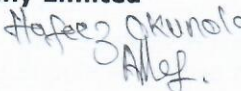
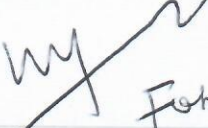
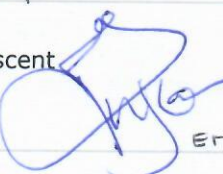
The Issuer's information given in this Shelf Prospectus and the terms and conditions of the Bonds to be issued under the Programme may be updated in a Supplementary Prospectus or the applicable Pricing Supplement pursuant to the SEC Rules. Statements contained in any such Pricing Supplement, shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus.

PARTIES TO THE PROGRAMME

Ardova Plc Directors and Company Secretary	
Chairman	AbdulWasiu O. Sowami 1, AP/Conoil Road Ijora-Apapa, Lagos 
Chief Executive Officer	Olumide Adeosun 1, AP/Conoil Road Ijora-Apapa, Lagos 
Executive Director	Moshood Olajide 1, AP/Conoil Road Ijora-Apapa, Lagos 
Non-Executive Director	Mohammed Aminu Umar 1, AP/Conoil Road Ijora-Apapa, Lagos 
Independent Non-Executive Director	Aniola Durosimi-Etti 1, AP/Conoil Road Ijora-Apapa, Lagos 
Independent Non-Executive Director	Olusola Adeayo 1, AP/Conoil Road Ijora-Apapa, Lagos 
Company Secretary	Oladeinde Nelson-Cole 1, AP/Conoil Road Ijora-Apapa, Lagos 

Professional Parties	
Issuing Houses	Vetiva Capital Management Limited Plot 266B, Kofo Abayomi Street Victoria Island, Lagos  Chuka Esaka
	Stanbic IBTC Capital Limited I.B.T.C. Place, Walter Carrington Crescent Victoria Island, Lagos  Olusola Gurenu
Solicitor to the Issue	Banwo & Ighodalo  Adegun Muse - Solicitor 48, Awolowo Road South-West Ikoyi, Lagos 

PARTIES TO THE PROGRAMME

Trustees	<p>Vetiva Trustees Limited Plot 266B, Kofo Abayomi Street Victoria Island, Lagos</p> <p>Stanbic IBTC Trustees Limited Wealth House Plot 1678, Olakunle Bakare Close Victoria Island, Lagos</p> <p>ARM Trustees Limited 1, Mekuwen Road Off Oyinkan Abayomi Drive Ikoyi, Lagos</p> <p>Joint Trustees Advised by: Aluko & Oyebo 1, Murtala Muhammed Drive Ikoyi, Lagos</p>	<p> THERESA ORJI</p> <p> CHARLES OMOIGBOYE</p> <p> GBOLADE AGOSINWO</p>
Registrar	<p>Africa Prudential Plc 220B, Ikorodu Road Palmgrove, Lagos</p>	<p> ISAAC LIBURA</p>
Reporting Accountant	<p>PricewaterhouseCoopers Landmark Towers 5B, Water Corporation Road Victoria Island, Lagos</p>	<p> EDECHI EDECHI</p>
Stockbrokers	<p>Stanbic IBTC Stockbrokers Limited I.B.T.C. Place, Walter Carrington Crescent Victoria Island, Lagos</p> <p>Dominion Trust Limited 64, Norman Williams Street Ikoyi, Lagos</p>	<p> BUNMI OARINOYE</p> <p> OSHINOWO ADEMOLA</p>
Rating Agencies	<p>Global Credit Rating Company Limited 17th Floor, New Africa House 31, Marina Lagos</p> <p>DataPro Limited Ground Floor, Foresight House 163-165 Broad Street Lagos</p>	<p> HAFIZ OKUNOLA</p>
Auditors	<p>Deloitte and Touche Civic Towers, Plot GA1 Ozumba Mbadiwe Road Victoria Island, Lagos</p>	<p>MATTHEW JESSE OLADELE</p> <p> FOLORUNSO HUNGA</p>
Receiving Bank	<p>Stanbic IBTC Bank Plc I.B.T.C. Place, Walter Carrington Crescent Victoria Island, Lagos</p>	<p> ERIC FAYEMISIN</p>

CORPORATE INFORMATION OF THE COMPANY

Head Office:

Ardova Plc
1, AP/Conoil Road
Ijora-Apapa, Lagos

Website:

www.ardovapl.com

Contact telephone number and email:

+234 901 096 5168
a.olatunbosun@ardovapl.com

THE PROGRAMME

This Shelf Prospectus and the documents specified herein have been delivered to the SEC for approval and registration.

This Shelf Prospectus is being issued in compliance with the provisions of the ISA, the SEC Rules and the listing requirements of relevant securities exchanges and contains particulars in compliance with the requirements of the SEC for the purpose of giving information to the public with regards to the Programme. In the event that any issue under the Programme is to be listed, an application will be made to either the Governing Council of The Exchange for the admission of such Bonds to its Daily Official List or to the FMDQ for the admission to its Daily Quotations List for the listing of the Bonds. The Bonds also qualify as a security in which Trustees may invest under the Trustee Investments Act Chapter T22, Laws of the Federation of Nigeria 2004.

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

Issuing Houses/Bookrunners



VETIVA
CAPITAL MANAGEMENT LIMITED
RC.485600



Stanbic IBTC
Capital
RC 1031358

On behalf of



ARDOVA PLC RC 4119

₦60,000,000,000 DEBT ISSUANCE PROGRAMME

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

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

This Shelf Prospectus contains:

1. on page 8, the declaration to the effect that the Issuer and its subsidiaries did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve calendar months immediately preceding the date of filing an application with the SEC for the registration of this Shelf Prospectus;
2. on pages 23 to 32, the Terms and Conditions of the Bonds;
3. on pages 66 to 72, the Reporting Accountant's Report on the Company's historic financial information, prepared by PricewaterhouseCoopers;

THE PROGRAMME

4. on page 57 to 61, extract of the rating report on the Company prepared by DataPro Limited and Global Credit Rating Company Limited; and
5. on page 77 to 78, details of the claims and litigation against the Issuer prepared by the Solicitors to the Issue/Issuer, Banwo & Ighodalo.

SUMMARY OF THE PROGRAMME

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

Issuer	Arдова Plc
Programme Description	<p>A debt issuance programme being undertaken by the Issuer pursuant to which Series or Tranche of Bonds with varying maturities may be issued, the maximum aggregate Principal Amount outstanding of which shall not exceed the Programme Size.</p> <p>No Bonds shall be offered on the basis of this Prospectus after the expiration of the Validity Period unless the Validity Period is renewed by the SEC.</p> <p>Under the terms of the Programme, senior Bonds, subordinated Bonds, Fixed Rate Bonds, floating rate Bonds, Zero Coupon Bonds and any combinations thereof may be issued, all of which shall be denominated in Naira or in such other currency as may be agreed between the Issuer and the Issuing Houses and specified in the relevant Pricing Supplement. The Bonds shall be constituted by the Programme Trust Deed. A Series Trust Deed will be issued in respect of each Series.</p>
Programme Size	₦60,000,000,000.00 (Sixty Billion Naira only)
Issuing Houses/Bookrunners	Vetiva Capital Management Limited, Stanbic IBTC Capital Limited and/or any other Issuing House/Bookrunner appointed, by the Issuer, from time to time either in relation to the Programme or for a specific Series of Bonds issued under the Programme
Trustees	Vetiva Trustees Limited, Stanbic IBTC Trustees Limited, ARM Trustees Limited; and any other Trustee appointed by the Issuer
Use of Proceeds	The use of proceeds from each Series shall be specified in the relevant Pricing Supplement. The Issuer will receive the net proceeds of each issuance after the deduction of the costs of the issuance
Maturity Date	As specified in the applicable Pricing Supplement
Payment Date	As specified in the applicable Pricing Supplement
Method of Issue	The Bonds under the Programme may be issued and sold by way of a public offer, private placement, Book Building, or any other methods permitted by the SEC as specified in each applicable Pricing Supplement
Issuance in Series	The Bonds will be issued in Series and each Series may comprise one or more Tranches issued on different dates. The Bonds in each Series will have identical terms (except that the Issue Date, Maturity Date, Issue Price, Coupon Commencement Dates and related matters may be different). Details applicable to each Series will be specified in the applicable Pricing Supplement
Issuance in Tranches	Each Series of the Bonds may be issued in Tranches and the Bonds in each Tranche will have identical terms (except that the Issue Date, Maturity Date, Issue Price, Coupon Commencement Dates and related matters may be different)
Issue Price	The Bonds may be issued at their Principal Amount or at a premium or discount to their Principal Amount, as specified in the applicable Pricing Supplement
Coupon Rates	Bonds may be interest bearing or non-interest bearing. Interest (if applicable) may be fixed or floating rate as indicated in the applicable Pricing Supplement

SUMMARY OF THE PROGRAMME

Currency	The Bonds shall be denominated in Nigerian Naira or any other currency as may be agreed between the Issuer and the Issuing Houses and specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements
Status of the Bonds	<p>The Programme allows for the issuance of various types of Bonds including Senior Bonds (as described herein) or Subordinated Bonds (as described herein).</p> <p>The Senior Bonds are direct, unconditional, unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> among themselves without any preference of one above the other by reason of priority of date of issue, currency of payment or otherwise. The payment obligations of the Issuer under the Senior Bonds and in respect of currency of payment, and any Coupon thereon (as applicable) shall at all times rank at least equally with all other senior unsecured obligations of the Company, present and future, except for obligations mandatorily preferred by law applying to companies generally or except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment, amounts and terms of issue to be published by the Issuer from time to time by way of a Pricing Supplement.</p> <p>The Subordinated Bonds will rank <i>pari passu</i> without any preference of one above the other by reason of priority of date of issue, currency of payment or otherwise with all other subordinated unsecured obligations of the Company, present and future, except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment to other subordinated unsecured obligations. The Senior Bonds will rank in priority of payment to the Subordinated Bonds.</p>
Fixed Rate Bonds	Fixed Rate Bonds will bear interest which will be payable in arrears on each Coupon Payment Date as may be specified in the applicable Pricing Supplement
Floating Rate Bonds	Floating Rate Bonds will bear interest at a rate on such basis as may be agreed between the Issuer and Issuing House(s) as is specified in the applicable Pricing Supplement, and will be calculated on such basis as may be specified in the applicable Pricing Supplement
Index-Linked Bonds	The Issuer may offer Bonds which provide for payments of principal or premium or interest which are linked to a currency, securities exchange or commodities exchange index or other index as stated in the applicable Pricing Supplement. Specific provisions regarding the manner in which such payments are to be calculated and made will be set forth in the applicable Pricing Supplement
Zero Coupon Bonds	Zero Coupon Bonds may be issued at a discount to par and will not bear interest
Other Bonds	Terms applicable to high interest bonds, low interest bonds, step-up bonds, step-down bonds, dual currency bonds, and any other type of Bonds which the Issuer and the Issuing House(s) may agree to issue under the Programme, subject to compliance with all relevant laws, regulations and directives, as set out in the applicable Pricing Supplement
Denominations	The Bonds will be issued in such denominations as specified in the applicable Pricing Supplement
Event of Default	The events of default under this Programme are as specified in the Programme Trust Deed and relevant Series Trust Deed(s)
Form of Bonds	The Bonds shall be issued in registered form and shall be transferable. The issue and ownership of the Bonds will be effected and evidenced by

SUMMARY OF THE PROGRAMME

	<p>the particulars of the Bonds being entered in the Register by the Registrar and the Bonds being electronically registered in the CSD account of the Bondholders</p> <p>Unless otherwise specified in the applicable Pricing Supplement of any Series, the Bonds shall be issued in uncertificated (dematerialised or book entry) form, which shall be registered with a separate securities identification code with the CSD</p>		
Tenor	<p>The Bonds may be issued with maturities as agreed between the Issuer and the Issuing House(s) and indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by any laws or regulations applicable to the Issuer</p>		
Other Terms and Conditions	<p>Terms applicable to each Series as specified in the applicable Pricing Supplement other than those specifically contemplated under this Shelf Prospectus which the Issuer and the Issuing Houses may agree to issue under the Programme subject to compliance with all relevant applicable laws and regulations</p>		
Interest and Principal Payment	<p>The Issuer will pay interest and principal on each Series to applicable Bondholders of record on the dates stated in the applicable Pricing Supplement</p>		
Principal Repayment	<p>The Principal Amount for each Series will be repaid on the date(s) specified in the applicable Pricing Supplement</p>		
Early Redemption	<p>Early redemption will be permitted only to the extent specified in the relevant Series Trust Deed and Pricing Supplement, and subject to any applicable legal or regulatory limitations</p>		
Redemption Amounts	<p>The applicable Pricing Supplement will specify the Redemption Amount or, if applicable the basis for calculating the Redemption Amounts payable</p>		
Taxation	<p>The Bonds issued under the Programme are tax exempt in line with the tax exemptions contained in the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011 ("CIT Order"), the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("VAT Order") and the PIT (Amendment) Act 2011. The CIT Order and VAT Order became effective on January 2, 2012 and are valid for a period of ten (10) years, while the exemption under the PIT (Amendment) Act 2011 is for an indefinite duration. Thus, the Issuer will not be required by law to withhold tax on Coupon payments to the Bondholders during this period. In relation to Bonds with a maturity date later than January 2, 2022, the Issuer may be required by law to withhold tax on Coupon payments to the Bondholders.</p> <p>However, the Finance Act 2020 specifically exempts "securities" from the definition of goods and services under the VAT Act. On this basis, it is likely that upon the expiration of the VAT Order, disposals of corporate bonds will still be exempt from VAT.</p> <p>Commissions payable to the SEC, the Securities Exchange and the Depository in connection with the Bonds shall be subject to VAT.</p> <p><i>Please refer to the section on Tax Considerations on page 74 for a detailed description of the tax considerations</i></p>		
Issuer's Rating	Rating Agency	Year	Credit Rating (Long Term)
	GCR	2021	A-

SUMMARY OF THE PROGRAMME

	DataPro	2021	A
Bond Ratings	Rating for each Series under the Programme will be stated in the applicable Pricing Supplement		
Ranking	The Bonds may be Senior Bonds or Subordinated Bonds as indicated in the applicable Pricing Supplement		
Listing	Each Series of the Bonds may be listed on The Exchange or FMDQ or any other applicable trading platform approved by the Issuer and/or admitted to listing, trading and quoted by a listing authority and a securities exchange as specified in the applicable Pricing Supplement.		
Transaction Documents	The Shelf Prospectus, Supplementary Prospectus/Pricing Supplement, the Trust Deeds, Vending Agreement and all related documents		
Pricing Supplement	The final terms of each Series will be set forth in a Pricing Supplement/Supplementary Prospectus		
Governing Law	The Bonds and the Transaction Documents will be governed by the laws of the Federal Republic of Nigeria		

TERMS AND CONDITIONS OF THE BONDS

The following is the text of the terms and conditions of the Bonds which subject to amendment and as completed, modified, supplemented, varied or replaced, in whole or in part, by the final terms which are attached to the applicable Series Trust Deed, and Pricing Supplement (the "Final Terms") and save for the italicised text will be deemed to be incorporated by reference into the Bonds issued under this Deed.

Certain provisions of these Terms and Conditions of the Bonds (the "Conditions") are summaries of, and are subject to, the detailed provisions of the Programme Trust Deed.

The provisions of these Conditions which are applicable to the Bonds issued under the Programme shall be deemed to be completed by the information contained in the relevant Final Terms. Bonds will be issued in individual Tranches which, together with other Tranches, may form a Series of Bonds. Any provisions of the Final Terms modifying, supplementing or replacing, in whole or in part, the provisions of these Conditions shall be deemed to so modify, supplement or replace, in whole or in part, the provisions of these Conditions; alternative or optional provisions of these Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Conditions; and all provisions of these Conditions which are inapplicable to the Bonds shall be deemed to be deleted from these Conditions as required to give effect to the terms of the relevant Final Terms.

THE BONDS

The Bonds are hereby constituted under this Programme Trust Deed.

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

The Bondholders are entitled to the benefit of and are bound by, and are deemed to have notice of, all the provisions of the Programme Trust Deed and the relevant Series Trust Deed applicable to them.

1. CURRENCY, FORM, DENOMINATION AND TITLE

SUMMARY OF THE PROGRAMME

1.1. Currency, Form and Denomination

The Bonds shall be in registered form or as may be specified in the applicable Pricing Supplement. The Bonds issued under the Programme may be fixed rate bonds, floating rate notes, zero-coupon bonds and any combinations thereof all of which shall be denominated in Naira.

The Bonds will be delivered to the Bondholders in dematerialised (uncertificated, book-entry) form which shall be registered with a separate securities identification code with the CSD. The Bondholders may deal in the Bonds in accordance with the CSD procedures and guidelines.

1.2. Title

Title to the Bonds will pass only by registration in the Register.

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

Statements issued by the CSD as to the aggregate number of such Bonds standing to the credit of the CSD 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 Bonds for all purposes.

No Holder may require the transfer of the Bonds: (i) during the period of 15 (fifteen) days ending on the due date for redemption of, or payment of any Coupon or instalment amount in respect of that Bond; (ii) after any Bond has been called for redemption pursuant to Condition 3 (*Redemption*); or (iii) following the issuance of default notice to the Issuer by the Trustees pursuant to Condition 9 (*Events of Default*).

2. STATUS OF THE BONDS

- 2.1. The Bonds shall constitute direct and unconditional obligations of the Issuer and shall rank *pari passu* and without any preference among themselves, (subject to modifications in any Series Trust Deed). The payment obligations of the Issuer in respect of principal and interest thereon shall save for such obligations as may be preferred by applicable legislation relating to creditor's rights, at all times rank at least equally with all other unsecured indebtedness and monetary obligations of the Issuer, present and future.

Subject to the applicable Pricing Supplement, any Series or Tranche of the Bonds may be senior bonds, secured, unsecured, subordinated bonds, or guaranteed under terms to be provided in the applicable Final Terms;

2.2. Senior Bonds

The senior Bonds shall constitute direct, unconditional, unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves by reason of priority of date of issue, currency of payment or otherwise. The payment obligations of the Issuer under the senior Bonds shall at all times rank at least equally with all other senior unsecured obligations of the Issuer present and future, except for obligations mandatorily preferred by law applying to companies generally or except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment amounts and terms of issue as provided in the applicable Final Terms.

2.3. Subordinated Bonds

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

SUMMARY OF THE PROGRAMME

3. REDEMPTION

- 3.1. The aggregate Principal Amount or the final instalment amount of the Bonds and any Coupon (accrued up to but unpaid as of the Maturity Date) shall be paid by the Issuer on the Maturity Date or on such earlier date as the Bonds may become due and repayable in accordance with this Deed.
- 3.2. If provided for in any Series Trust Deed or Pricing Supplement in respect of any Series or Tranche of the Bonds, the Issuer may on any one or more occasions be entitled to redeem the whole or any part of the Bonds of any Series outstanding before the Maturity Date at the redemption prices, plus accrued and unpaid interest, to be determined in accordance with the terms of the Series Trust Deed or Pricing Supplement.

4. PAYMENTS

- 4.1. Payments of the Principal Amount and Coupon (where applicable) will be made in the relevant currency and by credit to the specified bank account of the Bondholder or by cheques/warrants drawn on a bank duly licensed by the Central Bank of Nigeria and mailed by registered post to the address of record of any Bondholder that does not specify a bank account. Coupon on Bonds due on Coupon Payment Dates will be paid to the Bondholder shown on the Register of Bonds of a Series or Tranche at the close of business on the relevant date. The Bondholder shall be the only person entitled to receive payments in respect of Bonds and the Issuer will be discharged by payment to, or to the order of, the Bondholder in respect of each amount so paid.
- 4.2. If the due date for payment of any amount in respect of the Bonds is not a Business Day, then the Bondholder thereof shall not be entitled to payment of the amount due until the next succeeding Business Day unless the next succeeding Business Day falls on the next calendar month, in which case the due date will be the first preceding day that is a Business Day, and the Bondholder shall not be entitled to any further Coupon or other payment in respect of any such delay. For the purpose of this paragraph, "**Business Day**" means any day on which banks are open for business in the Federal Republic of Nigeria.
- 4.3. Any reference in these Conditions to Coupon in respect of the Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Clause 6 of this Deed or under any undertaking or covenant given in addition.

5. DEBT SERVICE RESERVE ACCOUNT

- 5.1. The DSRA shall be funded by the Issuer in accordance with the provisions of this Deed and relevant Pricing Supplement and/or Series Trust Deed
- 5.2. The mechanism for funding and operating the DSRA shall be in accordance with relevant provisions as contained in the applicable Pricing Supplement and/or Series Trust Deed for each Series.
- 5.3. The Issuer shall ensure that, at least 3 (three) Business Days before the relevant payment date, the money standing to the credit of the DSRA shall not be less than the portion of the aggregate Principal Amount and the Coupon due in each Tranche or Series, on such payment date.
- 5.4. The sums credited to the DSRA shall be applied by the Trustees towards the payment of Coupon, Principal (post moratorium), premium (if any) and the redemption of Bonds.
- 5.5. The Trustees shall at the expense of the Issuer immediately notify the Issuer
 - a. the at least five (5) Business Days before a Funding Date of an impending Funding Date and confirm the adequacy or otherwise of the amounts in the DSRA to pay the Coupon or the Principal Amount/Redemption Amount due on the Bonds. In the event of a shortfall, the Trustees will direct the Issuer to remit the shortfall not later than the Funding Date;

SUMMARY OF THE PROGRAMME

- b. if they have not by close of business on the Funding Date received the full amount required for payment to the Bondholders, that they have not received the said amount; or
- c. if they have received the full amount of any sum payable in respect of the Bonds.

5.6. Permitted Investment

Any monies standing to the credit of the DSRA which are not required for the discharge of any obligations within 5 (five) days immediately following a Coupon Payment Date may, at the discretion of the Trustees, be invested by the Trustees in their name or under their legal control in accordance with the Trustees Investment Act and Clause 15.7 of the Programme Trust Deed. PROVIDED HOWEVER that the Trustees shall, while any Bonds are outstanding, render accounts on a half-yearly basis to the Issuer.

- 5.7. If at any time prior to the date specified in the Series Trust Deed, the Issuer redeems any Bond under the provisions of Condition 3, the Trustees shall remit to the Issuer such monies received from the Issuer for the credit of the DSRA which are over and above the amount necessary to meet all future Coupon payments and Principal Amount redemptions, at par, PROVIDED THAT, subject to Clause 13 of the Deed, the Trustees in their absolute discretion may withhold such sums as deemed necessary to maintain a cushion against Coupon fluctuations.

6. RESTRICTIVE COVENANT

For so long as any Bonds remains outstanding, the Issuer shall not create or permit to subsist any charge, mortgage, lien, pledge or other security interest or encumbrance upon any of its assets or any other indebtedness guaranteed by it, represented by bonds or any other debt securities which are, or are capable of being traded or listed on any securities exchange or over-the-counter or similar securities market, without the prior written consent of the Trustees (such consent not to be unreasonably withheld). Where the Trustees so consent, the Issuer shall at the same time as the creation of such indebtedness grant to the Trustees (for the benefit of the Bondholders) the same or equivalent security as is granted in relation to the indebtedness. Provided that this condition 6 shall not apply to subordinated Bonds issued under the Programme and the terms of any such provision applicable to subordinated Bonds issued under the Programme shall be as specified in the applicable Series Trust Deed or final terms for such Series.

For as long as any of the Bonds remain outstanding, the Issuer will not, without the prior written consent of the Trustees or a Special Resolution, agree to any amendments to or any modification of, or waiver of, or authorise any breach or proposed breach of, the terms of any outstanding Bonds and will act at all times in accordance with any instructions of the Trustees from time to time with respect to any outstanding Bonds, except as otherwise expressly provided in this Deed or the relevant Bonds. Any such amendment, modification, waiver or authorisation made with the consent of the Trustees shall be binding on the Bondholders and, unless the Trustees agree otherwise, any such amendment or modification shall be notified by the Issuer to the Bondholders in accordance with Condition 11 (Notices).

7. TAXATION

- 7.1. Pursuant to the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011, (the "**CIT Order**") and the Value Added Tax (Exemption of Proceeds of Disposal of Government and Corporate Securities) Order, 2011, ("**VAT Order**"), corporate bonds are exempted from taxes ordinarily imposed under the Companies Income Tax Act Cap. C21, LFN 2004 (as amended by the Finance Act, 2019 and Finance Act 2020) as well as from the imposition of Value Added Tax respectively, for ten (10) years from the date the orders became effective (being January 2, 2012). Furthermore, the Finance Act 2019 specifically exempts "securities" from the definition of goods under the VAT Act. Corporate bonds may be exempt from VAT even after the expiration of the VAT Order. This is subject to VAT payable on commissions payable to the SEC, The Nigerian Exchange Limited and the CSD for stock exchange transactions, following the expiration of the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014. Furthermore, by virtue of the

SUMMARY OF THE PROGRAMME

Personal Income Tax (Amendment) Act 2011, corporate bonds are also exempt from personal income tax. Thus, the Issuer will not be required by law to withhold tax on Coupon payments to the Holders. In respect of Coupon accruing to corporate Holders post-January 2, 2022, where the CIT Order is not extended, the Issuer may be required by law to withhold tax on such Coupon payments to the corporate Holders. In that event, no additional amounts shall be paid to the Holders 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.

- 7.2. The relevant Series Trust Deed will indicate the tax consequences of investment in the relevant Series or Tranche of Bonds.
- 7.3. Condition 7.1 is not intended to be, and should not be construed to be tax advice to any prospective investor of the Bonds. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Bonds in view of his/her own circumstances.

8. PRESCRIPTION

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

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

9. EVENTS OF DEFAULT

9.1. Events of Default Relating to the Bonds

If any of the following events (**"Events of Default"**) occur, the Trustees at their discretion may, and if so requested in writing by holders of not less than 25% in aggregate Principal Amount of the Bonds then outstanding or if so directed by a Special Resolution shall (subject in each case to being indemnified, prefunded and/or provided with security to its satisfaction), give notice to the Issuer at its specified office that the Bonds are immediately repayable at their Principal Amount, whereupon the Bonds together with accrued Coupon (if any) to the date of payment shall become immediately due and payable:

- (i) **Non-Payment:** default is made for more than 5 (five) Business Days (in the case of Coupon payments) or 5 (five) Business Days (in the case of the Principal Amount) in the payment on the due date of Coupon or the Principal Amount in respect of any Series or Tranche of Bonds; or
- (ii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in respect of the Bonds or this Programme Trust Deed which default is incapable of remedy, or in the opinion of the Trustees, has not been remedied for a period of 10 (ten) Business Days (or such longer period as the Trustees may reasonably determine is not materially prejudicial to the interests of the Bondholders) after notice of such default shall have been given to the Issuer by the Trustees at its specified office; or
- (iii) **Withdrawal of Licence:** any license from any governmental authority which the Issuer holds and which is necessary for it to carry on its business, is terminated, revoked or suspended and in any such case is not replaced within 180 (one hundred and eighty) days thereafter; or
- (iv) **Cross-Default:** (a) any other present or future indebtedness of the Issuer (or any of its Material Subsidiaries) for or in respect of moneys borrowed or raised becomes due and

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payable prior to its stated maturity by reason of any default on the part of the Issuer, or (b) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period as may be provided in the relevant finance document, or (c) the Issuer (or any of its Material Subsidiaries) fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (iv) have occurred equals or exceeds the Cross-Default Amount as maybe specified in the relevant Series Trust Deed. For the avoidance of doubt, any amount being contested in good faith by the Issuer shall not be counted towards this value. Upon occurrence of the events mentioned above in this paragraph (iv), the Trustees shall give notice in writing to the Issuer to cure the cross-default within 10 (ten) Business Days of the occurrence of the default and where the cross-default is not cured within the stipulated time, the Bond will be declared immediately due and payable by the Trustees and the Trustees shall be entitled to all rights and remedies conferred under this Deed or by Law; or

- (v) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against a material part of the property, assets or revenues of the Issuer (or any of its Material Subsidiaries) and is not discharged or stayed within 90 (ninety) days. PROVIDED THAT for the purposes of this provision, "material" in relation to the Issuer shall mean 15% or more of the property, assets or revenues of the Issuer in aggregate; or
- (vi) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer (or any of its Material Subsidiaries) over a material part of the Issuer's property, assets or revenues, becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person); or
- (vii) **Insolvency:** the Issuer (or any of its Material Subsidiaries) is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer (or any of its Material Subsidiaries); or
- (viii) **Winding-up:** an order is made or an effective resolution passed for the Winding-up or dissolution of the Issuer (or any of its Material Subsidiaries), or the Issuer (or any of its Material Subsidiaries) shall apply or petition for a Winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threaten to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Trustees or by a Special Resolution of the Bondholders; or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer (or any of its subsidiaries); or
- (ix) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer (or any of its Material Subsidiaries); or
- (x) **Analogous Events:** any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

Provided that on the happening of any of the event specified in Condition 9.1(i) and Condition 9.1(ii) above, the Bonds shall not be declared immediately payable unless and until the Trustees shall have first served on the Issuer a preliminary notice, within 48 (forty eight)

SUMMARY OF THE PROGRAMME

hours of the occurrence of any of the event specified in Conditions 9.1(i) and 9.1(ii) above, requiring the Issuer to make the relevant payment in arrears, with interest or to remove, discharge or pay out to the satisfaction of the Trustees or to perform and observe the covenant or provisions the breach whereof has been committed, or threatened and the Issuer shall have failed or neglected for a period of 10 (ten) Business Days to comply with such notice.

10. PROCEEDINGS TO ENFORCE PAYMENT

At any time after the Bonds shall have become payable, the Trustees may at their discretion, (and shall upon the request in writing of the registered holders of at least 25% (twenty five percent) in Principal Amount of the Bonds or upon being so directed by a Special Resolution), without further notice institute such proceedings as they may think fit to enforce payment of the Bonds, the Coupon Amount and any other amounts due in respect of the Bonds.

10.1. No Direct Proceedings

- (i) A Bondholder shall be entitled to proceed directly against the Issuer to enforce the provisions of the Programme Trust Deed or the applicable Series Trust Deed if the Trustees having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing, in which case the Bondholder, shall have only such rights against the Issuer as those which the Trustees are entitled to exercise.
- (ii) A Bondholder shall be entitled to any remedy (whether by way of action, petition, arbitration or otherwise howsoever) for the recovery of any payment of a Principal Amount or Coupon on the Bonds if the Trustees, having become bound to take proceedings in accordance with the Deed, notifies the Bondholders in writing of their refusal to do so, in which case a Bondholder may:
 - (A) take such proceeding in a representative capacity on behalf of himself and, where authorised, other Bondholders holding not less than 25% (twenty five percent) of the Principal Amount of the Bonds of the Series or Tranche of which they are holders, for the recovery of the payments due on such Bonds; or
 - (B) take such proceedings in his name for the recovery only of his own portion of the Bonds.

11. NOTICES

11.1. Notices to the Bondholders

All notices to the Bondholders will be valid if mailed to them at their respective addresses (including electronic email addresses) of record in the relevant register of Bonds of a Series or Tranche maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the SEC Rules and the rules and regulations of the relevant Recognised Securities Exchange on which the Bonds are for the time being listed. Any notice shall be deemed to have been given on the second day after being so mailed or on the date of publication in national newspapers, or if published more than once or on different dates, on the date of the first publication.

11.2. Notices to the Bondholders

- (i) Notices to be given by any Bondholder shall be in writing and given by lodging the same with the Registrar.
- (ii) Any change of name or address on the part of the Bondholder shall forthwith be notified to the Issuer and subsequently, the Register shall be altered accordingly.

12. MEETINGS OF BONDHOLDERS

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

SUMMARY OF THE PROGRAMME

Such a meeting may be convened by Bondholders holding not less than 25% in aggregate Principal Amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider a Special Resolution shall be two or more persons holding or representing by proxy a clear majority in value of the Bonds for the time being outstanding unless the business of such meeting includes consideration of proposals, *inter alia*:

- (i) to amend the dates of maturity or redemption of the Bonds or any date for payment of Coupon or Coupon Amounts on the Bonds; or
- (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Bonds; or
- (iii) to reduce the Coupon rates in respect of the Bonds or to vary the method or basis of calculating the rate or rates or Coupon Amounts or the basis for calculating any Coupon Amount in respect of the Bonds; or
- (iv) if a minimum and/or a maximum Coupon rate or redemption amount is specified in respect of the Bonds, to reduce any such minimum and/or maximum; or
- (v) to vary the currency or currencies of payment or denomination of the Bonds of a Series or Tranche; or
- (vi) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass the Special Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75%, or at any adjourned meeting not less than 25%, in nominal amount of the Bonds for the time being outstanding.

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

13. ENTITLEMENT AND INDEMNIFICATION OF THE TRUSTEES

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

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

14. TRUST PROVISIONS

14.1. Declaration of Trust

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

14.2. Representative of Bondholders

The Trustees are the representative of the Bondholders and are authorised to act on behalf of the Bondholders in accordance with the Conditions and the Programme Trust Deed and are

SUMMARY OF THE PROGRAMME

hereby further authorised to contact the Registrar and/or the CSD for the purposes of obtaining information (i) as to the aggregate nominal amount outstanding of any Series or Tranche of Bonds, (ii) relating to the identity of Bondholders, and (iii) for the purposes of giving notices to Bondholders under Condition 11.

14.3. Binding Effect of the Conditions and the Trust Deed

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

15. TRANSFER OF BONDS

- 15.1. All Bonds issued pursuant to the Programme Trust Deed shall be transferable subject to the provisions for registration of transfers contained therein.
- 15.2. Any Person becoming entitled to registered Bonds in consequence of the death or liquidation of the Holder of such Bonds may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 15 or of his title as the Issuer shall require, be registered himself as the holder of such Bonds or, subject to any procedure/requirements the Issuer shall require and the provisions on transfer, may transfer such Bonds.
- 15.3. The Register shall be maintained at the offices of the Registrar and the Registrar shall provide for the registration of any Bonds with respect to each Tranche or Series of Bonds or its transfer under such reasonable regulations as the Registrar with the approval of the Issuer and the Trustees may prescribe.
- 15.4. The Register shall reflect the number of registered Bonds issued and outstanding, the date upon which each of the Holders was registered as such. The Register shall contain the name, address, and bank account details of the Holders of the registered Bonds. The Register shall set out the Nominal Amount of the Bonds issued to such Holders and shall show the date of such issue. The Register shall be open for inspection during the normal business hours of the Registrar to any Holder or any person authorised in writing by any Holder.
- 15.5. The transfer of the Bonds shall be regulated by the CSD procedures and guidelines.
- 15.6. The Register shall be closed during such periods, as may be specified in the applicable Pricing Supplement, not exceeding an aggregate of 30 (thirty) days in any year.

16. GOVERNING LAW

The 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.

MACRO-ECONOMIC OVERVIEW

The information stated herein accentuates the prospects of the Nigerian economy as well as its future economic activities across key sectors and industries. Information included under this section was sourced from publicly available records including websites of third party and international organisations as well as government agencies such as the NBS, the CBN, the Budget Office of the Federation, the Nigerian National Petroleum Corporation (NNPC), the Nigerian Federal Ministry of Finance, the DMO, the World Bank, the African Development Bank and the IMF amongst others. There is not necessarily any uniformity of views amongst such sources as to such information provided. The Issuer has accurately summarized such information and so far as the Issuer is aware and is able to ascertain, no facts have been omitted that would render the reproduced information inaccurate or misleading. In preparing this section, data and information reported herein has not been independently verified.

Overview of Nigeria

The Federal Republic of Nigeria ("**Nigeria**") is located in the West African sub-region of Africa, bordered by the Republic of Niger to the North, Republic of Chad to the North East, Republic of Cameroon to the East, Republic of Benin to the West and the Atlantic Ocean to the South, and occupies a land area of approximately 923,773km². Nigeria is comprised of 36 States and a Federal Capital Territory – Abuja – which is located in central Nigeria. The States and the Federal Capital Territory are grouped into six geopolitical zones with 774 constitutionally recognized Local Government Areas and Area Councils. Nigeria has 3 major ethnic groups (Yoruba, Igbo & Hausa), 250 other ethnic groups, with English as its official language.

Nigeria has a population of approximately 206.14 million people as of 2020 according to the 2019 revision of the United Nations Population Division (UNPD)'s World Population Prospects. Nigeria is endowed with several minerals including gold, iron ore, coal and limestone, and had 36.89 billion barrels of proven oil reserves and 5.76 trillion cubic feet of proven natural gas as of 2019, according to Organization of the Petroleum Exporting Countries (OPEC). Agriculture is a major source of livelihood, employing roughly 70% of the labor force. According to the United States Energy Information Administration, the country is the largest oil producer in Africa and was the world's fifth-largest exporter of liquefied natural gas (LNG) in 2018.

Nigeria retained its position as the largest economy in Africa with a nominal GDP of ₦154.3 trillion (US\$406.9bn) in 2020. Notably, the country has enjoyed positive growth over the last decade save for the oil-related downturn and pandemic-induced recession of 2016 (-1.58% y/y) and 2020 (-1.92% y/y) respectively. Overall, the economy achieved a compounded annual growth rate of 2.52% between 2010 and 2020. Over time, the Nigerian economy has demonstrated its resilience as evinced in its recent recovery from a pandemic induced recession, which severely impacted several advanced and emerging economies.

Nigeria has benefitted from a stable political environment since it ushered in its fourth republic in 1999. The country has also benefitted from significant capital importation - about US\$9.68 billion in 2020, with portfolio investment (US\$5.14 billion) responsible for the highest contribution to capital inflows.

The Nigerian Economy

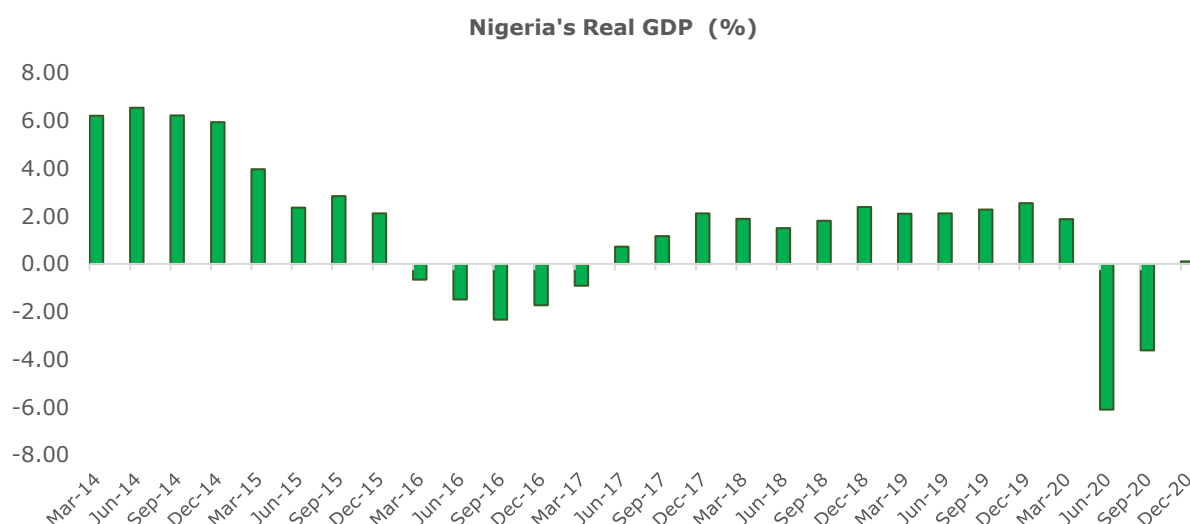
The Nigerian economy is poised to be among the world's top 20 economies by 2050, leveraging its vast human and natural resources. In numeric terms, Nigeria is the 7th most populous nation in the world with an estimated population of 209 million people. Nigeria, consisting of 36 states and a Federal Capital Territory sits on an array of precious minerals and has proven oil reserves of about 37.1 billion barrels. In 2019, Nigeria produced an average of about 2 million barrels of crude oil per day.

Against the backdrop of the COVID-19 pandemic, the resulting lockdown and slow reopening of the economy yielded a 6.1% y/y and 3.62% y/y decline in GDP in the second and third quarters of 2020. However, the economy rebounded with a +0.11% y/y recovery in the fourth quarter of 2020, joining other African countries like Egypt, Ivory Coast and Tanzania on the path of recovery. Eventually, the pandemic-induced brunt moderated full year contraction to -1.92% y/y in FY'20.

MACRO-ECONOMIC OVERVIEW

Compared to 2016/2017, when the economy experienced five (5) quarters of negative output growth, the economy made a swift recovery from the pandemic-induced recession after just two (2) quarters of downturns. The recovery was largely driven by the shift in business activities to virtual platforms as the telecommunications sector gained more than any other sector lost individually during the year. These gains were further solidified by the agricultural sector, which benefited from the late planting season, border closure policies and interventions of fiscal and monetary authorities.

Following gains in the agriculture and ICT sectors, the non-oil sector contributed more to GDP (91.84%) than it has done since the rebasing of the GDP (10yr average: 89.29%). The sector could continually dominate economic activities as other sectors recover from pandemic-lows in 2021.



Source: NBS

Unlike the non-oil sector which recorded milder contraction in Q3'20 and eventual recovery in Q4'20, the oil sector recorded declines in output growth in subsequent quarters, driven by Organization of the Petroleum Exporting Countries (OPEC) production cuts, compensation for earlier overproduction and production downtime in key export terminals. However, considering the gradual recovery in oil prices, possible passage of the Petroleum Industry Bill (PIB) and easing of output cuts, the sector is positioned for a rebound in 2021 and beyond.

Key Economic Indicators

Economic Indicators	2021E	2020	2019	2018	2017
GDP at Constant Prices (₦bn)	72.44	70.01	71.39	69.80	68.49
Real GDP Growth Rate	3.47%	-1.92%	2.21%	1.92%	0.81%
GDP Per Capita (US\$)	2,208.5	2,148.9	2,386.9	2,396.0	2412.4
Monetary Policy Rate (%)	11.5%	11.5%	13.5%	14%	14%
Population	211mn	206mn	201mn	196mn	191mn
Inflation Rate	18.53%	13.25%	11.39%	12.15%	16.55%
Official Exchange Rate US\$/NGN	400	379	306.92	306.08	305.79

Source: World Bank, CBN, NBS, DMO

In a bid to ameliorate the effects of the current macroeconomic realities on the citizenry and also spur economic growth, the Federal Government of Nigeria adopted a mix of fiscal and monetary policies ranging from the establishment of a survival fund targeted and micro, small and medium scale enterprises, reduction in the monetary policy rate among others with the Central Bank of Nigeria playing a major role in implementing these policies.

The Oil and Gas Sector

The year 2020 was somewhat challenging for Nigeria's oil industry, with adverse occurrences spanning from the slump in oil prices, weakened investment appetite, falling earnings and increasing pressure from OPEC to cut output. The steeper drop in output from Production Sharing Contractors (PSCs) was largely due to the harsh oil economics in recent months, which significantly reduced the spread between production costs and prevailing oil prices.

However, global oil demand has remained on a fairly stable path to recovery since May 2020, driven by softer social/physical distancing restrictions as well as slow but steady rise in fuel demand across the northern hemisphere. In the wake of the pandemic, members of OPEC+ maintained supply cuts of 10mb/d from May to July 2020, in a bid to cushion oil prices. Brent prices averaged US\$60.82/bbl in Q1 2021 - 37% above Q4 2020's average. Although the existing quota agreement among OPEC+ members stipulates that production cuts would ease to 6mb/d in 2021, a second wave of the pandemic, slowing demand recovery and increasing crude output from Libya could compel the oil cartel and its allies to implement cuts higher than initially agreed.

On the domestic front, the lower chamber of the National Assembly recently passed the long overdue PIB for second reading, fueling hopes that the bill could be signed into law soon. It is envisaged that the PIB would be signed into law in the first half of 2021, underpinned by lesser distractions in the coming year compared to 2020 when the legislature was more focused on economic reforms to tame the effect of the pandemic. The bill is expected to institutionalize the ease of doing business and promote transparency across the upstream value chain and by extension attract fresh investments in the sector. The downstream sector, which was faced with very thin margins prior to 2020, witnessed a new dawn in early September 2020, as the Government moved to deregulate the sale of Premium Motor Spirit (PMS) in order to free up cash flows at a time when oil receipts have fallen to multi-year lows. Given this development, gross margin across the sector increased significantly in H2 2020, resulting in an earnings surge. The expectation is for the H2 2020 run rate for gross margin to be sustained all through 2021, as oil marketers will continue to maintain favourable pricing for PMS regardless of the ex-depot price.

Similarly, Nigeria's offshore gas industry has continued to expand significantly, thereby creating more market opportunities for players. The growth of Nigeria's offshore exploration and production activities has been mainly driven by the efforts of the Government to improve the country's hydrocarbon industry.

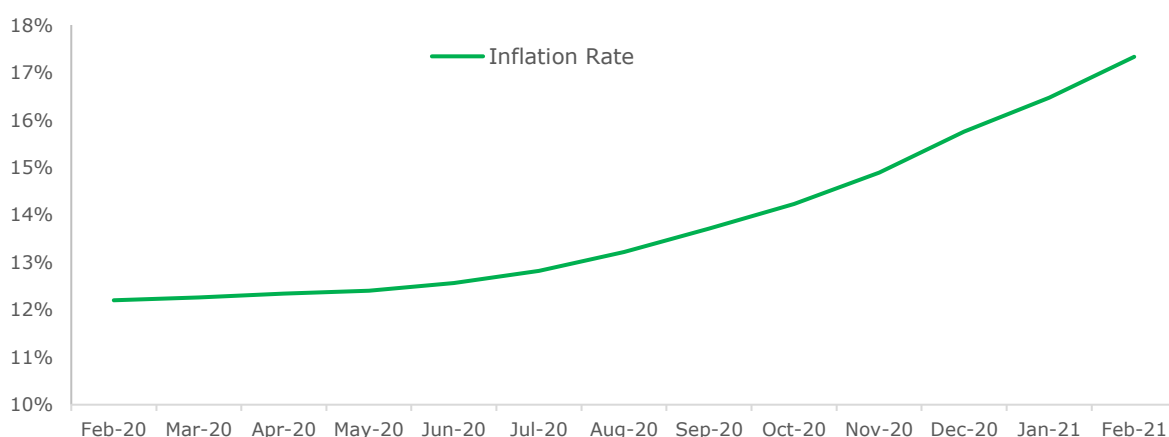
Owing to the country's huge depository of gas reserves and the resource's advantage as a clean fuel, gas has already witnessed a massive surge in its domestic consumption in the recent years. More specifically, according to Petroleum Products Pricing Regulatory Agency (PPPRA), Nigeria's domestic Liquefied Petroleum Gas (LPG) consumption hit a record of 1 million metric tonnes in 2020. The country is gradually moving away from oil and has explored different ways to replace the oil consumption with gas in various sectors, particularly in the power as well as the transportation sector.

The move towards gas is also supported by the fact that major oil reserves could dry-up within the next four (4) decades at current exploration levels. Thus, the oil market is considered to be one of the most vulnerable markets, whereas natural gas has the highest potential to penetrate. Similarly, gas production has also become a major focus for many oil & gas companies, in response to strong investment in various gas-to-power projects, across the region.

Inflation and Monetary Policy Rate

Inflation has been on its longest build-up in a decade with 17 consecutive months (and running) of pressures from pre-existing border closure measures, energy reforms and currency depreciation. Price increases were recorded across various individual consumption divisions - housing, water, electricity, other fuels, education, gas, food, clothing and transportation services and were largely responsible for the acceleration of the rate at which headline index increased. As at February 2021, inflation was at 17.33% year-on-year, primarily driven by higher food inflation.

MACRO-ECONOMIC OVERVIEW



Source: CBN

This increase is attributed to the persistence of insecurity across the country as well as lingering structural deficiencies impacting the logistics of moving food items to urban areas. Other factors include the impact of COVID-19 pandemic, and hikes in the price of energy products (PMS and electricity), amongst others. Notwithstanding the recent logistics challenges experienced in movement of food products to the Southern region, prompt intervention alongside border reopening efforts and early harvest could subdue imminent pressures in the near to medium term.

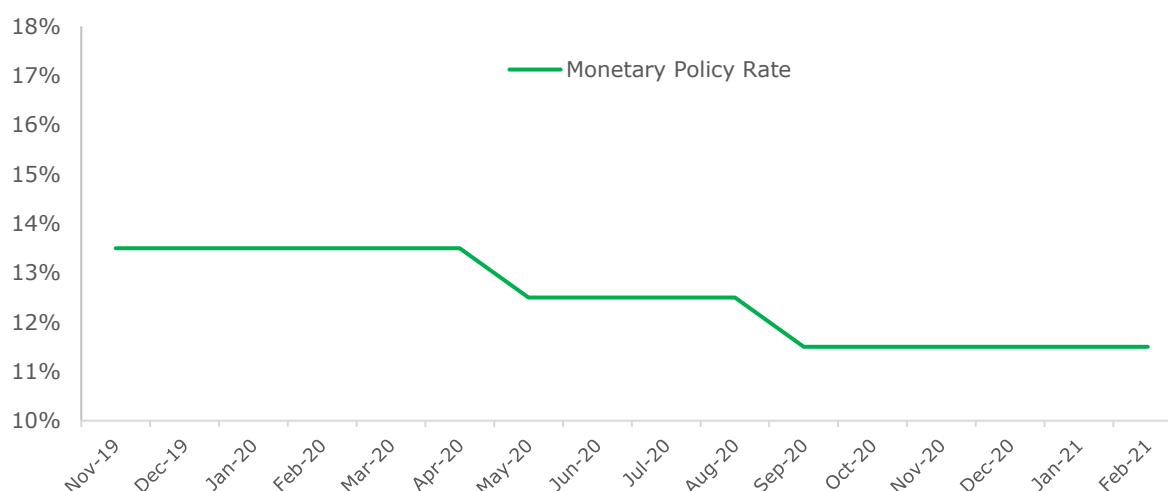
Another major factor is the predominance of imported (household and everyday) goods, including food. Due to the fact that most goods sold at the commercial market are imported, the prices of these goods are subject to and significantly affected by currency movements. Despite the substantial growth witnessed in the Nigerian agricultural sector (which grew by 14.01% year-on-year in nominal terms in Q4 2020), Nigeria continues to rely heavily on imports for foods and other goods, which in conjunction with other factors, has led to a depreciation in the value of the Naira against the US Dollar.

Over the last twelve months, the CBN has devalued the Naira two (2) times by a total of ₦74 to the US\$. The Naira devaluation has brought the local currency closer to the exchange rate unification agenda of the CBN as recommended by the IMF and World Bank. As at 31 December 2015, the CBN exchange-rate was ₦197 to US\$1, compared to ₦411 to US\$1 as of February 2021.

With the continued rise in inflation and modest recovery from the recession, price stability is expected to re-emerge as a focus in future Monetary Policy Committee (MPC) meetings. Development financing and improved target funding could also be relied upon to taper inflationary spikes.

In 2020, there was a 200 basis points (bps) reduction in the Monetary Policy Rate (MPR) as well as adjustment of corridor rates around the MPR as economic recovery was the Committee's topmost priority. Barring any drastic policy changes, the benchmark rate could be retained at current levels throughout the rest of 2021 having been recently retained at the last MPC Meeting.

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Source: CBN

Similarly, in its May 2021 meeting, the MPC resolved to retain the Cash Reserve Ratio (CRR) at 27.5%. According to the MPC, the effects of previous decisions were still permeating the system and a policy adjustment at this time could trigger unwarranted shocks and derail the already attained recovery. The decisions of the MPC reflects CBN's proposed expansionary monetary policy expected to complement its commitment to sustaining the trajectory of economic recovery and reducing the negative impact of the COVID-19 pandemic, by stimulating credit expansion to the critically impacted sectors of the economy and offer impetus for output growth and economic recovery.

Fiscal Policy

Over the last decade, public expenditure has risen consistently, propelled most recently by the increase in minimum wage. Although personnel cost has accounted for a significant proportion of the expenditure base in times past, capital expenditure has regained priority in recent times, touching an all-time high of ₦2.3 trillion in 2019. Meanwhile, revenue has been highly correlated with oil price swings due to the large component of oil in the Federal Government's revenue base. Unlike its peer countries, tax contributions in Nigeria remain underwhelming at 6% of GDP, despite the implementation of an asset declaration scheme and hike in VAT. The relevant authorities are now prioritizing business-friendly policies, evinced in its recent exemption of low-income earners and small businesses from PIT and CIT respectively.

Since the re-inauguration of the current administration in 2019, there has been a commitment to prompt passage of the country's annual budget. This aided the swift review of the budget following the pandemic-shock on oil prices in 2020. A prompt adjustment in budget estimates enabled reliable fiscal planning and budget reprioritization.

President Muhammadu Buhari signed the 2021 Appropriation Bill into law on 31 December 2020 following the passage of same by the National Assembly. The 2021 budget has been signed into law alongside the Finance Act 2020. The budget indicates aggregate revenue and planned expenditure of ₦7.99 trillion and ₦13.59 trillion respectively. Despite a planned deficit of ₦5.6 trillion, government spending is expected to continue to rise in a bid to further support economic recovery. Thus, the country's fiscal deficit-to-GDP may rise beyond the 3% limit stipulated by the law for the third consecutive year.

The Federal Government of Nigeria under the 2021-2023 Medium term Expenditure Framework and Fiscal Strategy Paper highlighted the fiscal strategies for 2021-2023 to include fiscal measures to diversify and improve government revenues and entrench a regime of prudence with emphasis on achieving value for money. The goal of the fiscal interventions is to keep the economy active through carefully calibrated regulatory measures designed to boost domestic value addition, de-risk the enterprise environment, attract external investment and sources of funding while managing existing debt obligations in the most fiscally sustainable manner. The government is seeking to intensify

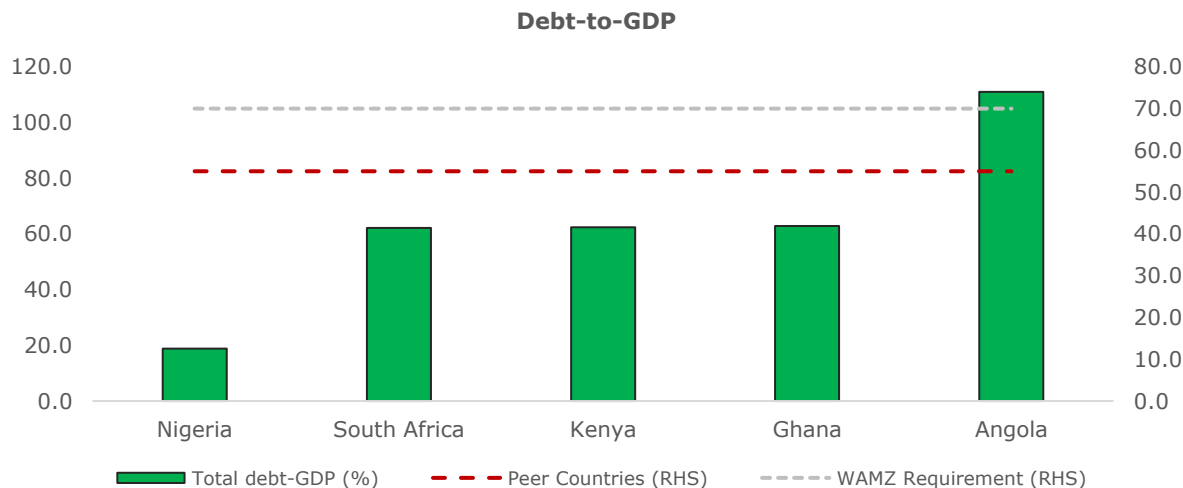
MACRO-ECONOMIC OVERVIEW

economic diversification to ensure growth in non-oil exports, reduce the import bill and improve economic competitiveness.

As fiscal deficit rises, public debt levels is expected to follow suit. According to the DMO, Nigeria's total public debt stock rose to US\$84.57 billion in September 2020. Of the outstanding public debt, the external component was US\$31.99 billion, increasing from US\$26.94 billion in September 2019. This increase was largely driven by the budget support loan obtained from the IMF. In December 2020, the World Bank approved an additional US\$1.5 billion facility to cushion the effects of the COVID-19 pandemic as the country seeks to implement more expansionary fiscal policies. The Federal Government also benefitted largely from the low yield environment in 2020. Following the assent of the ₦13.59 trillion budget in 2021, public debt stock is expected to rise significantly during the year.

Although the country's debt levels as a portion of GDP is largely below the benchmark for peer countries, further accumulation in debt could impact fiscal sustainability considering the country's high debt servicing-to-revenue ratio. As a result, the Federal Executive Council approved a new medium-term debt management strategy for the period 2020 – 2023. In this new strategy, the country's debt-to-GDP ceiling and domestic-to-external debt mix were reviewed. The debt-to-GDP ceiling was raised from 25% to 40%, to support the financing of future budget deficits. In addition, the Council altered its domestic-external debt mix in favour of domestic debt. The ratio was reviewed from 60:40 to 70:30, reflecting higher future patronage of the local debt market.

While lower foreign borrowing would reduce dollar exposure of FGN liabilities, increased local borrowing could result in higher yields in the future. The country's current domestic-to-external debt mix (63:37) indicates additional room for domestic borrowing. Consequently, the strategy seeks to prioritize long-term funding in the domestic debt market and concessional funding from multilateral and bilateral sources. The country could take advantage of moratoriums and low-interest rates while moderating high costs of servicing debts.



Source: DMO, Trading Economics

External Sector

Over the years, the balance of payment position of the country has undergone waves of surpluses and deficits from both current and capital accounts. The current account balance had encountered eight consecutive quarters of deficits due to deficits in the goods, services and income segments. However, the deficit in the current account has subsided as a result of resilient remittance flows, which has kept the transfer segment in surplus.

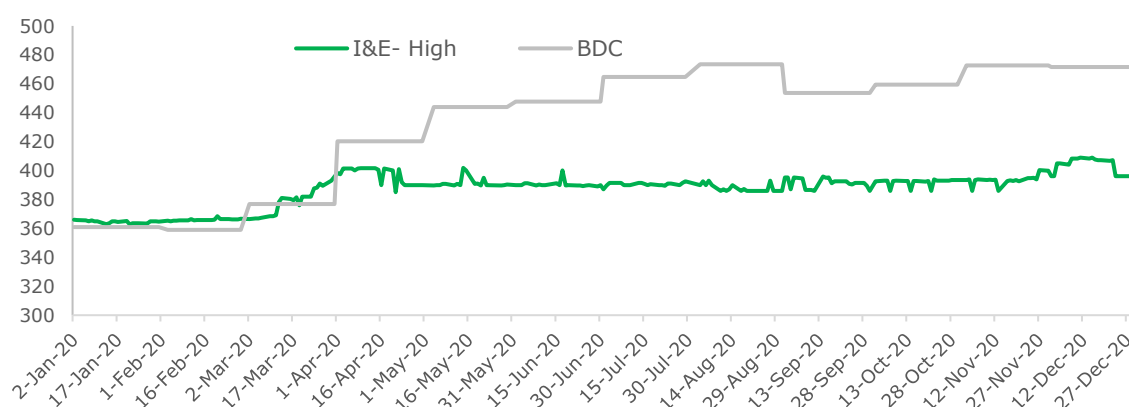
The capital account, on the other hand, has been supported by portfolio inflows over the years. Following the crash in the yield environment in 2019, reduced appetite for erstwhile attractive money market returns triggered risk-off sentiments in 2020 in light of the pandemic-scare. However, this

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gap was partly filled by multilateral flows from the IMF, which helped to fund the balance of payment deficit alongside, supporting the build-up in external reserves. Despite the deterioration in terms of trade, the country was able to live through the pandemic with adequate reserve levels. As a result, import cover – a metric of reserve adequacy – improved to 10.6 months in Q2'20, significantly above the global and regional benchmark of 3 and 6 months, respectively.

Exchange Rate

The progress in reserve adequacy levels could be partly attributed to the prompt adjustment in the exchange rate. Over the last twelve months, the CBN has adjusted the official exchange rate twice in a bid to further defend the naira. In February 2021, the Naira has weakened in the Investors & Exporters (I&E) window to as low as ₦411/US\$, despite rising oil prices.



Source: FMDQ, CBN

Volatility in the parallel market subsided following the CBN's intervention in limiting arbitrage opportunities within the FX market. The exchange rate appreciated from a resistance level of ₦500/US\$ to a range of ₦470/US\$ - ₦482/US\$ in the parallel market, following implementation of the remittance policy of the CBN as well as the "Naira for Dollar Scheme" which instructs commercial banks and International Money Transfer Operators (IMTOs) to pay an incentive of ₦5 for every USD1 remitted by sender and collected by designated beneficiaries.

Going into the future, the Naira could appreciate as oil price recovery continues due to vaccine rollouts and global economic recovery continue to spur oil demand upturn. Nevertheless, there is a possibility of further currency adjustments to narrow the gap between the official and parallel exchange rates. It is widely expected that the World Bank will continue to monitor the foreign exchange unification efforts of the CBN, which is among the pre-conditions for accessing the US\$1.5bn budget support loan.

Economic Reform Programmes

Following the decline in crude oil prices, the Federal Government has remained focused on inducing growth in other sectors of the economy and has introduced specific reforms towards creating an enabling environment for doing business within the country.

As such, the Federal Government has over time set up several frameworks and initiatives with an objective of channeling the economy towards sustainable growth and development. Some of these recent frameworks and initiatives include the Medium-Term Expenditure Framework and Fiscal Strategy Paper ("MTEF/FSP") 2021 – 2023, fiscal measures in response to the COVID-19 pandemic and the Nigeria Economic Sustainability Plan 2020 ("NESP").

The Nigeria Economic Sustainability Plan 2020

The Nigeria Economic Sustainability Plan was established and approved by the Federal Executive Council (FEC) to stimulate the Nigerian economy and prevent the collapse of businesses by ensuring

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liquidity; retain or create jobs using labour intensive methods in key areas like agriculture, facility maintenance, housing and direct labour interventions; undertake growth enhancing and job creating infrastructural investments in roads, bridges, solar power, and communications technologies, among others.

The NESP is based on three (3) pillars – Real Sector Measure, Fiscal and Monetary Measures and Implementation. The first pillar comprises a mix of project and policy approaches, which focus on the creation of jobs across the fields of agriculture and agro-processing, food security, housing construction, renewable energy, infrastructure, manufacturing and the digital economy. The objective is to safeguard existing micro, small and medium scale businesses while ramping up the production capacity of local industries by encouraging opportunities for innovation across various sectors of the economy.

The second pillar – Fiscal and Monetary Measures – outlines measures that will be taken to maximise government revenue, optimise expenditure and enshrine a regime of prudence with an emphasis on achieving value for every money spent. The overriding objective is to keep the economy active through carefully calibrated regulatory interventions designed to de-risk the environment for local production and enterprise, galvanise external sources of funding, rationalise existing debt obligations and boost investments in strategic sectors affected by the COVID-19 pandemic, while supporting the financial viability of state governments.

The last pillar upon which the success of the entire plan has been hinged is Implementation. The NESP emphasizes the need for all responsible parties, especially Ministers to be responsible for supervising the implementation of plans situated in their Ministry through a Ministerial Implementation Committee chaired by the Minister. The Ministerial Implementation Committee will be responsible for ensuring synergy between stakeholders, especially the public and private sector, whilst the Economic Sustainability Committee (ESC) will be responsible for general oversight of implementation and will report to the President.

INDUSTRY OVERVIEW

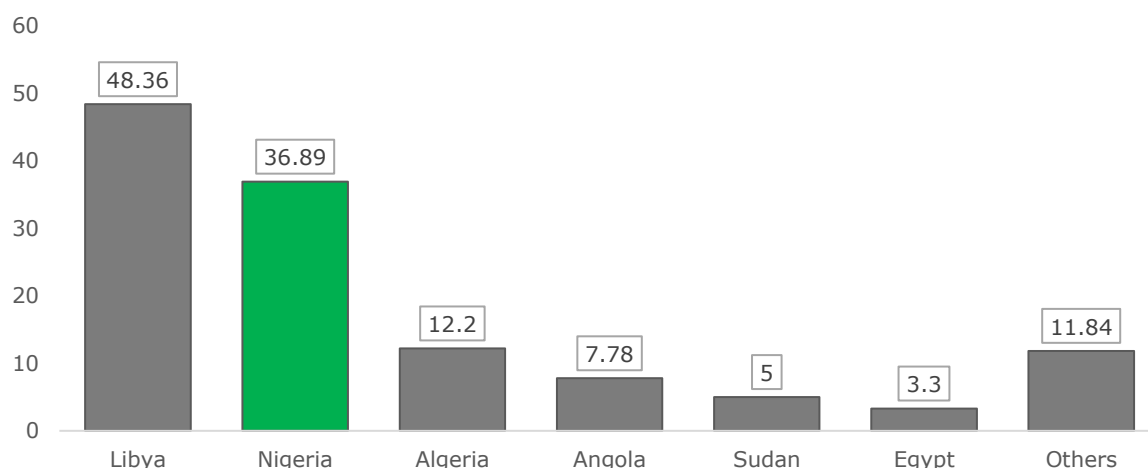
The information in this section has been extracted from documents and other publications released by various officials and other public and private sources, such as the CBN, the IMF, the NBS as indicated herein. There is not necessarily any uniformity of views among such sources as to such information provided. We have not independently verified the information included in this section. The information in this section has been derived substantially from publicly available information, such as annual reports, official data published by the Nigerian government or regional agencies or other thirdparty sources as indicated in the text.

Overview of the Oil & Gas Sector

Nigeria, a member of OPEC, is Africa's largest and the 13th largest producer of crude oil in the world. It has the 2nd largest proven oil reserves (36.89 billion barrels) in Africa and the 9th largest in the world. The country also holds the largest natural gas reserves on the continent and was the world's 9th largest exporter of LNG in 2019. The oil and gas sector contributed only 8.16% to the country's Real GDP in 2020. Although Nigeria is the leading crude oil producer in Africa, production is affected by supply disruptions, while its natural gas sector is restricted by the lack of infrastructure to commercialize natural gas that is currently flared.

Nigeria's crude oil and natural gas resources are key drivers of the economy, hence the economy is noticeably affected by crude oil price changes which in turn has significant implications on public finances and economic policy objectives. Nigeria is currently one of the largest consumers of petrol motor spirit (PMS) in the world, largely due to the size of its population (c.206m). However, the country relies on the importation of petroleum products due to its limited refining capacity.

Proven Crude Oil Reserves (billion barrels)



Source: OPEC

The oil and gas industry is segmented into three (3) sub-sectors – upstream, midstream and downstream.

The upstream sector which primarily consists exploration and production of crude oil/and or natural gas from the underground or underwater fields, lies at the heart of the oil and gas industry. The exploration process involves conducting geological and geophysical surveys required to explore possible sites, searching for potential underground or underwater crude oil and natural gas fields and obtaining leases and permissions from the land owners to drill. The production process involves a high level of efficiency and cost-effectiveness in the use of materials, time and labour, short term storage of oil and gas and plug and abandonment – which essentially markets the end of a well. Exploration and production is a highly risky and capital-intensive business albeit with high returns.

In the past, the increasing demand for energy largely driven by a rapidly growing population across the globe and economic activities have fuelled the demand for oil which has translated to higher global investment in the oil and gas industry. Since 2014, due to technological advancement which

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significantly reduced the break-even cost for shale oil and favourable legislation in the United States of America, there has been a consequent oversupply of oil which has led to a significant slump in oil prices.

Prior to 2014, the OPEC and non-OPEC members (led by Russia), had historically controlled global oil production and in turn prices. With the US becoming one of the largest oil producers in the world, this has become increasingly difficult. Between 2011 and 2013 oil prices averaged US\$112.00/barrel; however, in view of increasing shale production and other factors, oil prices declined rapidly over the years, stabilizing at a narrow range of around US\$40/barrel - US\$50/barrel for most of 2020. With the efforts of OPEC and some level of support from Russia and other non-OPEC members, oil prices have been supported through output cuts and agreements amongst producing countries.

Exploration and production in Nigeria has fallen short of expectations largely due to relatively unattractive fiscal terms as well as insecurity in the Niger Delta region. Additionally, the uncertainty surrounding the PIB has also impacted exploration activities.

The midstream sector is involved in storage, transportation, and processing of oil products and natural gas. The Nigerian midstream sector currently consists of four (4) oil refineries (with an aggregate capacity of 445 kb/d), which only process c.45 kb/d (c.10% of total aggregate capacity), leaving the oil and gas industry with a huge untapped refining gap. In 2015, the Government issued modular refining licenses to 65 companies in a bid to increase domestic refining capacity and production of locally refined petroleum products. Modular refineries are small refineries with capacities ranging from 1,000 – 10,000 barrels per day. The speed at which they can be assembled makes them an effective substitution for large scale refineries which often take years and significant capital investment to build.

In February 2015, the Dangote Group announced the planned construction of a refinery, fertilizer and petrochemical complex in Lekki, Lagos that is set to more than double the capacity of the sector by adding 650,000 bpd. There is a growing hope that the country's demand for PMS will be met by the private refiner in the coming years. The US\$10 billion Dangote Refinery was expected to be commissioned by the first quarter of 2021, however in light of various set-backs including COVID-19, a new date is yet to be communicated. The Nigerian National Petroleum Corporation (NNPC) has also officially signed a contract with Tecnimont SPA for the US\$1.5bn rehabilitation programme of the Port Harcourt Refining Company.

The downstream sub-sector of the oil and gas industry which involves the importation, exportation, marketing and distribution of refined petroleum products, is still evolving and yet to reach its full potential despite over six decades of operation. This segment faces challenges such as inappropriate product pricing, bridging product supply, insecurity, irregular gas supply, pipeline vandalism, inadequate pipeline infrastructure, non-functional/under functioning refineries, etc.

The country relies heavily on imported petroleum products in Nigeria given its limited ability to refine petroleum products domestically. Given the importance of petroleum products and its impact on the social welfare, the FGN has historically subsidized the products pump price; bridging the actual cost of the pump price and the official pump price petroleum products are dispensed at the pump. The subsidy scheme attempts to make up for the difference between the importer's cost and the official pump price of the products, as capped by the FGN. Since Q1'2017, following the devaluation of the Naira in 2016 that stemmed from falling oil revenue in 2014 - 2016, and subsequent restrictions in sourcing for foreign exchange, the NNPC has been the sole importer of petrol into Nigeria bearing the loss (implied subsidy) on PMS imports.

The subsidy currently places a huge burden on the nation, as the Government has had to continually fund the difference between the actual landing cost and the regulated pump price. Other implicit costs associated with the subsidy include the compensation for exchange rate loss suffered by the importers due to differences between the prevailing exchange rate on the importation of the products and on subsidy settlement, as well as the zero-interest charge on loans linked with the petrol subsidy.

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According to the NNPC, the country imported c.13 billion litres of PMS between January and September 2020. In September 2020, the sector witnessed a new dawn as the Government finally moved to deregulate the sale of PMS in order to free up cash flows at a time when oil receipts had dropped. Given this development, gross margins for petroleum product marketers across the sector increased significantly in Q3 2020. On 11 March, 2021, the Petroleum Products Pricing Regulatory Agency (PPPRA) released a template for pricing fuel on its website. This template stated an expected retail pump price for the sale of petrol as a price within range ₦209.6 to ₦212.61. Thus, it is expected that in the medium term the price of PMS would change and oil marketers may be inclined to import PMS.

Overview of the Natural Gas Sector

Natural gas is in the midst of a rapid growth phase. Since 2010, average global gas consumption has grown by 1.8% per year, making it the fastest growing energy source other than renewable power as indicated by the Center for Climate and Energy Solutions. Over the period, the global gas industry has gone through a significant transformation, characterized by the North America shale boom, the rapid growth of LNG, and the development of new gas markets in Asia and the Middle East. This growth is as a result of the multiple benefits offered by gas as a clean, abundant, flexible, and cost-effective fuel.

According to the International Energy Agency, global demand for natural gas is forecast to increase at an average 1.6% over the next five years with emerging Asian markets as the main driver for demand. Globally, the industrial sector is set to replace power generation as the main driver of growth, with natural gas being used for not only energy for processes but also feedstock for chemicals. This includes fertilisers in emerging economies and feedstock for petrochemicals in regions with abundant natural gas.

On the other hand, the United States is set to account for the largest share of supply expansion – and the main contributor to export growth. As Europe's dependency on imports increases, it is expected that this will lead to potential competition between traditional suppliers such as Russia and new sources of supply, mainly from LNG.

Nigeria has the largest natural gas reserve in Africa and was estimated to have 200.4 trillion cubic feet of proved natural gas reserves as at the end of 2019. An estimated 1.6 cubic feet of dry natural gas (or marketed natural gas production) was produced in 2019. However, the sector is largely affected by similar security and regulatory issues as the crude oil industry, with a significant amount either being re-injected or flared. Nigeria exports natural gas primarily as LNG. However, infrastructure and demand constraints are some of the challenges faced in exportation, primarily by pipeline to neighbouring countries. Nigeria is ranked the fifth largest LNG exporter by BP and accounted for about 6.5% of LNG traded globally.

The natural gas industry in Nigeria provides for the sourcing, transportation and distribution of natural gas to end-user consumers. There are three primary components:

1. **Production and Processing:** Natural gas is sourced from domestic natural gas wells, processed and then transported across local and regional markets via major continental and intercontinental pipelines. Most of the natural gas that is consumed in Nigeria is produced in the Niger Delta. Though new reserves have been identified in South-Western Nigeria; full commercial exploitation is yet to take-off. Approximately 15.1% of gas sales are into the domestic market to large end-users such as power generators (for conversion into other uses), natural gas local development companies and others (for direct consumption). The balance is sent to the Nigeria LNG Limited (NLNG) terminal at Bonny Island where it is liquefied and subsequently exported to Europe, Asia and the United States. NLNG is Nigeria's most significant natural gas project to date. The plant, which has six processing trains, has an annual production capacity of 22.5mt of LNG and 4mt of LPG. A seventh train is under construction, which, when completed, would increase NLNG's total production capacity to 30MT per annum.
2. **Transportation and Storage:** Natural gas is shipped through national and local pipeline systems and continental pipelines to downstream markets across Nigeria and West Africa. Most of the transportation pipelines are either managed by the Nigerian Gas Company or

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contracted with the International Oil Companies (“IOCs”). Energy wholesalers and supply aggregators also play a wholesale market role between producers and end users by providing natural gas storage services, backstopping services and operational services.

3. ***Distribution and Delivery:*** Most natural gas utilities do not own their own natural gas wells, and typically operate as distribution-only entities, buying natural gas from multiple suppliers over multiple pipelines to service their customers. Natural gas local distribution companies (“LDCs”), commonly known as natural gas utilities, sell and distribute natural gas in their franchise areas through their own distribution networks pursuant to a variety of upstream and downstream transmission pipeline, storage and distribution agreements. LDCs manage natural gas flows and are responsible for operational considerations and system expansions under their regulated mandate to deliver natural gas.

Supervision and Regulation in the Oil & Gas Sector

The Nigerian oil and gas sector is subject to several legislations, regulations and directives which regulates the various aspects of the sector. Primarily, the Federal Ministry of Petroleum is saddled with the responsibility of implementing policies and exercising supervisory oversight over the sector. As a result, and pursuant to the Petroleum Act and other enabling laws, the Minister of Petroleum Resources issues regulations, guidelines and directives from time to time in order to ensure the smooth running of activities in the sector.

Currently, the Ministry of Petroleum Resources ensures that all participants in the sector complies with laid down regulations and directives through the Department of Petroleum Resources (DPR), NNPC and PPPRA.

Department of Petroleum Resources (DPR)

The DPR is responsible for the day-to-day monitoring of the petroleum industry and for supervising all petroleum industry operations not limited to monitoring the operations of oil companies, setting and enforcing environmental standards, supervising and ensuring compliance with oil industry regulations, issuing licenses and permits and ensuring the protection of all oil and gas investments.

Nigerian National Petroleum Corporation (NNPC)

The Federal Government established the NNPC in 1977 to facilitate the development of the country’s Oil and Gas resources. Since establishment, the Government through the NNPC has participated in the Oil and Gas industry by adopting various contractual models such as such as concession agreements, traditional joint venture agreements, service contracts, production sharing contracts, and sole-risk contracts across the exploration, production, transportation, processing of oil, refining, and marketing value chains.

Petroleum Product Pricing Regulatory Agency (PPPRA)

The PPPRA was established to regulate the supply and distribution of petroleum products in a bid to achieve an effective pricing for petroleum products. The PPPRA achieves its objectives by authorizing the importation of petroleum products only after ascertaining the supply deficits in a bid to regulate prices. The difference between the determined pump prices and the Government-regulated prices yields the amount of subsidy per litre that the government pays to importers.

The PPPRA achieves its pricing objectives by authorizing importation of petroleum products after carefully ascertaining supply deficits, and subsequently grants supply quotas to licensed marketers in line with the identified deficits. Import supplies are accounted for by the PPPRA and importers (marketers) while Government-appointed auditors (inspection agents) verify the quantities and value of the imported goods.

Petroleum Industry Bill (PIB)

Currently, the Nigerian oil and gas sector is largely governed by seemingly dated laws, Petroleum Profit Tax (PPT) Act and the Petroleum Act enacted in 1959 and 1969 respectively. Since the enactment of these laws, the global oil and gas industry has experienced significant changes across all perspectives, thereby rendering applicable Nigerian legislations relatively stale and evidently inadequate.

To this end, in a bid to address the inadequacies of existing applicable legislations and facilitate the reform of the Nigerian Oil and Gas sector, the Federal Government has developed and presented to

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the National Assembly the PIB, an omnibus law meant to regulate the entire sphere of the industry and repeal all current existing oil and gas legislations.

On 28 September 2020, the President presented the PIB which seeks to introduce pertinent changes to the governance, administrative, regulatory and fiscal framework of the Nigerian oil and gas industry, in order to ensure transparency, strengthen the governing institutions and attract investment capital, among other objectives to the National Assembly for consideration. The PIB in its current state provides the much needed clarity and incentives in certain aspects and was passed by the Senate on July 1st 2021.

Competitive Landscape

The downstream industry is predominantly dominated by a few large players, NNPC, the Major Oil Marketers Association of Nigeria ("MOMAN") (Ardova, OVH Energy Limited, 11 Plc (formerly Mobil Plc), Total Nigeria Plc, Conoil Plc, MRS Oil Plc) and the Independent Petroleum Marketers Association of Nigeria ("IPMAN") which comprises of over c.4,000 members.

Market share and number of retail stations

Market Players	FY 2020 Revenue (N'Mn)	Retail Footprint
Ardova	181,938.68	450+
Total Nigeria Plc	204,721.46	>575
Conoil Plc	117,470.58	>395
MRS Oil Plc	41,981.44	>113
11 Plc	165,496.43	>250

Presently, Ardova is the market leader for PMS amongst MOMAN members having recorded a 27.3% growth year-on-year as at December 2020.

DESCRIPTION OF ARDOVA PLC

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

History and Business Description

Ardova Plc was incorporated on 11 December 1964 as British Petroleum Limited. The Company became African Petroleum Limited through the nationalization policy of the Federal Government in 1980, and subsequently changed its name and re-registered as African Petroleum Plc. In 2011, there was another change of name from African Petroleum Plc to Forte Oil Plc upon restructuring and rebranding following the acquisition by its former major shareholders - Zenon Petroleum and Gas Company Limited and Thames Investment Incorporated. In June 2019, Ignite Investments and Commodities Limited acquired majority stake in the Company from the erstwhile majority shareholders. The Company's name was subsequently changed from Forte Oil Plc to Ardova Plc in February 2020.

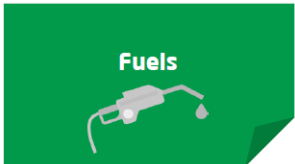

Today, Ardova is a Nigerian leading indigenous and integrated energy company involved in the distribution of petroleum products with a strong presence in the thirty-six (36) states of Nigeria and the Federal Capital Territory, Abuja. The Company procures and markets petroleum products which include Premium Motor Spirit (PMS), Automotive Gas Oil (AGO), Dual Purpose Kerosene (DPK), Fuel Oils, Liquefied Petroleum Gas (LPG) and Aviation Turbine Kerosene (ATK) amongst others.

The Company also manufactures and distributes a wide range of lubricants, which include the SUPER V and VISCO 2000 brands, and has also obtained rights for the distribution of Shell Trading International Limited's lubricants.




Furthermore, the Company develops clean energy hubs and mini-grids and also provides renewable energy solutions through its Solar brand which distributes low-cost solar power solutions to domestic customers. The Company has also recently commissioned the construction of a 20,000 MT LPG storage facility at its Apapa terminal.

As at the date of this document, the Group has entered into discussions with the shareholders of Enyo Retail and Supply Limited ("Enyo") to acquire 100% equity stake in Enyo. This acquisition shall, when approved by the regulators, further consolidate the Group's position as a leading integrated energy provider, with increased retail outlets and customer base.

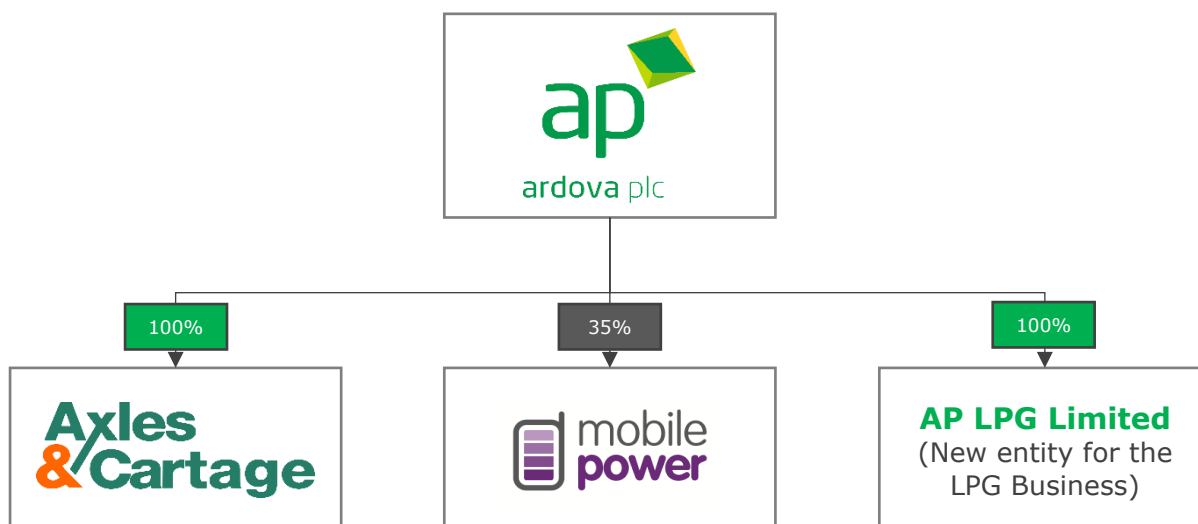
Business Segments and Revenue Model

Segment	Overview	Key Operational Statistics
	<ul style="list-style-type: none">▶ Sale of the following products:<ul style="list-style-type: none">▶ Premium Motor Spirit (PMS)▶ Automotive Gas Oil (AGO)▶ Dual Purpose Kerosene (DPK)▶ Fuel Oils▶ Aviation Turbine Kerosene (ATK)	<ul style="list-style-type: none">▶ 450+ retail stations▶ 65K MT combined storage capacity (3 PMS and 5 ATK)▶ 6M MT bitumen storage capacity
	<ul style="list-style-type: none">▶ Manufacturing, sale and distribution of the following products:<ul style="list-style-type: none">▶ SUPER V▶ VISCO 2000 brands▶ Shell lubricants	<ul style="list-style-type: none">▶ 30kmpa LOBP capacity

DESCRIPTION OF ARDOVA PLC

 <p>Renewables</p>	<ul style="list-style-type: none"> ▶ Sale and installation of Solar Home System (SHS) ▶ Partnership with Mobile Power UK to establish a Backend as a Service (BaaS) solution company in Nigeria 	
 <p>Low Carbon Energy</p>	<ul style="list-style-type: none"> ▶ Sale and distribution of LPG ▶ Throughput income upon completion of LPG storage facility 	<ul style="list-style-type: none"> ▶ 20,000mt storage capacity (in the works)
 <p>Haulage and Transport Services</p>	<ul style="list-style-type: none"> ▶ Axle & Cartage Limited (a newly incorporated subsidiary of Ardova) is a downstream energy transportation company, focusing on distribution, administration and oversight of energy products ▶ The company provides professional logistics services, oil and gas haulage services and fleet management services, with a current fleet of about 200 trucks, optimized to distribute product for its clients across the nation. 	<ul style="list-style-type: none"> ▶ 200+ owned fleet, with access to c.1,500 third party fleet

Group Structure



Subsidiaries

- **Axles & Cartage Limited** - is a downstream energy transportation company, focusing on distribution, administration and oversight of energy products. It is a professional logistics company that uses data-driven technology to maximize the efficiency and management of our business activities. Axles & Cartage has a current fleet of about 200 trucks, optimized to distribute product for all its clients across the nation. The Company specializes in oil and gas haulage, logistics advisory and fleet management.
- **AP LPG Limited** – AP LPG is an SPV of Ardova set up and incorporated in 2021 for the establishment of an ultra-modern LPG receipt, storage, blending, processing and transportation terminal which fully integrates the LPG value chain.

Strategic Outlook

In line with the Company's vision of being the most reputable African energy solution brand, committed to driving the continent's growth, Ardova intends to leverage technical competence and innovative technology, in delivering superior customer experience and maximized stakeholder value by focusing on the following:

1. Sustainability

- System Application and Product (SAP) migration and upgrade to the cloud
- Deploy business analytics solutions across the Company's business
- Successful acquisition and deployment of LPG transportation and retail outlet
- Roll out of Ardova Clean Energy (A.C.E) Hubs across specific locations
- Refurbishment of Ardova's retail LPG outlets in strategic locations and completion of comprehensive strategy for LPG expansion

2. Branding

- Roll out of new Ardova livery on strategic asset
- Finalise station codification and design specifications for Ardova retail stations
- Roll out of the APEX minimart signage across Ardova retail outlets

3. Core Asset Optimization

- Warehouse upgrade and retail LPG deployments
- Deliver Front-End Engineering Design (FEED) for 20,000 MT bulk LPG and PMS Tank farm
- Concept and design concluded for the Lube Oil Blending Plant (LOBP) upgrade; finalise the upgrade and revamp of LOBP
- Completion of 600MT LPG tank station in Kano
- Complete the rebranding and renovation of stations
- Completion of bitumen plant and system upgrade

4. People

- Continuous implementation of business continuity framework across all strata in the organisation to safeguard the Company's people, stakeholders and customers
- Flexible working options with the provision of working from home alternative to applicable employees
- Further incorporate e-learning options to foster staff development
- Achieve favorable Net Promoter Score (NPS)

5. Strategic Partnerships

- Harness the signed agreement with Shell to drive higher margins in lubes
- Comprehensive strategy for LPG expansion
- Renewable energy partnership with Mobile Power UK to commission energy hubs in Nigeria
- Piloting waste to energy solutions

DESCRIPTION OF ARDOVA PLC

Profile of Directors

AbdulWasiu O. Sowami – *Chairman (appointed 20 June, 2019)*

Mr. Sowami is the Chairman of the Company and the founder and Chief Executive Officer of Prudent Energy & Services Limited, a US\$600million gross-revenue mid to downstream company. He also sits on the boards of several companies including Prudent E&P Limited, FES Energy Limited (UAE), Ignite Investment & Commodities Limited, Prudent Gas Limited and Prudent Effsow Commodities Limited.

He holds an M.Sc. in Corporate Governance from Leeds Beckett University, England (2017) and a B.Sc. in Sociology from University of Maiduguri (1995). He is a member of the institute of Directors, Nigeria.

By developing and leveraging on first-tier relationships with leadership of international trading companies, including Glencore, Shell Trading Rotterdam, Vitol and BP Oil International Limited, Mr. Sowami has amassed a combined trading line of over US\$100million.

Mr. Sowami is also well known for his philanthropy. He established the Abdul-Lateef & Sanni Foundation to build schools and provide scholarships to indigent students.

Olumide Adeosun – *Chief Executive Officer (appointed 20 June, 2019)*

Mr. Adeosun has over eighteen (18) years of experience in oil and gas, renewable energy, power and strategy. Olumide has a proven track record of senior leadership and strategic foresight. He is a recognized thought leader in the energy sector.

Mr. Adeosun provided advisory services to multinational clients at PricewaterhouseCoopers (PwC), London and then worked as a consultant to British Petroleum Plc (BP). And eventually went on to become Vice President, Commercial Development & Operations for BP's Nigeria Trading business.

Prior to his recent appointment as Chief Executive Officer of Ardova, Mr. Adeosun led the Energy & Power (West Africa) Practice at PwC. He held various leadership roles, including Head of Strategy Consulting for West Africa and Head of Capital Projects and Infrastructure. Notably, he co-led the buy-side advisory of one of the largest acquisition deals in the Nigerian downstream oil and gas sector.

Mr. Adeosun holds a B.Sc. in Architecture from Woodbury University, California (1993) and an M.Sc. in Information Security and Mathematics from Royal Holloway College, University of London (1998).

Moshood Olajide – *Executive Director, Finance & Risk Management (appointed 20 June, 2019)*

Mr. Olajide is an experienced Chartered Accountant and Tax Professional, who is versatile and has a diligent work ethics. Prior to joining Ardova, his responsibilities at PricewaterhouseCoopers, a multi-disciplinary firm, spanned financial reporting and regulatory services, statutory audits, capital projects, infrastructure deals, energy, utility and mining deals advisory and structuring, general tax advisory, compliance services, client training services and company secretarial services spanning multiple sectors of the economy and more notably in oil and gas.

He had also had a stint with Aluko & Oyebo Law Firm where he had the responsibilities for general legal advisory, company secretariat, negotiation of commercial agreements, litigation and arbitration.

Mr. Olajide holds an LL.B (2007) from Obafemi Awolowo University and an LL.M Degree from Columbia Law School (2012). He is a member of the Association of Chartered Certified Accountants (ACCA), the Nigerian Bar Association (NBA), the New York Country Lawyers Association (NYCLA) and the Chartered Institute of Taxation of Nigeria (CITN).

Mohammed Aminu Umar – *Non-Executive Director (appointed 20 June, 2019)*

Mr. Umar has over twenty (20) years of experience in the Oil, Gas and Energy sector. Over time, he has played a significant role in shaping the maritime industry evidenced by the various roles and capacity he has served in.

Mr. Umar started his career as an accountant with the Overseas Agency Nigeria Limited (OAN) and eventually rose to become the Managing Director between 2001 and 2007. He is the Founder and CEO of Sea Transport Services Nigeria Limited, one of the leading commercial managers of tanker vessels in Nigeria. As Managing Director/CEO of the Sea Transport Services Nigeria Limited, Mr. Umar has led the company on a consistent growth trajectory over the last ten (10) years with the

DESCRIPTION OF ARDOVA PLC

business conservatively valued at over US\$100million and growing his fleet to a total capacity of 350,000 metric tonnes. Mr. Umar is also Founder and Managing Director of Integrated Shipping Services Nigeria Limited, the largest indigenous tanker port agency firm in Nigeria for Products, Crude and LNG tankers.

Mr. Umar holds a B.Sc. in Accounting from the University of Maiduguri (1992).

He currently serves as the President of Nigeria Ship-Owners Association (NISA) and is a member of the Ministerial Committee on Nigerian Fleet Implementation Committee Member and the Advisory Council to the Executive Management of Nigerian Maritime Administration and Safety Agency (NIMASA).

Olusola Adeeyo - *Independent Non-Executive Director (appointed 20 June, 2019)*

Mr. Adeeyo is a tested, trusted and seasoned professional in the Finance, Banking and Business fields. He is Founder and CEO of Astral Waters Limited, a leader in quality water delivery. He is also the Founder of Protea Hotel Oakwood Park Lekki, a 4-Star Hotel, which is part of an international hotel brand managed by Protea Hotel Group of South Africa. Previously, he was the Managing Director of Asset & Investment Limited, a financial services company which he funded and managed.

Mr. Adeeyo holds an M.A. in International Relations from North-Eastern University, Boston, USA (1981) in addition to B.A. in Political Science from the University of New York, Albany, USA (1979).

He currently serves as an independent director and the Chairman of the Corporate Governance and Remuneration Committee of the Central Securities and Clearing Systems Plc. He is also the Group Chairman of AXA Mansard Insurance Plc. and sits on the boards of several other reputable companies in Nigeria.

Aniola Durosinmi-Etti - *Independent Non-Executive Director (appointed 20 June, 2019)*

With a career spanning over thirty-five (35) years, Mrs. Durosinmi-Etti is a very experienced Barrister at Law, who started off her career as an Associate at Udoma Udo Udoma Law Firm. She went on to open her own legal practice under the name A. J. Durosini-Etti & Co. and then consulted for Udoma & Bello-Osagie Legal Practitioners, and served as a Director at GoldHaze Limited.

She is currently the Deputy Managing Director at Linkage Assurance Plc, where she successfully piloted the company through landmark transformational phases of growth, among which were their Initial Public Offer in 2003 and another Public Offer in 2005. Subsequently, she steered the company through the challenges of recapitalization and an eventual merger with Central Insurance Company Limited.

Mrs. Durosinmi-Etti holds an LLM from the University of Cambridge (1984), a BL (Barrister-at-Law) from the Nigerian Law School, Lagos (1982) and an LL.B from University of Lagos (1981).

Profile of Management Team

Olumide Adeosun – *Chief Executive Officer*

Please see profile above.

Moshood Olajide - *Chief Financial Officer*

Please see profile above.

Samuel Eze - *Head, PMS & Retail Transformation*

Mr. Eze is responsible for achieving the PMS target, driving the company's transition from a traditional oil & gas company to a sustainable energy company. He has over 18 years of experience in sales & marketing, business development, logistics operations and finance.

Prior to his current role, he was Head of Retail Sales & Specialties Marketing, where he led the sales and marketing teams to optimise sales channels made up of 500 retail outlets, over 100 industrial lube customers and 43 lube distribution channels. Before joining Ardoval, he worked at Total Nigeria Plc, taking on roles in general trade, finance, supply and distribution.

He holds a B.Sc. in Business Administration from Enugu State University of Science & Technology (1999) and an MBA from Ahmadu Bello University Zaria (2010).

DESCRIPTION OF ARDOVA PLC

Folasade Taiwo – Head, Retail Marketing

Ms. Taiwo is responsible for ensuring quality service delivery and product availability at Ardova Retail Stations, articulating and facilitating the design and implementation of effective marketing strategies, programmes and activities aimed at meeting customer needs and enhancing brand equity and ultimately increasing the revenue generating capacity of the organization in the area of retail sales.

Prior to joining Ardova, she served at Zenon Petroleum from 2009 to 2011 and has over the years served in various capacities at Ardova including Financial Reporting Officer, Retail Sales Representative, Team Lead, South Retail Marketing, Business Manager, South Retail Marketing

She holds a B.Sc. Accounting from Ogun State University (2003), an MBA Marketing from Ladoko Akintola University of Technology (2015) and is a Member, Nigerian Institute of Marketing of Nigeria.

Toyin Leo-Olagbaiye – Head, Aviation Marketing

Mr. Leo-Olagbaiye currently oversees the Company's aviation business. Since joining the company in 2014, he has held several leadership roles, including Head of Commercial Sales and Head of Upstream Services. He has over 20 years of experience in credit management, relationship management and business development across Nigeria's financial, aviation and oil and gas industries.

He holds a B.Tech in Agricultural Science from the Federal University of Technology, Akure.

Oluwaseun Ismail - Head, Treasury and Investment

Ms. Ismail is responsible for improving shareholder's value through strategic sourcing and optimal combination of capital, management of Ardova's liquidity and cash flow ensuring business needs are met in a cost effective, timely and prudent manner and co-establishment of controls and ensuring total compliance across business units and processes with framework and implement mechanisms to enable proactive identification, resolution and management of financial risks (liquidity, interest rate, etc.)

Prior to joining Ardova, she worked with Mobil Nigeria Plc (2003 - 2009) and Zenon Oil (2020 - 2011), and has served in various capacities including as Banking Supervisor, Manager, Process Operations and Control.

She holds an HND in Accounting from Yaba College of Technology (1997), an MBA from Lagos State University (2008) and is an Associate, Institute of Chartered Accountant of Nigeria (2009).

Ibrahim Bamgbopa - Head, Engineering & Infrastructural Projects

Engr. Bamgbopa is responsible for overseeing the management and maintenance of the Company's installations, plants and retail outlets to ensure optimal utilisation and maximum contribution to corporate goals, recommending specific strategies for the engineering function covering infrastructural development, capital projects and maintenance in alignment with the overall corporation's goals and developing implementing and monitoring compliance with health, safety, environment, & quality (HSEQ) policies, guidelines and programs to foster healthy, safe and environmentally friendly working conditions and work practices.

He is experienced in management of medium to large-scale complex projects including residential, Industrial, Infrastructural Projects and Oil & Gas Projects (Refinery, Petrochemical, Oil Tanks Terminals, LPG Terminal and Retail Stations/PFS) from concept to commissioning.

He holds a B.Sc. degree in Civil Engineering (2004) and Masters degree in Building Engineering (2008) from Obafemi Awolowo University (OAU) and is a member, Council for the Regulation of Engineering in Nigeria (2017). He is also a member and certified/accredited professional of several international bodies such as ARAMCO-Saudi Arabia (approved PRM Consultant), Project Management Institute (USA), AACEI-USA, IfS-USA, APEA-UK, and Institute for Sustainable Infrastructure (ISI) – USA. He is a COREN registered engineer, certified ISO 31000 Lead Risk Manager, PMO & Project Management Specialist & Contract Administrator with over 20 years' local and international experience (in Asia - Malaysia and Middle East- UAE, Oman and Saudi Arabia).

Edidiong Ekwere - Head, Strategy & Government Relations

DESCRIPTION OF ARDOVA PLC

Ms. Ekwere is responsible for overseeing the Company's long-term future with an eye on its sustainability and profitability by defining and refining its corporate strategy and operating framework.

Prior to joining the Company, she worked for over thirteen (13) years in exploration as a Geoscientist with the Shell Nigeria Exploration and Production Company (SNEPCo), taking on roles in project management, oil and gas, data analysis and health safety security environment (HSSE).

She holds a B.Sc. in Geology from the University of Calabar (2000), Member of the Society of Petroleum Engineers and Associate of the Nigerian Association of Petroleum Explorationists.

Habib Bello – *Manager, Lubes and Specialities Marketing*

Mr. Bello is responsible for the strategic growth and expansion of the company's lubes business line. He has over ten (10) years' experience in sales & marketing of lubricants, technical & logistics support and warehouse operations management. His interests include relationship management, business development strategies, market analysis and self-development. Prior to joining Ardova, he worked at Oando Marketing Plc between 2009 -2015.

He holds a B.Eng. in Chemical Engineering from Abubakar Tafawa Balewa University, Bauchi (2009), M.Sc. Petroleum Engineering & Project Development from the Institute of Petroleum Studies, Port Harcourt (2011) and is an Associate Member of Nigerian Society of Chemical Engineers.

David Fulani – *Head, Operations & Supply*

Mr. Fulani is responsible ensuring regular availability of quality products at competitive prices through the development and implementation of sound supply chain management and production strategies. He also ensures Ardova's business and operations are compliant with best practice health, safety and environmental (HSE) principles as well as championing the articulation and implementation of specific product sourcing strategies to enable Ardova meet market demands in a cost effective and competitive manner.

He has been a part of the Company for many years serving in various capacities but recently re-joined the team in 2018 after serving at Petrolex Oil & Gas between 2018 and 2020.

He holds an HND in Electronic Engineering from Federal Polytechnic Ado-Ekiti (1997), PGD, Electrical and Electronics Engineering from Federal University of Technology, Akure (2007), MBA Marketing from Ladoke Akintola University of Technology (2016) and is a Member, Council for the Regulation of Engineering in Nigeria (2010).

Joseph Ogbeide - *Manager, Brands & Corporate Communications*

Mr. Ogbeide leads the Brands and Corporate Communications team at Ardova, which is responsible for strategic communication, branding, media relations, corporate sustainability and responsibility. Before joining Ardova, he was Brand Manager of the Nigerian Stock Exchange, where he worked on the development and execution of a brand strategy for the bourse. He also worked previously at X3M Ideas, where he created advertising for a wide range of clients including Diamond Bank Plc (now Access Bank), DSTv and Etisalat (now 9Mobile).

He holds a B.Sc. in Public Relations & Advertising from Covenant University (2006).

Abiodun Ope-Adesanya - *Manager, Human Resources*

Ms. Ope-Adesanya has over fifteen (15) years of experience across the oil & gas, logistics and financial sectors in Nigeria. Her area of expertise includes recruitment, regulatory, compliance, performance management, learning & development, policy formulation, amongst others.

Before joining Ardova, she worked with C&I Leasing Plc functioning in various capacities. She worked at Amaden Energy, where she was responsible for setting up a framework for a structured Human Resource Department. She was also in charge of setting up the Human Resource Department for the Nigeria Office of TNT Express - a subsidiary of Stellar Group and successfully integrating its operations with other international offices.

She holds a B.Sc. in Food Science and Technology from the Federal University of Technology, Akure (2001), an MBA from Swiss Management Centre, Switzerland (2008), PGD in Business Management from the University of Wales, UK (2010). She is also an Associate Member of the Chartered Institute of Personnel Management of Nigeria (CIPM) and a Member of the Society of Human Resources Management of United States.

DESCRIPTION OF ARDOVA PLC

Olugbenga Olorunnisola - *Ag. Manager, Business Assurance & Compliance*

Mr. Olorunnisola is the Acting Manager for business assurance and compliance at Ardova. He joined the company as an IT auditor and rose through the ranks. He has over sixteen (16) years of experience in IT infrastructure, cybersecurity, business process engineering and control, risk management, audit, and compliance.

He holds B.Sc. in Accounting from the University of Lagos (2014) and is a Member of Information Systems Audit and Control Association.

Victoria Awoniyi - *Ag. Business Manager, Peddling and Special Accounts*

Ms. Awoniyi is responsible for supervising and coordinating sales and marketing activities in assigned district/region, ensuring consistent and qualitative service delivery and providing of supervision and motivation of the Sales Representatives to achieve team target.

Over the years, she has served in various capacities within and outside of the Company including as Retail Sales Representative, Commercial Sales Representative, Business Manager, Aviation Marketing and Business Manager, Peddling and Special Accounts.

She holds an HND in Banking and Finance from (2005).

Oladeinde Nelson-Cole - *Company Secretary and General Counsel*

Mr. Nelson-Cole has over fifteen (15) years of diverse experience in legal practice. He possesses valuable cognitive skills and expertise in legal drafting, regulatory compliance & corporate services, dispute resolution and company secretarial practice. Before joining Ardova, he worked as an Associate and Senior Associate with the law firm of RouQ and Company where he was involved in active litigation practice, corporate, commercial and legal compliance work for several Nigerian and international companies.

He holds Bachelor of Laws from Lagos State University (2005) and is a member of the Nigerian Bar Association (2006).

CORPORATE GOVERNANCE

Overview

The Company believes that the proper application of world-class corporate governance practice is a key pillar towards achieving long term value for all stakeholders.

Accordingly, the Company's Board of Directors is committed to ensuring that its business activities are conducted in compliance with all applicable laws and regulations, including the regulations of The Exchange, the SEC's Code of Corporate Governance, Financial Reporting Council of Nigeria and the Nigerian Code of Corporate Governance. Also, Ardova is a Corporate Governance Rating System (CGRS) certified company.

The Company believes that sound corporate governance goes beyond adhering to rules and policies of the regulators, but also about accountability and stakeholder engagement at all times.

The Board of Directors

The Board of Directors is the highest decision making body of the Company. It is responsible for the overall long-term success and the strategic direction of the Company as well as providing effective oversight to ensure the delivery of long-term value to shareholders and other stakeholders.

The Board is currently made up of 6 members inclusive of two (2) Executive Directors, two (2) Non-Executive Directors and two (2) Independent Non-Executive Directors.

Board Committees

The Board implements its oversight function through Board Committees, with each committee addressing specific topics based on its charter. The charter of each committee sets out its composition, agenda, frequency of meetings and responsibilities.

The Committees of the Board include:

- I. Corporate Governance and Remuneration
- II. Statutory Audit Committee
- III. Risk Management Committee

Each committee meets regularly to discuss matters in accordance with its charter, in addition to regular reports provided through the Company Secretariat on any significant issue to be considered by the various committees. In addition to these Board Committees, other Management Committees exist namely: Management Committee, Credit Risk Committee and Bid Committee.

I. Corporate Governance and Remuneration Committee

The Corporate Governance and Remuneration Committee's role is to assist the Board in fulfilling its responsibilities in relation to corporate governance and remuneration. It ensures the Company meets all legal and regulatory requirements for business operations, thus protecting the Company from incurring operational and reputational liabilities that can affect the achievement of our goals and objectives.

The committee comprises of one (1) Non-Executive Director and two (2) Independent Non-Executive Directors who oversee the nomination and Board appointment process, Board and Company-wide remuneration and human resources issues.

The committee is also responsible for the review of the Company's governance structure and ensures compliance with the code of corporate governance. It also oversees the succession planning process of the Board and the Company.

CORPORATE GOVERNANCE

Corporate Governance and Remuneration Committee	
Mrs. Aniola Durosinmi-Etti <i>Independent Non-Executive Director</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mr. Mohammed Aminu Umar <i>Non-Executive Director</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mr. Olusola Adeeyo <i>Independent Non-Executive Director</i>	1, AP/ConOil Road Ijora-Apapa, Lagos

II. Statutory Audit Committee

The Statutory Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. It is comprised of five (5) members; three (3) shareholders' representatives and two (2) Non-Executive Directors.

The functions of the committee are set out in section 404 (7) of CAMA . The committee reviews the Company's control policies, management accounting and reporting systems, internal control and overall standard of business conduct.

The committee in addition, approves both the audit plan and internal audit review plan for the year, as well as the financial statement. The committee also monitors and reviews key audit matters.

Statutory Audit Committee Members	
Mr. Olusola Adeeyo <i>Independent Non-Executive Director</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mr. Mohammed Aminu Umar <i>Non-Executive Director</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mr. Safiu Okunola <i>Shareholder Representative</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mrs. Adebisi Oluwayemisi Bakare <i>Shareholder Representative</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mr. Job Ihejirika Onwughara <i>Shareholder Representative</i>	1, AP/ConOil Road Ijora-Apapa, Lagos

III. Risk Management Committee

The Risk Management Committee is a Management Committee of the Company which evaluates the risks inherent within the business and ensures that they are captured appropriately within the business risk profile. The committee monitors residual risk exposures and provides assurance as to adequacy of controls implemented to manage risks to the agreed level of appetite. The committee meets monthly; however risk reports are provided quarterly to the Board Risk Committee. Principal risk events are however escalated immediately.

Risk Management Committee Members	
Mr. Mohammed Aminu Umar	1, AP/ConOil Road Ijora-Apapa, Lagos

CORPORATE GOVERNANCE

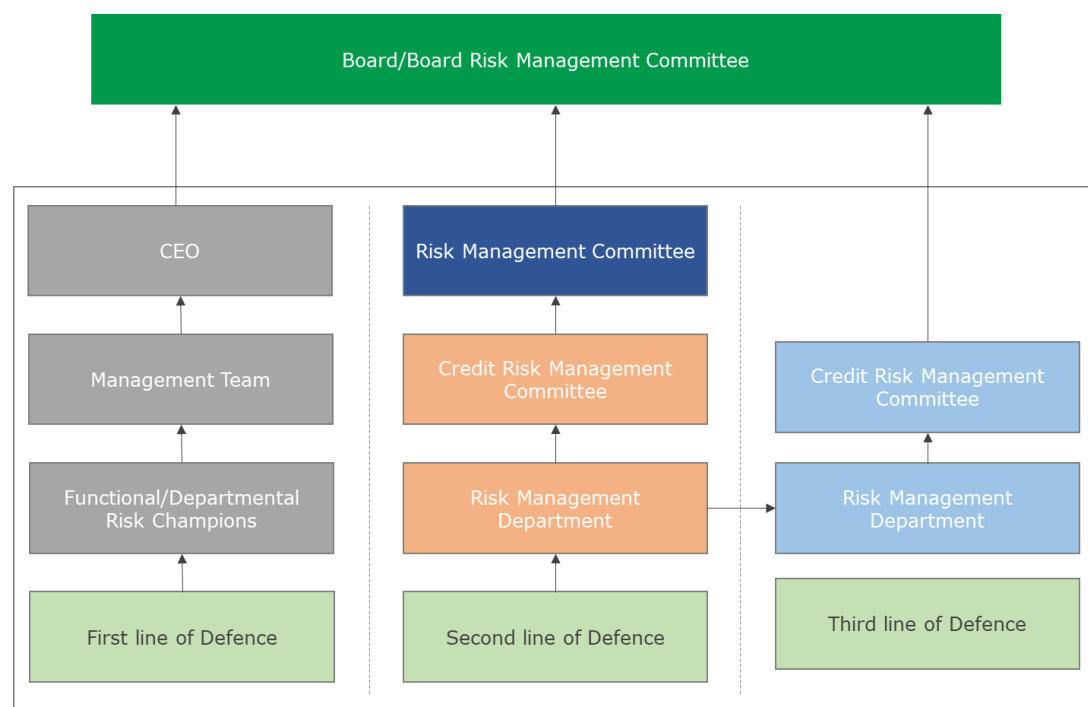
<i>Non-Executive Director</i>	
Mrs. Aniola Durosinmi-Etti <i>Independent Non-Executive Director</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mr. Olumide Adeosun <i>Chief Executive Officer</i>	1, AP/ConOil Road Ijora-Apapa, Lagos
Mr. Moshood Olajide <i>Executive Director, Finance & Risk Management</i>	1, AP/ConOil Road Ijora-Apapa, Lagos

The sub committees include:

a. Credit Risk Management Committee

The Credit Risk Management Committee is a sub-committee of the Risk Management Committee that assesses the credit risk of the Company. The Committee reviews and approves credit request in line with the Company's credit policy.

The committee also meets at least once monthly to review payment performance of credit customers, the adequacy of bank guarantees, credit limits of customers and also take appropriate actions to ensure zero tolerance for bad debts.



Sustainability

Ardova firmly believes in the importance of contribution to the creation of a thriving society in Nigeria. To this end, the Company is committed to the supporting environmentally sustainable initiatives and investments that will impact the lives of the immediate community and the society as

CORPORATE GOVERNANCE

a whole. The Company has supported and implemented a variety of initiatives in the advancement of the above objectives.

At Ardova, the value of 'Responsibility' is collective and finds a natural place as a key driver in the conduct of its entire business operations and in its relationship with every stakeholder in the energy value chain.

It is on this philosophy that Ardova hinged its corporate social responsibility strategy, which it executes through annual donations to charity organizations, individuals and schools for the physically-challenged. The company is also firmly committed to the development of host communities in its areas of operation.



Ardoval PLC

2021 Corporate Rating

ARDOVA PLC

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CORPORATE RATING REPORT

References

Abiodun Adeseyeju, PCA
Abimbola Adeseyeju
Oladele Adeyeye

EVALUATION

VALID TILL: June, 2022

Long-term Rating: A

Short term Rating: A1

Previous Rating: N/A

Rating Outlook: Positive

Trend: Even

Currency: Naira

SUMMARY

- Rating

A

- Report Type:
Corporate
Rating

- Client:
Ardoval PLC

- Date Compiled
11-Jun-2021

EXECUTIVE SUMMARY

	2020 N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
Turnover	181,884,468	176,550,766	134,706,306	86,176,010	131,613,962
Profit Before Tax	3,199,188	4,654,147	1,028,544	1,895,670	5,442,482
Equity	18,226,759	16,163,325	13,748,970	13,136,790	11,874,732
Prop., Plant & Equip.	10,160,351	11,116,680	11,138,651	22,654,311	22,171,280
Total Asset	62,442,701	47,018,954	60,729,733	62,117,629	73,458,995
Non Current Liabs	1,211,507	4,199,344	7,542,122	10,748,422	11,691,972

RATING EXPLANATION

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

The long term rating of A indicates Low Risk. It shows very good financial strength, operating performance and business profile when compared to the standard established by DataPro. This Company, in our opinion, has a strong ability to meet its ongoing obligations.

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.

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Credit Rating Announcement

GCR affirms Ardova Plc's national scale ratings of A-_(NIG) / A2_(NIG) due to its strong market position, Stable Outlook.

Rating Action

Lagos, 06 July 2021 - GCR Ratings ("GCR") has affirmed the national scale long and short term issuer ratings of A-_(NIG) and A2_(NIG) respectively, assigned to Ardova Plc, with the Outlook accorded as Stable. Concurrently, the ratings assigned to the Series 1 Bonds have been affirmed at A-_(NIG), with a Stable Outlook.

Rated Entity / Issue	Rating class	Rating scale	Rating	Outlook / Watch
Ardova Plc	Long Term Issuer	National	A- _(NIG)	Stable
	Short Term Issuer	National	A2 _(NIG)	
Series 1 Senior Unsecured Bonds	Long Term Issue	National	A- _(NIG)	Stable

Rating Rationale

The ratings of Ardova Plc ("Ardova" or "the Company") reflects its strong competitive position in the Nigerian oil and gas downstream sector, solid earnings performance through the cycle and moderately strong credit protection metrics and capital structure. These are balanced against the inherently high liquidity requirements in the sector, and GCR's concerns on the shareholding structure.

Ardova's strong business profile is underpinned by its integration along the value chain. Thus, while the Company's core operations consist of a network of over 450 retail outlets well spread across key cities in Nigeria, it benefits from backward integration through its parent, Prudent Energy and Services Limited ("Prudent" or "the Group"), which is able to import and store fuel, as well as managing the full logistics operation through in-house subsidiaries. The successful acquisition of Enyo Retail and Supply Limited ("Enyo"), with additional 93 retail outlets, should help capture stronger market share. Other key competitive advantages relate to the ongoing expansion of non-PMS product lines, including liquified petroleum gas, bitumen, and lubricants (through upgrade of lubes blending plant and exclusive distribution rights to Chevron and Shell lubes).

Although GCR has adopted a standalone credit analysis, we recognise Ardova's position as an important component of the Group (48% and 44% of consolidated revenue and EBITDA respectively in FY20). Accordingly, a slight negative adjustment has been applied to group support to account for the perceived higher risks within the Group's operations, compared to Ardova.

GCR takes cognisance of the well constituted Board of directors (separate from the parent) with credible strategic goals, an experienced senior management team, and the public listing status of Ardova, albeit the weaker governance structure of the ultimate group level does constrain the ratings somewhat. Positive adjustment to this assessment is dependent on demonstrable stronger governance structure at the group level.

The robust earnings growth has been supportive to the ratings, underpinned by the strong revenue progression in PMS (due to higher volumes and price increase), which accounted for around 80% of FY20 revenue. While the other product lines are expected to expand over the medium term, earnings concentration to PMS will remain. As PMS pricing is closely regulated, the profit margin is narrow, with little headroom to manage earnings variability. Accordingly, earnings margins have been reported slightly below the peer average of 3.3%, due to the lesser contribution from lubes

Nigeria Corporate Analysis | Public Credit Rating

(compared to Total Nigeria Plc and Eterna Plc). While GCR expects some marginal enhancement, underpinned by the anticipated growth in other product lines, this margin will likely remain below 5% over the rating horizon, in line with industry norm.

Leverage and capital structure are deemed neutral to the ratings primarily due to the reduction in gross debt from N34.8bn at FY17 to N9bn at FY20. This has supported the substantial improvement in net debt to EBITDA to around 1.24x in FY20 (period average 3.66x). Although debt is expected to more than double to around N20bn in FY21-22, GCR anticipates that the metric would remain at the 1.8x-2.2x range on the back of an increase in absolute EBITDA. This is offset against the historically low interest coverage, albeit expected to widen slightly to the intermediate range of 5.5x-7.5x over the rating horizon due to the supportive interest rate environment. Operating cash flow coverage of debt is expected to contract slightly (but remain moderate) due to working capital pressures. GCR takes cognisance of Ardova's access to diverse funding sources and the low currency risks, but this weighs against the short maturity on all debt. The imminent bond issuance should help spread the maturity profile over the longer term.

The ratings are somewhat constrained by the liquidity assessment, with sources versus uses of cash calculated to register around 1.34x over the next 12 to 18 months. Liquidity is underpinned by cash holdings of around N2.4bn at FY20 and N6.8bn committed facilities, as well as anticipated strong cash flows. This will be augmented by the anticipated bond issue which will be utilised to settle the Enyo acquisition cost and other capex requirements.

Outlook Statement

The Stable Outlook reflects GCR's expectation that sound earnings will be sustained over the rating horizon, which should cushion the impact of the anticipated increase in debt on leverage metrics. We also envisage that the intermediate liquidity assessment will continue to be supported by good operating cash flows and the Company's strong relationships with lenders.

Rating Triggers

Positive rating action is only likely over the medium term, contingent upon achieving consistently stronger earnings and cash flows above the industry average. This should allow Ardova the resources to fund a larger portion of its operations internally, thus reducing reliance on debt.

The ratings could be downgraded if 1) there is material and sustained earnings shock which impacts on profitability and substantially impacts the debt service metrics 2) Ardova is unable to raise sufficient funding to meet short term maturities and capex commitments 3) liquidity coverage falls below 1.25x due to higher recourse to short term debt or cost overrun on expansion projects.

Analytical Contacts

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Committee chair Johannesburg, ZA	Matthew Pimie MatthewP@GCRratings.com	Group Head of Ratings +27 11 784 1771

Related Criteria and Research

Criteria for the GCR Ratings Framework, May 2019
Criteria for Rating Corporate Entities, May 2019
GCR Ratings Scales, Symbols & Definitions, May 2019
GCR Nigeria Country Risk Scores, February 2021
GCR Nigeria Corporate Sector Risk Scores, February 2021
Ardova Plc's Rating Reports, 2016-20

Nigeria Corporate Analysis | Public Credit Rating

EXTRACT FROM THE ISSUER'S RATING REPORT

Ratings History

Ardova Plc

Rating class	Review	Rating scale	Rating	Outlook	Date
Long Term Issuer	Initial	National	A- _(na)	Stable	June 2016
Short Term Issuer	Initial	National	A1- _(na)		
Long Term Issue	Initial	National	A- _(na)	Stable	December 2016
Long Term Issuer	Last	National	A- _(na)	Stable	December 2020
Short Term Issuer	Last	National	A2 _(na)		
Long Term Issue	Last	National	A- _(na)	Stable	December 2020

Risk Score Summary

Rating Components & Factors	Risk scores
Operating environment	4.50
Country risk score	3.75
Sector risk score	2.75
Business profile	0.75
Competitive position	1.00
Management and governance	(0.25)
Financial profile	0.00
Earnings performance	0.50
Leverage and Cash flow	0.00
Liquidity	(0.50)
Comparative profile	(0.25)
Group support	(0.25)
Peer analysis	0.00
Total Score	7.00

Glossary

Cash flow	The inflow and outflow of cash and cash equivalents. Such flows arise from operating, investing and financing activities.
Cash	Funds that can be readily spent or used to meet current obligations.
Debt	An obligation to repay a sum of money. More specifically, it is funds passed from a creditor to a debtor in exchange for interest and a commitment to repay the principal in full on a specified date or over a specified period.
Diversification	Spreading risk by constructing a portfolio that contains different exposures whose returns are relatively uncorrelated. The term also refers to companies which move into markets or products that bear little relation to ones they already operate in.
Exposure	Exposure is the amount of risk the holder of an asset or security is faced with because of holding the security or asset. For a company, its exposure may relate to a product class or customer grouping. Exposure may also arise from an overreliance on one source of funding. In insurance, it refers to an individual or company's vulnerability to various risks.
Interest Cover	Interest cover is a measure of a company's interest payments relative to its profits. It is calculated by dividing a company's operating profit by its interest payments for a given period.
Issuer	The party indebted or the person making repayments for its borrowings.
Leverage	Regarding corporate analysis, leverage (or gearing) refers to the extent to which a company is funded by debt.
Liquidity	The speed at which assets can be converted to cash. It can also refer to the ability of a company to service its debt obligations due to the presence of liquid assets such as cash and its equivalents. Market liquidity refers to the ease with which a security can be bought or sold quickly and in large volumes without substantially affecting the market price.

Salient Points of Accorded Ratings

GCR affirms that a.) no part of the rating process was influenced by any other business activities of the credit rating agency; b.) the ratings were based solely on the merits of the rated entity, security or financial instrument being rated; and c.) such ratings were an independent evaluation of the risks and merits of the rated entity, security or financial instrument.

The credit rating has been disclosed to Ardova Plc. The rating above was solicited by, or on behalf of, the rated entity, and therefore, GCR has been compensated for the provision of the rating.

Ardova Plc participated in the rating process via telephonic management meetings, and other written correspondence. Furthermore, the quality of information received was considered adequate and has been independently verified where possible. The information received from Ardova Plc and other reliable third parties to accord the credit ratings included:

- 2020 audited annual financial statement, and prior four years annual financial statements;
- Unaudited management accounts for the period to 31 March 2021;
- Internal and/or external management reports;
- Industry comparative data and a breakdown of facilities available and related counterparties; and
- Information specific to the rated entity and/or industry was also received.

USE OF PROCEEDS

Unless otherwise stated in the applicable Pricing Supplement, the net proceeds from each issue of the Bonds will be applied by the Issuer for its general corporate purposes.

The applicable Pricing Supplement for each Series under the Programme will specify the details of the use of proceeds of the particular Series. The costs and expenses of or relating to the issue are payable by the Company and will be deducted from the gross issue proceeds.

RISK FACTORS

Investors should consider all of the information in this Shelf Prospectus including the following risk factors before deciding to invest in the Bonds. If the risks described below materialize, the Company's business, results of operations, financial condition and/or prospects could be materially affected. Furthermore, the risks described below are not exhaustive. Additional risks not currently known may also have a material adverse effect on the business, financial condition and results of operations of the Company.

Additionally, the risks outlined in this section may change from time to time; the Company disclaims any responsibility for advising prospective investors of such risks as they exist at the date of this Shelf Prospectus. Additional risks not currently known may also have a material adverse effect on the business, financial condition and results of operations of the Company. Neither the Company nor any of the Issuing Houses or any of the advisers involved with the issuance of any of the Bonds are in a position to express a view on the likelihood of any risk occurring and investors are advised to consider the following risk factors and any that may be set out in any applicable Pricing Supplement carefully, prior to purchasing the Instruments.

The factors listed under a single heading may not provide a comprehensive view of all risks relevant to the subject to which the heading relates. In addition, the risk factors described below are not ordered by reference to materiality or importance to the Company's business, financial condition, results of operations and prospects.

1. Risk related to Nigeria

a. Political Risks

With Nigeria being a very diverse political, religious and ethnic landscape, the country has been faced with varying levels of instability arising as a result of power struggles between diverse groups. The persistent criminal activity, social unrest, political and religious conflicts in the country has been to some extent the outcome of intolerance among diverse groups. Political instability has hindered smooth governance and has also led to the decline in socio-economic activities in many instances.

These challenges in the country may lead to lower oil production, deter investments in the country and lead to increased political instability that could have a material adverse effect on Nigeria's economy.

If the Federal Government is unable to address these issues, these risks may persist and adversely affect the Company's business, results of operation and/or financial condition.

b. Excessive Reliance on Crude Oil

Despite efforts to diversify the economy over the years, the Nigerian economy remains largely concentrated, import dependent, consumption driven with crude oil as the major source of revenue. This excessive reliance on revenues crude oil sale, coupled with import dependence over the years has increased Nigeria's vulnerability to external shocks. Between 2014 and 2017 and more recently in 2020, the Nigerian economy has been significantly affected by the global slide in crude oil prices evidenced by the weakening of the currency, substantial drop in foreign currency earnings and reserves, withdrawal of foreign portfolio capital and decline in government revenues.

Whilst oil prices seem to have stabilized in recent times, any further decline in global oil prices will continue to put weaken the Nigerian economy which in turn might impact the Company's operations and profitability.

c. Issues with Governance and Processes that impact Businesses in Nigeria

Issues with governance and processes such as bureaucracy, bribery and corruption, are of serious concern and constitute major barriers to doing business in Nigeria and hinder economic growth and social development. Nigeria is currently ranked 131 out of 190 countries in the World Bank's 2020 Doing Business index, moving up 15 places from 2019. Whilst this is an improvement, the country still performs poorly in the areas of tax collection, enforcing contracts, provision of infrastructure and trading across borders. This continues to impact negatively on tax revenue, investor confidence and mobility of goods. Failure to

RISK FACTORS

address these issues, continued corruption in the public sector and any future allegations or perceived risk of corruption in Nigeria could have an adverse effect on the Nigerian economy and may have a negative effect on Nigeria's ability to attract foreign investment. Consequently, the Company's business and ability to raise capital could be negatively impacted.

d. Unforeseen National/Global Emergencies

From time to time, several national emergencies capable of disrupting economic activities significantly could emerge as demonstrated recently following the emergence of the COVID-19 pandemic in December 2019. The pandemic put a strain on the global economy, forcing many economies to initiate various growth inhibiting measures in a bid to prevent the spread of the deadly coronavirus. Several Sub-Saharan African countries suffered from a pandemic-induced recession with many others continuing to endure the impact of the pandemic, as containment measures constrained economic activity significantly.

2. Risks related to the Company

a. Operational Risk

The Company operates several retail outlets spread across the country that are subject to significant operational risks including health and safety malpractices, litigation, compliance risk, reporting risk, quality control risk, technical failures, fraud and theft and industrial accidents.

The materialization of any of these events beyond Ardova's control could cause significant damage to the Company's resources, both human and physical, major disruption to the production process, and the Company's ability to deliver its products, and/or result in significant losses or liabilities being incurred by the Company, any of which may have a material adverse effect on the Company's business, prospects, results of operations, and financial position.

b. Liquidity Risk

From time to time, the Company invests in several capital projects which is expected to improve its business operations and generate cash in the future. However, in the event that the Company is unable to generate cash from these projects within the anticipated period, the Company might be faced with liquidity challenges, particularly where there are significant settlement obligations.

c. Foreign Exchange Risk

As much as Ardova has receivables denominated in foreign currency, the Company also has several foreign exchange denominated operating expenses with the cost of importation of all petroleum products accounting for a huge chunk. Thus, the Company faces the risk of not being able to adequately finance its importation due to the unavailability of foreign exchange that may arise from time to time.

d. Growth and Expansion Risk

Projections on business growth and expansion have been made on the basis of indices consisting primarily of forecasts, patterns and estimates. However, there is no assurance that such indices are correct or would follow the exact pattern of forecasts. A such, should any of the forecasts or estimates turn out to be inaccurate, then it may adversely affect the Company's business, financial position, operating results and future prospects.

Also, the future of the Company will depend in part on its ability to manage its growth in a sustainable manner. The Company's management will need to expand operations to achieve the necessary growth, while retaining and supporting its existing customers, attracting new ones, recruiting, training, retaining personnel, managing their affairs in an effective manner and maintaining financial controls.

e. Regulatory Risk

RISK FACTORS

The Nigerian Oil and Gas sector is highly regulated, and to a large extent driven by policies and directives from the Federal Government. In recent times, the Federal Government has introduced a number of policies that have impacted the Company's operations in several ways.

Notwithstanding the Company's efforts to closely monitor regulation in the sector and harness opportunities that may arise from any new policies, there are no assurances that introduction of new policies by the Government will not adversely impact the Company's operations or revenue generation capacity.

3. Risks related to the Issue

a. Liquidity in the Secondary Market

Like many other corporate issuances, the levels of liquidity in the secondary market is relatively low. If the Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon the market for similar securities, general economic conditions and the financial condition and prospect of the Company. Although applications will be made for Bonds issued under the Programme to be admitted and traded on the FMDQ platform and/or The Exchange, there is no assurance as to the development or liquidity of any trading market for any particular issue of the Bonds.

b. Waivers, Modifications and Subscriptions

The conditions of the Bonds contain provisions for calling general meetings of Bondholders to consider matters affecting their interests in relation to the issue. The set provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant general meeting and Bondholders who voted in a manner contrary to the majority.

c. Inadequate Capturing of Inherent Risk by Credit Rating

The Issue will be assigned a rating by at least one SEC-registered rating agency and any independent rating agency that may also decide to rate the Bonds. The ratings may not however adequately reflect the potential impact of all risks related to structure, market, and other factors that may affect the value of the Bonds. A credit rating is in essence not to be considered a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agencies at any time.

d. Early Redemption

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

e. Credit Risk

Securities issued under this Programme may be issued without any external credit enhancement. In this instance, investors, in undertaking the investment, would be relying solely on the creditworthiness of the Company for the repayment of its obligations. Thus, any subsequent change(s) in the actual or perceived creditworthiness of the Company may adversely affect the value of the Bonds and the likelihood of repayment.

f. Tax Exemption

Based on the existing tax laws, the Bonds to be issued under the Programme is generally exempt from all forms of taxes, including CIT, VAT and PIT, by virtue of the CIT (Exemption of Bonds and Short-Term Government Securities) Order 2011 ("**CIT Order**"), the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("**VAT Order**") and the Personal Income Tax (Amendment) Act 2011. However, The CIT Order and VAT Order became effective on January 2, 2012 and remain valid until January 2, 2022.

In respect of Coupon accruing to corporate Bondholders post-January 2, 2022, where the CIT Order is not extended, 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 Bondholder as a result thereof.

FINANCIAL SUMMARY

The financial information set out in this Shelf Prospectus has been extracted from the audited annual financial statements of the Company and is available at the specified office of the Company, as well as its official website. This section should be read and construed in conjunction with the audited interim financial statement(s) published subsequently for the financial years prior to the issuance of Instruments under the relevant Pricing Supplement. The Financial Statements of the Company for the years ended December 31, 2018, 2019 and 2020 are hereby incorporated by reference and are available for inspection. Kindly refer to page 82 "Documents Available for Inspection" section of this Shelf Prospectus.

Extract from the Independent Report of the Reporting Accountants covering the 3-year period from December 31, 2018 to December 31, 2020:



6 July 2021

Independent assurance report to:

The Board of Directors
Ardova Plc
1 AP/Conoil Road
Ijora-Apapa
Lagos

and

The Directors
Veriva Capital Management Limited
Plot 266B, Kofo Abayomi Street
Victoria Island
Lagos

Dear Sirs

We have reviewed the accompanying statements of financial position for the years ended 31 December 2018, 31 December 2019 and 31 December 2020, the statements of profit or loss and other comprehensive income, the statements of changes in equity, the statements of cash flows for the years then ended, the statement of significant accounting policies and other explanatory notes (together "the financial information"). The financial information for the years ended 31 December 2018 and 2019 is based on the audited financial statements of Ardova Plc (the "Company"). The financial information for the year ended 31 December 2020 is based on the audited financial statement of Ardova Plc and its subsidiary (the "Group").

Directors Responsibility

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

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial information. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) which requires us to conclude whether anything has come to our attention that causes us to believe that the financial information is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial information in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The review primarily consists of making inquiries of management and others as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance

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



with International Standards on Auditing. Accordingly, we do not express an audit opinion on this financial information.

Conclusion

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

Basis of Accounting

Without modifying our conclusion, we draw attention to the statement of significant accounting policies included in the financial information which describes the basis of accounting. The financial information is prepared for inclusion in the prospectus to be issued in connection with the proposed capital raising transaction. As a result, the financial information may not be suitable for another purpose.

Yours faithfully

A handwritten signature in black ink, appearing to read "Edafe Erhie", written over a faint, rectangular stamp.

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

6 July 2021

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

Ardova Plc

Financial information: 2018 - 2020

Statement of profit or loss and other comprehensive income

		Group 31 December 2020 N'000	Company 31 December 2019 N'000	Company 31 December 2018 N'000
	Note			
Revenue	2	181,938,679	176,550,766	134,706,306
Cost of sales	3	(169,808,131)	(165,269,049)	(123,376,240)
Gross profit		12,130,548	11,281,717	11,330,066
Other income	4	955,356	4,307,468	1,859,809
Selling and distribution expenses	5	(2,233,371)	(2,280,966)	(2,245,688)
Administrative expenses	6	(7,192,811)	(8,324,024)	(7,551,157)
Net impairment reversals/(losses) on financial assets	17.4	477,245	(59,749)	(443,944)
Operating profit		4,136,967	4,924,446	2,949,086
Finance income	7	270,949	4,555,095	1,181,038
Finance costs	7	(1,502,426)	(4,825,394)	(3,101,580)
Net finance costs		(1,231,477)	(270,299)	(1,920,542)
Profit before minimum and income taxation		2,905,490	4,654,147	1,028,544
Minimum tax	8a(i)	-	(513,861)	-
Income tax expense	8a	(1,047,521)	(225,146)	(397,073)
Profit for the year		1,857,969	3,915,140	631,471
Other comprehensive income		-	-	-
Total comprehensive income for the year		1,857,969	3,915,140	631,471
Earnings per share				
Basic/ diluted (In Naira)	9	1.42	3.00	0.48

The accompanying notes form an integral part of these financial information.

Ardova Plc

Financial information: 2018 - 2020

Statement of financial position

	Note	Group 31 December 2020 N'000	Company 31 December 2019 N'000	Company 31 December 2018 N'000
Assets				
Property, plant and equipment	10	15,220,348	11,116,680	8,789,910
Right of use assets	11	1,325,861	1,376,470	-
Investment property	12	1,481,097	1,506,546	1,531,995
Intangible assets	13	43,567	72,753	143,811
Deferred tax asset	15	639,180	783,157	577,571
Employee benefit - non current	22	-	36,735	95,364
Receivable from trucks disposals	10	4,591	-	-
Investment in mobile power	14	50,890	-	-
Inventories	16	14,553,608	12,834,373	9,528,146
Trade and other receivables	17	28,490,908	16,677,971	28,611,871
Employee benefit - current	22	-	610,302	-
Restricted cash	18	30,127	19,707	-
Cash and cash equivalents	19	3,006,283	1,984,260	1,154,269
Assets held for sale	20	-	-	10,296,796
Total assets		64,846,460	47,018,954	60,729,733
Equity and liabilities				
Equity				
Share capital	21	655,314	655,314	655,314
Share premium	21	8,071,943	8,071,943	8,071,943
Other reserves		(5,041)	(5,041)	(7,752)
Retained earnings		10,687,652	8,829,683	6,418,039
Treasury stocks	21	(1,388,574)	(1,388,574)	(1,388,574)
Total equity		18,021,294	10,163,325	13,748,970
Liabilities				
Deferred tax liabilities	15	1,211,164	1,463,956	1,490,742
Employee benefit obligations	22	-	262,902	-
Trade and other payables	24	35,481,426	22,823,177	26,473,272
Current income tax liabilities	8d	1,175,592	976,632	296,217
Term loans and import facilities	23	2,289,627	-	2,071,463
Medium term bond	23	2,847,762	5,232,189	7,175,523
Bank overdraft	19	3,819,595	116,773	9,473,546
Total liabilities		46,825,166	30,855,629	46,980,763
Total equity and liabilities		64,846,460	47,018,954	60,729,733

The accompanying notes form an integral part of these financial information.

Ardova Plc

Financial information: 2018 - 2020

Statement of changes in equity

	Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Treasury shares N'000	Total equity N'000
Company						
At 1 January 2018	655,314	8,071,943	(7,752)	5,805,859	(1,388,574)	13,136,790
Effect of adoption of IFRS 9	-	-	-	(19,291)	-	(19,291)
At 1 January 2018 (restated)	655,314	8,071,943	(7,752)	5,786,568	(1,388,574)	13,117,499
Profit for the year	-	-	-	631,471	-	631,471
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	631,471	-	631,471
At 31 December 2018	655,314	8,071,943	(7,752)	6,418,039	(1,388,574)	13,748,970
Company						
At 1 January 2019	655,314	8,071,943	(7,752)	6,418,039	(1,388,574)	13,748,970
Bonus share accrual	-	-	2,711	(2,711)	-	-
Profit for the year	-	-	-	3,915,140	-	3,915,140
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,915,140	-	3,915,140
Dividend paid	-	-	-	(1,500,785)	-	(1,500,785)
At 31 December 2019	655,314	8,071,943	(5,041)	8,829,683	(1,388,574)	16,163,325
Group						
At 1 January 2020	655,314	8,071,943	(5,041)	8,829,683	(1,388,574)	16,163,325
Profit for the year	-	-	-	1,857,969	-	1,857,969
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,857,969	-	1,857,969
At 31 December 2020	655,314	8,071,943	(5,041)	10,687,652	(1,388,574)	18,021,294

The accompanying notes form an integral part of these financial information.

Ardova Plc

Financial information: 2018 - 2020

Statement of changes in equity

	Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Treasury shares N'000	Total equity N'000
Company						
At 1 January 2018	655,314	8,071,943	(7,752)	5,805,859	(1,388,574)	13,136,790
Effect of adoption of IFRS 9	-	-	-	(19,291)	-	(19,291)
At 1 January 2018 (restated)	655,314	8,071,943	(7,752)	5,786,568	(1,388,574)	13,117,499
Profit for the year	-	-	-	631,471	-	631,471
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	631,471	-	631,471
At 31 December 2018	655,314	8,071,943	(7,752)	6,418,039	(1,388,574)	13,748,970
Company						
At 1 January 2019	655,314	8,071,943	(7,752)	6,418,039	(1,388,574)	13,748,970
Bonus share accrual	-	-	2,711	(2,711)	-	-
Profit for the year	-	-	-	3,915,140	-	3,915,140
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,915,140	-	3,915,140
Dividend paid	-	-	-	(1,500,785)	-	(1,500,785)
At 31 December 2019	655,314	8,071,943	(5,041)	8,829,683	(1,388,574)	16,163,325
Group						
At 1 January 2020	655,314	8,071,943	(5,041)	8,829,683	(1,388,574)	16,163,325
Profit for the year	-	-	-	1,857,969	-	1,857,969
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,857,969	-	1,857,969
At 31 December 2020	655,314	8,071,943	(5,041)	10,687,652	(1,388,574)	18,021,294

The accompanying notes form an integral part of these financial information.

Ardova Plc

Financial information: 2018 - 2020

Statement of cash flows

		Group 31 December 2020 N'000	Company 31 December 2019 N'000	Company 31 December 2018 N'000
Profit before income tax		2,905,490	4,654,147	1,028,544
Adjustment for:				
Depreciation of property, plant and equipment		1,080,179	1,246,378	1,324,413
Depreciation of right of use asset		339,108	808,574	-
Depreciation of investment property		25,449	25,449	25,449
Amortisation of intangible asset		35,046	71,058	72,236
Gain on disposal of subsidiaries		-	(2,674,891)	-
(Profit)/ loss on disposal of property, plant and equipment	4	(273,006)	30,067	(6,537)
Finance income	7	(270,949)	(4,555,096)	(1,181,038)
Finance cost	7	1,502,426	4,825,394	3,101,580
Current service cost	22	-	254,680	97,347
Provisions no longer required	4	(371)	(13,368)	(77,402)
Net impairment (reversals)/losses on financial assets	17.4	(477,245)	59,749	443,944
Rights of use assets at date of initial application		-	(1,939,502)	-
Effect of retrospective adoption of IFRS 9	17.4	-	-	(19,291)
Changes in working capital:				
Increase in inventories		(1,719,235)	(3,306,227)	(4,909,758)
(Increase)/ decrease in trade and other receivables		(10,693,247)	11,143,764	4,675,901
(Increase)/ decrease in trade and other payables		12,658,249	(4,207,956)	(65,071)
		5,111,894	6,492,221	4,510,317
Defined benefit obligation paid	22	(262,531)	(530,084)	(102,173)
Income tax paid	8d	(957,375)	(209,058)	(241,852)
Net cash flows generated from operating activities		3,891,988	5,683,079	4,166,292
Investing activities				
Proceeds from disposal of property, plant and equipment		1,023,357	212,821	32,263
Purchase of property, plant and equipment		(5,934,198)	(816,036)	(371,798)
Acquisition of intangibles		(5,860)	-	(19,397)
Acquisition of ROU assets		(288,499)	(245,542)	-
Investment in Mobile Power		(50,890)	-	-
Proceeds from disposal of subsidiaries		-	12,960,887	-
Interest received	7	270,949	539,103	1,106,542
Net cash flows (used in)/ generated from investing activities		(4,985,141)	12,651,233	747,610
Financing activities				
Loan repayment	23.1	(2,364,427)	(5,438,107)	(10,442,422)
Additional loan		2,289,627	-	-
Dividend paid		-	(1,500,785)	-
Movement in restricted cash	18	(10,420)	(19,707)	-
Interest paid	23.1	(1,502,426)	(1,188,949)	(3,101,580)
Net cash flows used in financing activities		(1,587,646)	(8,147,548)	(13,544,002)
Net (decrease)/ increase in cash and cash equivalents		(2,680,799)	10,186,764	(8,630,100)
Cash and cash equivalents at beginning of year		1,867,487	(8,319,277)	310,823
Cash and cash equivalents at end of the year	20	(813,312)	1,867,487	(8,319,277)

The accompanying notes form an integral part of these financial information.

TAX CONSIDERATIONS

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

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

Under Nigerian law, 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. Interest shall be deemed to be derived from Nigeria if (a) there is a liability to payment of the interest by a Nigerian company or a company in Nigeria regardless of where or in what form the payment is made; or (b) the interest accrues to a foreign company or person from a Nigerian company or a company in Nigeria regardless of whichever way the interest may have accrued. Consequently, interest payments on the Bonds derived from Nigeria and accruing to both Nigerian investors and non-Nigerian investors would ordinarily be subject to withholding tax in Nigeria at the applicable rate of 10 percent or 7.5 percent if the foreign company or person to whom the interest accrues is resident in a country with which Nigeria has a double taxation treaty (which has been ratified by the Nigerian National Assembly) and the Company would be required to withhold tax on such payments and remit same to the appropriate tax authorities.

However, under current legislation in Nigeria, an investment in the Bonds to be issued under the Programme is generally exempt from all forms of taxes. These include exemptions from CIT, VAT and PIT, by virtue of the CIT (Exemption of Bonds and Short Term Government Securities) Order 2011 ("**CIT Order**"), the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("**VAT Order**") and the Personal Income Tax (Amendment) Act 2011. The CIT Order and VAT Order became effective on January 2, 2012 and are valid for a period of ten years from that date. The exemption under PITA is indefinite. However, the Finance Act 2020 specifically exempts "securities" from the definition of goods and services under the VAT Act. On this basis, it is likely that upon the expiration of the VAT Order, disposals of corporate bonds will still be exempt from VAT. Commissions payable to the SEC, the Securities Exchange and the Depository in connection with the Bonds shall be subject to VAT.

Where the maturity of any Bonds issued under the Programme exceeds January 1, 2022, the treatment of withholding of tax on the interest payments for periods beyond this date will be stated in the applicable Pricing Supplements.

In addition, the Bonds qualify for a waiver from Capital Gains Tax by virtue of the proposed ten-year tax waiver approved by the Federal Government in March 2010. However, the necessary legislative and administrative processes for the effectiveness of this waiver have not yet been completed. This implies that investors may benefit from the waiver from Capital Gains Tax only when the requisite exemption is gazetted and the necessary amendments made to the enabling law. The Capital Gains Tax Act, Chapter C1 LFN 2004 ("**CGT Act**") provides that any gain paid, used or enjoyed in or in any manner or form transmitted or brought to Nigeria shall be treated as being derived from Nigeria for the purposes of the CGT Act. In the case of an individual who is in Nigeria for a temporary purpose only and does not have any view or intent to establish his residence in Nigeria, such gain will be subject to tax if the period or sum of the periods for which he is present in Nigeria in that year of assessment exceeds 182 days.

STATUTORY AND GENERAL INFORMATION

History and Key Milestones

Arдова was incorporated on 11 December 1964 as British Petroleum Nigeria Limited with the marketing of BP Petroleum products as the main focus. In 1978, the Company became a public company, when 40% of its shares were sold to Nigerian citizens in compliance with the provisions of the Nigerian Enterprises Promotion Decree of 1977. In July 1979, the Federal Government of Nigeria acquired 60% of the share capital of the Company held by BP, for the Nigerian National Petroleum Corporation, and the Company's name was changed to African Petroleum Limited. The Company subsequently changed its name and re-registered as African Petroleum Plc.

In March 1989, FGN sold 20% of its shareholding to the Nigerian public, thus making AP the first public company privatized under the Privatization and Commercialization Policy. The FGN, under its privatization programme in year 2000 divested its remaining 40% shareholding in AP, thus making AP a privately owned Company, with over 153,000 shareholders.

In 2007, the Company was acquired by a majority shareholder, Zenon Petroleum and Gas Limited. In December 2010, the Company went through a restructuring and rebranding exercise and further changed its name to Forte Oil Plc.

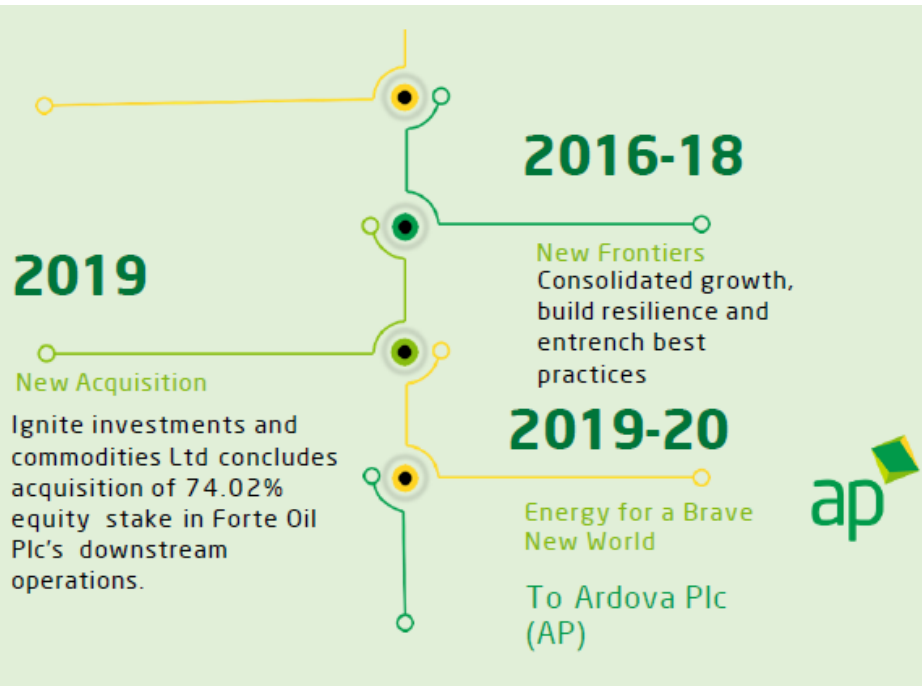
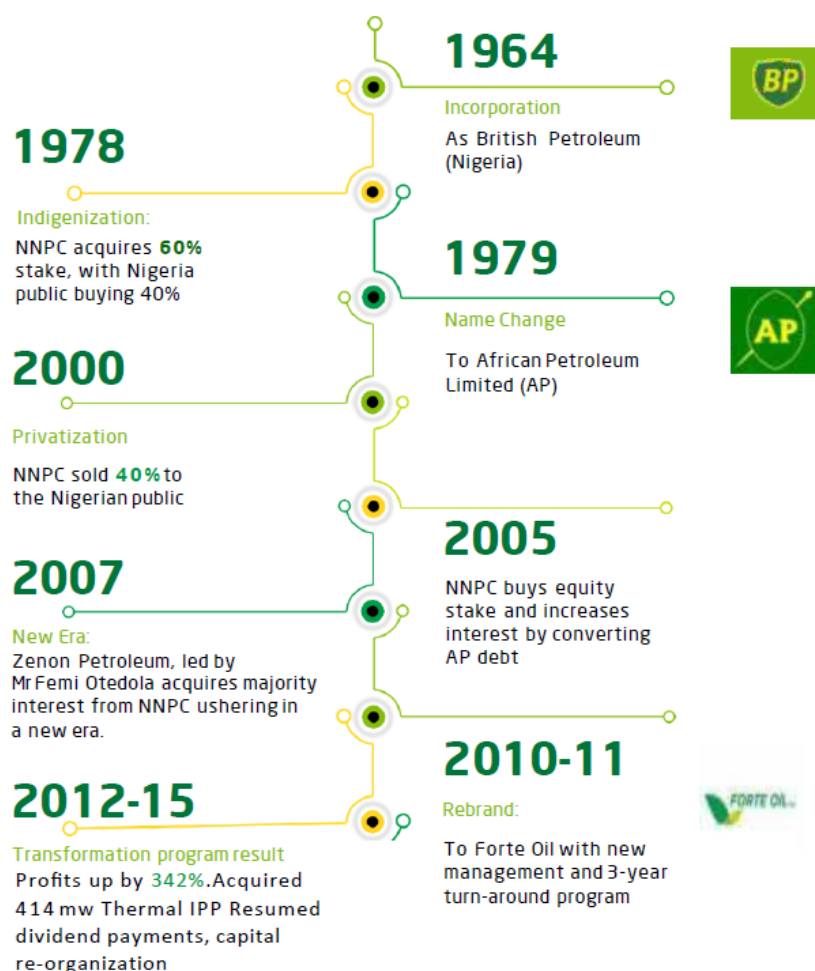
In March 2019, the Company disposed of its Upstream Services, Power and a portion of its Fuel segments namely; AP Oil and Gas Ghana, Forte Upstream Services Limited and Amperion Power Distribution Company Limited.

In June 2019, the Company experienced a change in ownership. The majority shareholders of Forte Oil Plc sold all their shares in the Company to Ignite Investments and Commodities Limited. Following this, the Company's name was changed to Arдова Plc in January, 2020. Ignite Investments and Commodities Limited owns 74.02% of the equity shares of Arдова Plc. while the balance of 25.98% is held by other shareholders. This led to the change of name from Forte Oil Plc. to Arдова Plc. in February 2020.

The Company is principally engaged in the marketing of petroleum products which is divided into fuels, lubricants and greases and together with its subsidiary as shown below is collectively referred to as the Group.

On 11 March 2020, the Company incorporated a wholly owned subsidiary, Axles and Cartage Limited as a private limited liability company in Nigeria. The subsidiary provides transport and haulage services to third party customers as well as Arдова. The Company has also recently incorporated a wholly owned subsidiary – AP LPG Limited; a special purpose vehicle to carryout its LPG business.

STATUTORY AND GENERAL INFORMATION



STATUTORY AND GENERAL INFORMATION

Shareholding Structure

As at the date of this Shelf Prospectus, the 1,310,629,267 ordinary shares of ₦0.50 each in the issued ordinary share capital of Ardova are beneficially held as follows:

Shareholder	No. of Ordinary Shares Held	Percentage (%)
Ignite Investments and Commodities Limited	970,666,694	74.06%
Other shareholders	339,962,573	25.94%
	1,310,629,267	100.00%

Except as stated above, no other shareholder holds more than 5% of the issued share capital of Ardova.

The table below sets out a summary of the capital structure of the Company as at 30 June 2021:

Description	₦
Cash and cash equivalents	2,844,417,852
Short Term Debt	6,962,704,000
Long Term Debt	1,490,019,000

Share Capital History

As at the date of this Shelf Prospectus, the authorised share capital of the Company is ₦2,000,000,000.00 comprising 4,000,000,000 ordinary shares of ₦0.50 each, out of which ₦655,314,633.50 comprised of 1,310,629,267 ordinary shares of ₦0.50 each are issued and fully paid up. The changes to Ardova's authorised and issued share capital since incorporation are summarized below:

Year	Authorised (₦)		Issued & Fully Paid-up (₦)		Consideration
Date	Increase	Cumulative	Increase	Cumulative	
1978	-	6,000,000	-	6,000,000	Cash
1978/9	1,500,000	7,500,000	1,500,000	7,500,000	Cash
1980	3,750,000	11,250,000	3,750,000	11,250,000	Bonus 1:2
1982	11,250,000	22,500,000	11,250,000	22,500,000	Bonus 1:1
1984	7,500,000	30,000,000	7,500,000	30,000,000	Bonus 1:3
1986	6,000,000	36,000,000	6,000,000	36,000,000	Bonus 1:5
1988	7,200,000	43,200,000	7,200,000	43,200,000	Bonus 2:3
1990	28,800,000	72,000,000	28,800,000	72,000,000	Rights Issue
1993	14,400,000	86,400,000	-	72,000,000	-
1994	-	86,400,000	14,400,000	86,400,000	Bonus 1:4
1997	21,600,000	108,000,000	-	86,400,000	-
1999	36,000,000	144,000,000	21,600,000	108,000,000	Rights Issue
2002	4,856,000,000	5,000,000,000	-	108,000,000	-
2004	-	5,000,000,000	108,000,000	216,000,000	Rights Issue
2004	-	5,000,000,000	18,263,450.50	234,263,450.50	-

STATUTORY AND GENERAL INFORMATION

2005	- 5,000,000,000	46,852,690.50	281,116,141	Bonus 1:5
2006	- 5,000,000,000	113,277,778	394,393,919	Placement
2009	- 5,000,000,000	48,877,636	443,271,555	Rights Issue
2009	- 5,000,000,000	100,263,828	543,535,383	Public Offer
2013	(3,000,000,000) 2,000,000,000	-	543,535,383	-
2014	- 2,000,000,000	2,560,145	546,095,528	Underwriting of 2008/2009 Hybrid Offer
2015	- 2,000,000,000	109,219,105	655,314,633	Bonus 1:5

Directors Beneficial Interest

The interests of the Directors of Ardova in the issued share capital of Ardova as recorded in the Register of Members as at the date of this Shelf Prospectus and as notified by them for the purpose of Section 301 (1) of CAMA are as follows:

	Name	Direct Holding	Indirect Holding	Total	Percentage (%)
1.	Abdulwasiu O. Sowami	Nil	970,666,694	970,666,694	74.06%
2.	Olumide Adeosun	Nil	Nil	Nil	Nil
3.	Moshood Olajide	Nil	Nil	Nil	Nil
4.	Mohammed Aminu Umar	Nil	Nil	Nil	Nil
5.	Olusola Adeeyo	Nil	Nil	Nil	Nil
6.	Aniola Durosinmi-Etti	Nil	Nil	Nil	Nil

Subsidiaries and Associated Companies

As at the date of this Shelf Prospectus, Ardova holds equity stakes in the following companies:

	Companies	Holding	Percentage (%)
1.	Axles and Cartage Limited	1,000,000	100
2.	AP LPG Limited	1,000,000	100
3.	Bags and Kegs Limited	1,000,000	100

Statement of Indebtedness

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

Claims and Litigation

The opinion of the Solicitors to the Issue, in connection with the Bond Issuance Programme by the Issuer is set out below:

Ardova Plc (the "Company") is involved in Thirty (30) litigation matters as of July 8, 2021.

In the context of the contemplated Transaction, the Solicitors to the Transaction set a materiality threshold of N75,000,000 (Seventy-Five Million Naira) (the "Materiality Threshold") with regard to the monetary reliefs claimed in the cases against the Company; and reviewed all matters determined as high risk based on their subject matter. Of the thirty (30) cases, we identified ten (10) cases which are either within and above the Materiality Threshold or are deemed as high risk based on

STATUTORY AND GENERAL INFORMATION

their subject matter. The Solicitors to the Transaction were only provided with case files in relation to nine (9) of the ten (10) cases and a case summary in relation to one (1) of the cases.

Of the Ten (10) cases, we note that the Company is Respondent in one (1) case in which judgment has been delivered against the Company, Appellant in three (3) cases in which judgment has been delivered against the Company and Respondent in six (6) cases in which ruling/judgment has been delivered in the Company's favor.

The total value of claims against the Company in the ten (10) cases within/above the Materiality Threshold is approximately N27,343,409,512.39 (Twenty-Seven Billion, Three Hundred and Forty-Three Million, Four Hundred and Nine Thousand, Five Hundred and Twelve Naira, Thirty-Nine Kobo) excluding interests and costs, which may be awarded by the courts after the final resolution of each matter.

The Solicitors to the Transaction are of the opinion that the contingent liability, that may arise from the cases in respect of which case files were provided for our review and the case summary, where same are diligently defended, would not have a material adverse effect on the proposed Transaction.

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

Guarantees

As at December 31st 2020, the Company guaranteed the loan provided to its subsidiary, Axles and Cartage Limited by Stanbic IBTC Bank Plc. As at December 31st 2020, the loan balance is NGN2,289,626,852.

Material Contracts

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

1. A Programme Trust Deed dated 12 November, 2021, between the Issuer on the one part and Vetiva Trustees Limited, Stanbic IBTC Trustees Limited and ARM Trustees Limited (acting as Joint Trustees), in connection with the Programme.
2. A Vending Agreement dated 12 November, 2021 between the Issuer on the one part and Vetiva Capital Management Limited and Stanbic IBTC Capital Limited on the other part in respect of the Programme.

In addition to the material contracts specified above, as at the date of this Shelf Prospectus, the Issuer has the following subsisting material contracts which are relevant in the context of the Programme:

1. Letter of Offer dated November 4, 2020 between the Issuer and Stanbic IBTC Bank Plc in relation to a ₦4,000,000,000.00 (Four Billion Naira) banking facility to finance the purchase of refined petroleum products.
2. Programme Trust Deed dated November 17, 2016 between the Issuer (under the name "Forte Oil Plc") and ARM Trustees Limited, FBN Trustees Limited, Union Trustees Limited, United Capital Trustees Limited, Vetiva Trustees Limited entered into in relation to a ₦50,000,000,000.00 (Fifty Billion Naira) Bond Issuance Programme established by the Issuer (the "Trust Deed").
3. Letter of Offer dated November 11, 2020 between the Issuer and First Bank of Nigeria Limited in relation to a ₦2,500,000,000.00 (Two Billion, Five Hundred Million Naira) overdraft facility, to finance stock of petroleum products.

STATUTORY AND GENERAL INFORMATION

Other material contracts in respect of any issuance of Bonds under the Programme will be disclosed in the applicable Pricing Supplement in respect of that Series of Bonds.

Relationship between the Company and its Advisers

Except as disclosed in this Shelf Prospectus, the Issuer is not related to any of its advisers (the Professional Parties) other than in the ordinary course of business.

Related Party Transactions

The details of related party transactions are contained in the Financial Statements and are incorporated by reference.

Mergers and Acquisitions

The Company and its acquisition vehicle, Bags & Kegs Limited, have entered into discussions with the shareholders of Enyo to acquire 100% equity stake in Enyo. This acquisition shall, when approved by the regulators, further consolidate Ardova's position as a leading integrated energy company, with increased retail outlets and customer base.

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

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

Debt Issuances by the Company

The table below reflects the number, description and outstanding amount of any previous issuance of debt securities by the Company:

Description	Type	Outstanding Amount (€)
1. 17.50 Ardova 2-DEC-2021	Bond	1,610,991,512.34

Extracts of the MEMART

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

OBJECTS OF THE COMPANY

3. The objects for which the Company is established are:

- (a) To purchase, or otherwise acquire, and to import, manufacture, store, export, trade and deal in any kind of oil, whether mineral, animal, or vegetable, also to purchase, take or lease or license, or otherwise acquire, any petroleum or oil-bearing lands, or interest in any such lands, or any rights of or connected with the getting or winning of any petroleum or other oil and, to sink wells, to make borings and otherwise to search for and get petroleum and other minerals oils and products thereof.
- (b) To carry on all or any of the businesses of dealers in the refiners of petroleum and other mineral oils, natural gas, asphalt, and ozokerite, or other similar substances and products thereof, and other fuels, mine owners, merchants, carriers, wharfingers, manufacturers, ship owners, ship-builders, barge owners, lightermen, factors and brokers in all or any of their respective branches, and to treat or turn to account in any other manner any natural gas, petroleum or other oil, asphalt, or any products thereof, or any other fuel.
- (c) To acquire, work and dispose of and deal in mines, metals, minerals, mineral wax, clay and other like substances, and to acquire, produce by cultivation, manufacture, treat, deal in or otherwise turn to account any mineral, vegetable or mineral products.
- (d) To purchase, acquire, rent, build, construct, equip and operate land, farms, factories, refineries, works and plants for the foregoing purposes.

STATUTORY AND GENERAL INFORMATION

- (e) To borrow money and raise money and to secure or discharge any debt or obligation of or binding on the company in such manner as may be thought fit and in particular by mortgages and charges upon the undertaking and all or any of the property and assets (present and future) and the uncalled capital of the company, or by the creation and issue on such terms and conditions as may be thought expedient of the debentures, debenture stock or other securities of any description.

BORROWING POWERS

79. The Directors may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debentures stock, and other securities, whether outright or as security for any debt, liability or obligation of the company or of any third party. Provided that the amount for the time being remaining undischarged of monies borrowed or secured by or on behalf of the company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time without the previous sanction of the Company in general meeting exceed the aggregate of the amount of the time being paid upon the share capital of the company and of its reserves so however that no lender or other person dealing with the company shall be concerned to see or enquire whether this limit shall be valid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or security given that the limit hereby imposed had been or was thereby exceeded.

Declaration

Except as otherwise disclosed herein:

- No share of the Issuer is under any option or agreed conditionally or unconditionally to be put under option;
- No commission, discounts, brokerages or other special terms have been granted by the Issuer to any person in connection with the issue of the Bonds under the Programme or sale of any shares of the Issuer;
- Save as disclosed herein, the Directors of the Issuer have not been informed of any shareholding representing 5% or more of the issued share capital of the Issuer;
- There are no founders, management or deferred shares or any options outstanding;
- There are no material service agreements between the Issuer and any of its Directors and employees other than in the ordinary course of business;
- There are no long-term service agreements between the Issuer and any of its Directors and employees;
- No prosecution has commenced against the Issuer or any of its subsidiaries in respect of any securities law or CAMA;
- No action has been taken against the Issuer by FMDQ and The Exchange in respect of any breach of the listing requirements of the Exchange;
- No Director, key management personnel and key technical personnel has been involved in any of the following (in or outside Nigeria):
 - A petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was a partner or any company of which he was a director or key personnel;
 - A conviction in a criminal proceeding or is named subject of pending criminal proceedings relating to fraud or dishonesty; or
 - The subject of any order, judgment or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty, restraining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

STATUTORY AND GENERAL INFORMATION

Cost and Expenses

The costs and expenses of and incidental to the establishment of the Programme including without limitation fees payable to the SEC, Professional Parties, filing fees and other expenses, are set out in each Pricing Supplement issued by the Company.

Consents

The under listed parties have given and not withdrawn their written consents to the mention and inclusion of their names and reports (where applicable) in the form and context in which they appear in this Shelf Prospectus:

Directors	AbdulWasiu O. Sowami	<i>Chairman</i>
	Olumide Adeosun	<i>Chief Executive Officer</i>
	Moshood Olajide	<i>Executive Director, Finance & Risk Management</i>
	Mohammed Aminu Umar	<i>Non-Executive Director</i>
	Olusola Adeeyo	<i>Independent Non-Executive Director</i>
	Aniola Durosinmi-Etti	<i>Independent Non-Executive Director</i>
Company Secretary	Oladeinde Nelson-Cole	
Issuing Houses	Vetiva Capital Management Limited Stanbic IBTC Capital Limited	
Solicitor to the Issue	Banwo & Ighodalo	
Joint Trustees	Vetiva Trustees Limited Stanbic IBTC Trustees Limited ARM Trustees Limited Advised by: Aluko and Oyeboode	
Registrar	Africa Prudential Plc	
Reporting Accountant	PricewaterhouseCoopers	
Stockbroker	Stanbic IBTC Stockbrokers Limited Dominion Trust Limited	
Rating Agencies	Global Credit Rating Company Limited DataPro Limited	
Auditors	Deloitte and Touche	
Receiving Bank	Stanbic IBTC Bank Plc	

Documents Available for Inspection

Copies of the following documents may be inspected at the registered office of the Issuer and at the respective offices of Issuing Houses as listed on page 82 during normal business hours (between 8:00a.m. and 5:00p.m.) on any Business Day from the date of this Shelf Prospectus throughout the validity Period:

- Certificate of Incorporation of the Company;

STATUTORY AND GENERAL INFORMATION

- The Memorandum and Articles of Association of the Company;
- Board Resolution dated 25 February, 2021, authorising the Programme;
- Shareholder Resolution dated 12 April, 2021, authorising the Programme;
- The Audited Financial Statements of the Company for each of the five (5) years up to the year ended 31 December, 2020;
- The Reporting Accountants' Reports on Audited Accounts of the Company for three (3) years up to the year ended 31 December, 2020;
- The material contracts referred to on page 79
- The schedule of claims and litigation involving the Company together with the opinion of the Solicitors to the Transaction prepared in connection therewith;
- The written consents of the Parties referred to on page 81;
- The Shelf Prospectus issued in respect of the Bond Issuance Programme;
- Letter from the SEC confirming the registration of the Prospectus;
- The Programme Trust Deed;
- The Rating Report issued by Global Credit Rating Company Limited in respect of the Issuer; and
- The Rating Report issued by DataPro Limited in respect of the Issuer.

AUTHORISATION OF THE PROGRAMME

See below a copy of the resolution of the Board authorizing the establishment of the Programme:

1, AP/Conoil Road
Ijora, Lagos, Nigeria
+234 1 277 6100



**THE FEDERAL REPUBLIC OF NIGERIA
COMPANIES AND ALLIED MATTER ACT, NO.3 2020
PUBLIC COMPANY LIMITED BY SHARES
ARDOVA PLC RC NO. 4119
BOARD RESOLUTION**

At a meeting of the Board of Directors (the "**Board**") of Arдова Plc (the "**Company**") duly held on 25 February 2021 through virtual participation and hosted at the Company's Head Office at No 1 AP/Conoil Road, Ijora, Lagos, it was resolved as follows:

- a. that the Board hereby recommends for the consideration and approval by the shareholders of the Company (the "**Shareholders**") that pursuant to Article 79 of the Articles of Association of the Company, the Company be and is hereby authorized to raise capital in an aggregate amount not exceeding [N=60,000,000,000.00 (Sixty Billion Naira)] through the issuance of shares, convertible or non-convertible securities, loan notes, bonds, global depository notes and any other instrument whether as a standalone or through the establishment of a programme whether by way of a public offering, rights issue, or any other method(s), in such tranches, series or proportions, and at such date and times and on such terms and conditions including through a bookbuilding process or any other process as may be determined by the Management subject to obtaining all relevant regulatory approvals (the "**Transaction**").
- b. that subject to the shareholders' resolution referred to in (a) above, that the Company be and is hereby authorised to establish a debt issuance programme in an amount up to N=60,000,000,000 (Sixty Billion Naira) ("**Programme**");
- c. that pursuant to the establishment the Programme, the Company be authorized to issue first series of bonds in the aggregate amount of up to [N=25,000,000,000.00 (Twenty Five Billion Naira)] at such time and in such tranches and on such terms and conditions as may be determined by the management of the Company ("**Management**"), subject to obtaining the relevant regulatory approvals (the "**Series 1 Bonds**");
- d. that in the event of an oversubscription of the Series 1 Bonds, the Company is authorized to accept additional capital under the Series 1 Bonds up to an amount not exceeding fifteen percent (15%) percent of the Series 1 Bonds or such other maximum limit prescribed under the applicable regulations or approved by the relevant regulatory authority and issue the corresponding bonds to the relevant subscribers on the same terms and conditions as the Series 1 Bonds;
- e. that where the Management deems fit, the Series 1 Bonds may be underwritten on such terms and conditions as the Management may approve;

www.ardovapl.com


Directors:
Abdulkadir Gassani, Chairman
Charles Ademilua, Chief Executive Officer
Mohamed Olayinka, Executive Director, Finance & Risk Management
Mohammed Aminu Umar, Non-Executive Director
Olanike Adegbesi, Independent Non-Executive Director
Afolake Durosinmi-Ehin, Independent Non-Executive Director

AUTHORISATION OF THE PROGRAMME




- f. that the Management be and is hereby authorised to appoint all professional parties and advisers to advise and guide it on the proposed capital raising, and perform all such acts and do all such other things as may be necessary to give effect to the above resolutions, including, subject to obtaining relevant shareholders' approval, engage the relevant regulators on behalf of the Company and comply with the directives of such regulatory authority; and
- g. that any two (2) Directors or a Director and Secretary of the Company be and are hereby authorised to do all acts and things to consent to, approve, sign and or execute all documents as may be necessary to give effect to the above resolutions.

**DATED THIS 25th DAY OF FEBRUARY 2021
BY ORDER OF THE BOARD**



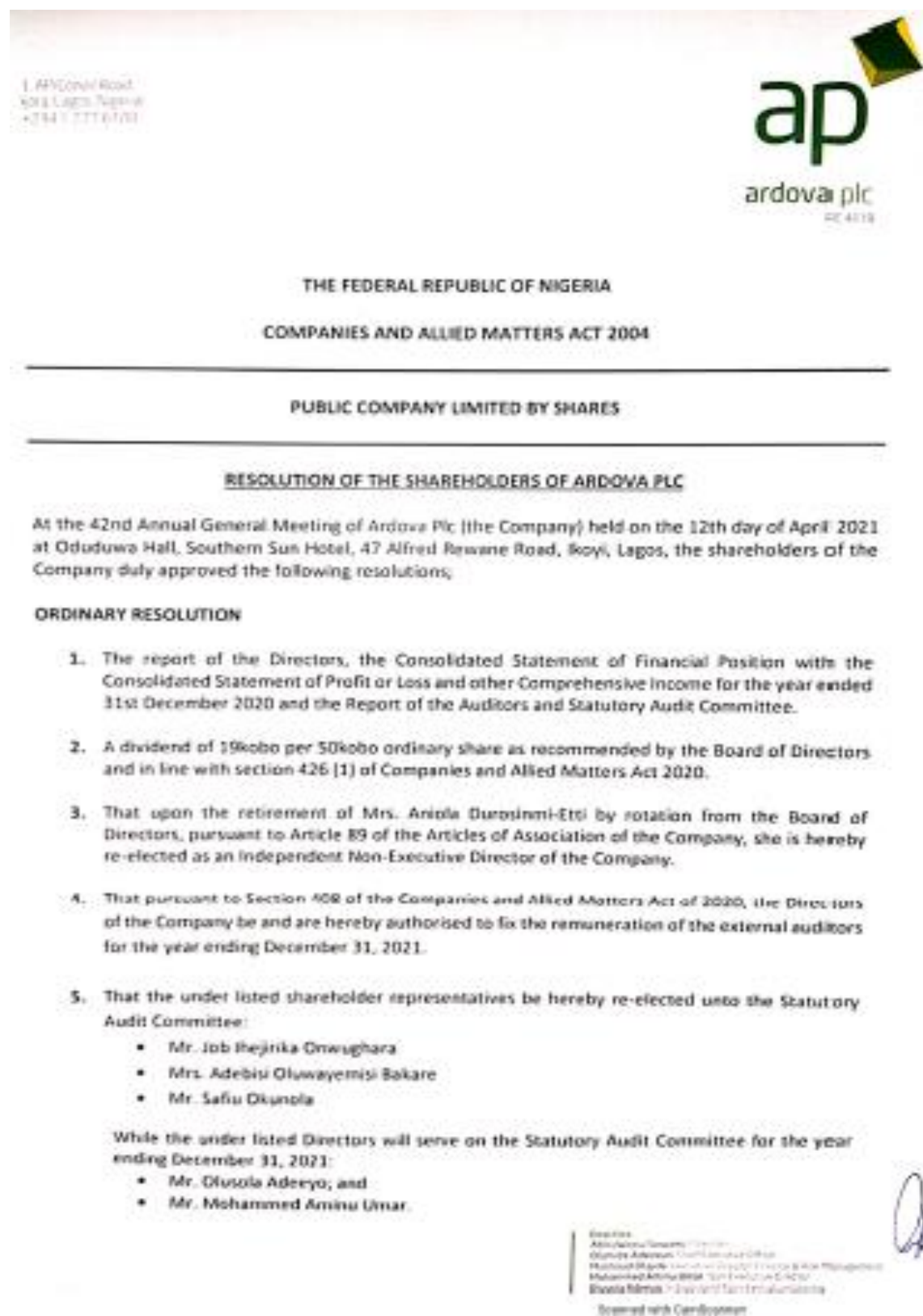
DIRECTOR
Moshood Olajide



DIRECTOR/SECRETARY
Olumide Adeosun

AUTHORISATION OF THE PROGRAMME

See below a copy of the resolution of the Shareholders authorizing the establishment of the Programme:



AUTHORISATION OF THE PROGRAMME

6. The disclosure of the remuneration of the managers of the Company in the Consolidated Statement of Financial Position with the Consolidated Statement of Profit or Loss and other Comprehensive Income for the year ended 31st December 2020, pursuant to Section 257 of the Companies and Allied Matters Act 2020.

SPECIAL RESOLUTION

7. That pursuant to Section 293(1) of the Companies and Allied Matters Act 2020, the fees payable to the Non-Executive Directors be hereby set at the sum of N600,000.00 (Six Hundred Thousand Naira) per annum and the sum of N800,000.00 (Eight Hundred Thousand Naira) per annum for the Chairman.
8. To pass the following resolutions:
- i. That pursuant to Article 79 of the Articles of Association, the Company is hereby authorized to raise capital in an aggregate amount not exceeding 60,000,000,000.00 (Sixty Billion Naira) through the issuance of shares, convertible or non-convertible securities, loan notes, bonds, global depository notes and any other instrument whether as a standalone or through the establishment of a programme whether by way of a public offering, rights issue, or any other method(s), in such tranches, series or proportions, and at such date and times and on such terms and conditions including through a book building process or any other process as may be determined by the Directors, subject to obtaining all relevant regulatory approvals.
 - ii. Further to resolution [i] above, the Directors are hereby authorized to appoint such professional parties and perform all such other acts and do such other things as may be necessary for and/or incidental to the bringing into effect of the above resolutions.
9. Renewal of the general mandate authorizing the Company to enter into recurrent transactions which are of a trading nature or those necessary for its day-to-day operations with related parties or companies in accordance with the Rules of the Nigerian Stock Exchange governing transactions with related parties or interested persons.

Dated this 12th Day of April 2021


SECRETARY
Oladeinde Nelson-Cole


CHAIRMAN
Abdulwasilu Sowami

9. APPOINTMENT AND ACCEPTANCE OF TRUST

- 9.1 The Issuer hereby appoints the Trustees as the representative of the Bondholders in accordance with the provisions of this Trust Deed or any Series Trust Deed; and the Trustees hereby declare themselves as trustees of the Bondholders and will hold the benefit of the covenants, rights and other obligations on the part of the Issuer herein contained for the benefit of the Bondholders in accordance with the terms of this Trust Deed.
- 9.2 By execution hereof, the Trustees have accepted and agreed to be bound by the powers, duties and obligations of the Trustees specifically set forth herein, in any Series Trust Deed and generally provided for in CAMA, the Trustee Investments Act, the ISA and by Law.
- 9.3 The Trustees shall have no duty, responsibility or obligation for the issuance of the Bonds or for the validity or exactness thereof, or of any document relating to such issuance.
- 9.4 The Trustees shall have no duty, responsibility or obligation for the payment of the Bonds except in accordance with the terms and provisions hereof or any Series Trust Deed or any agreement to which it is a party, and only to the extent that the Trustees are in receipt of funds from the Issuer.
- 9.5 Prior to an Event of Default and after the curing or waiving of all Events of Default which may have occurred, the Trustees shall not be liable except for the performance of such duties as specifically set down herein.
- 9.6 The Trustees shall have no liability for any act or omission to act hereunder, or under any other instrument or document executed pursuant hereto except for the Trustees' gross negligence, willful misconduct and/or fraud.
- 9.7 The duties and obligations of the Trustees shall be determined solely by the express provisions hereof, and no implied powers, duties or obligations of the Trustees, save as mandated by the provisions of the Investments & Securities Act, CAMA and the Trustee Investments Act shall be construed into this Deed.
- 9.8 Upon the occurrence of an Event of Default, the Trustees shall subject to the provisions of this Deed, exercise such rights and utilise such powers vested in them under this Deed, the Investments & Securities Act and the Law, and shall use the required degree of care and skill in the exercise of its duties.
- 9.9 The Trustees shall not be required to expend or risk their own funds or otherwise incur any liability in the performance of its duties or in the exercise of its rights or powers as Trustees, except such liability as may result from the Trustee's gross negligence, fraud and willful misconduct.
- 9.10 The trust created herein shall be binding on the Trustees, Bondholders and the Issuer and shall be a continuing obligation and shall be of full force and effect until terminated in accordance with this Deed.

10. APPOINTMENT AND ACCEPTANCE OF TRUST

- 10.1 So long as any of the Bonds remains outstanding, the Issuer shall not except with the written consent of the Trustees, (such consent not to be unreasonably withheld, delayed or conditioned), sell, transfer, lend or otherwise dispose of the whole or part (being in the aggregate substantial in relation to the Issuer) of its undertaking or assets, (except in the ordinary course of trading operations or to a subsidiary of the Issuer), whether by means of a single transaction or a number of transactions related or not.

PROVIDED that for the purposes of this provision "substantial" shall mean 10% or more of the undertaking or of the assets of the Issuer in aggregate.

- 10.2 Notwithstanding the provision of Clause 10.1 of this Deed, none of the following shall be deemed to be a sale, transfer, loan or disposal of assets or undertakings of the Issuer:

- 10.2.1 The sale of The exchange of assets for other assets of a similar nature and approximately equal value;
- 10.2.2 The sale of any land or other property for cash and the application of the proceeds of the sale in the acquisition of any property including land of at least equal value;
- 10.2.3 The application of the proceeds of an issue of share or loan capital for the purposes for which it was expressly intended; or
The disposal of assets or undertakings of the Issuer under sale and lease-back arrangements.

11. PROCEEDINGS TO ENFORCE PAYMENT

At any time after the Bonds shall have become payable, the Trustees may at their discretion (and shall upon the request in writing of the registered holders of at least 25% (twenty five percent) of the Principal Amount of the Bonds or upon being so directed by a Special Resolution) without further notice institute such proceedings as they may think fit to enforce payment of the Bonds, the Coupon Amount and any other amounts due in respect of the Bonds.

14. COVENANTS OF THE ISSUER

So long as any of the Bonds remains outstanding, the Issuer at all times during the continuance of this Deed, (except as may otherwise be agreed in writing by the Trustees), covenants with the Trustees as follows:

14.1 Reporting Covenants

The Issuer shall provide to the Trustees and the Rating Agency then rating any of the Bonds:

- i. as soon as the same are available (and in any event within 90 (ninety) days of the end of the Issuer's financial year), the audited financial accounts of the Issuer for each financial year, provided that the approval of any regulatory authority for the publication of such accounts is obtained within the stipulated period;
- ii. as soon as the same are available (and in any event within 30 (thirty) days of the end of the first six months of the Issuer's financial year), the unaudited financial accounts of the Issuer for those six months; and
- iii. an annual Directors' Certificate in or substantially in the form set out in the Third Schedule certifying as to the absence of any Event of Default or, if there is an Event of Default, describing the action the Issuer is taking or proposes to take to remedy the same.

14.2 Audit Firm

The Issuer shall permit its Auditor to communicate directly with the Trustees or their designee following the occurrence and during the continuance of an Event of Default.

14.3 Compliance

The Issuer shall comply in all material respects with all applicable Laws, rules and regulations unless the necessity of compliance therewith is being contested in good faith by appropriate proceedings or failure to perform such obligations or comply with such terms and conditions would not reasonably be expected to have a Material Adverse Effect.

14.4 Taxes

In accordance with applicable Law, all payments in respect of the Bonds and Coupons by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of or within Nigeria, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer shall be required to withhold or deduct taxes on payments in respect of the Coupons and no additional amounts shall be paid to the Bondholders as a result thereof.

14.5 Use of Proceeds

The Issuer shall not use, directly or indirectly, the proceeds of the Bonds for any purpose that is not specified in the Pricing Supplement.

14.6 Merger, Consolidation or Sale of Assets

The Issuer shall not

- i. merge or consolidate with any other person, or
- ii. directly or indirectly transfer to any person all or substantially all of its properties or assets as an entirety in one or more related transactions unless such person assumes the Issuer's obligations under the Bonds and:
- iii. no Event of Default would occur or be reasonably expected to occur as a result of such merger or consolidation or transfer of assets, as the case may be; and
- iv. a Rating Reaffirmation is obtained in respect of such merger or consolidation or transfer of assets, as the case may be.

PROVIDED that the Trustees shall be informed prior to such merger, consolidation or sale of assets.

14.7 Negative Pledge

For so long as any Bonds remains outstanding, the Issuer shall not create or permit to subsist any charge, mortgage, lien, pledge or other security interest upon any of its assets or any other indebtedness guaranteed by it, represented by bonds or any other debt securities which are, or are capable of being traded or listed on any securities exchange or over-the-counter or similar securities market, without the prior written consent of the Trustees (such consent not to be unreasonably withheld). Where the Trustees so consent, the Issuer shall at the same time as the creation of such indebtedness grant to the Trustees (for the benefit of the Bondholders) the same or equivalent security as is granted in relation to the indebtedness. Provided that this clause 14.7 shall not apply to subordinated Bonds issued under the Programme., and the terms of any such provision applicable to subordinated Bonds issued under the Programme shall be as specified in the applicable Series Trust Deed or final terms for such Series.

14.8 Listing

The Issuer shall use all reasonable endeavours to maintain the listing of the Bonds on a Recognised Securities Exchange, at all times until the Maturity Date.

14.9 Arms-Length Transactions

Any material transaction, or series of material related transactions and agreement between the Issuer and its Affiliates shall be undertaken on commercially reasonable terms that, when considered as a whole, shall be no less favourable to it than would be obtained in a comparable arms-length transaction with a person that is not its Affiliate.

- 14.10** The Issuer shall diligently perform and observe its covenants and obligations under this Trust Deed and any Series Trust Deed and conduct its business in a proper and efficient manner and at all times have sufficient assets to meet its obligations under this Deed.

14.11 Payment Obligations

The Issuer shall, as and when the Bonds of any Series or Tranche or any instalment of principal in respect thereof becomes due to be redeemed, or on such earlier date as the same or any part thereof may become due and repayable thereunder, in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustees, in accordance with the relevant Series Trust Deed, in immediately available funds, the principal amount in respect of the Bonds of such Series or Tranche or the amount of such instalment becoming due for redemption on that date and shall in the meantime and until redemption in full of the Bonds of such Series or Tranche (both before and after any judgment or other order of a court of competent jurisdiction), unconditionally pay or procure to be paid to or to the order of the Trustees as aforesaid, interest (which shall accrue from day to day) on the nominal amount of the Bonds outstanding of such Series or Tranche at rates and/or in amounts calculated from time to time in accordance with, or specified in, and on the dates provided for in, the relevant supplementary Shelf Prospectus/Pricing Supplement.

14.12 Licenses

The Issuer shall obtain and maintain in full force and effect all Licences unless the requirement to obtain and/or maintain such Licence is being contested in good faith by the Issuer or where failure to maintain such Licences would reasonably be expected to not have a Material Adverse Effect.

14.13 Annual Review of Rating

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

15 POWERS AND DUTIES OF THE TRUSTEES*Powers of the Trustees***15.1 Advisers**

The Trustees may act on the opinion or advice of, or a certificate or any information obtained from, any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant, or other expert (whom the Trustees reasonably considers to be competent) or any officers' certificate (whether obtained by the Trustees or the Issuer) and will not be responsible to anyone for any loss occasioned by their reasonable reliance on such advice, certificate or information. Any such opinion, advice, certificate or information may be sent or obtained by letter, telex or email and the Trustees will not be liable to anyone for acting in good faith on any opinion, advice, certificate or information purporting to be conveyed by such means even if it contains or is subsequently found to contain some error or is not authentic.

15.2 Due Performance

The Trustees need not notify anyone of the execution of this Trust Deed or do anything to ascertain whether any Event of Default has occurred and, until they have actual knowledge or express notice to the contrary, the Trustees may assume that no such event and no event which with the passage of time will be rendered an Event of Default has occurred and that the Issuer is performing all of its obligations under the Programme Documents.

15.3 Bondholders Resolution

The Trustees shall be entitled to act upon any resolution purporting to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed and shall not be responsible for so doing even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Bondholders.

15.4 Certificate signed by Authorised Officers

The Trustees may call for and may accept as sufficient evidence of any fact or matter or of the expediency of any act a certificate signed by any 2 (two) authorised officers of the Issuer or the authorised officers or directors of any other Party or any person duly authorised on its behalf, including a Directors' Certificate, as to any fact or matter upon which the Trustees may, in the exercise of any of their functions, require to be satisfied or to have information to the effect that, in the opinion of the person or persons so certifying, any particular act is expedient or as to any fact or matter prima facie within the knowledge of the Issuer or such other Party and the Trustees need not call, in any such case, for further evidence and will not be responsible for any liability that may be occasioned by acting on any such certificate.

15.5 Deposit of Documents

The Trustees may appoint as custodian or nominee, on standard/usual terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof and the Trustees shall not be responsible for any liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.

15.6 Discretion of Trustees

Save as expressly otherwise provided herein, the Trustees will have absolute and uncontrolled discretion as to the exercise or non-exercise as regards all the trusts, powers, authorities and discretions vested in the Trustees by the Programme Documents or by operation of Law and will not be responsible for any liability, except for any liability resulting from the negligence, wilful misconduct and/or fraud of the Trustees, which may result from their exercise or non-exercise of such discretion but whenever the Trustees are under the provisions of the Trust Deed bound to act at the request or direction of the Bondholders, the Trustees shall nevertheless not be so bound unless first indemnified and/or provided with

security and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which the Trustees may render themselves liable and all liabilities which they may incur by so doing, except for any liability resulting from the negligence, wilful misconduct and/or fraud of the Trustees.

15.7 Investment by Trustees

15.7.1 The Trustees may, at their discretion, invest any moneys or assets created by this Deed. Any such moneys or assets which under the trusts created by this Deed ought to or may be invested by the Trustees in the name or under the control of the Trustees in Permitted Investments as selected by the Trustees. The Trustees shall select Permitted Investments in accordance with the provisions of this Deed and the Trustee Investments Act.

15.7.2 The Trustees may at their discretion, place such moneys created by this Deed in an interest paying account for such periods as they may consider expedient with power from time to time at the like discretion to vary such deposits and to accumulate such deposits and the resulting interest and other income derived therefrom. All interest and other income deriving from such deposits shall be applied first in payment or satisfaction of all amounts then due and payable under Clause 19 (*Remuneration of the Trustees*) to the Trustees and/or any appointee and otherwise held for the benefit of and paid to the Bondholders.

15.7.3 Subject to the provisions of Clause 9.6, the Trustees may at any time vary any such investments for or into other investments or convert any moneys so deposited into any other currency (acting in accordance with clause 15.11 below) and shall not be responsible for any loss resulting from any such investments or deposits, whether due to depreciation in value, fluctuations in exchange rates or otherwise.

15.8 Delegation

The Trustees may in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them by this Trust Deed, act by responsible officers or a responsible officer for the time being of the Trustees and the Trustees may also whenever they think fit acting reasonably, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons all or any of the trusts, powers, authorities and discretions vested in them by the Trust Deed. Any such delegation may be made upon such terms and conditions and subject to such regulations as the Trustees may think fit in the interests of the Bondholders.

15.9 Forged Register

The Trustees will not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry in the Register later found to be forged or not authentic except to the extent that the Trustees had actual knowledge or express prior notice that the entry was forged or not authentic.

15.10 Confidentiality

Unless ordered to do so by a court of competent jurisdiction or unless required by any requirement of Law or any regulatory direction, the Trustees shall not be required to disclose to any Bondholder or any other Party any confidential financial or other information made available to the Trustees by the Issuer.

15.11 Currency Conversion

Where it is necessary or desirable for any purpose in connection with the Programme Documents to convert any sum from one currency to another, it will, unless otherwise provided hereby or in the other Programme Documents or required by Law, be converted at such rate or rates, in accordance with such method and as at such date as may be specified by the Trustees, acting reasonably and having regard to current rates of exchange, if available and having consulted with the Issuer where such consultation is in the reasonable opinion of the Trustees practicable and not materially prejudicial to the interests of the Bondholders. Any rate, method and date so specified will be binding on the Issuer and the Bondholders.

15.12 Trustees not Responsible for Investigations

The Trustees shall not be responsible for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in the

Trust Deed, the Bonds or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof and shall assume the accuracy and correctness thereof nor shall the Trustee, by execution of the Trust Deed, be deemed to make any representation as to the validity, sufficiency or enforceability of either the whole or any part of the Trust Deed.

15.13 Bondholders as a Class

Whenever in this Trust Deed the Trustees are required in connection with any exercise of their powers, trusts, authorities or discretions to have regard to the interests of the Bondholders, it shall have regard to the interests of the Bondholders as a class. The Trustees shall not be obliged to have regard to the consequences of such exercise for any individual Bondholder resulting from his or its being for any purpose domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, any particular territory or taxing jurisdiction.

15.14 Application of Proceeds

The Trustees shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds.

15.15 Determination of Material Prejudice

The Trustees shall be entitled to assume on a reasonable basis, for the purposes of exercising any power, trust, authority, duty or discretion under or in relation to the Bonds and the Trust Deed that such exercise will not be materially prejudicial to the interests of the Bondholders.

15.16 Obligation to Monitor Performance

The Trustees shall be entitled to monitor and supervise the performance by the Issuer of its obligations under the Trust Deed or under the Bonds or any other agreement or document relating to the transactions herein or therein contemplated.

15.17 Maintenance of Ratings

The Trustees shall not be responsible for the maintenance of the ratings.

15.18 Illegality

Notwithstanding anything else contained in the Programme Documents, the Trustees may refrain from doing anything which would or might in the reasonable opinion of the Trustees, be contrary to any Law of any jurisdiction or any directive or regulation of any agency of any state or which would or might otherwise render the Trustees liable to any person and may do anything which is, in its opinion, necessary to comply with any such Law, directive or regulation.

15.19 Expenditure by the Trustees

The Trustees may refrain from taking any action or exercising any right, power, authority or discretion vested in them under the Programme Documents or any other agreement relating to the transactions herein or therein contemplated until the Trustees have been indemnified and/or secured to their satisfaction against any and all liabilities which might be brought, made or conferred against or suffered, incurred or sustained by the Trustees as a result (which may include payment on account). Nothing contained in the Programme Documents shall require the Trustees to expend or risk their own funds or otherwise incur any financial liability in the performance of their duties or the exercise of any right, power, authority or discretion hereunder if the Trustees have grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to the Trustees.

15.20 Appraisal of Financial Condition

Each Bondholder shall be solely responsible for making its own independent appraisal of, and investigation into the financial condition, creditworthiness, affairs, status and nature of the Issuer and the Trustees shall not at any time have any responsibility for any such appraisal or investigation and no Bondholder shall rely on the Trustees in respect thereof.

15.21 Indemnity

Without prejudice to the right of indemnity given to the Trustees by Law, the Trustees and every attorney, manager, agent or other person appointed by them hereunder shall be entitled to be indemnified by the Issuer in respect of all liabilities and all reasonable and verifiable expenses incurred by them in the due execution or purported execution of the powers and trusts hereof or of any powers, authorities or discretions vested in them or him pursuant to this Deed, and the Trustees may retain and pay out of any monies in the Trustees' hands upon the trusts of these presents the amount of any such liabilities and expenses together with the remuneration of the Trustees.

Duties of the Trustees

15.22 Currency Conversion

The Trustees shall perform their fiduciary duties owed to the Bondholders in accordance with this Programme Trust Deed and the relevant Laws, including:

- 15.22.1 to manage the trust property in a responsible and productive manner;
- 15.22.2 to act for the benefit of the Bondholders in the management of the trust property and not to let their duties and that owed of the Bondholders conflict;
- 15.22.3 to ensure that the trust property is vested according to the terms of the trust herein established;
- 15.22.4 not to commingle their funds with those of the trust;
- 15.22.5 to segregate their assets from trust property;
- 15.22.6 not to delegate their duties, except as permitted by this Trust Deed;
- 15.22.7 to act impartially and solely in the best interest of all Bondholders;
- 15.22.8 to manage the trust property in a prudent and business-like manner; and
- 15.22.9 to safeguard the rights of the Bondholders for the Issuer's obligations under the Programme;
- 15.22.10 to act through their specified offices to make payments of Coupon and Principal in respect of the Bonds in accordance with the Conditions and this Trust Deed and for so long as the Bonds are evidenced by records confirmed by the Registrar;
- 15.22.11 to summon, as and when necessary, meetings of all Bondholders in respect of a Tranche or Series where a statement of affairs on the management of any funds standing to its credit on behalf of the Bondholders shall be presented, and or any other necessary business and or matter shall be presented and determined; and
- 15.22.12 to act in accordance with the provision of this Programme Trust Deed, the relevant Series Trust Deed, the Investment and Securities Act, the Trustee Investments Act and any applicable Law.

PROVISIONS FOR MEETINGS OF BONDHOLDERS

1. Who may Convene Meetings

The Trustees or the Issuer may, and the Trustees shall upon the request in writing of the holders of not less than one-tenth of the Bonds for the time being outstanding, convene a meeting of Bondholders to consider any matter affecting their interest including the sanctioning by special resolution of a modification of any of the Conditions. Such meeting shall be held at such place as the Trustees shall determine or approve.

2. Notice of Meetings

At least 21 (twenty-one) days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which it is given) of every such meeting specifying the place and day and hour of meeting and stating the resolutions to be proposed shall be given to the Bondholders and (in the case of a meeting convened by the Issuer) to the Trustees. The accidental omission to give any such notice to or the non-receipt of any such notice by any of the Bondholders shall not invalidate the proceedings at any such meeting. A meeting shall notwithstanding that it is called by a shorter notice than that specified in

this paragraph, be deemed to have been duly called if it is so agreed by all the Bondholders entitled to attend and vote thereat.

3. Chairman

Any person nominated in writing by the Trustees shall be entitled to take the chair at every meeting and if no such nomination is made or if at any meeting the person nominated shall not be present within 15 (fifteen) minutes after the time appointed for holding the meeting the Bondholders present shall choose one of their number to be Chairman.

4. Persons entitled to attend Meetings

The Trustees and their solicitors and any director or officer of a corporation being Trustees hereof and any director and the secretary, solicitors and Auditors of the Issuer, its financial advisers and any other person authorized in that behalf by the Trustees or the Issuer (whose attendance at the meeting the Trustees or the Issuer, acting reasonably, considers necessary for the business to be transacted at the meeting) may attend any meeting.

5. Quorum

At any such meeting persons at least two in number holding or representing by proxy a clear majority in value of the Bond for the time being outstanding shall form a quorum for the transaction of business and no business shall be transacted at any meeting unless the requisite quorum be present when the meeting proceeds to business.

6. Absence of Quorum

If within 30 (thirty) minutes from the time appointed for any meeting of the Bondholders a quorum is not present, the meeting shall if convened upon the requisition of the Bondholders be dissolved. In any other case it shall stand adjourned to such day, time and place being not less than 14 (fourteen) days thereafter as may be appointed by the Chairman and at such adjourned meeting the Bondholders present in person or by proxy and entitled to vote (whatever the value of the Bonds held by them) shall form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

7. Notice of Adjournment

At least 14 (fourteen) days' notice of any adjourned meeting of Bondholders at which a Special Resolution is to be submitted shall be given in the same manner (*mutatis mutandis*) as for an original meeting, but it shall not be necessary to specify in such notice the business to be transacted at the adjourned meeting and such notice shall state that the Bondholders present at the adjourned meeting (whatever the amount of Bond held) by them will form a quorum.

8. Adjournment

The Chairman may subject as aforesaid with the consent of (and shall if directed by) any such meeting at which a quorum is present adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

9. Method of Voting

Every question submitted to a meeting of Bondholders shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded as hereinafter mentioned and in case of any equality of votes the Chairman shall vote on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as or on behalf of a Bondholder.

10. Evidence of Passing of Resolutions

At any meeting of Bondholders, unless a poll is demanded by the Chairman or by a Bondholder or Bondholders present in person or by proxy and holding or representing in the aggregate not less than one-tenth of the Bonds then outstanding, a declaration by the Chairman that a resolution has been carried or carried by any particular majority or lost by any particular majority shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution.

11. Demand on Poll

If at any such meeting a poll is so demanded, it shall be taken in such manner and at such time (not more than 30 (thirty) days after the date of the meeting) as the Chairman may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded but any poll demanded at any *such* meeting on the election of a Chairman or any question of adjournment shall be taken at the meeting without adjournment. No notice need be given of a poll not taken immediately and any business other than that upon which a poll is demanded may be proceeded with pending the taking of the poll.

12. Proxies

The registered holder of any Bond or in case of joint holders any one of them shall be entitled to vote in respect thereof either in person or by proxy and in the latter case as if such joint holder were solely entitled to such Bond. If more than one of such joint holders be present at any meeting either personally or by proxy that one of the joint holders so present whose name stands first in the register as one of the holders in respect of such Bond shall alone be entitled to vote in respect thereof in person or by proxy.

16. Votes

On a show of hands every Bondholder who (being an individual) is present in person or (being a company) is present by a representative shall have one vote and on a poll every Bondholder present in person or by proxy shall have one vote for every unit of the Bond of which he is the holder. On a poll a Bondholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

18. Powers of Bondholders

A meeting of the Bondholders shall in addition to all other powers but subject to the restrictions hereinafter specified have the following powers exercisable by Special Resolution only namely:

- a) power to sanction any modification or compromise or any arrangement in respect of the rights of the Bondholders against the Issuer or against its properties howsoever such rights shall arise;
- b) power to assent to any modification of the provisions contained in these presents which shall be proposed or agreed to by the Issuer and to authorise the Trustees to concur in and execute any Series Trust Deed embodying any such modifications;
- c) power to give any sanction direction or request which under any of the provisions of the Trust Deed is required to be given by Special Resolution;
- d) power to authorise and empower the Trustees to concur in and execute and do all such deeds, instruments, acts and things as maybe necessary to carry out and give effect to any Special Resolution;
- e) power to discharge or exonerate the Trustees from all liability in respect of any act of commission or omission for which they have become responsible under these presents;
- f) power to approve any person for appointment as Trustee hereof or to remove a Trustee and appoint a new Trustee.

SELLING RESTRICTIONS, LISTING, CLEARING, SETTLEMENT AND TRANSFER OF BONDS

Selling Restrictions

The offering and sale of the Bonds is subject to all applicable laws and regulations of Nigeria. This Shelf Prospectus and the Bonds have been registered with and approved in writing by the SEC pursuant to the ISA and the SEC Rules.

Each Issuing House has agreed that, subject to the provisions of the ISA and the SEC Rules, it shall not communicate or cause to be communicated, any invitation or inducement to engage in the offer or sale of the Bonds to the public, without complying with all the applicable provisions of the ISA and the SEC Rules with respect to the marketing and issue of the Bonds in Nigeria.

None of the Issuer, the Joint Trustees or the Issuing Houses represents that the Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Official Listing on a Stock Exchange

Bonds may be listed on a recognized securities exchange such as the FMDQ, The Exchange and/or relevant securities exchanges. Each Series or Tranche may be admitted to the Daily Official List and to daily trading by The Exchange/FMDQ separately, as and when issued, subject to the approval of the SEC and The Exchange/FMDQ as may be applicable. As set out herein, this Shelf Prospectus and any supplement thereto will only be valid for the admission of the Bonds to the Daily Official List (and to trading on The Exchange/FMDQ and/or any relevant securities exchange) in an aggregate nominal amount which when added to the aggregate nominal amount then outstanding of all Bonds previously or simultaneously issued under the Programme, does not exceed ₦60,000,000,000.00 (Sixty Billion Naira) or its equivalent.

Clearing System and Settlement

Each Series or Tranche of Bonds issued under the Programme shall be registered with a separate securities identification code with the CSD. All transactions in such Bonds shall be cleared and settled electronically in accordance with the rules and operating procedures of the CSD. Transactions will normally be effected for settlement not earlier than three (3) working days after the date of trade. Subject as aforesaid, each Series or Tranche of such Bonds will be issued, cleared and transferred in accordance with the Terms and Conditions and will be settled through authorised participants who will follow the electronic settlement procedures prescribed by the CSD. The CSD authorised participants include banks, securities brokers and dealers and other professional financial intermediaries.

The Issuer has no responsibility for the proper performance by the CSD or its authorised participants of their obligations under their respective rules and operating procedures.

Cash Settlement

Parties to any transaction will be responsible for effecting the payment transfers either via Real Time Gross Settlement ("RTGS"), National Electronic Funds Transfer ("NEFT") or any other transfer mode agreed by the parties to the transaction and recognised by the CBN.

Transfer of Bonds

Transfer of beneficial interest in the Bonds will pass on transfer thereof by electronic book-entry in the securities accounts maintained by the CSD and may be transferred only in accordance with rules and operating procedures of the CSD.

Criteria for Determining the Price of the Bonds

The price of a bond is reflective of the prevailing yield environment, with current bond interest rates serving as basis for extrapolating the yield and the price of a newly issued bond. The Sovereign benchmark, in this instance, the interest rate(s) on the Federal Government bonds, also serve as the reference rate for the determination of the interest rate on newly issued bonds; with the interest rate of new non-Sovereign bonds being at a discount, at par or at a premium to the Sovereign bonds.

SELLING RESTRICTIONS, LISTING, CLEARING, SETTLEMENT AND TRANSFER OF BONDS

Other factors that impact the determination of the price of a bond include but are not limited to the tenor, credit rating and market liquidity.

FORM OF PRICING SUPPLEMENT

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



ARDOVA PLC RC 4119

OFFER FOR SUBSCRIPTION

OF

**₦[•] [•%] SERIES [•] BONDS DUE [•]
UNDER THE ₦60,000,000,000 DEBT ISSUANCE PROGRAMME
ISSUE PRICE: ₦[•]**

PAYABLE IN FULL ON APPLICATION

APPLICATION LIST OPENS: [•]

APPLICATION LIST CLOSURES: [•]

This Pricing Supplement is prepared for the purpose of Rule 279(3)(b) of the Rules and Regulations of the Securities and Exchange Commission (the "Commission" or "SEC"), 2013 (as amended) in connection with the ₦60,000,000,000 Debt Issuance Programme established by Ardova Plc. (the "Issuer" or "Ardova"). This Pricing Supplement is supplemental to, and should be read in conjunction with the Shelf Prospectus, dated the [•] [•] 2021 as amended and/or supplemented from time to time.

This document constitutes the Pricing Supplement relating to the issue of [•] (the "Issue") described herein. The Bonds described herein are issued on, and are subject to the Terms and Conditions contained in the Shelf Prospectus as amended and/or supplemented by the Terms and Conditions contained in this Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the 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 as amended and/or supplemented from time to time. Any capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained from the 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 which forms the subject matter hereof, 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/Supplementary Prospectus 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 [•] Bonds" or "Bonds"). Application has been made to the [FMDQ Securities Exchange Limited/Governing Council of The Nigerian Exchange Limited for the admission of the Bonds to the Daily Official List of the Exchange]. The Bonds also qualify as a security in which Trustees may invest under the Trustees Investments Act Chapter T22, Laws of the Federation of Nigeria 2004.

The Directors of the Issuer accept responsibility for the information contained in this Pricing Supplement and declare that having taken reasonable care to ensure that the information contained in this Pricing Supplement is, to the best of their knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information and that save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus as amended and/or supplemented from time to time has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus as amended and/or supplemented from time to time. Investors are advised to note that liability for false or misleading statements or acts made in connection with this Pricing Supplement is provided for in sections 85 and 86 of the Investments and Securities Act No. 29 of 2007.

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

Issuing Houses/Bookrunners



VETIVA
CAPITAL MANAGEMENT LIMITED
RC.485600



Stanbic IBTC
Capital
RC 1031358

FORM OF PRICING SUPPLEMENT

Final Terms of the Series [●] Bonds

1.	Issuer:	Ardova Plc ("Ardova" or the "Issuer" or the "Company")
2.	Description of the Bond:	[●]
3.	Series Number:	[●]
4.	Tranche Number:	[●]
5.	Specified Currency	Naira ("N")
6.	Aggregate Principal Amount of Bonds:	[●]
7.	Issue Price:	[●]
8.	Net Proceeds:	[●]
9.	Denomination(s):	[●]
10.	Issue Date:	[●]
	Interest Commencement Date (if different from Issue Date):	[Interest will accrue from the Issue Date. The first Coupon Payment Date shall be on [●] [●] and the Interest shall be due and payable every [●] thereafter, in arrear, up to and including the Maturity Date]
11.	Tenor:	[●]
12.	Maturity Date:	[●]
13.	Principal Moratorium:	[●]
14.	Coupon/Interest Basis:	[Semi-annual, fixed rate]
15.	Coupon:	[●]% per annum payable [●] in arrears
16.	Redemption/Payment Basis:	[●]
17.	Use of Proceeds:	[●]
18.	Status:	[●]
19.	Event of Default:	See Events of Default set out in Clause [●] of the First Schedule of the Programme Trust Deed dated
20.	Security:	[●]
21.	Listing(s):	[Application for listing of the Bonds has been made to The Exchange and/or the FMDQ]
22.	Method of Distribution:	[●]
23.	Offer Period:	[●]

PROVISIONS RELATING TO COUPON (IF ANY) PAYABLE

24.	Fixed Rate Note Provisions	
	Coupon Payment Date(s)/Payment Dates:	Coupon on the Bonds will be payable [semi-annually, on [●] and [●] of each year commencing on [●] until the Maturity Date]
	Coupon Amount(s):	As applicable for each Coupon period (Coupon accumulated between each Coupon payment) [using the actual / actual day count fraction]
	Business Day Convention:	[Following Business Day Convention/Preceding Business Day Convention/Modified Business Day]
	Business Day:	Modified Business Day

FORM OF PRICING SUPPLEMENT

	Other terms relating to method of calculating interest for Fixed Rate Notes:	[•]
25.	Floating Rate Note Provisions/ Zero Coupon Note Provision:	[•] (if not delete the remaining sub-paragraphs of this paragraph)
	Coupon Payment Date(s):	[•]
	Reference Banks:	[•]
	Spread (if applicable):	[•]
	Party responsible for calculating interest rate and interest amount(s):	[•]
	Relevant Time (if applicable)	[•]
	Screen Rate Determination <ul style="list-style-type: none"> – Benchmark: – Coupon Determination Date(s): – Relevant Screen Page: 	Actual/Actual: Actual/360
	Day Count Fraction	[•]

PROVISIONS RELATING TO REDEMPTION

26.	Optional Early Redemption (Call Option):	[Applicable/Non-Applicable]
27.	Optional Early Redemption (Put Option):	[Applicable/Non-Applicable]
28.	Scheduled Redemption/Amortisation:	[Applicable/Non-Applicable]
	Redemption:	[The Bonds shall be redeemed [in full on the Maturity Date unless previously redeemed pursuant to Condition [•] of the Series [•] Trust Deed]
	Repayment Basis:	[Bullet repayment on maturity or on call, at par]
29.	Redemption Amount(s):	[•]
30.	Scheduled Redemption Dates:	[•]
31.	Redemption Notice Period:	[•]
32.	Final Redemption Amount:	[•]

GENERAL PROVISIONS APPLICABLE TO THE BONDS

33.	Form of Notes:	Dematerialized Notes
34.	Registrar:	[Africa Prudential Plc]
35.	Trustee(s):	[Vetiva Trustees Stanbic IBTC Trustees Limited ARM Trustees Limited]
36.	Record Date:	[•]
37.	Bond Settlement:	[•]
38.	Other terms or special conditions:	See “Terms and Conditions of the Bonds” on pages [•] to [•] of this Pricing Supplement

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

39.	Method of Distribution:	[•]
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FORM OF PRICING SUPPLEMENT

40.	Transfer Restrictions:	[There are no restrictions in Nigeria on free transferability of the Bonds other than the limitation of sale to Qualified Institutional Investors and High Net-worth Investors further to the SEC Rules]
41.	Underwriting:	[At the instance of the Issuer, this Offer will [not]/[be] underwritten]
42.	If Underwritten, names of Underwriters:	[•]
43.	Clearing System:	Central Securities Clearing System Plc and/or FMDQ Depository Limited

GENERAL		
44.	Rating:	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
	Issuer:	Issuer Rating: A- by Global Credit Rating Company Limited and A by DataPro Limited
	Issue:	Issue Rating: [•] by Global Credit Rating Company Limited and [•] by DataPro Limited
45.	Taxation:	Details of this and other tax considerations are set out on page [•] (<i>Taxation</i>) of the Shelf Prospectus dated [•] [•] 2021. Also refer to Condition [•] of the Series 1 Trust Deed
46.	Risk Factors:	See Risk Factors on page 63 of the Shelf Prospectus dated [•] [•] 2021
47.	Governing Law:	The Bonds will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria

APPENDICES		
48.	Appendices	[List and attach appendices if applicable]

MATERIAL ADVERSE CHANGE STATEMENT	
Except as disclosed in this document and in the Shelf Prospectus dated [•], there has been no significant change in the financial or trading position of the Issuer since [insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts].	

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

Signed on behalf of the Issuer: