

N10,000,000,000 COMMERCIAL PAPER ISSUANCE PROGRAMME

PROGRAMME MEMORANDUM



This Programme Memorandum has been prepared in accordance with the Central Bank of Nigeria ("CBN") Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on September 11, 2019, and the CBN Letter to All Deposit Money Banks and Discount Houses dated July 12, 2016 on the Mandatory Registration and Listing of Commercial Papers (together "the CBN Guidelines") and the Commercial Paper Registration and Quotation Rules ("the Rules") of FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") in force from time to time. This document is important and should be read carefully. If you are in doubt about its contents or the actions to take, please consult your banker, stockbroker, accountant, solicitor, or any other professional adviser for guidance immediately. This Programme Memorandum has been seen and approved by the members of the Board of Directors of Veritasi Homes & Properties Limited and they individually and jointly accept full responsibility for the accuracy of all information given.



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

N10,000,000,000 Commercial Paper Issuance Programme

Veritasi Homes & Properties Limited ("Veritasi" or the "Issuer") a private limited liability company incorporated in Nigeria, has established this N10,000,000,000 Commercial Paper Issuance Programme (the "CP Programme"), under which Veritasi may from time to time issue Commercial Paper Notes ("CP Notes" or the "Notes"), denominated in Nigerian Naira ("Naira" or ♥) as may be agreed between the Issuer and the Arranger (as defined in the section entitled, "Summary of the Programme"), in separate series or tranches subject to the terms and conditions ("Terms and Conditions") contained in this Programme Memorandum.

Each Series and each Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the pricing supplement applicable to such series or tranche (the "Applicable Pricing Supplement"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the CP Programme shall not exceed N10,000,000,000 (Ten Billion Naira) over the three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

This Programme Memorandum is to be read and construed in conjunction with any supplement hereto and all documents which are incorporated herein by reference and, in relation to any Series or Tranche (as defined herein), together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated and form part of this Programme Memorandum.

The CP Notes issued under this Programme shall be issued in dematerialised form, registered, quoted and traded over the counter via the FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") platform in accordance with the rules, guidelines and such other regulation with respect to the issuance, registration and quotation of commercial papers as may be prescribed by the Central Bank of Nigeria ("CBN") and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The securities will settle via the Central Securities Clearing System Plc ("CSCS"), FMDQ Depository Limited ("FMDQ Depository") or any other recognized depository, acting as central securities depositary for the Notes.

This Programme Memorandum and the Applicable Pricing Supplement shall be the sole concern of the Issuer and the party to whom this Programme Memorandum and the Applicable Pricing Supplement is delivered (the "Recipient") and shall not be capable of distribution and should not be distributed by the Recipient to any other parties nor shall any offer made on behalf of the Issuer to the Recipient be capable of renunciation and assignment by the Recipient in favour of any other party.

In the event of any occurrence of a significant factor, material mistake or inaccuracy relating to the information included in the Programme Memorandum, the Issuer will prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of Notes.

ARRANGER/DEALER/ISSUING AND PLACING AGENT



COLLECTING AND PAYING AGENT & GUARANTOR



THIS PROGRAMME MEMORANDUM IS DATED APRIL 1st, 2022

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IMPORTANT NOTICE

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the <u>Is</u>suer may issue and have outstanding at any time Notes up to a maximum aggregate amount of N10,000,000,000 (Ten Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

The Issuer shall not require the consent of the Noteholders for the issue of Notes under the Programme.

To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this Programme Memorandum is correct and does not omit any material facts likely to affect the import of such information. The Issuer accepts responsibility for the information contained in this Programme Memorandum.

The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates all information which is reasonably material in the context of the CP Programme and the offering of theNotes, that the information contained in this Programme Memorandum and the Applicable Pricing Supplement is true and accurate in all material respects and is not misleading and that there are no other facts the omission of which would make this document or any of such information misleading in any material respect.

No person has been authorised by the Issuer to give any information or to make any representation not contained or not consistent with this Programme Memorandum or any information supplied in connection with the CP Programme and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation or the rendering of investment advice by the Issuer or the Arranger that any recipient of this Programme Memorandum should purchase any Notes.

No representation, warranty or undertaking, express or implied is made and no responsibility is accepted by the Arranger or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arranger and other professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

SPECIFICALLY, FMDQ SECURITIES EXCHANGE LIMITED TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROGRAMME MEMORANDUM, NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THIS CP PROGRAMME, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROGRAMME MEMORANDUM.

Each person contemplating purchasing any Commercial Paper should make its own independent investigation of the financial condition and affairs, and its own appraisal of the credit worthiness, of the Issuer. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Notes.

The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof. Investors should review, among other things, the most recent audited annual financial statements of the Issuer prior to taking any investment decision.

Abbreviation	Name/Explanation
"Agency Agreement"	The Issuing, and Placing Agency Agreement and the Collecting and Paying
	Agency Agreement dated April 1st, 2022 or about the date of this Programme
	Memorandum executed by the Issuer, the Issuing and Placing Agent and the Collecting
	and Paying Agent(s)
"Applicable Pricing	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the
Supplement"	CP Programme.
"Arranger"	Mega Capital Financial Services Limited
"Board" or "Board of Directors"	The Board of Directors of Veritasi Homes & Properties Limited
"Business Day"	Any day (excluding Saturdays, Sundays and public holidays declared by the Federal
	Government of Nigeria) on which banks are open for business
"Business Hours"	8.00am to 5.00pm on any Business Day
"CAMA"	The Companies and Allied Matters Act (Cap. C20) 2020 as may be amended fontime to time
"CBN"	The Central Bank of Nigeria
"CBN Guidelines"	The CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial
	Papers, issued on 11 September 2019 and the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers, as amended or supplemented from time to time
"CGT"	The Capital Gains Tax as provided for under the Capital Gains Tax Act (Cap.C1) LFN 2004
"CITA"	The Companies Income Tax Act (Cap. C21) LFN, 2004 (as amended by theCompanies Income Tax (Amendment) Act No. 11 of 2007) and the Finance Acts 2019, 2020 and 2021)
"Collecting and Paying Agent" or "CPA"	Keystone Bank Limited as Collecting and Paying Agent and/or any successor Collecting and Paying Agent(s) appointed from time to time in accordance with the AgencyAgreement
"CP"	Commercial Paper
"CP Notes" or "Notes"	Unsecured and unsubordinated commercial paper securities to be issued by the Issuer in the form of short-term zero-coupon Notes under the CP Programme
"Conditions" or "Terms and Conditions"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes"
"CP Programme" or "Programme"	The CP Programme described in this Programme Memorandum, pursuant to which the Issuer may issue several, separate Series or Tranches of Notes from time to time with varying maturities and discount rates, provided, however, thatthe aggregate Face Value of Notes in issue does not exceed №10,000,000,000 or its equivalent in any other specified currency
"Clearing System"	Clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
"CSCS PLC"	Central Securities Clearing System PLC
"CSCS PLC Rules"	The rules and operating procedure for the time being of CSCS PLC
"Central Securities Depository" or "CSD"	means a specialist financial institution holding commercial papers either in certificated or uncertificated (dematerialised) forms so that ownership can be easily transferred through a book entry rather than the transfer of physical certificates

"Clean CP"	A CP not backed by a guarantee or such other credit enhancement
"Day count Fraction"	Any such method of calculating the interest/discount in respect of a Note as specified in the Applicable Pricing Supplement.
"Dealer"	Mega Capital Financial Services Limited, and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer
"Deed of Covenant"	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Issuer in favour of the Noteholders
"Eligible Investors"	An investor that is not a Qualified Institutional Investor as defined by the FMDQ Exchange Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the FMDQ Exchange Rules. Clean CPs (i.e., CPs not backed by guarantees or such other credit enhancement) shall be sold to QIIs and EIs
"Event of Default"	Means an event of default by the Issuer as set out in Condition 7 of the "Terms and Conditions of the Notes"
"Face Value"	The par value of the Notes
"FGN"	Federal Government of Nigeria
"Financial Adviser"	Pathway Advisors Limited
"FIRS"	Federal Inland Revenue Service
"FMDQ Depository Limited" or "FMDQ Depository"	a clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
"FMDQ Exchange Rules"	The FMDQ Commercial Paper Registration and Quotation Rules issued in April 2021 (as may be amended, from time to time) and such other regulations withrespect to the registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time
"FMDQ Exchange Limited" or "FMDQ Exchange"	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the SEC, to provide a platform for the listing, quotation, registration, and trading of securities inter alia
"Force Majeure"	Any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism, and industrial unrest
"Government"	Any federal, state, or local government of the Federal Republic of Nigeria
"Guarantor"	Keystone Bank Limited
Holder or "Noteholder"	The holder of a Note as recorded in the Register kept by the CSD in accordance with the Terms and Conditions
"Implied Yield"	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement
"Issuer", "Veritasi" or the"Company"	Veritasi Homes & Properties Limited
"Issue Date"	The date upon which the relevant Series/Tranche of the Notes is issued asspecified in the Applicable Pricing Supplement
"Issue Price"	The price at which the relevant Series/Tranche of the Notes is issued, asspecified in the Applicable Pricing Supplement
"Issuing and Placing	Mega Capital Financial Services Limited or any successor Issuing and Paying Agent in respect of

Agent" or"IPA"	the Notes, appointed by the Issuer			
"LFN"	Laws of the Federation of Nigeria			
"Maturity Date"	The date as specified in each Applicable Pricing Supplement on which the Principal Amount is due			
"Material Adverse Change"	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme			
"Naira", "NGN" or "N"	The Nigerian Naira			
"NIBBS"	Nigeria Inter-Bank Settlement System Plc			
"NIBOR"	The Nigerian Inter-Bank Offered Rate			
"Noteholders" or "Holder"	The several persons, for the time being, whose names are shown in the records of the CSD and/or entered in the Register of Noteholders as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders			
"Notes"	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement aspromissory notes and held in a dematerialised form by the Noteholders through the CSD			
"OTC"	Over the Counter			
"Outstanding"	In relation to the Notes, all the Notes issued, other than:			
	those Notes which have been redeemed pursuant to these Conditions			
	those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption, in accordance with the relevant conditions, has occurred and the redemption moneys have been duly paid in accordance with the provisions of this Deed and those Notes which have become void under the provisions of this Deed			
"PITA"	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011)			
"Pricing Supplement" or "Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notesissued under the CP Programme			
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement			
"Programme	The N10,000,000,000 (Ten Billion Naira) commercial paper issuance programme established by the Issuer which allows for the multiple issuancesof Notes from time to time			
"Programme Memorandum"	This Programme Memorandum dated April 1st, 2022 which sets out the aggregate size and broad terms and conditions of the CP Programme			
"Qualified Institutional Investors"	This include banks, fund managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms and any other category of investors as may be determined by the Securities and Exchange Commission from time to time. Clean CPs shall only be sold to QIIs & Ells			
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date			
"Redemption Date"	Means, in relation to any Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Applicable Pricing Supplement			
Register	A register or such registers as shall be maintained by the Registrar in which are recorded details of Noteholders			

"Registrar"	The CSD or such other registrar as may be appointed by the Issuer in respectof the Notes issued under the Programme
"Relevant Currency"	Naira; being the currency in which payments in respect of the Notes of therelevant Tranche or Series are to be made
"Relevant Date"	The payment date of any obligation due on the Notes
"Relevant Last Date"	The date stipulated by CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered
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"SEC"	The Securities and Exchange Commission
"Series"	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except of their respective Issue Dates, and/or Issue Prices
"Tranche"	Notes which are identical in all respect
"Trustees"	AVA Trustees Limited
"VAT"	Value Added Tax as provided for in the Value/Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007, the Finance Act, 2019 and the Finance Act, 2020)
"Zero Coupon Note"	A Note which will be offered and sold at a discount to its face value and which will not bear interest, other than in the case of late payment.

INCORPORATION OF DOCUMENTS BY REFERENCE

This Programme Memorandum should be read and construed in conjunction with:

- a. each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme; and
- b. the audited annual financial statements of the Issuer and any audited interim financial statements published subsequent to such annual financial statements of the Issuer for the financial years prior to each issue of Notes under this Programme.

Which shall be deemed to be incorporated into, and to form part of, this Programme Memorandum and which shall be deemed to modify and supersede the contents of this Programme Memorandum as appropriate.

The Issuer may for so long as any Note remains outstanding, publish an amended and restated Programme Memorandum or a supplement to the Programme Memorandum on any subsequent issue of Notes, where there has been:

- a. a material change in the condition (financial or otherwise) of the Issuer which is not then reflected in the Programme Memorandum or any supplement to the Programme: or
- b. any modification of the terms of the Programme, which would then make the Programme materially inaccurate or misleading.

Any such new Programme Memorandum or Programme Memorandum as supplemented and/or modified shall be deemed to have been substituted for the previous Programme Memorandum or to have modified the previous Programme Memorandum from the date of its issue.

The audited financial statements and documents incorporated by reference shall be made available by the Issuer unless such documents have been modified or superseded (and which documents may at the Issuer's option be provided electronically). Requests for such documents shall be directed to the Issuer or the Arranger at its SpecifiedOffices as set out in this Programme Memorandum.

SUMMARY OF THE PROGRAMME

This summary information should be read in conjunction with the full text of this Programme Memorandum, from where it is derived. The information below is a summary of the key features and summarized terms and conditions of the proposed CP Programme:

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Issuer:	Veritasi Homes & Properties Limited		
Programme Description	Commercial Paper Issuance Programme		
Arranger & Dealer (Issuing and Placing Agent: Sponsor to the Registration	Mega Capital Financial Services Limited		
Collecting and PayingAgent:	Keystone Bank Limited		
Financial Adviser	Pathway Advisors Limited		
Auditors:	Ferdinand Eze & Co.		
Registrars/Custodian:	FMDQ Depository Limited		
Guarantor	CPs issued under the Programme may be backed by a Guarantor, as stated in the applicable Pricing Supplement		
Solicitors:	Africa Law Practice NG & Company		
Trustees	AVA Trustees Limited		
Programme:	The Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardized documentation framework		
Programme Size:	N10,000,000,0000 (Ten Billion Naira) aggregate principal amount of Note outstanding at any point in time		
Issuance In Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement		
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement		
Issue Size:	As specified in the Applicable Pricing Supplement		
Use of Proceeds:	Unless otherwise stated in the applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer for its general corporate purposes and working capital		
Interest Payment:	Notes shall be issued at a discount and in the form of zero-coupon notes. Thus, the Notes will not bear interest, other than in the case of late payment		
Source of Repayment:	The repayment of all obligations under the CP issuance will be funded from theoperating cash flows of the Company		
Method of Issue:	The Notes may be offered and sold by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement		
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Maturity Date:	of fifteen (15) days and (including rollover, from shall also not exceed the	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of fifteen (15) days and a maximum of two hundred and seventy (270) days (including rollover, from date of issue). The maturity date of all outstanding CPs shall also not exceed the validity period of the applicable Issuer/CP Programme rating designated at the commencement of the registration of the CP Programme.			
Default Rate:		Interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate + 5% per annum (whichever is higher)			
Currency of Issue:	Nigerian Naira	Nigerian Naira			
Redemption:		As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines andFMDQ Exchange Rules			
Tenor:	of (15) days and a maxi issue. The maturity date of the Issuer/CP Pro	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of (15) days and a maximum of (270) days, including roll-over from the date of issue. The maturity date of all outstanding CPs shall fall within the validity period of the Issuer/CP Programme rating filed with the Exchange at the commencement of the registration of the CP Programme.			
Rating:	The Issuer has been ass	signed the following national s	scale rating:		
		Long-term	Short-term		
	Datapro Limited	ВВВ	A2		
	specific issue itself shall	uidelines and FMDQ Exchang be rated by a rating agency r ncy acceptable to the SEC.			
	A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency				
Status Of Notes:	certain debts mandatori themselves, and save for	Each Note constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank <i>pari passu</i> among themselves, and save for certain debts mandatorily preferred by law, with other present and future senior unsecured obligations of the Issuer outstanding from time to time			
Registration And In compliance with the CBN circular on Ma Commercial Papers issued on 12 July 2010 FMDQ Exchange for the Registration of the		ued on 12 July 2016, an app	lication has been made to		
	quoted on the FMDQ Exc All secondary market tra rules in relation to the qu	The Issuer may elect at its discretion to have any Series or Tranche of Notes quoted on the FMDQ Exchange platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted on the relevant trading platform			
Taxation:	will be offered and sold a interest, and the Issuer payments in respect of t	The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Note holders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws			
Governing Law:		The Notes issued under the Programme and all related contractual documentationwill be governed by, and construed in accordance with Nigerian law			
Settlement Procedures:	Purchases will be settled via direct debit, electronic funds transfers, NIBBS Instant Payment (NIP), NIBBS Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS")				

OVERVIEW OF VERITASI HOMES & PROPERTIES LIMITED

HISTORY AND OVERVIEW

Veritasi Homes & Properties Limited ("Veritasi" or "the Company") is an indigenous real estate development company registered under the laws of the Federal Republic of Nigeria (RC 1412813) with office located at No. 22, Kingsley Emu Street, Lekki Phase 1, Lagos.

Veritasi is a real estate development company with focus on acquisition, development, sales, and management of high quality serviced residential properties in the luxury, premium and classic segments of the real estate market in Nigeria. Veritasi is dedicated to creating homes for both the low and middle-income earners in Nigeria. Passion drives Veritasi in everything it does from marketing, advisor, developmental services and other services offered across the real estate value chain.

Veritasi has extensive experience in the property development business and it has continued to enjoy patronage from members of the investing public since the successful launch of its maiden developmental project since 2018.

Veritasi has an authorized, Issued and paid-up share capital of 1,000,000 ordinary shares of ₩1.00 each as at 28 February 2022.

Shareholders	No of shares held	% Shareholding
Nola Adetola	80,000,000	80%
Yusuf Olanrewaju Oluwatobi	20,000,000	20%
Total	100,000,000	100%

CORPORATE GOVERNANCE AND BOARD OF DIRECTORS OF THE ISSUER

Veritasi's board structure is comprised of two executive directors and three non-executive directors. The Board formulates broad policies and takes decisions for the management and operations of the company with a view to attaining the company's objectives. Profile of the Board Members are below:

Joseph Ayoolanrewaju Kuyebi - Chairman

Ayoolanrewaju is a Structural Engineer with over ten years of experience gained working on a variety of projects domestically and internationally. A graduate of the Federal Polytechnic llaro, Ogun state where he bagged an O.N.D and H.N.D degree in Civil Engineering, and also Bsc. in Geology from the prestigious University of Lagos.

His experience cuts across Piling and Geotechnical works, civil infrastructure works, real estate development, telecommunications, religious buildings, commercial and residential houses. He has worked in both civil and private corporations. He is currently the Managing Director at Geostruct Konsult Limited

Nola Adetola - Managing Director/CEO.

Adetola Nola is the Chief Executive Officer of Veritasi Homes and Properties Limited. He is responsible for the strategic management and growth of the Company.

Adetola Nola is a graduate of Chemical engineering from Obafemi Awolowo University. He has a degree in Managerial Finance & Effective Management Techniques at School of Business and Finance, London, strategy and leadership at London School of Economics (LSE, UK). Formerly at Grenadines Homes where he honed his skills and knowledge about real estate whilst driving innovation in the sales and marketing department. During his stay at Grenadines Homes, he worked on various projects from design to sales and marketing.

He has well-developed business advisory skills gained from his diverse work experience as an entrepreneur as well as a strong passion for building and mentoring start-up founders. He recently found Nola Business Incubator, one that mentors and funds startup businesses in Nigeria. Adetola Nola was recently featured as a 30 under 30 founder by Forbes Magazine and also, a youth ambassador with ECOWAS.

Oluwaseun Asimiyu Alao ESQ - Non-Executive Director

Oluwaseun A. Alao is an astute Legal Practitioner with several involvements in the resolution {both through alternative dispute resolution and litigation of major commercial disputes in Nigeria. 'Seun has a passion for litigation, where of course it is inevitable, with special bias for insolvency practice and recovery of default obligations, Telecommunication Law, Securitisation and Real Estate.

Seun had his tutelage in the law firms of Mr. Mike Igbokwe, SAN and Mr. 'Kunle Ogunba, SAN where he was presented with great opportunities to work on highly sensitive and delicate matters on behalf of both local and international clients.

He was the only Legal Practitioner who worked on the recovery of the sum of N2.3 Billion owed to Sterling Bank Plc. by Dana Group of Companies while in the firm of Mr. 'Kunle Ogunba, SAN. 'Seun also worked with Mr. Francis Chuka Agbu, SAN, the Managing Partner of Lexavier Partners where he displayed his vast expertise in insolvency practice and advocacy. Seun has represented several Banks and Financial institutions in Nigeria in recovery actions that run into several Billions of Naira both at trial and appellate Courts.

Seun's experience in Legal Practice is not limited to commercial Litigation, he has also actively participated in other areas of Legal Practice, to wit; Election Petition, Land dispute, Labour matters etc.

Oluwatobi Yusuf - Executive Director

Oluwatobi Yusuff is a director and head of Marketing and Communications at Veritasi Homes and Property Limited. He is a Certified Strategic Manager - Copenhagen Business School and a Shaw Academy Digital Marketing Professional.

He is a member of the Chartered Institute of Marketing (CIM, UK) and has undergone training by the institute and several others including Lagos Business School, Lagos. His personality revolves around solving problems, networking and discovering new opportunities. Oluwatobi has created bespoke media strategies for the brand to stay relevant in a crowded marketplace using simple tactics with a military-style execution. His role as a leader has seen him design and adopt new systems, processes and technology to improve brand equity and market share of the brands he manages.

Driven by a mindset of giving back to society, Oluwatobi is a volunteer with charity organisations and he is currently a member of the ShoeStoreAfrica team spearheading different shoe giving campaigns across the country. He continually builds his competence in brands and marketing communications, digital marketing innovation and crisis communications to deliver quality.

Mrs. Abioye Idris - Non-Executive Director

She is the Managing Director of Glamshire Investments Limited. Prior to Glamshire, she was previously Executive Director at Elixir Investment Partners Limited and director in charge of the Client Advisory Unit. She was an Executive Director at BGL Assets Management Limited, Head of Equity Sales at Vetiva Capital Management Limited, Senior Analyst at ARM Investment Managers and an Auditor at Weston Kay Chartered Accountants, London.

She is an Associate Member of the Institute of Chartered Accountants of England and Wales and has a BA Hons Degree in Accounting and Finance from Middlesex University, London.

She has over 20 years working experience spanning both international and local financial institutions and she has strong competence in the areas of Portfolio Management, Research, Business Development, Audit and Accounting.

KEY MANAGEMENT TEAM

Joel Olusegun - Chief Financial Officer

Joel has over 15 years of experience in Internal Audit, Taxation, Financial Accounting, Construction Company, Facility Management Company, Manufacturing Industry, Oil and Gas Industry (like Nigeria Liquefied Natural Gas, NLNG) etc. He is verse in due diligence assignments, ensures financial policies of the company are implemented efficiently and in line with generally accepted accounting practices, ensures the company complies with all statutory and reporting matters, Process financial reports within the company to maximize profit and minimize costs, Maintenance of Internal Control procedures.

He oversees the Company's Standard Operating Procedures (SOP) for certification from International Organization for Standardization (ISO), Budgeting, Financial modelling, Filling of Annual returns via Tax Promax etc.

He is a graduate of Accounting from the University of Lagos (UNILAG) and an Associate Member of the Institute of Chartered Accountants of Nigeria, ICAN.

Babatunde Quazeem - Accounts and Operations Manager

Babatunde is an astute accountant with years of experience spanning auditing and corporate accounting. He is presently the Chief Operating Officer (COO) and Head of Administration of Veritasi Homes and properties limited. He spearheads all the day to day activities at Veritasi. He manages clients, site operations, consultants, resources management and allocation, realtors and corporate partners.

He graduated from the Moshood Abiola Polytechnic, Ogun State. He holds several professional certifications in management and corporate administration from reputable institutions worldwide like the Lagos Business School. He attended several training events, conferences, summits and seminars on real estate and leadership in Nigeria, Rwanda and Dubai, to mention a few. Babatunde is a fellow of the Nigerian Institute of Management (NIM).

He has worked in several sectors of the economy, including but not limited to corporate accounting, management, academics, real estate, amongst others.

Engineer Chris - Project Engineer & Manager

Engr. Chris functions as the project manager and project engineer of the Veritasi Camberwall projects. He is a graduate of the Building Department, Obafemi Awolowo University. He is an astute builder with excellent organizational, analytical and numerical skills.

Engineer has over seven (7 years in construction, site safety and project management. He is a member of the Nigerian Institute of Building (NIOB).

He has successfully supervised projects like Omida Market Development for Ogun state government, Centre for Salesians Saint Don Bosco, Iju area, Lagos, Warehouse And Supermarket Development for Gina Resources, Port Harcourt, Proposed Osun State University Teaching Hospital, Okebaale Osogbo, Osun state, Camberwall Advantage 1 and 2, Ikate for Veritasi Homes and Properties and many more.

He has previously worked with GTC Engineering Ltd, a leading structural engineering consultancy and construction firm, Villatech Nig Ltd, a leading construction firm, and Brickhouse Construction Co. Ltd is one of the best indigenous construction firms in Nigeria.

Oladipupo Osanyin - Project Manager

Oladipupo manages various high-tech and luxurious 21st-century developments at Veritasi Homes and properties limited. 'Ladi has worked as a lecturer at the polytechnic Ibadan Oyo state, Yaba, College of Technology Lagos, and an adjunct lecturer at International School of management (ISM) Lagos. He has a long list of academic research papers published and delivered locally and internationally in reputable journals and conferences. His research areas include construction/project management, contract law and administration, BIM, and sustainable development.

He was the resident Q.S. on constructing the mass communication department at the federal polytechnic llaro, Ogun state. Project Quantity surveyor at the construction of Ikeja bus terminal, Ikeja, Lagos. HSE/QA/QS manager at the phase 1 construction of International Breweries Plc, Sagamu, Project Manager with Oxford Consulting Limited, where he managed the construction of a chain of terraces at Ondo Street, Banana Island Lagos. He worked as a development consultant for Biojacobs Associates and helped conceptualize various development across the country for the defunct Skye Bank and GT Bank.

He holds trained Quantity Surveyor from the Federal Polytechnic Ilaro, the prestigious Obafemi Awolowo University Ile-Ife and the University of Lagos. He possesses professional certifications in initiating and planning projects from the University of California, Irvine. He also has certifications in QAQC and HSE. With experience spanning over 10years in both academics and private practice, he has created a perfect blend of the two worlds (Academics and Construction).,He is a co-author of an academic text (Building Measurement Simplified).

Zainab Owolabi - Head of Legal & HR

Zainab is the Legal and Human Resources Officer at Veritasi Homes and Properties Limited. She is responsible for managing all employees, reviewing and preparing conveyancing documents, and ensuring that business activities are carried out in compliance with relevant legislation and government regulations.

An excellent communicator and influencer with a high level of organization and efficiency, Zainab combines her wide range of management and administrative responsibilities with supporting the firm's strategic goal around service delivery and performance by driving, managing and executing process development initiatives in the firm.

She holds a Bachelor of Law degree from Obafemi Awolowo University Ile-Ife and a B.L. from the Nigerian Law School, Lagos.

VERITASI'S PROJECTS:

Veritasi is the developer of Camberwall Court Phase 1 and 2 (AFFORDABLE HOMES), both located at Abijo, Camberwall Advantage 1 and 2 (PREMIUM HOMES) located at Ikate and Camberwall Advantage 3 and 4 (PREMIUM HOMES) located at Ikate and Lekki, off Freedom way respectively.

CAMBERWALL ADVANTAGE I & II (30% & 15% to completion respectively)

Camberwall Advantage is an upscale real estate development project by Veritasi Homes and Properties. Comprising apartments and units of flat, Camberwall Advantage is strategically located at Ikate. The project features unique and elegant designs tailored to meet the need of the modern day investor as well as appeal to aesthetics. With the existing reputation of Veritasi Homes with Camberwall projects, this project promises homes of a high standard, quality finishings and best value for investment. Camberwall Advantage is set to set a new hallmark for a sophisticated urban living.

Both projects got sold out in six (6) months of introducing them into the market. They are comprised of 2 bedroom apartments, three-bedroom apartments + BQ and a four-bedroom marionette + BQ. In the light of expansion and meeting the needs of creating more upscale developments, we introduce to the market; Camberwall Advantage 3 located in Ikate and Camberwall Advantage 4 located in Lekki, off Freedom Way.









CAMBERWALL ADVANTAGE III & IV (90% and to completion)

Camberwall Advantage III is a luxury development project. This high-end construction consists of Maisonettes that provide improved functionality, sufficient space and privacy for residents. For this project, we have the 2 Bedroom Maisonette, 3 Bedroom Maisonette + BQ with 2 Living rooms and a 4 Bedroom Penthouse with 2BQs + Cinema + Study.

Camberwall Advantage IV is the fourth upscale development project of the Camberwall Advantage series. This 6-storey edifice consists of deluxe apartments providing a premium and exclusive lifestyle for its residents. It sits majestically at Lekki Phase 1, off Freedom Way. This project has a two-bedroom apartment and a three-bedroom apartment+ BQ (Penthouse).

These projects reflects luxury living, as it is purposefully equipped with exclusive amenities, smart home automation, and a beautiful finish to portray its class. It embodies the implementation of advanced construction technology combined with architectural brilliance to accord maximum comfort, convenience, and security to residents.







AERIAL VIEW OF CAMBERWALL ADVANTAGE 1-4 AT IKATE LAGOS



CAMBERWALL COURT PHASE 1

Camberwall Courts, Abijo is an urban apartment development designed to reflect the magical merge of form and function in its architecture. Its design caters to modern living for residents of the apartment. Located in the heart of Abijo GRA along the Lekki-Epe expressway. This estate currently offers serviced plots, as well as Apartments, Bungalows & Terraces at the fairest price.

At the moment serviced plots at Camberwall Estate are sold out and in less than 8 months after the ground breaking of Camberwall Court, 90% of the building were sold.





CAMBERWALL COURT PHASE II

Camberwall Courts, Abijo is an urban apartment development designed to reflect the magical merge of form and function in its architecture. Its design caters to modern living for residents of the apartment. Located in the heart of Abijo GRA along the Lekki-Epe expressway. The Estate is a masterpiece. It features a splendid layout, visitors park, smart card access, renewable energy, and surveillance.



ÍTÙNÚ RESIDENTIAL (SERVICE PLOTS)

Veritasi recently unveiled a new project called ÍTÙNÚ Residential, Site and Service. ÍTÙNÚ Residential is a carefully designed holiday-type location in Aiyetoro, Ibeju-Lekki, facing the Lekki-Epe Expressway. ÍTÙNÚ is a serene and secured environment, perfect for those seeking a tranquil space with a natural ambience to relax and escape the hustle and bustle of Lagos.

ÍTÙNÚ Residential is 100% dry, fenced, accessible and has proximity to Alaro City, Lagoon Front, Dangote Refinery etc.

This residential area will have a standard road network, drainage system, water system, underground electricity, green spaces, and a family entertainment centre.

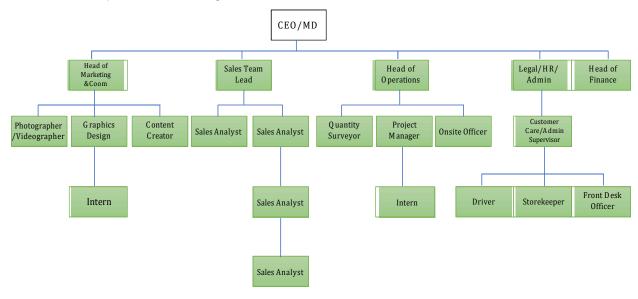


EMPLOYEES

As at December 31, 2021, Veritasi has a total of Sixty-two (62) employees. The staff comprises professionals in Finance, engineering, human resources administration and office management.

ORGANIZATIONAL STRUCTURE

Veritasi's business operates hierarchical organizational structure as shown below:



No Material Adverse Change

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

Litigation

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

USE OF PROCEEDS

Use of Proceeds

Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of Notes will be used to support the Issuer's general corporate purposes and short-term funding requirements.

The Applicable Pricing Supplement for each Series under the Programme will specify details of the use of proceedsof the particular Series.

Sources of Repayment

The repayment of all obligations under the Programme will be funded from the operating cash flows of the Issuer.

REVISED CBN GUIDELINES ON THE ISSUANCE OF CPs

BACKGROUND

In July 2009, CBN suspended the use of Commercial Papers and Bankers Acceptances as off-balance-sheet instruments by banks and discount houses, citing concerns over abuse of their use as financing instruments. The ban was subsequently lifted on 16th November 2009. On 18th November 2009, CBN issued a circular titled "Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers" (the "Guidelines"), in an attempt to facilitate the effective and efficient functioning of the Nigerian money market and provide a regulatory framework for the issuance of CPs and BAs in Nigeria. An updated circular was subsequently issued on 11th September 2019.

REGULATORY FRAMEWORK

Issuance of CPs in Nigeria is subject to the provisions of the CBN Guidelines and FMDQ Exchange Rules. The provisions applicable to CPs are as highlighted below:

QUALIFICATION

A CP qualifies as a financing vehicle if:

- I. The issuer has three (3) years audited financial statements, the most current not exceeding eighteen (18)months from the last financial year end; and
- II. The issuer has an approved credit line with a Nigerian bank acting as an issuing and paying agent, where the bank guarantees the issue.

SIZE AND TENOR

CPs shall be issued at the primary market for a minimum value of N100,0\(\theta\)0,000 (One Hundred Million Naira) and multiples of N50,000,000 (Fifty Million Naira), thereafter.

Furthermore, they shall be issued for maturities of between 15 (Fifteen) days and 270 (Two Hundred and Seventy) days, including rollover, from the date of issue. The discount element on maturing CPs may not be capitalised and rolled over.

RATING

Either the issuer of CP or the specific issue shall have an investment grade rating (minimum of BBB- or similar rating)by a rating agency registered in Nigeria or any international rating agency acceptable to the CBN.

An indicative rating should have been obtained prior to the submission of declarations and information to the CSD.

INVESTORS IN BANKERS ACCEPTANCES AND COMMERCIAL PAPERS

CPs may be issued to and held by individuals, deposit money banks, other corporate bodies registered or incorporated in Nigeria and unincorporated bodies, non-resident Nigerians and foreign institutional investors.

Clean CPs (i.e., CPs not backed by a guarantee or such other credit enhancement shall only be sold to Qualified Institutional Investors, and Eligible Investors. Eligible Investors seeking to invest in clean CPs shall first execute a declaration attesting to his/her/its eligibility in the manner/form prescribed in the FMDQ Exchange Commercial Paper Registration and Quotation Template Guide, or such other regulation as may be prescribed by FMDQ Exchange from time to time.

FORMS OF MAINTAINING CPS

Issuers and investors in CPs may issue or hold CPs in dematerialised or physical form. Issuers and investors are encouraged to issue and hold CPs in a dematerialised form.

ISSUING, CALCULATING AND PAYING AGENT

Only a deposit money bank or discount house (licensed by the CBN) that is a registered member of the FMDQ Exchange may act as an IPCA for the issuance of a CP.

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GENERAL REQUIREMENTS

- I. CPs are only redeemable at maturity and as such cannot be pre-liquidated.
- II. Investors may rediscount the paper with the Issuer before maturity at new market terms if the Issuer is willing to purchase the risk.
- III. Any proposed issue of CPs shall be completed within the period of 2 (two) weeks from the date of opening of the issue for subscription.
- IV. All CPs issued in Nigeria shall be registered with the clearing system, which shall serve as the custodian ofall issues and central depository for all dematerialised instruments.

MANDATORY REGISTRATION & QUOTATION

CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers requires CPs to be registered and quoted on an authorised securities exchange. Accordingly, banks are prohibited from transacting in CPs (that are not quoted or intended for quotation on an authorised securities exchange), in any capacity whatsoever, including to act as issuer, guarantor, issuing, placing, paying and collecting agent, etc.

The CBN having approved the quotation rules of FMDQ Securities Exchange Limited has cleared it for the quotation of CPs in Nigeria.

COMPLIANCE WITH THE CBN GUIDELINES AND FMDQ EXCHANGE RULES

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines and FMDQ Exchange Rules. Alegal opinion confirming adherence to the CBN Guidelines and FMDQ Exchange Rules is incorporated on page 39 of this Programme Memorandum.

COMPLIANCE WITH SECURITIES REGULATION

There is no obligation for the Issuer to register the Notes with the SEC. This is by virtue of Rule 8 of the SEC Rules, which exempt short-term securities (including notes) with maturity dates not exceeding 9 months from the date of issuance from registration with the SEC.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which, subject to amendment and as completed, modified, supplemented, varied or replaced, in whole or in part, by the final terms which are contained in the Applicable Pricing Supplement (the "Final Terms"), will govern the Notes to be issued under the Programme.

The provisions of these Terms and Conditions of the Notes (the "**Conditions**") which are applicable to the Notes issued under the Programme shall be deemed to be completed by the information contained in the relevant Final Terms. Any provision 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.

1. Issuance of Notes

The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding the Programme Limit of N10,000,000,000.00 (Ten Billion Naira). Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from, the Deed of Covenant.

2. Form, Denomination and Title

2.1 Form and Denomination`

- 2.1.1 Unless otherwise specified in any Applicable Pricing Supplement, the Notes shall be registered electronically, serially numbered and denominated in a minimum amount of \$15,000,000 and integral multiples of \$11,000 in excess thereof; and will be sold at such discount from their face value amounts as shall be agreed upon by the Issuing and Placing Agent and the Issuer; and shall have a maturity not exceeding 270 (two hundred and seventy) days, including the roll over from the Issue Date.
- 2.1.2 The Notes issued under this Programme will be denominated in Naira.
- 2.1.3 The Notes issued will be in the form of short-term Zero Coupon Notes and will not bear interest, other than in the case of late payment.
- 2.1.4 The Notes will be delivered to the Issuing and Placing Agent in dematerialised (uncertificated, book entry) form; shall be registered by the Issuing, and Placing Agentwith the CSD, which shall serve as the custodian and central depository of the Notes; and the Issuing and Placing Agent may deal in the Notes in accordance with the CSD procedures and guidelines.

2.2 Title

- 2.2.1 Title to the Notes will pass upon credit to the CSD account of the Noteholder.
- 2.2.2 Transfer of title to the Notes shall be effected in accordance with the rules governing transfer of title in securities held by the CSD.
- 2.2.3 The Issuer and the Agent may, save where there is a manifest error, deem and treat the registered holder of any Note as indicated in the records of the CSD and the Registrar as the legal and beneficial owner thereof for all purposes, including but not limited to the payment of outstanding obligations in respect of the Notes, and no liability shall attach to any person for such a determination.

3. Status of the Notes

The Notes shall constitute a direct, unconditional and unsubordinated obligation of the Issuer, which are guaranteed by the Guarantor and the Notes rank *pari passu* among themselves and, save for certain debt obligations mandatorily preferred by law, *pari passu* with all other present and future secured and unsubordinated obligations of the Issuer outstanding from time to time.

4. Guarantee

CPs issued under the Programme may be backed by a Guarantor, as stated in the applicable Pricing Supplement.

5. Redemption

The Notes are only redeemable at maturity and will be redeemed at the Face Value specified in the Applicable Pricing Supplement.

6. Payments

The Face Value of the Notes will be paid to the Noteholders whose names are reflected in the Register as at the close of business on the applicable Maturity Date(s). The registered Noteholder shall be the only person entitled to receive payments in respect of a Note and the Issuer will be discharged from any further obligations or liability upon payment to, or to the order of, the registered Holder in respect of each amount so paid.

6.1 Method of Payments

- 6.1.1 Payment of the outstanding obligation in respect of the Notes will be made by electronic funds transfer, in Naira, to the account of the Noteholder specified in the Register.
- 6.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Agent.

 Noteholders shall not be required to present and/or surrender any documents of title to the Agent.
- 6.1.3 In the case of joint Noteholders, payment by electronic transfers or cheque will be made or addressed to, as the case may be, the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes to such joint Noteholders.
- 6.1.4 In the case of Notes held by a nominee, the nominee shall be paid as the registered Noteholder.
- 6.1.5 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note.
- 6.1.6 If the Issuer or the Agent is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, protest, curfew, lockout, fire explosion, floods, riot, insurrection, war, accident, any act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer or the Agent shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) and the Issuer and the Agent shall not be responsible for any delay arising from making such payment by cheque. Such payments by cheque shall be sent by post through a reputable and registered courier operator to the address of the Noteholder as set out in the Register as soon as practicable to ensure payment is received as close to the Maturity Date as possible.
- 6.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the Agent shall be responsible for any loss in transmission and the postal authority shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this condition.

6.2 Payment Day

Any payment in respect of the Notes shall be made on a Business Day. Where the day on or by which a payment of any amount in respect of the Notes is due to be made is not a Business Day, that payment shall be made on or by the next succeeding Business Day, unless that next succeeding Business Day falls in a different calendar month, in which case that payment shall be made or that event shall occur on or by the immediately preceding Business Day. The Noteholder shall not be entitled to any interest, return or other payment in respect of any delay in payment.

6.3 Closed Periods

No Noteholder may require the transfer of the Notes (i) during the period of 5 (five) days ending on the due date for redemption in respect of that Note; or (ii) following the issuance of a default notice to the Issuer pursuant to Condition 7.2 (Action upon Event of Default).

7. Event of Default

7.1 Event of Default

An event of default in relation to the Notes (each an "Event of Default") shall arise if any one or more of the following events shall have occurred and be continuing:

- 7.1.1 Non-Payment: default by the Issuer in the payment of the Redemption Amount to the Noteholders in respect of the Notes on the Maturity Date and the continuance of such default.
- 7.1.2 In line with section 9.8 of the FMDQ Exchange Rules, in respect of any Tranche or Series, if the Issuer fails to notify FMDQ Exchange (through the ICPA) that the Notes have been liquidated and funds have been transferred to all Noteholders by 4:00pm on the Redemption Date
- 7.1.3 Breach of Other Obligations: the Issuer does not perform or comply with any one or more of its other obligations under the Offer Documents which default will affect the capacity of the Issuer to meet its payment obligations and which default has not been remedied for a period of Ten (10) days, after the date on which written notice of such default requiring the Issuer to remedy the same shall have been given to the Issuer by the Issuing, Collection and Paying Agent (except where such default is not capable of being remedied, in which case no such notice as is mentioned above will be required).
- 7.1.4 Seizure/Compulsory Acquisition of Assets: if 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.
- 7.1.5 Inability to Pay Debts: the Issuer stops or suspends payment of a substantial part of its debts due to financial difficulties.
- 7.1.6 Insolvency: The appointment of a liquidator (other than in respect of a solvent liquidation or reorganization), receiver, manager or other similar officer in respect of the Issuer and any of its assets.
- 7.1.7 Obligations Unenforceable: any of the Notes or the Offer Documents is or becomes wholly or partly void, voidable or unenforceable.

7.2 Action upon Event of Default

- 7.2.1 Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer and the Guarantor at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if the Issuer or Guarantor withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction.
- 7.2.2 Where an Even of Default occurs prior to Maturity Date, the amount payable to the Noteholder shall be the Face Value of the Note discounted at the Issue Rate from the Maturity date to the Default Date. Provided that the amount payable shall bear interest at the Default Rate from the Default date to the date of payment thereof.
- 7.2.3 In addition, each Noteholder shall have the right to exercise all other remedies available to it/him/her under the laws of the Federal Republic of Nigeria.

8. Register

- 8.1 The Register shall be maintained by the Registrar. The Register shall reflect each Tranche and Series of Notes; the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.
- 8.2 Statements issued by the CSD as to the aggregate number of Notes standing to 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 and the Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 8.3 The Register shall be open for inspection from 9.00am to 5.00pm during the normal business hours of the Agent to any Noteholder or any person authorised in writing by the Noteholder.
- The Agent shall alter the Register in respect of any change of name, address or bank account details of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

9. Notices

9.1 Notices to the Noteholders

- 9.1.1 All notices to the Noteholders will be valid if it is delivered by hand, courier, electronic mail or sent by registered post in a letter duly addressed to the Party to whom same is required to be given at the registered address of such Party or any address given by such Party at their respective addresses of record in the relevant register of Notes of a Series maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of the FMDQ Exchange, the CSD or such other regulatory authority as may be applicable to the Notes.
- 9.1.2 Any notice if delivered by hand or registered post before 5p.m. local time on a given date, shall be deemed to have been delivered on that date. Any notice or communication given by electronic mail shall be deemed to have been delivered when sent, subject to no delivery failure notification being received by the sender within 24 (twenty-four) hours of the time of sending 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.

9.2 Notices from the Noteholders

- 9.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing and given by lodging same with the Agent at its registered office.
- 9.2.2 Any change of name or address on the part of the Noteholder shall forthwith be notified to the Issuer and the Agent and subsequently, the Register shall be altered accordingly following notifications to the CSD.

10. Modification

- 10.1 The Issuing, Collection and Paying Agent and the Issuer may agree without the consent of the Noteholders, to any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of any law in Nigeria and which in the opinion of the Issuing and Paying Agent is not prejudicial to the interest of the Noteholders. Notice of such modification shall be published in at least one daily newspaper of general circulation in Nigeria or delivered in accordance with the provisions of Condition 8 (Notices), and shall be deemed to have been given and received on the date of first publication.
- 10.2 Save as provided in Condition 9.1 above, no amendment of the Terms and Conditions may be effected unless:
 - 10.2.1 such amendment is in writing and signed by or on behalf of the Issuer; and
 - 10.2.2 such amendment:
 - 10.2.2.1 if it affects the rights, under the Terms and Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% (seventy-five percent) of the outstanding Principal Amount of allthe Notes; or
 - 10.2.2.2 if it affects only the rights, under the Terms and Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% (seventy five percent) of the outstanding Principal Amount of all the Notes held bythat group.
- 10.3 Any such modification shall be binding on all the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

11. Meeting of Noteholders

- 11.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 (twenty- one) days prior written notice to the Noteholders. The notice required to be given shall be in accordance with clause 8 (Notices). Such Notice shall specify the date, agenda, time of the meeting to be held, and the place for holding the meeting, which place shall be in Nigeria.
- 11.2 Every Director or duly appointed representative of the Issuer may attend and speak at a meeting of the Noteholders but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.
- 11.3 Noteholders holding not less than 10% (ten percent) in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within 10 (ten) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
- 11.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a corporate entity executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporate entity, appoint any person (a "Proxy") to attend and act on his/her or its behalf in connection with any meeting or proposed meeting of the Noteholders.
- 11.5 Any Noteholder which is a corporate entity may by resolution of its directors or other governing body authorise any person to act as its representative (a "Representative") in connection with any meeting or proposed meeting of the Noteholders.

- Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the Holder of the Notes to which the appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the Holder.
- 11.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders requisition a meeting, and the Issuer fail to call such a meeting within 10 (ten) Business Days of the requisition, then the chairman of the meeting held at the instance of the Noteholders, shall be selected by Noteholders, holding not less than 51% (fifty-one percent) of the outstanding Principal Amount of all the Notes present in person, by representative or by proxy.
- 11.8 At any meeting of Noteholders, two or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one third of the Principal Amount of outstanding Notes shall form a quorum.
- 11.9 At any meeting of Noteholders, any resolution put to the vote shall be first decided on a show of hands, unless a poll is demanded. A poll may be demanded by either the chairman, the Issuer, or one or more Noteholders present in person, by representative or by proxy. In the case of equality of votes, the Chairman shall both 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 a Noteholder or as a holder of a voting certificate or as a proxy or as a representative.
- 11.10 If a poll is demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded. On a poll, each Noteholder present in person or by proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
- 11.11 If 30 (thirty) minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than 14 (fourteen) days nor more than 21 (twenty One) days thereafter and at the same time and place. At such adjourned meeting, 2 (two) or more Noteholders present or represented by proxy holding in aggregate not less than one third of the Principal Amount of outstanding Notes shall form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.
- 11.12 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical form duly signed by or on behalf of all the Noteholders.

12. Further issues

The Issuer shall be at liberty from time to time without the consent of the existing Noteholders under a series to issue further Notes under the Programme.

13. Governing Law

- 13.1 The provisions of this Programme Memorandum and the Notes are governed by, and shall be construed in accordance with the laws of the Federal Republic of Nigeria.
- 13.2 The Nigerian Courts shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the Programme Memorandum and the Notes.

TAX CONSIDERATION

The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest. Notwithstanding, the discount on the Notes may be taxed in accordance with applicable Nigerian Income tax laws, to wit, CITA or PITA as may be applicable to the Noteholders.

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

RISK FACTORS

The following section does not describe all the risks (including those relating to each prospective investor's particular circumstances) with respect to an investment in the Notes. The risks in the following section are provided as general information only. Prospective investors should refer to and carefully consider the risks described below and the information contained elsewhere in this Programme Memorandum, which may describe additional risks associated with the Notes.

Investors should also seek professional advice before making investment decisions in respect of the Notes.

1. RISKS FACTORS RELATING TO THE ISSUER

a) Reputational Risk

Company's reputation significantly affects its business and profitability. This trend wherein reputation has a significant impact on sales is common in the construction industry wherein the Company operates. As such, any reputational pitfall to the Company from other projects or arising from any issue may significantly affect all the projects of the Company including the projects to be funded by the proceeds of the CP.

To prevent any reputational shortfall arising from sub-optimal performance on its projects, the Company usually requests for milestone payments from the Off-takers of its project. As such, there is usually a match between the milestone payments made by the Off-takers of the projects of the Issuer and the level of work done by the Company on its projects.

b) Operational Risks

Risk could occur as a result of inadequate or failed internal processes, people and systems or from external events leading to direct or indirect loss for the Company. Examples of these risks include procurement of inferior construction materials, fraud/forgery, penalties or expenses incurred, inappropriate sales practices, poor accounting processes, lapses in financial control and legal settlements resulting from accidents or mishaps alleged to have been caused by the Company.

c) Compliance/Regulatory/Environmental Risk

The operations of the Issuer are governed by environmental laws and regulations drafted by various regulatory bodies at the federal and state level, and it may be subject to fines and penalties in the event of any violations of the relevant environmental laws and regulations or the occurrence of any adverse environmental effect arising from the Issuer's operations. The Federal Ministry of Environment and relevant State Government agencies are the authorities responsible for the enforcement of environmental laws, and have the authority in certain circumstances to halt the Issuer's activities on a permanent or temporary basis where the Issuer fails to comply with instruction for rectification or suspension of operations that are causing damage to the environment.

While the Issuer continues to pay keen attention to environment, safety, health and quality issues, there is no guarantee that it will always be in compliance with all relevant environmental laws and regulations especially in the light of potential and unpredictable changes to environmental requirements, varying interpretation of environmental laws and regulations by the courts and legislators, or upon discovery of environmental conditions that were previously unknown.

There is a risk of increased exposure in terms of additional costs to the Issuer on the occurrence of any of these events. The consequent increase in environmental liabilities may entail significant capital expenses and may potentially lead to the imposition of restrictions on the Issuer's operations, adversely impacting the Issuer's business, operating results and financial performance.

d) Change in Governing Law

The Issuer is duly incorporated and established under Nigerian law, which remains in effect as at the date of this Programme Memorandum. No assurance can be given as to the impact of any possible judicial decision or change in Nigerian law or the official application or interpretation of Nigerian law after the date of this Programme Memorandum.

e) Credit Risk

Due to adverse business or other conditions, especially the current on-going COVID-19 pandemic, which has had adverse effects on businesses, there would be an obvious credit risk concern. Credit risk is the risk of financial loss to Veritasi if a customer or counterparty fails to meet its contractual obligations. In order to mitigate the credit risk, the Management of the Issuer determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. Customers are also categorized according to their credit characteristics. Customers with high credit risk are placed on restriction and future credit services are made only with the approval of Veritasi's Management.

f) Liquidity Risks

Liquidity risk is the risk that Veritasi would be unable to meet its obligations as they become due. This may arise where the cushion provided by liquid assets is not sufficient to meet outstanding maturing obligations. Liquidity risk projections like available credit facilities are incorporated in the regular management information reviewed by Veritasi's Management. The focus of the liquidity review is on the net financing capacity such as free cash plus available credit facilities in relation to the financial liabilities.

g) Legal Risks

There is a risk that the Company's counterparties, such as suppliers may fail to fulfil their obligations. The Company in the ordinary course of business may become vulnerable to litigation.

Where proceedings lead to a substantial legal liability, this could have a detrimental effect on the Company's business, brand image and reputation. Regulatory fines and claims from litigation could also impact the Company's financial performance in the year where such payments are being made.

Additionally, modifications affecting any applicable law or regulations, whether before or after the completion of the transaction, cannot be anticipated.

2. RISKS FACTORS RELATING TO THE NOTES

a) Market Price Risk

The market price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Company's results, adverse business developments, changes in the macroeconomic environment and the actual or expected sale or purchase of a large number of Notes.

Each investor needs to assess the market risk prior to trading their Notes.

b) Interest Rate Risk

The Notes may vary inversely with changes in prevailing interest rates as the Notes could be offered at a fixed rate benchmarked against treasury bills. In this instance, where the interest rates rise, the prices of fixed rate securities fall and when interest rates drop, the prices increase.

Therefore, the extent of the fall or rise in the prices is a function of the existing interest, days to maturity and the increase or decrease in the level of the prevailing interest rates. Increased interest rates which frequently accompany inflation and/or a growing economy are also likely to have a negative effect on the price of the Notes.

c) Liquidity Risk

Although the listing of the Notes increases the possibility of trading activity, the Notes issued under the Programme will be new securities which may not be widely distributed. The liquidity of the Notes may be limited, and investors may not be able to trade the Notes actively or realise a yield comparable to that of similar instruments, if any, in developed secondary markets. The trading market for debt securities may be volatile andmay be adversely impacted by many events. The market for debt securities is influenced by economic and marketconditions, interest rates, currency exchange rates as well as global events, which may also have an adverse effect on the price of the Notes.

d) Ranking

The Notes will constitute senior unsecured obligations of the Issuer. Therefore, holders of secured indebtedness, if any, will have claims that are prior to the claims of the holders of the Notes, to the extent of the assets securingsuch indebtedness. Thus, in the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding, the pledged assets would be available to satisfy obligations on the secured indebtedness before anypayment could be made on the Notes.

3. RISKS FACTORS RELATING TO NIGERIA

a) Political Risk

The diverse political, religious and ethnic landscape in Nigeria has led to struggles for power between rival groups, which has consistently hindered the smooth governance of the country. The pastoralist conflict in the North-East and Middle Belt has been escalating and Boko Haram continues to weaken the North-East economy. In the South, Niger Delta pipeline attacks could threaten oil production and the state of the environment.

In addition, frustrations over poor living conditions and economic hardships can potentially fuel further conflict. The risks related to political instability, continued criminal activities including banditry, kidnapping, security challenges as well as political and religious tensions in the country could adversely impact Nigeria's economy and by extension - the operations of Veritasi Homes & Properties Limited.

b) Economic Risk

The Nigerian economy is largely dependent on global oil prices and country's level of oil and gas production as the Oil sector remains a major contributor to the GDP. In addition, the Oil sector plays a central role in Nigeria's economy, as it accounts for a substantial portion of its export earnings. This dependence makes the Nigerian economy vulnerable to oil price fluctuations, as many economic sectors and state governments in Nigeria dependupon public spending and private consumption driven by oil revenues.

Oil price witnessed a downward trend caused by the outbreak of the COVID-19 pandemic and decisions from the Organization of the Petroleum Exporting Countries (OPEC) to pump more oil into the market. However, with theimplementation of production cuts and rebound of economies around the world, oil price recently inched upwardsand remains fairly stable. Relying on past events, a fall in oil prices has caused, and is expected to continue to result in liquidity issues, reduced tax revenues, depreciation of foreign exchange reserves, and increased currency pressures for Nigeria. The Company's prospects may be impacted by an economic recession in Nigeriawhich could adversely affect the demand of its products.

c) Foreign Exchange Risks

The Nigerian foreign exchange market has recently been volatile as the sharp decline in international oil prices contributed to the depreciation of the Naira against the US Dollar in the first six months of 2020, with the CBN officially devaluing the Naira to N380:US\$1.00 in a move to converge the growing disparity between the exchange rate systems for the inter-bank and parallel markets in Nigeria, thus affecting the foreign reserves. A further devaluation of Naira to N410:US\$1.00 was experienced in May 2021.

Any further depreciation or devaluation of the Naira may negatively impact the Company's cost profile, considering the nature of its business.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Words used in this section shall bear the same meanings as used in the section headed "Definitions andInterpretations", except to the extent that they are separately defined in this section or the meaning if applied, wouldbe clearly inappropriate for the context.

Clearing System

The Notes will be issued in dematerialised form and will not be represented by any certificate or written instrument. As stipulated by the CBN Guidelines, each Series or Tranche of Notes will be held in custody by the CSD, either in the name of the beneficial owner or Nominee.

All transactions in the Notes shall be cleared and settled electronically in accordance with the rules and operating procedures of the CSD. Subject as aforesaid, each Tranche of Notes 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.

Authorised Participants

The CSD will maintain a central securities account for Collecting & Paying Agents/Issuing & Placing Agent and Dealing Members (the "Authorised Participants") and each beneficial owner of the Notes is required to have a sub-accountunder the Authorised Participants. Noteholders may exercise their rights in respect of the Notes held in the custody of the CSD only through the Authorised Participants.

For purposes of Notes issued under this Programme, the Authorised Participant is Boston Advisory Limited, United Bank for Africa Plc and any other bank or dealer appointed by the Issuer.

Registration

- I. The Authorised Participants shall register with the CSD where CP custody and depository services are required. The Authorised Participant shall complete the required registration form or other applicable document(s) and shall be required to submit proof of appropriate FMDQ membership along with the completed form.
- II. Noteholders are required to route their account opening applications and transactions through any of the abovementioned AuthorisedParticipant, who will officially notify the CSD to create sub-accounts for these Noteholders and attach Noteholders' mandates to this effect.
- III. The CSD will assign a unique identification number (the "Trade Member Code") to the Authorised Participant and also provide an account number (and sub-account numbers for Noteholders) after creation as requested by the Authorised Participant to enable them to trade the CPs.
- IV. FMDQ Exchange shall request for the CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the CP Symbol and ISIN Codes for the registered CP, subject to receipt of CP registration fees from the Authorised Participant.
- V. The CSD will re-open the existing ISIN code for all tranches with same maturity dates, however new ISIN codes will be issued for tranches with different maturity dates.

Lodgement

VI. The Authorised Participants shall provide the schedule of all the subscribers and their expected holdings to the CSD for distribution. The Authorized Participant will electronically lodge CPs with the CSD and advise the CSD after lodgment to transfer the CPs to the sub-accounts, individual accounts or custodians accounts of the beneficial

owners of the Notes.

VII. [Cut-off time for e-lodgement of CPs is 10.00 a.m. on the day before the value date, and] the CSD shall process same within 24 hours of receipt.

Redemption

- I. No transactions or trades may be effected for any CPs two (2) working days prior to its maturity date as the Register closes two (2) working days before the Maturity Date.
- II. The Authorised Participants will submit a letter to the CSD confirming the intention of the Issuer to repay the Noteholders on the Maturity Date by 12.00 noon on the date which is two (2) working days before the MaturityDate.
- III. The CSD shall expunge (knock-off) matured CPs on the Maturity Date or Redemption Date of the CP.
- IV.
- V. The Maturity Date shall be on a Business Day, however if the relevant Business Day falls on a public holiday, the following Business Day shall be the Maturity Date of the CP.

Roll-Over

- VI. All CPs, including roll-overs shall not exceed 270 days (tenor) from the date of issue.
- I. Every roll-over of a CP shall be treated or classified as a fresh/separate CP.
- II. Upon granting approval for rollover, FMDQ Exchange shall request for the rollover CP to be registered with theCSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the new CP Symbol and ISIN Codes, subject to receipt of CP rollover fees from the Authorised Participant.
- III. The CSD shall expunge the existing CP Symbol and ISIN Codes from the system and replace with the new codes.

Default

- I. Where the Issuer is unable to repay the Noteholders and the CP will be in default status, the Authorised Participants shall notify the CSD, FMDQ Exchange, as well as the Noteholders, latest two (2) Business Days before the Maturity Date, latest by 3.00pm.
- II. The CSD shall make public the default status to the market latest by the date which is one (1) Business Day before the Maturity Date.
- III. The ICPA shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all CP holders by 4:00PM on the Maturity Date, failing which the Issuer shall be deemed to be in default
- IV. In case of (i) above, the CP holdings must remain with the CSD until the CPA pays off the Noteholders and notifies the CSD and the FMDQ Exchange with evidence. Thereafter, the CSD will notify the public and expunge the CP from the CSD depository accordingly. CA pays off the Note holders and notifies the CSD with the evidence

Secondary Market Trading (OTC) Guidelines

- I. Standard settlement cycle is T+2.
- II. FMDQ Exchange shall submit the confirmed CP trade details on trade day in the specified format via the CSD authorisedplatform, based on the following settlement timelines:
 - a. Same Day Settlement: 12.30 p.m.
 - b. T+1 or T+2 Settlements: 3.00 p.m.
- III. The CSD shall deliver securities and send confirmation of transfers via the CSD's authorised platform by 2.00p.m. on the settlement date to FMDQ Exchange and the Nigeria Inter-Bank Settlement System ("NIBSS") simultaneously. The Authorised Participant shall state the particular account number where the CP(s) will be settled.
- IV. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the CSD and the Authorised Participant simultaneously.
- V. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is five (5) BusinessDays before the Maturity Date.

Reporting

- I. The CSD shall effect the transfer of CPs on the settlement date as advised by the exchange and keep records of consideration for each transaction.
- II. The CSD will advise the exchange of successful and failed transactions on each settlement day for onward communication to Dealing Members.
- III. Dealing Members can visit the CSD's website (www.fmdqgroup.com/fmdqdepository) to ascertain its CP balances after each day's trade.

Transfer of Notes

Title to beneficial interest in the Notes will pass on transfer thereof by electronic book entry in the securities accountsmaintained by the CSD and may be transferred only in accordance with rules and operating procedures of the CSD.

Cash Settlement

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



Veritasi Homes & Properties Limited RC: 1412813

Issue of Up to \ [.] Series1 Under its \ 10,000,000,000 Commercial Paper Issuance Programme

This <u>Pricing</u> Supplement must be read in conjunction with the Programme Memorandum dated April 1st, 2022 prepared by Mega Capital Financial Services Limited on behalf of Veritasi Homes & Properties Limited in connection with its N10,000,000,000 Commercial Paper Issuance Programme, as amended and/or supplemented from time to time(the "**Programme Memorandum**").

Any capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the Programme Memorandum.

This document constitutes the Pricing Supplement relating to the issue of Commercial Paper Notes ("CP Notes" or the "Notes") described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

This document has been prepared in accordance with the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Paper, issued on 18 November 2009 and the CBN circular to all deposit money banks and discount houses dated 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together the "CBN Guidelines") and the FMDQ Exchange Commercial Paper Registration and Quotation Rules (the "Rules") in force from time to time. The document is not required to beregistered with the Nigerian Stock Exchange ("NGX") or the Securities and Exchange Commission ("SEC"). Thisdocument is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his/her Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately.

ARRANGER/DEALER/ISSUING AND PLACING AGENT



COLLECTING AND PAYING AGENT / GUARANTOR



THIS PRICING SUPPLEMENT IS DATED APRIL [●], 2022

PARTIES		
	W * :II	
Issuer	Veritasi Homes & Properties Limited	
Arranger	Mega Capital Financial Services Limited	
Collecting and Paying Agent	Keystone Bank Limited	
Issuing and Placing Agent	Mega Capital Financial Services Limited	
Sponsor to the Quotation on FMDQ Exchange	Mega Capital Financial Services Limited	
Financial Adviser	Pathway Advisors Limited	
Auditors	Ferdinand Eze & Co.	
Registrar/Depository	FMDQ Depository Limited	
Solicitor	Africa Law Practice Nigeria & Company	
PROVISIONS RELATING TO THE NOTI		
Series Number	1	
Programme Size	¥10,000,000,000.00	
Issued and Outstanding at the date of this Pricing Supplement	NIL	
Face Value		
Discounted Value		
Nominal Amount Per Note	₩ 1000	
Tenor	270 Days	
Issue Date		
Maturity Date	i	
Final Redemption Amount	i	
Minimum Subscription	Minimum of \(\frac{45}{000}\),000.00 and multiples of \(\frac{41}{000}\).00 thereafter	
Specified Currency	Nigeria Naira (₦)	
Status of Notes	Each Note constitutes a direct, unconditional,unsubordinated and unsecured obligation of the Issuer and the Notes rank <i>pari passu</i> among themselves and, save for certain debts preferred by law, <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time	
Form of Notes	Uncertificated	
Quotation	FMDQ Securities Exchange Limited	
Taxation	Please refer to the 'Tax Consideration' section in the Programme Memorandum	
Method of Offer	Fixed Price Offer	
Use of Proceeds	Working Capital	
Source of Repayment	Operating cashflow of the company	
Book Closed Period		
ZERO COUPON NOTES		
Discount Rate		
Implied Yield	lii	
Any Other Formula or Basis for Determining Amount(S) Payable	PV=FV*(1-(DR*t/actual number of days in a year)	
Day Count Fraction	Actual/Actual (actual number of days in a monthand actual number of days in a year)	
Business Day Convention	Any day except Saturdays, Sundays and publicholidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria	

PROVISION REGARDING REDEMPTION	N N	
Redemption/Payment Basis	Redemption at par	
Issuer's Early Redemption	Not Applicable	
Issuer's Optional Redemption	Not Applicable	
Other Terms Applicable on	Not Applicable	
Redemption		
Offer Opens		
Offer Closes		
Allotment Date		
Notification of Allotment		
Settlement Date		
Details of Bank Account to Which	Bank: Keystone Bank Limited	
Payments Are to be Made in Respect	Account Name: Veritasi Homes &	
of the Notes	Properties Limited	
	Account Number: 1012485858	
Settlement Procedure and Settlement	Purchases will be settled via direct debit, electronic funds transfer (NIBBS,	
Instruction	NEFT, RTGS, etc.)	
Issuer Rating		

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no Material Adverse Change in the financial position or prospects of the Issuer since the December 31,2021 audited accounts.

RESPONSIBILITY

The Issuer and its Board of Directors accept responsibility for the information contained in this Pricing Supplementwhich, when read together with the Programme Memorandum and supplemental Programme Memorandum, if any, contains all information that is material in the context of the issue of the Notes.

Signed at	on this	day of	2022
For and on behalf of Veritasi Homes & Prop	erties Limited		
Name: Nola Adetola		Name: Yusuff Ola	nrewaju Oluwatobi
Capacity: Director		Capacity: Company	y Secretary
Who warrants his/her authority hereto		Who warrants his/h	



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REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF VERITASI HOMES & PROPERTIES LIMITED

OPINION

The accompanying summary financial statements, which comprise of the summary statement of financial position as at 31 December 2021, 31 December 2020 and 31 December 2019, the summary of statement of profit and loss and all other comprehensive income for the year ended 31 December 2021, 31 December 2020 and 31 December 2019 and summary statements of cash flows for the years ended, are derived from the audited financial statement of Veritasi Homes & Properties Limited for the year ended 31 December 2021, 31 December 2020 and 31 December 2019 respectively.

In our opinion, the summary financial statements derived from the audited financial statements of Veritasi Homes & Properties Limited for the year ended 31 December 2021, 31 December 2020, and 31 December 2019 are consistent in all material respects with those financial statements in accordance with Companies and Allied Matters Act CAP C20 LFN 2004, the Financial Reporting Council of Nigeria Act, 2011 and International Financial Reporting Standards.

SUMMARY OF FINANCIAL STATEMENTS

The summary financial statements do not consist all the disclosures required by the international Financial Reporting Standards, Companies and Allied Matters Act CAP C20 Laws of the Federal Republic of Nigeria 2004, and the Financial Reporting Council of Nigeria Act No. 6, 2011, applied in the preparation of the audited financial statement.



Therefore, the summary financial statements are not a substitute for the audited financial statements of the group.

THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

In our opinion, the summary financial statements derived from the audited financial statements of Veritasi Homes & Properties Limited for the year ended 31 December 2021, 31 December 2020, and 31 December 2019 are consistent in all material respects with those financial statements in accordance with Companies and Allied Matters Act CAP C20 LFN 2004.

DIRECTORS' RESPONSIBILITIES FOR THE SUMMARY FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair representation of a summary of the audited financial statements in accordance with section 355 of the Company Allied Matters Act CAP C20 LFN 2004, the Financial Reporting Council of Nigeria Act 2011. International Financial Reporting Standards, and the FMDQ commercial paper quotation rules.

AUDITORS RESPONSIBILITY

Our responsibility is to express an opinion on the summary of financial statements based on our procedures, which were conducted with International Standards on Auditing (ISA) 810, "Engagements to report on Summary Financial Statements"

Aienakho Aruya

FRC/2019/004/00000021550

for Ferdinand Eze & Co (Chartered Accountants) Lagos Nigeria

36/ICAN 1199872 February 2022

HISTORICAL FINANCIAL INFORMATION OF VERITASI HOMES & PROPERTIES LIMITED

Statement of Financial Position as at December 31st	2019	2020	2021
	N	N	N
Non-Current Assets			
Property and equipment	662,371,140	616,426,756	607,768,623
Total Non-current assets	662,371,140	616,426,756	607,768,623
Current Assets			
Cash and Cash Equivalents	101,289,120	195,367,314	533,425,917
Financial Assets	7,295,631	9,319,370	11,500,272
Trade Receivables	858,049,319	2,408,522,625	2,849,651,610
Other Receivables & Prepayment	41,125,690	52,527,504	57,445,414
Inventory	2,885,413,008	3,116,590,889	4,926,794,399
	3,893,172,768	5,782,327,702	8,979,186,804
Total Assets	4,555,543,908	6,398,754,458	9,586,955,426
O			
Current Liabilities	1 924 000 000	0.007.440.400	1 076 065 500
Payable to Clients & Vendors Other Liabilities	1,824,900,968 566,301,215	2,037,412,128	1,276,065,502
		983,346,960	529,950,143
Tax Payable	236,295,911 2,627,498,094	463,064,970 3,483,824,058	938,601,398 2,744,617,042
Total Current Liabilities	2,021,100,001	0,100,02 1,000	2,11,011,012
Equity & Long Term Liabilities			
Long Term Liabilities			
Directors Loan	1,000,000,000	1,000,000,000	2,929,369,193
Deposit for Shares	121,500,000	121,500,000	121,500,000
	1,121,500,000	1,121,500,000	3,050,869,193
Issued & Paid-Up Share Capital	1,000,000	1,000,000	1,000,000
Retained Earnings	805,545,814	1,792,430,400	3,790,469,191
Total Equity	806,545,814	1,793,430,400	3,791,469,191
Total Liabilities and Equity	4,555,543,908	6,398,754,458	9,586,955,426

Statement of Profit and Loss	2019	2020	2021
	N	N	N
Revenue	8,984,374,098	15,006,888,200	19,488,204,657
Cost of Sales	(7,252,921,220)	(12,212,814,448)	(15,351,922,924)
Gross Profit	1,731,452,878	2,794,073,752	4,136,281,733
Other Income	1,800,000	50,000	976,715
Personnel expenses	(303,573,997)	(414,461,561)	(386,882,630)
Depreciation	(45,944,384)	(45,944,384)	(56,173,134)
Other Operating Expenses	(618,002,375)	(834,003,182)	(727,150,321)
Finance Income	4,059,581	15,728,416	30,329,105
Finance Cost	(28,495,457)	(65,493,486)	(60,741,279)
Profit/(loss) before Income Tax	741,296,246	1,449,949,555	2,936,640,189
Income Tax Expenses	(236,295,911)	(463,064,970)	(938,601,398)
Profit/(loss) After Tax for the Year	505,000,335	986,884,585	1,998,038,791

Statement of Cashflow	2019	2020	2021
	N	N	N
Cash Flow From operating activities:			
Profit/(loss) Before Tax	741,296,247	1,449,949,555	2,936,640,189
Add: Depreciation & Amortization of Non-Current Assets	45,944,384	45,944,384	56,173,134
	787,240,631	1,495,893,939	2,992,813,323
CHANGES IN WORKING CAPITAL			
(Increase)/Decrease in Inventory	(446,857,026)	(231,177,881)	(2,410,572,703)
(Increase)/Decrease in Trade Receivables & Other Receivables	170,936,015	(1,781,651,187)	(448,227,796)
(Increase)/Decrease In Trade and Other Payables	27,800,026	345,972,517	(739,207,016)
	(248,120,985)	1,666,856,551)	(3,598,007,514)
Taxation	(124,159,112)	(236,295,911)	(938,601,398)
Net Cash Flow From Operating Activities	414,960,534	(407,258,523)	(1,543,795,590)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of non-Current Assets	(641,339,845)	-	(47,515,000)
Long Term Investment	•	-	-
Net Cash Flow From Investing Activities	(641,339,845)	-	(47,515,000)
CASHFLOW FROM FINANCING ACTIVITIES			
Issue of Shares	-	-	-
Deposit for Shares	-	-	-
Proceeds from Loans	-	501,336,817	1,929,369,193
Net Cash Flow From Financing Activities		501,336,817	1,929,369,193
-			
Net Increase in Cash/Cash Equivalent	(226,379,311)	94,078,294	338,058,603
Opening Cash & Cash Equivalent	327,668,432	101,289,120	195,367,314
Closing Cash & Cash Equivalent	101,289,121	195,367,414	533,425,917

VERITASI HOMES & PROPERTIES LTD

Long-Term Rating: **BBB**

Short Term Rating: A2
Rating Outlook: Stable
Trend: UP
Currency: Naira
Date Issued: 13 Jan., 2022
Valid Till: 12 Jan., 2023

Reference:

Abiodun Adeseyoju, FCA. Abimbola Adeseyoju Oladele Adeoye This report is provided by DataPro subject to the Terms & Conditions stipulated in our Terms of Engagement

EXECUTIVE SUMMARY				
	2020 №′000	2019 N'000	2018 №'000	2017 №′000
Turnover	15,022,667	8,990,234	4,262,658	356,669
Pre Tax Profit	1,449,950	741,296	388,403	53,384
Equity	1,793,430	806,546	301,545	37,301
Fixed Asset	616,427	662,371	66,976	66,976
Total Asset	6,398,754	4,555,544	3,910,607	176,110
Short-term Debt	3,483,824	2,627,498	2,487,561	17,309

Rating Explanation

The Short-Term Rating of A2 indicates Fair Credit Quality and adequate capacity for timely payment of financial commitments.

The Long-Term Rating of *BBB* indicates *Slight Risk*. It shows Fair Financial Strength, Operating Performance and Business Profile when compared to the standard established by *DataPro*. This Company, in our opinion, has the ability to meet its ongoing obligations, but its financial strength is vulnerable to adverse changes in economic conditions.

RATING SYNOPSIS

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

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

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

Overall, the following were observed:

Strengths:

- Experienced Management Team
- Strong Liquidity
- Good Profitability

Weaknesses:

Concentration Risk

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.



BACKGROUND

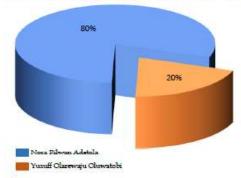
Veritasi Homes & Properties Limited ("The Company") was incorporated on the 11th of May, 2017. The Company began operations in July, 2017 as a Private Limited Liability Company.

The Company is principally engaged in the business of acquisition, development, sales and management of high quality serviced residential properties in the Luxury Premium and Classic segments of the Real Estate Market in Nigeria.

The product offerings of the Company include: Premium Homes, Serviced Plots, Affordable Homes, Survey, Building Construction, Estate Agency, Deed, Site Maintenance and Development.

The Company's products experience include: Camberwall Phase 1 and 2 and Camberwall Advantage Series 1-4. The Camberwall Phase 1 and 2 project is located in the Abijo Lekki corridor of Lagos State, Nigeria. It is a mix residential project comprising of 2 and 3 Bedrooms apartments and bungalows.

ANALYSIS OF SHAREHOLDING STRUCTURE However, Camberwall Advantage



Source: Veritasi Homes & Properties Ltd

However, Camberwall Advantage is an upscale Real Estate development project comprising of apartments and units of flat. The Camberwall Advantage is located in Ikate Lagos, Nigeria.

The Issued and Paid-up Capital of the Company is ¥1,000,000 (One Million Naira Only). Ownership of the Company is divided majorly between Nola Rilwan Adetola and Yusuff Olarenwaju Oluwatobi.

The Company carries out its activities majorly in Lagos, Nigeria through its 84 employees.

DIRECTORS PROFILE

The Directors of the Company are: Mr. Oluwaseun Asimiyu Alao, Mr. Nola Rilwan Adetola-Managing Director/CEO, Mr. Yusuff Olarenwaju Oluwatobi, Mrs. Abioye Idris and Mr. Joseph Ayoolanrewaju Kuyebi

The Directors profiles are as follows.

2

January 2022

15 MILITARY STREET ONIKAN LAGOS NIGERIA T: +234 1 700 2570 – 9 E: ALP@ALP.COMPANY



7 March 2022

Mega Capital Financial Services Limited 4AA, Force RoadOnikan Lagos

"the Dealer"

Dear Sirs,

LEGAL OPINION IN CONNECTION WITH \$\text{N10,000,000,000} (TEN BILLION NAIRA) COMMERCIAL PAPER ISSUANCE PROGRAMME BY VERITASI HOMES& PROPERTIES LIMITED

We act as Solicitors to Veritasi Homes & Properties Limited (the "Issuer") in connection with the establishment of a \$10,000,000,000 (Ten Billion Naira) Commercial Paper Issuance Programme (the "Programme") under which the Issuer, a private limited liability company incorporated underthe laws of Federal Republic of Nigeria, may from time to time issue Commercial Paper Notes("CP Notes" or "Notes"), denominated in Nigerian Naira, in separate series or tranches subject to the terms and conditions (the "Terms and Conditions") contained in the Programme Memorandum (defined below) and applicable Pricing Supplement.

This opinion is provided pursuant to the Dealer Agreement (the "Dealer Agreement") between the Issuer and the Dealer.

The Notes issued will be constituted by, subject to, and have the benefit of, a Deed of Covenant, which shall take effect as a deed poll for the benefit of the holders of the Notes (the "**Deed of Covenant**").

For avoidance of doubt, all capitalised terms used but not defined herein shall have the meanings assigned to such terms in the Programme Memorandum, or any Pricing Supplement, as applicable.

1. THE DOCUMENTS

In rendering our legal opinion ("**Opinion**"), we have examined such documents as we have considered necessary for the opinions expressed herein and principally the following documents provided to us in physical or electronic form (unless otherwise stated):

- 1.1 A copy of the \$\frac{\text{N}}10,000,000,000,000 Commercial Paper Programme Memorandum including the Terms and Conditions relating to each Series or Tranche of Notes issued under the Programme (the "Programme Memorandum");
- 1.2 A copy of the Dealer Agreement;
- 1.3 A copy of the Deed of Covenant;

ABUJA: 3 LOBITO CRESCENT WUSE II ABUJA NIGERIA T: +234 9 700 2570 - 9



- 1.4 A copy of the Issuing and Placing Agent Agreement between the Issuer and the Issuing and Placing Agent, (the "IPAA");
- 1.5 A copy of the Collecting and Paying Agent Agreement between the Issuer and the Collection and Paying Agent, (the "CPAA");
- 1.6 A copy of the Programme Trust Deed between the Issuer and the Trustee (the "Trust Deed")

(The documents referred to in paragraphs 1.1 to 1.6 are referred to as the "Transaction Documents")

- 1.7 A copy of the Certificate of Incorporation of the Issuer dated 11 May 2017;
- 1.8 A copy of the Memorandum and Articles of Association of the Issuer certified by the Corporate Affairs Commission on 14 February 2022.
- 1.9 A copy of the resolution of the meeting of the Board of Directors of the Issuer passed on 5 January 2022 authorising the establishment of the Programme;
- 1.10 A status report issued by the Corporate Affairs Commission on 21 February 2022 evidencing the current directors and share capital of the Issuer;
- 1.11 A Resolution of the Issuer and a Form CAC 5 (Return of Allotment of Shares) certified by the Corporate Affairs Commission on 08 February 2022 evidencing the current shareholders of the Issuer.

(The documents referred to in paragraphs 1.6 to 1.10 are referred to as the "Constitutional **Documents**" while the documents referred to in paragraphs 1.1 to 1.10 are collectively referred to as the "**Documents**").

2. ASSUMPTIONS

For the purpose of this Opinion, we have assumed, without independent verification, each of the following:

- 2.1 the authenticity of all scals and signatures, the completeness and conformity with original documents of all copies of the Documents submitted to us in physical or in electronic form and that any Document submitted to us continues in full force and effect;
- 2.2 the Transaction Documents referred to in paragraph 1 above have been validly authorised and duly executed and delivered in such form by each of the parties to them (other thanthe Issuer), by a person or persons duly authorised to do so;
- 2.3 the Transaction Documents which are governed by the laws of the Federal Republic of Nigeria are, or will be, legal, valid, binding and enforceable against all relevant parties (other than the Issuer), in accordance with their respective terms under the laws of the FederalRepublic of Nigeria;
- 2.4 the due compliance with all matters (including without limitation, the obtaining of necessary consents, authorisations and approvals and the making of necessary filings and registrations) required in connection with the Transaction Documents to render them enforceable in all relevant jurisdictions (other than the Federal Republic of Nigeria) has been effected and such compliance remains in full force and effect and will continue to be



effected where required for the validity and enforceability, under such laws as applicable (other than the laws of the Federal Republic of Nigeria), of the Transaction Documents(or any document in connection therewith); and

2.5 the power, authority and legal right of all parties (other than the Issuer) under all the relevant laws and regulations (other than the laws of the Federal Republic of Nigeria) to enter into, execute and perform their respective obligations under the Transaction Documents.

OPINION

Based on the assumptions above and subject to the qualifications below and to any matters not disclosed to us, we are of the opinion that:

3.1 Status, Power and Authority, Legal Validity

- 3.1.1 the Issuer (i) is a private limited liability company duly incorporated and validly existing under the laws of the Federal Republic of Nigeria; (ii) has perpetual corporate existenceand the capacity to sue or be sued in its own name; (iii) has the corporate power and authority to enter into and perform the obligations expressed and assumed by it under the Transaction Documents to which it is a party and any Notes; (iv) has taken all necessary corporate and other action to authorise the entry into, execution of and performance of its obligations under the Transaction Documents to which it is a party and the Notes; and (v) has duly complied with all extant laws, regulations, circulars and guidelines issued by the Central Bank of Nigeria.
- 3.1.2 the Transaction Documents have been duly executed and delivered, and the Transaction Documents and the Notes have been duly authorised by the Issuer in accordance with the laws of the Federal Republic of Nigeria and the Constitutional Documents of the Issuer;
- 3.1.3 the Transaction Documents constitute valid, legal, binding and enforceable obligations of the Issuer and are enforceable against it in accordance with their terms;
- 3.1.4 the holders of the Notes shall be entitled, severally, to enforce the Deed of Covenant against the Issuer;
- 3.1.5 the Notes, when issued, would constitute valid, legal, binding and enforceable obligations of the Issuer;
- 3.1.6 the issuance of the Notes in dematerialised form is valid and legal under Nigerian law;

3.2 Foreign Exchange Control

3.2.1 there are no foreign exchange control consents, licences or approvals required, (including without limitation by any governmental authority, including the Central Bank of Nigeria), for the entry into and performance by the Issuer of its obligations under the Transaction Documents or the Notes; save that non-residents of Nigeria who have brought funds into Nigeria for the purchase of the Notes through an approved and lawful channel may upon liquidating their investment in the Notes repatriate the proceeds of their investment upon the submission of all relevant documentation, including a Certificate of Capital Importation, which evidences the in-flow of the funds into Nigeria by the non-resident



holders of the Notes in accordance with the provisions of the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act¹ and the Foreign Exchange Guidelines issued by the Central Bank of Nigeria;

3.3 Consents, Filings and Form

- 3.3.1 no consent, approval, registration or filing with any court or governmental authority in the Federal Republic of Nigeria, (including the Central Bank of Nigeria and the Securities and Exchange Commission of Nigeria), is required in connection with the execution, delivery and performance of the Transaction Documents, including the issue of the Notes;
- 3.3.2 the Notes, when issued, would be issued in compliance with the Guidelines on the Issuanceand Treatment of Bankers Acceptances and Commercial Papers issued by the Central Bankof Nigeria on 11 September 2019, and the FMDQ Commercial Paper Registration Quotation Rules (2019);
- 3.3.3 the Transaction Documents are in the proper form for their admissibility in evidence and their enforcement, (save for payment of stamp duty as described in paragraph 3.8 below), against the Issuer in the courts of the Federal Republic of Nigeria;

3.4 Non conflict with laws

the execution of and the performance by the Issuer of its obligations under the Transaction Documents and the Notes, and the compliance with the provisions of the Transaction Documents to which it is a party and the Notes will not contravene, violate or conflict with any law, statute, rule or regulation of the Federal Republic of Nigeria or the Constitutional Documents of the Issuer;

3.5 Insolvency

to the best of our knowledge, no procedure has been commenced in the Federal Republicof Nigeria with a view to the winding up, reorganisation, or dissolution, (or similar procedure), of the Issuer or with a view to the appointment of a liquidator, receiver, receiver/manager or similar officer in respect of the Issuer or any of its properties, assetsor interest;

3.6 Immunity

the Issuer is not entitled to claim in relation to itself or any of its assets, any form of immunity on the grounds of sovereignty, diplomacy or otherwise from any legal action or proceeding or from execution of a judgement against it, instituted or initiated before a competent jurisdiction or any arbitral panel;

3.7 Licensing and Qualifications etc.

3.7.1 under the laws of the Federal Republic of Nigeria, no party which is not registered in Nigeria will, by reason of its purchase of the Notes, and enforcing its rights thereunder, (i) be required to be registered, qualified, licensed or otherwise entitled to do business in the Federal Republic of Nigeria or be required to comply with any requirement as to foreign

¹ Cap F34 Laws of the Federation of Nigeria 2004



registration or qualification in the Federal Republic of Nigeria; or (ii) be required to make any filing with any court or other agency in the Federal Republic of Nigeria prior to any enforcement of the Transaction Documents (including the Notes); or (iii) be deemed tobe resident, domiciled or carrying on business in the Federal Republic of Nigeria for taxor any other purpose;

3.7.2 the performance by any party of any of its rights, duties, obligations or representations under the Transaction Documents (including the Notes) will not violate any existing applicable law or regulation in the Federal Republic of Nigeria;

3.8 Taxes and Stamp Duty/Registration

- 3.8.1 the provisions of the Stamp Duties Act² require any instrument executed in the Federal Republic of Nigeria, or relating, wheresoever executed, to any property situated or any matter or thing done or to be done in the Federal Republic of Nigeria to be stamped andthe appropriate stamp duty paid in respect of the said instrument. Unstamped or insufficiently stamped instruments are not admissible in evidence, (except in criminal proceedings), in the courts of the Federal Republic of Nigeria;
- 3.8.2 stamp duty is payable in the Federal Republic of Nigeria either at a *flat* rate or an *ad valorem* rate. Based on the Stamp Duties Act, the rate of stamp duty payable in the Federal Republic of Nigeria in respect of the Notes is 0.1% levied on an *ad valorem* basis on the value of theunderlying transaction:
- 3.8.3 prior to the amendment of the Stamp Duties Act by the Finance Act 2019, dematerialised Notes were not subject to stamp duty as the Notes being in uncertificated form did not qualify as "instruments" as was previously defined under the Stamp Duties Act;
- 3.8.4 the Finance Act amends the definition of "instruments" in the Stamp Duties Act to include electronic instruments, as such, it is not clear whether the electronic form of the dematerialised Notes would qualify the Notes as an electronic instrument which would be subject to stamp duty;
- 3.8.5 where the Federal Inland Revenue Service takes the view that the dematerialised Notes qualify as "electronic instruments", the Notes would be subject to stamp duty as stated in Paragraph 3.8.2 above;
- 3.8.6 It is unclear whether the Deed of Covenant, the Dealer Agreement, IPAA and CPAA will be assessed for stamp duties at a flat rate or an ad valorem rate. Historically, the Deed of Covenant, the Dealer Agreement, IPAA and CPAA have each attracted a nominal stampduty of \$\frac{1}{2}\$500.00 (Five Hundred Naira) for an original copy and \$\frac{1}{2}\$50.00 (Fifty Naira) for each counterpart. The Deed of Covenant, the Dealer Agreement, IPAA and CPAA will be assessed and stamped at the prevailing stamp duties rate as of the time of stamping. No other stamp, registration fees or other tax is payable, and no filing or registration is required in connection with the execution, delivery, performance or enforcement of any of the foregoing documents;
- 3.8.7 each of the Transaction Documents are required to be stamped in Nigeria within a period of thirty (30) days after their execution (where they are executed in the Federal Republic

² Cap S8 Laws of the Federation of Nigeria 2004



of Nigeria) or within a period of forty (40) days after they are first brought into the Federal Republic of Nigeria (in the event that they are executed outside the Federal Republic of Nigeria);

- 3.8.8 no other stamp duty is payable, and no filing or registration is required in connection with the execution, delivery, issue, performance and enforcement of the Transaction Documents and the Notes;
- 3.8.9 the Issuer is not required to make any withholding or deduction from any payment due to the Notcholders on the Notes. However, the discount on any of the Notes may be taxedin accordance with applicable Nigerian tax laws;

3.9 Forum of Dispute Resolution

- 3.9.1 the submission to arbitration by the parties would be upheld in Nigeria as parties are permitted under Nigerian law to choose arbitration as a means of settling their disputes. Parties are also permitted to choose the seat and governing rules of the arbitration;
- 3.9.2 the courts of the Federal Republic of Nigeria will accept jurisdiction in any suit, action or proceedings against the Issuer arising out of or in connection with the Transaction Documents and the Notes and can give judgement in a currency other than the legal tender/lawful currency of the Federal Republic of Nigeria for the payment of any sum due under the Transaction Documents or the Notes; and

3.10 Pari Passu

the obligations of the Issuer under the Transaction Documents and the Notes will rank at least *pari passu* as to priority of payment with the claims of all other unsecured and unsubordinated creditors of the Issuer except for those claims which are mandatorily preferred solely by any bankruptcy, insolvency or liquidation or other similar laws of general application.

4. QUALIFICATIONS

This Opinion is subject to the following qualifications:

- 4.1 This Opinion is limited in all respects to the laws of the Federal Republic of Nigeria, as at the date hereof. We have not made any investigations of, and we do not express any opinion as to the laws of any other jurisdiction;
- 4.2 This Opinion is expressed as of the date hereof and we assume no obligation to update or supplement any opinion contained herein to reflect any fact or circumstance that may hereafter come to our attention or any changes in law that may hereafter occur or become effective;
- 4.3 Our opinion that an obligation or document is enforceable means that the obligation or document is of a type and form which the courts in the Federal Republic of Nigeria will enforce. It does not mean that the obligation or document can necessarily be enforced in all circumstances as the validity, enforceability and/or binding nature of such obligations or documents under the laws of the Federal Republic of Nigeria will be subject to, amongstother things, the laws of bankruptcy, insolvency, receivership, reorganisation, liquidation, moratorium and other like laws. In particular, equitable remedies such as injunctions and



specific performance are discretionary and are not generally available in circumstances where damages are considered by the courts in the Federal Republic of Nigeria to be anadequate remedy;

- 4.4 Save for paragraph 3.8 above, we express no opinion as to the tax treatment or consequences of the Transaction Documents or the transactions contemplated therein; and
- 4.5 Where any obligation is to be performed or observed in a jurisdiction outside the Federal Republic of Nigeria, it may not be enforceable under Nigerian law if and to the extent that such performance or observance would be unlawful, unenforceable or contrary to public policy of the Federal Republic of Nigeria or under the laws of such jurisdiction.

5. RELIANCE

This Opinion is issued at the request of the Dealers for the purpose of the Programme and any Note issuances thereunder. The opinion may be relied upon only by the Dealers, any additional Dealer appointed in accordance with the provisions of the Dealer Agreement and persons seeking to invest in the Notes, in connection with the matters dealt with herein and may not without our prior written consent be relied upon by any other person. Neither its contents nor its existence may be disclosed to any other personunless we have given our prior written consent.

This Opinion may be disclosed (a) if required by law or regulation; (b) to the officers, directors, employees, affiliates, professional advisers (including legal advisers), auditors or regulators of a Dealers; and (c) in connection with any actual or potential dispute or claim in respect of the Note issuance provided that such persons may not rely on the Opinion.



STATUTORY AND GENERAL INFORMATION

Authorisation

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Veritasi Homes & Properties Limited dated 5th January 2022.

Auditors

Ferdinand Eze & Co. acted as auditors of the annual financial statements of the Issuer for the financial years ended December 31, 2019, December 31, 2020 and December 31, 2021 and issued unqualified reports.

Commercial Paper Outstanding

The Issuer has no commercial paper outstanding as at the date of this Programme Memorandum.

Going Concern

The Issuer is at the date hereof a going concern and can be reasonably expected to meet all of its obligations as and when they fall due.

Material Contracts

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

- I. the Deed of Covenant dated April 1st, 2022 executed by the Issuer as a deed poll in favour of the Noteholders;
- II. the Dealer Agreement dated April 1st, 2022 executed by the Dealer and the Issuer;
- III. the Issuing and Placing Agency Agreement dated April 1st, 2022 executed by the Issuer and Issuingand Placing Agent;
- IV. Collecting and Paying Agency Agreement dated April 1st, 2022 executed by the Issuer and the Collecting and Paying Agent;
- V. Programme Trust Deed between Veritasi Homes & Properties Limited and AVA Trustee Limited dated April 1st, 2022

Other material contracts in respect of any issuance of Notes under the Programme will be disclosed in the Applicable Pricing Supplement issued in respect of that Series or Tranche.

Ultimate Borrower

The Issuer is the borrower in respect of the Notes.

Issuer	Veritasi Homes & Properties Limited 22 Kingsley Emu Street Lekki Phase 1 Lagos
Guarantor	Keystone Bank Limited 1, Keystone Bank Crescent Off Adeyemo Alakija Street Victoria Island Lagos
Arranger, Dealer, Issuing and Placing Agent	Mega Capital Financial Services Limited 4AA Force Road Onikan Lagos
Financial Adviser	Pathway Advisors Limited 46, Olabanji Olajide Street Lekki Phase 1 Lagos
Collecting & Paying Agent	Keystone Bank Limited 1, Keystone Bank Crescent Off Adeyemo Alakija Street Victoria Island Lagos
Auditor to the Issuer	Ferdinand Eze & Co. (Chartered Accountants) 14, Aina Eleko Street Onigbongbo, Maryland Ikeja – Lagos
Solicitors	Africa Law Practice NG & Company 15 Military Street Onikan Lagos ALP NG & Co.
Trustees	AVA Trustees Limited 3, Glover Road Ikoyi Lagos

