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Investing in this offer involves risks. For information concerning certain risk factors which should be considered by prospective investors, see “risk factors” on pages 60-63

Investors may confirm the clearance of the Prospectus and registration of the securities with the Securities & Exchange Commission by contacting the Commission via sec@sec.gov.ng or +234 (0) 946 2100; +234 (0) 946 21167



PAT DIGITAL INFRA FUND SPV PLC RC: 1828271

₦50,000,000,000.00 BOND ISSUANCE PROGRAMME

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

THIS SHELF PROSPECTUS IS TO BE READ AND CONSTRUED IN CONJUNCTION WITH ANY SUPPLEMENT THERETO AND ALL DOCUMENTS WHICH ARE INCORPORATED HEREIN, BY REFERENCE AND, IN RELATION TO ANY TRanches (AS DEFINED HEREIN) OF INSTRUMENTS, TOGETHER WITH THE APPLICABLE PRICING SUPPLEMENT. THIS SHELF PROSPECTUS SHALL BE READ AND CONSTRUED ON THE BASIS THAT SUCH DOCUMENTS ARE INCORPORATED HEREIN AND FORM PART OF THIS SHELF PROSPECTUS. THIS SHELF PROSPECTUS HAS BEEN ISSUED IN COMPLIANCE WITH PART IX OF THE INVESTMENT AND SECURITIES ACT 2007 (AS AMENDED) (“ISA”), PART F RULE 279 OF THE SEC RULES AND THE LISTING REQUIREMENTS OF THE FMDQ SECURITIES EXCHANGE LIMITED (“FMDQ”) AND THE NIGERIAN EXCHANGE LIMITED (“NGX”).

THE REGISTRATION OF THE SHELF PROSPECTUS AND ANY PRICING SUPPLEMENT THEREAFTER DOES NOT IN ANY WAY WHATSOEVER SUGGEST THAT THE SEC ENDORSES OR RECOMMENDS THE SECURITIES OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED THEREIN.

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

THIS PROSPECTUS HAS BEEN APPROVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF (PAT DIGITAL INFRA FUND SPV PLC) AND THEY JOINTLY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE INQUIRIES WHICH ARE REASONABLE IN THE CIRCUMSTANCES AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN MISLEADING.

INVESTORS ARE ADVISED TO NOTE THAT LIABILITY FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS SHELF PROSPECTUS IS PROVIDED IN SECTIONS 85 AND 86 OF THE ISA 2007 (AS AMENDED).

THIS SHELF PROSPECTUS SHALL BE VALID FOR A PERIOD OF THREE (3) YEARS.

Lead Issuing House/Book Runner



Joint Issuing Houses/Book Runners



THIS SHELF PROSPECTUS IS DATED FEBRUARY 2, 2022

THIS SHELF PROSPECTUS WILL BE AVAILABLE ON THE FOLLOWING WEBSITES:

<https://panafricantower-ng.com/> www.sec.gov.ng

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1. PRESENTATION OF INFORMATION

The PAT Digital Infra Fund SPV Plc (“**Issuer**” or “**PAT Digital Infra**”) and Pan African Towers Limited (“**Pan African Towers**” or “**Company**” or “**Co-Obligor**”) maintain their books of accounts in Naira and in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”).

Unless otherwise indicated, financial information set forth herein related to the Issuer and Co-Obligor (the “**Group**”) has been derived from the Group’s audited consolidated and separate financial statements for the year ended 31st December 2020 financial statements (the “**2020 Financial Statements**”), 31 December 2019 financial statements (the “**2019 Financial Statements**”), 31 December 2018 financial statements (the “**2018 Financial Statements**”), 31 December 2017 financial statements (the “**2017 Financial Statements**”), 31 December 2016 financial statements (the “**2016 Financial Statements**”); together, these Financial Statements shall be called (“**Financial Statements**”). The Financial Statements were prepared in accordance with IFRS issued by the IASB, and presented in Naira.

The Financial Statements were also prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 (as amended) (“**CAMA**”) and the Financial Reporting Council Act No. 6, 2011.

The Financial Statements, including the audit report of Ernst & Young (“**Auditors**”) thereon are set forth in this Prospectus. The Financial Statements were audited by the Auditors, in accordance with international standards on auditing.

Ernst & Young is the independent auditor of PAT Digital Infra Fund SPV Plc (the “**Company**”), appointed in accordance with the International Standards on Auditing. The firm is located at 10th Floor, UBA House, 57 Marina Road, Lagos Island, Lagos, Nigeria.

Certain statistical information presented in this document on topics such as the Nigerian economy and political landscape and related subjects have been obtained from certain third-party sources, as described herein. This third-party information is presented in the following sections of this document: “*Nigeria Overview*”, and “*Risk Factors*”. The Issuer has accurately reproduced such information and as far as the Issuer and the Company are aware and are able to ascertain, from information published by such third parties, no facts have been omitted that would render the information inaccurate or misleading.

Nevertheless, prospective investors are advised to consider this data with caution. Prospective investors should note that some of the Company’s estimates are based on such third-party information. The Issuer, Co-Obligor and the Issuing Houses have not independently verified the figures, market data or other information on which third-parties have based their studies.

2. IMPORTANT NOTICE

This Shelf Prospectus has been prepared on behalf of PAT Digital Infra Fund SPV Plc (“**Issuer**” or “**PAT Digital Infra**”) and Pan African Towers Limited (“**Pan African Towers**” or “**Company**” or “**Co-Obligor**”) in connection with its ₦50,000,000,000.00 (Fifty Billion Naira) Bond Issuance Programme (pursuant to which the Issuer will issue Bonds with varying maturities) for the purpose of giving information to prospective investors in respect of the Bonds described herein. The Securities and Exchange Commission (“**SEC**” or the “**Commission**”) has cleared and registered this Shelf Prospectus.

The Board of Directors of the Issuer and the Co-Obligor accepts full responsibility for the information contained in this Shelf Prospectus. The Board of Directors of each of the Issuer and the Co-Obligor confirms (having taken all reasonable care to ensure that is the case) that the information contained in this Shelf Prospectus is in accordance with the Rules and Regulations of the Securities and Exchange Commission 2013 (as amended) (the “**SEC Rules**”).

This Shelf Prospectus has been issued in compliance with Part IX of the Investment and Securities Act 2007 (as amended) (“**ISA**”), Part F Rule 279 of the SEC Rules and the listing requirements of the FMDQ Securities Exchange Limited (“**FMDQ**”). This Shelf Prospectus also contains particulars which are compliant with the requirements of the Commission for the purpose of giving information with regard to the Bond Issuance Programme.

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

Neither this Shelf Prospectus nor any other information supplied in connection with the Programme:

- a. is intended to provide the basis of any credit or other evaluation; or
- b. should be considered as a recommendation by either the Issuer or any of the parties to the Programme that any recipient of this Shelf Prospectus or any other information supplied in connection with the Programme should purchase the Bonds. Each prospective investor contemplating purchasing any Bonds should make its own independent investigation of the financial condition and affairs, and the creditworthiness of the Issuer or the Co-Obligor.

Neither this Shelf Prospectus nor any other information supplied in connection with the Issue or the Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Issuing Houses or the Trustee to any person to subscribe for or to purchase the Bonds.

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

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

assessment of the merits or otherwise of subscribing for the Bond Issuance Programme offered herein and should take their own professional advice in connection with any prospective investment by them.

The distribution of this Shelf Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. Persons into whose possession this Shelf Prospectus or any Bonds come must inform themselves about and observe any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Bonds in the United States of America, the United Kingdom, the European Economic Area, Canada, Japan, Australia, the Republic of South Africa and certain other jurisdictions. The Issuer, Issuing Houses and other professional advisers do not represent that this Shelf Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available there under, nor does it assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Co-Obligor, the Issuing House or the other professional advisers, which would permit a public offering of any Bonds or distribution of this document in any jurisdiction where action for that purpose is required.

Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable law and regulations.

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

Statements in a Pricing Supplement

Following the publication of this Shelf Prospectus, Pricing Supplement(s) will be issued in relation to each Series or Tranche of Bonds that are to be offered for issuance under the Programme. Each applicable Pricing Supplement will be cleared and approved by the SEC.

Specific statements on a Bond as contained in the relevant Pricing Supplement shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus. Any statements so modified shall not, except as modified or superseded, constitute a part of the Shelf Prospectus.

Amendments to the Shelf Prospectus

The Issuer, in the event of any significant change, material mistake or inaccuracy relating to information included in this Shelf Prospectus which is capable of affecting the assessment of the Bonds, shall prepare an addendum to this Shelf Prospectus for use in connection with any subsequent issue of Bonds, under the Bond Issuance Programme, which shall be subject to the Commission's clearance.

3. DEFINITION OF TERMS

“ACCOUNT BANK”	The bank (and its successors-in-title and assigns or any other bank so appointed pursuant to the Trust Deed) specified by the Parties in the applicable Final Terms, in which the Issuer establishes and maintains the transaction accounts and through which payments due to the Bondholders shall be paid as and when due
“AGUSTO & Co.”	Agusto & Co. Limited
“APPLICABLE PRICING SUPPLEMENT” OR “PRICING SUPPLEMENT” OR “SUPPLEMENTARY SHELF PROSPECTUS”	The document(s) to be issued pursuant to the Shelf Prospectus which shall provide final terms and conditions of a specific Series or Tranche of Bonds issued under the Programme and read in conjunction with the Shelf Prospectus
“AUDITORS”	Ernst & Young Professional Services, or any successor auditor which may be appointed in future by the Company
“BOARD” OR “BOARD OF DIRECTORS” OR THE “DIRECTORS”	The Board of Directors of the Issuer or the Co-Obligor as the context may indicate
“BONDS”	The registered bonds issued by the Issuer from time to time in accordance with the terms of this Shelf Prospectus and any subsequent Pricing Supplement, with aggregate value not exceeding ₦50,000,000,000.00 (Fifty Billion Naira)
“BOND ISSUANCE PROGRAMME” OR THE “PROGRAMME”	The ₦50,000,000,000.00 (Fifty Billion Naira) Bond Issuance Programme being undertaken by PAT Digital Infra Fund SPV Plc as described in this Shelf Prospectus and each other Pricing Supplement, pursuant to which the Issuer may issue several Series or Tranches of Bonds from time to time with varying maturities, terms and conditions and variable rates of interests; provided however that the aggregate value does not exceed ₦50,000,000,000.00 (Fifty Billion Naira)
“BOND MATURITY DATE” OR “MATURITY DATE”	The date specified in the applicable Pricing Supplement on which the bonds are due to be redeemed
“BONDHOLDER”	In relation to any Bonds of a Series or Tranche, a person (whether currently or in the future) registered in the applicable Register of such Tranche or Series of Bonds, as the holder of those Bonds from time to time and shall include the legal, personal representative or successor of such holder and those entered as joint holders
“BOND TRUSTEE”	Stanbic IBTC Trustees Limited and Paxhill Minerva Limited or any successor trustee acting on behalf of the Bondholders that may be appointed by the Issuer from time to time, acting in respect of the Bonds
“Book”	The "book" is the off-market collation of investor's demand by the Bookrunner and is confidential to the Bookrunner and Issuer
“BOOK RUNNER(S)”	The Issuing House(s) duly appointed by the Issuer to maintain the Book in respect of the Bonds being sold by way of Book Building

“BOOK BUILDING”	A process of price and demand discovery through which a Book Runner seeks to determine the price at which securities should be issued, based on the demand from Qualified Institutional Investors and High Net-Worth Investors
“BUSINESS DAY(s)”	Any day(s) except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria
“CAC”	Corporate Affairs Commission
“CAGR”	Compound Annual Growth Rate
“CAMA”	Companies and Allied Matters Act No. 3, Federal Republic of Nigeria Official Gazette, No. 124, Vol. 107, 2020 (as amended)
“CBN”	Central Bank of Nigeria
“CHAPEL HILL DENHAM”	Chapel Hill Denham Advisory Limited
“CIT”	Companies Income Tax
“CITA”	Companies Income Tax Act Cap C21, LFN, 2004 (as amended)
“CONDITIONS” OR “TERMS AND CONDITIONS”	Terms and conditions in accordance with which the Bonds will be issued, set out in the section of this Shelf Prospectus headed “Terms and Conditions of the Bonds”, in the section of the Pricing Supplement headed “Summary of the Offer” and in the Programme Trust Deed and the relevant Series Trust Deed
“COUPON”	The interest payable to Bondholders as specified in the applicable Pricing Supplement
“COUPON COMMENCEMENT DATE”	The date on which the Coupons on each Bond start accruing to Bondholders as specified in the applicable Pricing Supplement
“COUPON PAYMENT DATE”	The date on which the Coupons becomes payable to the Bondholders as specified in the applicable Pricing Supplement
“CSCS” OR THE “CLEARING SYSTEM”	Central Securities Clearing Systems Plc
“CSD”	CSCS or FMDQ-D or any central securities depository registered or recognized by SEC and appointed by the Issuer or as may be specified in the Applicable Pricing Supplement
“DAILY OFFICIAL LIST”	A publication of the NGX, published daily, providing information on all securities quoted on NGX’s platform
“DAILY QUOTATIONS LIST”	The publication of FMDQ, published daily, detailing price movements and information on all securities quoted on its Exchange

“DEBT SERVICE PAYMENT ACCOUNT” OR “DSPA”	The debt service reserve account to be established by the Issuer for purposes of servicing the Bond repayment obligations under the Programme; which shall be administered by the Trustee(s) and from which the Trustee shall make payments to Bondholders of Coupon and Principal Amount at times and in such amounts as are specified in the repayment schedule set out in the relevant Pricing Supplement
“DEED OF GUARANTEE”	Where applicable, refers to the deed of guarantee executed by the Guarantor and the Bond Trustee pursuant to a Series under this Programme
“EVENTS OF DEFAULT”	All such events as are defined under the Programme Trust Deed
“EXCHANGES”	The FMDQ or any other securities exchange recognized by the Commission
“FGN” OR “FEDERAL GOVERNMENT”	Federal Government of Nigeria
“FIXED RATE BONDS”	Bonds in respect of which interest is to be calculated and paid on a fixed rate basis
“FINAL TERMS”	The document specifying the final terms applicable to a Series
“FLOATING RATE”	The rate of interest payable in respect of Floating Rate Bonds
“FLOATING RATE BONDS”	Bonds in respect of which interest is to be calculated and paid on a floating rate basis
“FMDQ”	FMDQ Securities Exchange Limited
“FMDQ-D”	FMDQ Depository Limited
“GUARANTEE”	The credit enhancement (if applicable) provided by the Guarantor in relation to the applicable Series, the details of which are set out in the Deed of Guarantee
“GUARANTOR”	The entity providing the Guarantee in relation to a Series or Tranche of the Bonds
“HIGH NET-WORTH INVESTORS” OR “HNI”	As defined in the SEC Rules, an individual investor with a minimum net worth of ₦100,000,000 (One Hundred Million Naira) (excluding assets such as automobiles, homes and furniture)
“IASB”	International Accounting Standard Board
“IFRS”	International Financial Reporting Standards
“ISA”	Investments and Securities Act (No. 29 of 2007) as may be amended from time to time
“ISSUE DATE”	In respect of any particular Series or Tranche, the date on which a Bond is issued and when accrual of the interest on the Bond commences as specified in the applicable Pricing Supplement

“ISSUE PRICE”	The price at which a Bond is issued as specified in the applicable Pricing Supplement
“ISSUING HOUSES”	FCMB Capital Markets Limited, Chapel Hill Denham Advisory Limited, Vetiva Capital Management Limited, FSL Securities Limited and any other Issuing House that may be appointed by the Issuer either generally in respect of the Programme and/or in relation to a particular Series or Tranche of Bonds
“LEAD ISSUING HOUSE”	FCMB Capital Markets Limited
“LFN”	Laws of the Federation of Nigeria 2004 and 2010
“MINIMUM RESERVE ACCOUNT”	An account which the Issuer shall establish for a Series pursuant to the relevant Final Terms and which shall be managed by the Bond Trustees or such other Bond Trustees specified in the applicable Final Terms, for the purpose of warehousing such amounts as may be specified in the applicable Final Terms, as security for the repayment obligations of the Issuer
“NAIRA OR “N” OR NGN”	The Nigerian Naira, the lawful currency of the Federal Republic of Nigeria
“NIGERIA”	The Federal Republic of Nigeria, and the term “Nigerian” shall be construed accordingly
“NGX” OR “THE EXCHANGE”	Nigerian Exchange Limited
“PAN AFRICAN TOWERS” OR “COMPANY” OR “CO-OBLIGOR” OR “PAT”	Pan African Towers Limited
“PAT DIGITAL INFRA” OR “ISSUER”	PAT Digital Infra Fund SPV Plc
“PITA”	Personal Income Tax Act Cap, P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No. 20 of 2011)
“PROGRAMME TRUST DEED”	The Trust Deed between the Issuer and the Bond Trustee dated on or about the date of this Shelf Prospectus as may be amended, supplemented or restated from time to time
“PROGRAMME DOCUMENT”	All the agreements and documents, which relate to the Programme
“QUALIFIED INSTITUTIONAL INVESTOR”	As defined in Rule 321 of SEC Rules, institutional purchasers of securities, including Fund Managers, Pension Fund Administrators, Insurance Companies, Investment/Unit Trusts, Multilateral and Bilateral Institutions, Registered and/or Verifiable PE funds and Hedge Funds, Market Makers, Staff Schemes, Trustees/Custodians, Stock Broking Firms and a purchaser of securities that is financially sophisticated(or as amended from time to time)
“QUALIFIED INVESTORS”	Qualified Institutional Investors and High Net-Worth Investors
“RATING AGENCIES”	Agusto & Co or any other rating agency that may be appointed from time to time

“RECORD DATE”	The date on which the list of holders of the Bonds is extracted from the Register for the purposes of paying Coupon
“RECEIVING BANK”	Access Bank Plc, First City Monument Bank Limited, Union Bank of Nigeria Plc or any other Receiving Bank appointed by the Issuer from time to time
“REDEMPTION AMOUNT”	The aggregate Principal Amount outstanding in respect of a Bond on the Maturity Date as specified in the Applicable Pricing Supplement
“REGISTER”	The record maintained by the Registrar detailing the particulars of Bondholders, respective Bonds held by each Bondholder and the particulars, transfers and redemption of Bonds held by each Bondholder
“REGISTRAR”	Coronation Registrars Limited or any other person so appointed by the Issuer from time to time
“REPORTING ACCOUNTANT”	Pedabo Audit Services Limited or any other person that may be appointed as Reporting Accountant
“SEC” OR “THE COMMISSION”	Securities and Exchange Commission
“SEC RULES”	The Rules and Regulations of the SEC issued pursuant to the ISA as may be amended from time to time
“SERIES”	Tranche of Bonds together with any further Tranche or Tranches of Bonds which are: <ul style="list-style-type: none"> • expressed to be consolidated and form a single series and • identical in all respects (including as to listing) except for their respective Issue Dates, Coupon Payment Dates and/or Issue Prices
“SERIES TRUST DEED”	A deed supplementing or modifying the provisions of the Programme Trust Deed entered into by the Issuer and the Bond Trustee with regards to a specific Series under the Programme and empowering the Bond Trustee to hold, administer and manage the applicable assets
“SHELF PROSPECTUS” OR “PROSPECTUS”	This Prospectus that the Issuer has filed in accordance with SEC Rules, which contains details of the Bond Issuance Programme
“TELCO”	Telecommunication Company
“THE CONSTITUTION”	The Constitution of the Federal Republic of Nigeria 1999 (as amended)
“TRANCHE”	Bonds which are identical in all respects (including as to listing)
“TRUST DEED”	The Programme Trust Deed by which the Bond Issuance Programme is constituted, and the Series Trust Deed(s)
“TRUSTEES”	Stanbic IBTC Trustees Limited and Paxhill Minerva Limited granted fiduciary power by the Issuer to enforce the terms and conditions of

the Bond Issuance Programme and such other Trustees that may be appointed from time to time by the Issuer

“VALIDITY PERIOD”

A period expiring three (3) years from the date of SEC approval of this Shelf Prospectus

“VAT”

Value Added Tax

“ZERO COUPON BOND”

A non-interest-bearing Bond or a Bond issued at a discount to its face value

4. INFORMATION RELATED TO THE SHELF PROSPECTUS

4.1 Presentation of Information

The information set forth herein has been obtained from official sources that are believed to be reliable, but the fairness, accuracy, completeness or correctness of the information or opinions contained herein have not been verified. The Issuing Houses and Issuer take responsibility for information contained in the Prospectus; and to the best of their knowledge and honest belief, the information provided is accurate. The information and expressions of opinion herein are subject to change and any proposed changes to the information provided in the Prospectus shall be subject to the Commission's prior review and approval. Neither the delivery of this Shelf Prospectus nor any issue made hereunder or any future use of this Shelf Prospectus shall, under any circumstance, create any impression that there has been no change in the affairs of the Issuer since the date hereof.

All financial and other information presented or incorporated by reference in this Shelf Prospectus has been provided by the Issuer from its records, except for information expressly attributed to other sources. The presentation of certain information, including tables of receipts and other revenues, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the Issuer. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

4.2 Financial Information

The Issuer and Co-Obligor maintains its books of accounts and prepares its statutory financial statements in Naira in accordance with IFRS as promulgated by the IASB.

Unless otherwise indicated, the financial information regarding the Issuer indicated in this Shelf Prospectus has been derived from the Reporting Accountants' Report on the Group's Financial Statements. The Group's Financial Statements have been prepared in accordance with IFRS as issued by the IASB and are presented in Naira.

4.3 Rounding

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

4.4 Forward-Looking Statements

Certain statements included herein and in any Pricing Supplement may constitute forward-looking statements that involve a number of risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such forward looking statements can be identified by the use of words such as "believes", "expects", "may", "are expected to", "intends", "will", "will continue", "should", "would be", "seeks", "approximately" or "anticipates" or similar expressions or the negative thereof or other variations thereof or comparable terminologies. These forward-looking statements include all matters that are not historical facts and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, amongst other things, the Issuer's operating results, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates.

Prospective investors should be aware that forward-looking statements are not guarantees of future performance and that the Issuer's actual results of operations, financial condition and liquidity, and the development of the industry in which the Issuer operates, as this may differ materially from those made in or suggested by the forward-looking statements contained in this Shelf Prospectus. Such forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realized.

The Issuer and the Co-Obligor are not obliged to and does not intend to, update or revise any forward looking statements made in this Shelf Prospectus whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributed to the Issuer and the Co-Obligor, the

Issuing Houses or persons acting on the Issuer's behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Shelf Prospectus. A prospective investor of the Bonds should not place undue reliance on these forward-looking statements.

Factors that could cause actual results to differ materially from the Obligor's and the Issuer's expectations are contained in the cautionary statements in this Shelf Prospectus and include, among other things, the following:

- a. overall political, economic and business conditions in Nigeria;
- b. economic and political conditions in international markets, including governmental changes;
- c. changes in tax requirements, including tax rate changes, new tax laws and revised tax law interpretations;
- d. changes in government regulations, especially those pertaining to the Issuer's industry;
- e. competitive factors in the industries in which the Issuer and its customers operate;
- f. the demand for the Issuer's products and services;
- g. operational factors such as systems failure, human error or the failure to implement procedures properly;
- h. hostilities and disruption in Nigeria;
- i. FGN restrictions on movement;
- j. interest rate fluctuations and other capital market conditions;
- k. Exchange rate fluctuations;
- l. the timing, impact and other uncertainties of future actions; and
- m. other national emergencies

The sections of this Shelf Prospectus titled "**Risk Factors**", "**Description of PAT Digital Infra Fund SPV Plc**" and "**Statutory and General Information**" contain more detailed discussions of the factors that could affect the Issuer's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Shelf Prospectus may not occur.

4.5 Third Party Information

The Issuer obtained certain statistical and market information that is presented in this Shelf Prospectus in respect of the Nigerian towers industry, the Nigerian economy and the Nigerian political landscape in general from certain government and other third-party sources as identified where it appears herein.

There is not necessarily any uniformity of views among such sources as to such information provided. The Issuer has not independently verified the information included in this section. Some of the information in this Shelf Prospectus have been derived substantially from publicly available information, such as annual reports, official data published by the Nigerian government or regional agencies or other third-party sources as indicated in the text. The Issuer has accurately reproduced such information and, so far as the Issuer is aware and is able to ascertain, no facts have been omitted that would render the reproduced information inaccurate or misleading. The Issuer has relied on the accuracy of this information without independent verification.

Certain statistical information reported herein have been reproduced from official publications of, and information supplied by, a number of government agencies and ministries, and other governmental and intergovernmental organisations, including the Central Bank of Nigeria; the International Monetary Fund; the Debt Management Office; the National Bureau of Statistics and the World Bank.

Nevertheless, prospective investors are advised to consider these data with caution. Market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive, speculative and biased. Neither the Issuer nor the Issuing Houses have independently verified the figures, market data or other information on which third parties have based their studies.

5. ISSUE OF PRICING SUPPLEMENTS

Following the publication and registration of this Shelf Prospectus, applicable Pricing Supplement(s) shall be prepared by the Issuer and the Issuing Houses for each series of Bonds issued under the Programme in accordance with the SEC Rules and Regulations.

Statements contained in any such applicable Pricing Supplement(s) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Shelf Prospectus.

The Issuer and Co-Obligor declare that, to the best of their knowledge and honest belief, no material facts have been omitted from, and there are no material misstatements in, this Shelf Prospectus, which would make any statement contained herein misleading or untrue. In the event of any significant new matter, material mistake or inaccuracy relating to the information included in this Shelf Prospectus which is capable of affecting the assessment of the Bonds, the Issuer and the Co-Obligor will prepare an addendum to this Shelf Prospectus or publish a new Shelf Prospectus for use in connection with any subsequent issuances of Bonds.

PAT DIGITAL INFRA FUND SPV PLC

RC: 1828271

10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos
<https://panafricantower-ng.com>

DECLARATION OF THE ISSUER

This Shelf Prospectus has been prepared by the Issuing Houses on behalf of PAT Digital Infra Fund SPV Plc (the “issuer”) and Pan African Towers Limited (the “Co-Obligor”) for the purpose of providing information to prospective investors on relevant aspects of the Issuer and the Co-Obligor in connection with the Programme.

In that regard, and on behalf of the Board of Directors, we hereby make the following declarations:

1. That information contained in this Shelf Prospectus is, to the best of our knowledge, in accordance with the material facts and contains no omission likely to affect its import nor which will render any statements herein misleading or untrue;
2. There has been no significant change in the financial condition or material adverse change in the prospect of the Issuer as at the date of this document; and
3. The Issuer is not in breach of any terms and conditions in respect of borrowed monies which has resulted in the occurrence of any event of default and an immediate recall of such borrowed monies during the 12 (twelve) months preceding the date of this Shelf Prospectus.

Signed for and on behalf of
PAT Digital Infra Fund SPV Plc



Wole Adeleke
Director

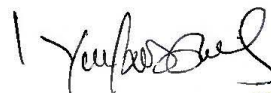


Tumininu Tiyaamiyu
Director



AK Nominees Management Services Limited
Company Secretary

F. I. Kazeem (Mrs)



OLAYINKA A. DOHERTY ESQR.
OLAYINKA, A. DOHERTY & CO.
BARRISTERS, SOLICITORS AND
NOTARIES PUBLIC
6, Tokunboh Str, Lagos Island
Lagos State



7. DECLARATION BY THE CO-OBLIGOR

10A Tokunbo Omisore Street, Lekki Phase 1, Lagos.
Tel: 08081101475
Email: clientservice@panafricantower-ng.com
Website: www.panafricantower-ng.com

**PAN AFRICAN
TOWERS LIMITED**
RC: 1100167



DECLARATION OF THE CO-OBLIGOR

This Shelf Prospectus has been prepared by the Issuing Houses on behalf of PAT Digital Infra Fund SPV Plc (the "Issuer") and Pan African Towers Limited (the "Co-Obligor") for the purpose of providing information to prospective investors on relevant aspects of the Issuer and the Co-Obligor in connection with the Programme.

In that regard, and on behalf of the Board of Directors, we hereby make the following declarations:

1. That information contained in this Shelf Prospectus is, to the best of our knowledge, in accordance with the material facts and contains no omission likely to affect its import nor which will render any statements herein misleading or untrue;
2. There has been no significant change in the financial condition or material adverse change in the prospect of the Co-Obligor as at the date of this document; and
3. The Co-Obligor is not in breach of any terms and conditions in respect of borrowed monies which resulted in the occurrence of any event of default and an immediate recall of such borrowed monies during the 12 (twelve) months preceding the date of this Shelf Prospectus.

Signed for and on behalf of

Pan African Towers Limited

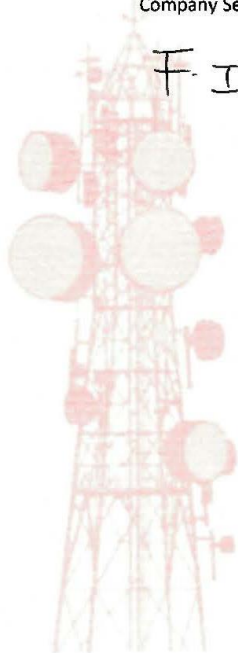
Sumanta Ray
Chief Executive Officer

Ife-Olorun Ajayi
Chief Financial Officer

AK NOMINEES
Company Secretaries And Trust Nominees

AK Nominees Management Services Limited
Company Secretary

F. I. Kazeem (Mrs)



OLAYINKA A. DOHERTY ESQ.
OLAYINKA, A. DOHERTY & CO.
BARRISTERS, SOLICITORS AND
NOTARIES PUBLIC
6, Tokunboh Str. Lagos Island
Lagos State



8. THE PROGRAMME

A copy of this Shelf Prospectus, together with the documents specified herein, has been delivered to the SEC for clearance and registration. The registration of this Shelf Prospectus and any subsequent Pricing Supplement shall not be taken to indicate that the SEC endorses or recommends the Bonds to be issued under the Programme or assumes responsibility for the correctness of any statements made or opinions or reports expressed herein.

This Shelf Prospectus is issued in compliance with the ISA, the Rules and Regulations of the Securities & Exchange Commission (the "SEC"), the listing requirements of FMDQ Securities Exchange Limited ("FMDQ") and the Nigerian Exchange Limited (the "NGX") and contains particulars in compliance with the requirements of the SEC for the purpose of giving information to the public with regards to the ₦50,000,000,000.00 (Fifty Billion Naira) Bond Issuance Programme established by the Issuer and the Co-Obligor. The specific terms of each Series of the Bonds in respect of which this Shelf Prospectus is being delivered will be set forth in the Applicable Pricing Supplement and shall include the specific designation, aggregate principal amount, the currency or currency unit for which the Bonds may be purchased, maturity, interest provisions, authorized denominations, Issue Price, any terms of redemption and any other specific terms. In the event that any issue under the Programme is to be listed, an application will be made to the NGX and/or to the FMDQ for the admission of such Bonds to its official list.

The Directors of the Issuer and Co-Obligor collectively and individually accept full responsibility for the accuracy of the information given and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no facts, the omission of which would make any statement herein misleading or untrue.

Lead Issuing House/Book Runner



Joint Issuing Houses/Book Runners



on behalf of



PAT DIGITAL INFRA FUND SPV PLC

RC: 1828271

is authorized to issue this Shelf Prospectus in respect of
The ₦50,000,000,000.00 Debt Issuance Programme

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

This Shelf Prospectus contains:

1. on page 15, the declaration to the effect that the Issuer did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve calendar months immediately preceding the date of filing an application with the SEC for the registration of this Shelf Prospectus;
2. on page 16, the declaration to the effect that the Co-Obligor did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve (12) calendar months immediately preceding the date of filing an application with the SEC for the registration of this Shelf Prospectus;

3. on page 94, the Reporting Accountant's Report prepared by Pedabo Audit Services Limited for the years ended December 31, 2018 - 2020 audited financial information for the Co-Obligor for incorporation into this Shelf Prospectus;
4. on pages 91 to 93, an extract of the Rating Report on the Company by Agosto & Co., for incorporation in this Shelf Prospectus;
5. on pages 64 to 90 (*Terms and Conditions of the Notes*) an extract of the Programme Trust Deed prepared by Solicitors to the Trustees; and
6. on page 102, the litigation opinion issued by the Solicitors to the Issue, G. Elias & Co., on the effect of any material contract and claims and litigation against the Co-Obligor on the Programme.

Validity Period of the Shelf Prospectus and Delivery of Documents:


This Shelf Prospectus is valid until February 2, 2024. No Bonds shall be issued on the basis of this Shelf Prospectus read together with the applicable Pricing Supplement(s) later than the date of Validity. This Shelf Prospectus can be obtained at the office of the Issuer, the Co-Obligor, the Lead Issuing House and the Joint Issuing Houses throughout its Validity Period.

9. PARTIES TO THE PROGRAMME


The Issuer

PAT Digital Infra Fund SPV Plc
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Issuer's Board of Directors

Oluwole Adeleke 
Director
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Tumininu Tiyaamiyu

Director 
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

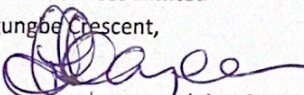
AK Nominees Management Services Limited

1B Otunba Adedoyin Ogungbe Crescent,
Lekki Phase I, Lagos

Co-Obligor's Company Secretary

AK Nominees Management Services Limited


1B Otunba Adedoyin Ogungbe Crescent,
Lekki Phase I, Lagos


F. IBIRONKE KAREEM


The Co-Obligor

Pan African Towers Limited
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

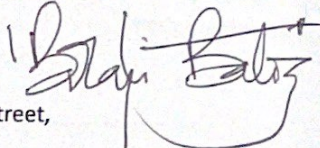
Co-Obligor's Board of Directors

Oluwole Adeleke 
Chairman
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

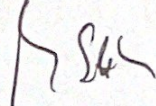
Oghenekaro Akaba

Executive Director 
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Mobolaji Balogun

Non-Executive Director 
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Phil Southwell

Non-Executive Director 
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos


Hamza Atta 

Independent Non-Executive Director
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos


Oke Maduwesi 

Independent Non-Executive Director
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Tumininu Tiyaamiyu

Non-Executive Director 
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Tunde Titilayo

Non-Executive Director 
10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Audit Committee

Mobolaji Balogun

Non-Executive Director

10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Tumininu Tiyaamiyu

Non-Executive Director

10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

Hamza Atta

Independent Non-Executive Director

10A, Tokunbo Omisore Street,
Lekki Phase I, Lagos

10. PROFESSIONAL PARTIES TO THE PROGRAMME

Lead Issuing House:
FCMB Capital Markets Limited
 First City Plaza,
 44 Marina Road, Lagos

[Signature]
ABIMBOLA KASIM

Joint Issuing House:
Chapel Hill Denham Advisory Limited
 10, Bankole Oki Street,
 Ikoyi, Lagos

[Signature]
KEML TAYLOR

Joint Issuing House:
Vetiva Capital Management Limited
 Plot 266B, Kofo Abayomi Street,
 Victoria Island, Lagos

[Signature]
Damilola Ajayi

Joint Issuing House:
FSL Securities Limited
 Plot 688 Ahmodu Tijani Close,
 Off Sanusi Fafunwa Street,
 Victoria Island, Lagos

[Signature]
CHRIS OGBURN

Solicitors to the Issuer:
Aluko & Oyebo
 1 Murtala Muhammed Drive,
 Ikoyi, Lagos

[Signature]
ASIBOLA ASOJO

Solicitors to the Programme:
G. Elias & Co.
 6 Broad Street,
 Lagos Island, Lagos

[Signature]
Fidelis Adewole
Chowaba

Auditors:
Ernst & Young
 10th Floor, UBA House,
 57 Marina Road, Lagos Island, Lagos

[Signature]
Funmi Agunwande

Reporting Accountant:
Pedabo Audit Services
 67 Norman Williams Street,
 Ikoyi, Lagos

[Signature]
Ajoke Feshin

Ratings Agency:
Agusto & Co Limited
 5th Floor, UBA House
 57 Marina, Lagos

[Signature]
Isaac Babalola
TAOR

Trustees:
Stanbic IBTC Trustees Limited
 The Wealth House,
 Plot 1678 Olakunle Bakare Close
 Off Sanusi Fafunwa Street,
 Victoria Island, Lagos

[Signature]
EMI AGABA-OLUSA

Trustees:
Paxhill Minerva Limited
 10, Bankole Oki Street
 Ikoyi, Lagos

[Signature]
MARIAM
AIWA-ORAGIE

Solicitors to the Trustees:
Olaniwun Ajayi LP
 Plot L2 401 Cl,
 Banana Island, Lagos

Registrar:
Coronation Registrars Limited
 Plot 009, Amodu Ojikutu Street,
 Off Saka Tinubu
 Victoria Island, Lagos

[Signature]
Bukola James-Cole

Receiving Bank:
Union Bank of Nigeria Plc
 36 Marina Road,
 Lagos Island, Lagos

[Signature]
Ayanbade
TSUNO

Receiving Bank:
Access Bank Plc
 14/15, Prince Alaba Abiodun,
 Oniru Road, Victoria Island, Lagos

[Signature]
Oniade Odebo

Receiving Bank:
First City Monument Bank Plc
 Primrose Tower,
 17A, Tinubu Street, Marina, Lagos

[Signature]
David Ujah

11. TRANSACTION OVERVIEW

The information contained in this section is a summary of certain aspects of the Programme and the principal features of the Bonds; and the related Programme documents. This summary does not contain all of the information that you should consider before investing in any particular Series of Bonds under this Programme nor does it purport to be complete. Therefore, it should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented in the remainder of this Shelf Prospectus and to the detailed provisions of each of the Programme Documents and the applicable Pricing Supplement/Supplementary Shelf Prospectus. Investors should read the entire Shelf Prospectus carefully, especially the risks involved in investing in any particular Series of Bonds under this Programme which are discussed under "Risk Factors":

11.1 Description of Transaction Structure

The Issuer is a special purpose vehicle, set up specifically to finance the Co-Obligor's funding requirements, by issuing bonds to Qualified Institutional Investors and High Net Worth Investors.

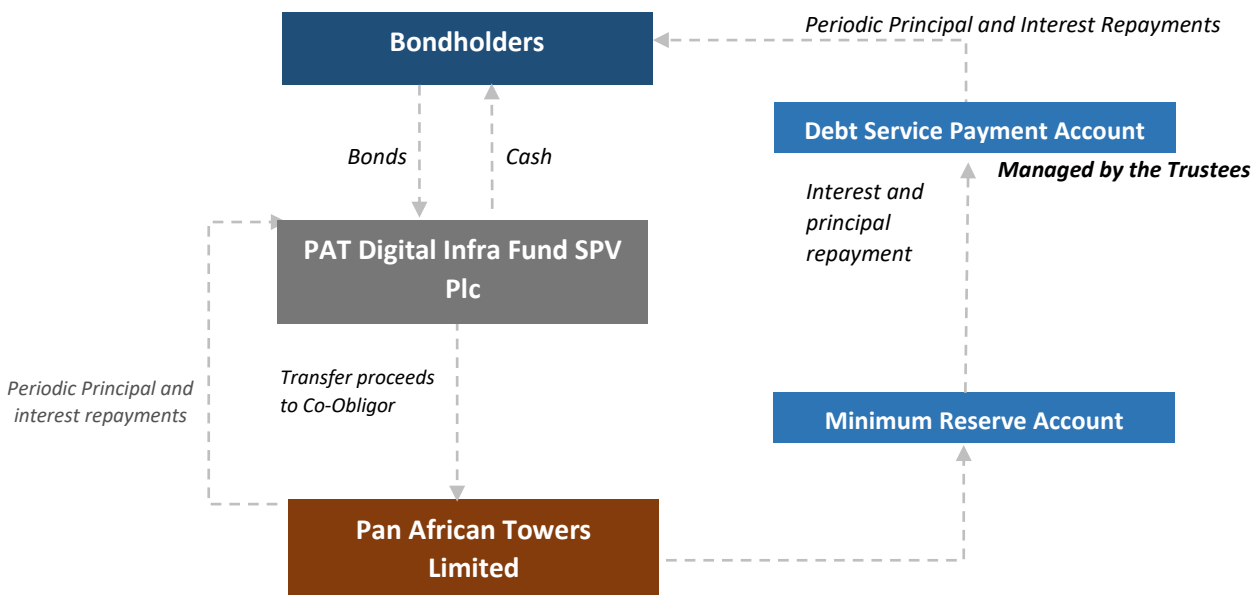
11.2 Utilization of Issue Proceeds

Pursuant to the Trust Deed between the Co-Obligor, the Issuer and the Joint Trustees, the Issuer shall utilize the net proceeds of the Bonds according to the use of proceeds specified by of the Pricing Supplement for each Series or Tranche under the Programme.

11.3 Servicing of Bonds

The Coupon and the Principal payable on the Bonds to the Bondholders will be serviced in accordance with the repayment schedule as contained in the Applicable Pricing Supplement from the payments received by the Issuer from its investments in the Pan African Towers Bonds in accordance with the terms of the Trust Deed.

11.4 Illustration of Issuance Programme



Key features of the Issuance include:

- The Issuer is a special purpose vehicle that will issue Bonds to Qualified Institutional Investors and High Net Worth Investors.
- The Issuer will use the net proceeds of each Series issued under the Programme.

- Subject to the applicable Final Terms, the coupon and principal repayment obligations from the Series I Bond issuance will be made out of the Debt Service Payment Account (“DSPA”). The DSPA will be established by the Issuer.
- Where required in connection with a Series, The Co-Obligor will establish a Minimum Reserve Account. The Minimum Reserve Account will be funded prior to each Coupon Payment Date with the amount due at each payment date, for purposes of servicing the interest and principal obligations.
- Subject to the applicable Final Terms, The Trustee(s) will fund the DSPA by transferring the requisite amount from the Minimum Reserve Account, prior to each coupon payment date.

12. PARTICULARS OF THE PROGRAMME

The following information should be read in conjunction with the full text of this Shelf Prospectus, from which it is derived. The information provided below is a brief summary of the key features of the proposed Bonds to be issued under the Programme and a description of the Issuer and the Co-Obligor. This summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Shelf Prospectus as a whole, the Pricing Supplement and other documents, if any, incorporated by reference into this Shelf Prospectus.

ISSUER:	PAT Digital Infra Fund SPV Plc
CO-OBLIGOR:	Pan African Towers Limited
GUARANTOR	The entity providing the Guarantee in relation to a Series or Tranche of the Bonds.
PROGRAMME DESCRIPTION:	<p>A Bond Issuance Programme being undertaken by the Issuer through which a Bond or a Series of Bonds with varying maturities will be issued.</p> <p>Under the terms of the Programme, convertible and non-convertible Bonds, Senior or Subordinated Bonds, Secured or Unsecured Bonds, Fixed Rate Bonds, Floating Rate Bonds, Zero Coupon Bonds and any combinations thereof may be issued, all of which shall be denominated in Naira or in such other currency as may be agreed between the Issuer and the Issuing Houses and specified in the relevant Pricing Supplement.</p> <p>The Bonds shall be constituted by the Programme Trust Deed. A Series Trust Deed will be issued in respect of each Series.</p>
PROGRAMME LIMIT:	₦50,000,000,000.00 (Fifty Billion Naira)
ISSUING HOUSES/BOOK RUNNERS:	FCMB Capital Markets Limited, Chapel Hill Denham Advisory Limited, Vetiva Capital Management Limited, FSL Securities Limited and/or any other Issuing House specifically stated in a Pricing Supplement.
TRUSTEES:	Stanbic IBTC Trustees Limited and Paxhill Minerva Limited, or any other Trustee appointed by the Issuer.
REGISTRAR/PAYING AGENT:	Coronation Registrars Limited and/or such other registrar as may be specified in the relevant Pricing Supplement.
LISTING:	Each Tranche or Series of the Bonds may be listed on recognized securities exchanges such as the FMDQ, and/or other relevant Exchanges as specified in the applicable Pricing Supplement.
PROGRAMME AMOUNT:	₦50,000,000,000.00 (Fifty Billion Naira only).
METHODS OF ISSUE:	Bonds under this Programme may be issued via a Book Build, public offering, private placement and/or any other such methods as described in the Pricing Supplement and as approved by the SEC.
ISSUANCE IN SERIES:	The Bonds will be issued in series and each Series may comprise one or more Tranches issued on different dates. The Bonds in each Series will be subject to identical terms, whether as to currency or maturity or otherwise, except that the Issue Date, the Issue Price and Coupon Commencement Dates may be

	different. Details applicable to each Series will be specified in the relevant Pricing Supplement.
USE OF PROCEEDS:	The application of the proceeds of each Series and or Tranche in relation to the above will be specified in the Applicable Pricing Supplement
CURRENCIES:	Bonds will be denominated in Naira
RANKING:	The Bonds may be senior or subordinated Bonds as indicated in the relevant Pricing Supplement.
STATUS OF THE BONDS:	The status of the Bonds are as specified in the Programme Trust Deed and as modified in respect of any Series by the applicable Trust Deed.
CO-OBLIGOR RATING:	Bbb- (Agusto)
RATINGS:	The Bonds issued under this Programme will be rated by one or more ratings agencies at the instance of the Issuer. The Rating Report will be set out in the relevant Pricing Supplement.
EVENTS OF DEFAULT:	The events of default under the Bonds are as specified within the Series Trust Deed(s).
FORM OF THE BONDS:	The Bonds shall be issued in registered form and shall be transferable. The issue and ownership of the Bonds will be effected and evidenced by the particulars of the Bond and the respective Bondholders being entered in the Register by the Registrar and the Bonds being electronically registered in the Central Securities Clearing System accounts of the Bondholders.
ISSUE PRICE:	Bonds may be issued at par or at a discount or premium to par.
MATURITY OF BONDS:	Bonds may be issued with such maturities as may be agreed with the Issuer and as indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the Issuer or any laws or regulations applicable to the Issuer or the relevant specified currency.
ISSUANCE IN SERIES:	The Bonds will be issued in series and each Series may comprise one or more tranches issued on different dates. The Bonds in each Series will be subject to identical terms, whether as to currency or maturity or otherwise, except that the Issue Date, the Issue Price, Coupon Commencement Dates may be different. Details applicable to each Series will be specified in the Applicable Pricing Supplement.
DENOMINATIONS:	Bonds will be issued in such denominations as may be agreed between the Company and the relevant Issuing Houses and as specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements, and in accordance with usual market practice.
FIXED RATE BONDS:	Fixed Rate Bonds will bear Coupons which will be payable in arrears on each Coupon Payment Date as may be specified in the relevant Pricing Supplement(s)
FLOATING RATE BONDS:	Floating Rate Bonds will bear interest at a rate on such basis as may be agreed between the Issuer and Issuing Houses as is specified in the relevant Pricing Supplement. The basis of calculating the amounts of interest payable may be by

reference to a variety of financial instruments, currency exchange rate or any other index or formula or as otherwise provided in the relevant Pricing Supplement

INDEX-LINKED BONDS:

The Issuer may offer Bonds which provide for payments of principal or interest which are linked to a currency, securities exchange or commodities exchange index or other index as stated in the relevant Pricing Supplement. Specific provisions regarding the manner in which such payments are to be calculated and made will be set forth in the relevant Pricing Supplement.

ZERO COUPON BONDS:

Zero Coupon Bonds may be issued at a discount to par and will not bear interest other than in the case of default interest for late payment as prescribed in the Applicable Supplement.

OTHER BONDS:

Terms applicable to High Interest Bonds, Low Interest Bonds, Step-Up Bonds, Step-Down Bonds, Dual Currency Bonds, and any other type of Bonds which the Issuer and the Issuing Houses may agree to issue under the Programme, subject to compliance with all applicable relevant laws, regulations and directives, as set out in the relevant Pricing Supplement.

TENOR:

The Bonds will have such maturities as may be agreed between the Issuer and the Issuing Houses, subject to such minimum or maximum maturities as may be allowed or required from time to time by the SEC (or equivalent body) or any laws or regulations applicable to the Issuer. The tenor of a particular series of Bonds shall be specified accordingly in the relevant Pricing Supplement.

EARLY REDEMPTION:

Early redemption will be permitted only to the extent specified in the relevant Pricing Supplement(s) and subject to any applicable laws, regulations and other regulatory requirements.

REDEMPTION:

Bonds may be redeemable at par or at such other redemption amount as may be specified in the relevant Pricing Supplement.

REDEMPTION AMOUNTS

The relevant Pricing Supplement will specify the redemption amount or, if applicable the basis for calculating the redemption amounts payable.

COUPON AND PRINCIPAL PAYMENT

The Issuer may pay coupon and principal on each Series to unit holders the dates stated in the Applicable Pricing Supplement.

NEGATIVE PLEDGE:

So long as any portion of the Programme remains outstanding, the Issuer hereby covenants that it shall not, without the prior consent of the Trustees in writing (such consent not to be unreasonable conditioned, delayed), create or permit to subsist any pledge, lien, mortgage or charge (whether fixed or floating) on the whole or any part of its undertaking, property or assets or revenues, present or future, to secure any Financial Indebtedness or any guarantee of or indemnity in respect of any Financial Indebtedness of the Issuer other than a Permitted Security.

GOVERNING LAW:

The Bonds and all related contractual documentation will be governed by, and construed in accordance with Nigerian law.

TAXATION:

The Bonds issued under the Programme are tax exempt in line with the tax exemptions granted by the President of the Federal Republic of Nigeria – as contained in the CIT (Exemption of Bonds and Short Term Government

Securities) Order 2011 (“CIT Order”), the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 (“VAT Order”) and PIT (Amendment) Act 2011 (“PITA”). The exemptions granted under the CIT and VAT Orders became effective in 2012 and are valid for a period of ten (10) years while the duration of the exemptions under the PITA is indefinite. Upon expiration of the CITA order in January 2022, Bondholders may be liable to pay income tax on profits or returns accrued on the Bonds. While the VAT Order expires in 2022, the Finance Act, 2020 now excludes securities from “goods and services” for the purpose of value added tax (s.44). In relation to Bonds with a maturity date later than January 2, 2022, the Issuer may be required by law to withhold income tax on Coupon payments to the Bondholders.

In addition, the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014 exempts (a) commissions earned on traded value of the shares, and (b) commissions payable to the SEC, the Nigerian Exchange Limited and the CSD from VAT for a period of five years from the commencement date of the order i.e., 25th July, 2014. In light of the fact that this Order expired in 2019 and was not extended, Issuer will be required to pay VAT on commissions payable to the SEC, NGX and Depository, in respect of the Bonds. Please refer to the section on Tax Considerations on page 29 for a detailed description of the tax considerations

TERMS AND CONDITIONS:

The terms and conditions applicable to each Series (the “Terms and Conditions”) will be agreed between the Issuer and the relevant Issuing Houses or other purchaser at or prior to the time of issuance of such Series, and will be specified in the relevant Pricing. The Terms and Conditions applicable to each Series will therefore be those set out in the relevant Pricing Supplement.

PRICING SUPPLEMENT/SUPPLEMENTARY SHELF PROSPECTUS:

The Final terms of each Series will be set forth in a Pricing Supplement/ Supplementary Shelf Prospectus.

OTHER CONDITIONS:

Such other Terms and Conditions as may be incorporated by reference to, modified by, or supplemented by applicable Pricing Supplement for the Issue.

TRANSACTION DOCUMENTS:

- Shelf Prospectus
- Applicable Pricing Supplement
- Programme Trust Deed
- Series Trust Deed
- Vending Agreement
- Series Deed of Guarantee
- Reporting Accountants Report
- Solicitors’ Opinion on Claims and Litigation & Material Contracts
- Rating Reports

13. TERMS AND CONDITIONS OF THE PROGRAMME

The following is the text of the terms and conditions which (subject to amendment and as completed, modified, supplemented, varied or replaced, in whole or in part, by the conditions which form part of the relevant Series Trust Deed, Pricing Supplement, save for the italicized text) will be deemed incorporated into the Bonds.

The provisions of these Terms and Conditions of the Bonds which are applicable to the Bonds issued under the Programme shall be deemed to be completed by the information supplied in the relevant Series Trust Deed. Any provisions of the Series Trust Deed, Pricing Supplement modifying supplementing or replacing, in whole or in part, the provisions of these Conditions shall be so construed, and all provisions of these Terms and Conditions which are inapplicable to the Bonds of any Series shall be deemed deleted from these Conditions as required to give effect to the relevant Series Trust Deed or Pricing Supplement.

The Bonds

The Bonds are hereby constituted by a trust deed (the “**Programme Trust Deed**”) dated February 2, 2022 among PAT Digital Infra Fund SPV Plc (the “**Issuer**”), Pan African Towers Limited (the “**Co-Obligor**”), Stanbic IBTC Trustees Limited and Paxhill Minerva Limited (the “**Trustees**”).

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

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

14. TAX CONSIDERATION

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

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

Under Nigerian law, income accruing in, derived from, brought into, or received in Nigeria in respect of dividends, interest, royalties, discounts, charges or annuities is subject to tax. Interest shall be deemed to be derived from Nigeria if (a) there is a liability to payment of the interest by a Nigerian company or a company in Nigeria regardless of where or in what form the payment is made, or (b) the interest accrues to a foreign company or person from a Nigerian company or a company in Nigeria regardless of whichever way the interest may have accrued. Consequently, interest payments on the Bonds derived from Nigeria and accruing to both Nigerian investors and non-Nigerian investors would ordinarily be subject to withholding tax in Nigeria at the applicable rate of ten percent (10%) or seven and a half percent (7.5%) if the foreign company or person to whom the interest accrues is resident in a country with which Nigeria has a double taxation treaty (which has been ratified by the Nigerian National Assembly) and the Company would be required to withhold tax on such payments and remit same to the appropriate tax authorities. Furthermore, in accordance with the provisions of the Finance Act 2020, any expense incurred in deriving tax exempt income would not be deductible for the purpose of arriving at taxable profit

However, under current legislation in Nigeria, an investment in the Bonds to be issued under the Programme is generally exempt from all forms of taxes. These include exemptions from CIT, VAT and PIT, by virtue of the CIT (Exemption of Bonds and Short Term Government Securities) Order 2011 ("CIT Order"), the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("VAT Order") and the Personal Income Tax (Amendment) Act 2011. The CIT Order and VAT Order became effective on January 2, 2012 and are valid for a period of ten years from that date. The exemption under PITA is indefinite. While the VAT Order expires in 2022, the Finance Act, 2020 now excludes securities from "goods and services" for the purpose of value added tax (s.44). However, Bondholders will be required to pay VAT on commissions payable to the SEC, the Exchange and the CSD in respect of the Bonds

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

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

15. OVERVIEW OF THE NIGERIAN ECONOMY

The information in this section has been extracted from documents and other publications released by various officials and other public and private sources, such as the CBN, the International Monetary Fund ("IMF"), the Nigerian Debt Management Office ("DMO"), the National Bureau of Statistics ("NBS"), the Nigerian Federal Ministry of Finance ("FMF") and the Organization of Petroleum Exporting Countries ("OPEC"), as indicated herein. There is not necessarily any uniformity of views among such sources as to such information provided. We have not independently verified the information included in this section. The information in this section has been derived substantially from publicly available information, such as annual reports, official data published by the Nigerian government or regional agencies or other third-party sources as indicated in the text.

15.1 Introduction

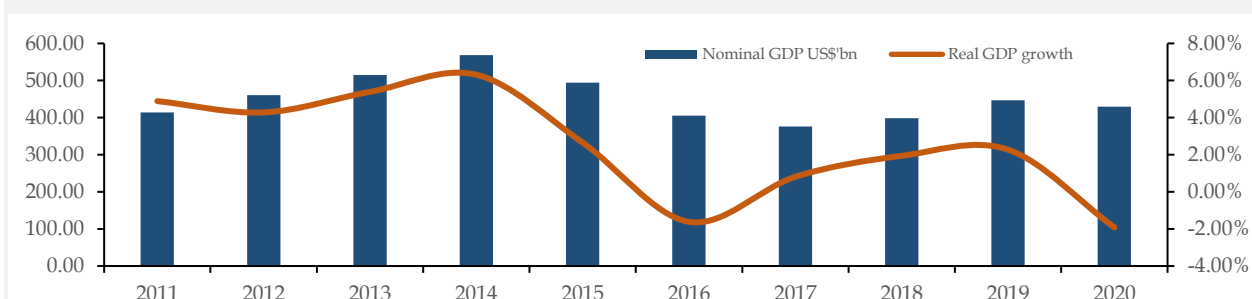
Nigeria is the largest economy in Africa by GDP. In 2020, Nigeria's nominal GDP was US\$432.3 Billion, GDP per capita was US\$2,097.1 and real GDP growth was -1.79% following the deleterious impact of COVID-19. Among 195 countries, Nigeria ranks 143rd in terms of GDP per capita, according to the International Monetary Fund. This emerges from a population estimate of over 206 Million people, with a 2050 projection of 401.3 Million persons. The population is young and urban-based with 50% aged under 19 years and 52% living in urban areas. The Nigerian economy relies significantly on crude oil export, having the 10th largest proven crude oil and natural gas reserves in the world.

15.2 Economy

The political landscape in Nigeria transitioned into a multi-party democracy, which led to the emergence of improved political stability, economic liberalization reforms and macroeconomic liabilities. Between 2010 and 2014, annual real GDP growth averaged 7.7%, a record that remains unmatched to date. The non-oil sector, especially the telecommunications and financial service sectors, remains the major driver of growth, based on the positive reforms enacted in these sectors.

Following the rebasing in 2014, Nigeria became the largest economy in Africa, ahead of South Africa, with a nominal GDP of US\$568.5 billion in 2014. Since 2014, the Nigerian economy has been fraught with series of fluctuations in the crude oil price, capital flight due to insecurity and infrastructural challenges and periodic attack on oil production facilities in the Niger Delta region. By 2016, the shale oil boom also deterred the global crude oil market as oil price fell from US\$114.60 per barrel in June 2014 to a low of US\$30.66 per barrel in January 2016. Likewise, Nigeria's crude oil production (including condensates) also fell from 2.21 Million barrels per day in 2014 to 1.81 Million barrels per day in January 2016 after renewed attacks on oil facilities in oil producing communities in the Niger Delta. The twin-malaise of lower production and crude oil price led to a contraction in fiscal revenue as the oil and gas sector accounted for over 90% of exports and 70% of Federally Collected Revenue in 2014.

Figure 1: Nigeria Nominal GDP and Real GDP Growth



Source: DMO, Chapel Hill Denham Research

Post 2016, the Nigerian economy has evolved with different setbacks, which led to recession happening twice between 2016 and 2021. The CBN managed the situation by responding with accommodative monetary policy like cutting interest rate and enforcing a higher loan-to-deposit ratio, currently at 11.50% and 65% respectively. The foreign exchange regime

in Nigeria has also evolved significantly in the last ten years. The CBN managed float regime has been supported by devaluation, barring certain importers from accessing foreign exchange, classifying goods as ‘not valid for foreign exchange, pegging foreign currency cash deposits and discontinuing the sale of foreign exchange to BDCs. Following these actions, the exchange rate depreciated from ₦196/US\$ in 2015 to ₦410/US\$ in 2021.

Currently, the Nigerian economy is recovering from the economic losses imposed by COVID-19 and the government, having experimented with the erstwhile Economic Recovery and Growth Plan (ERGP) of 2016, is running the Nigeria Economic Sustainability Plan (NESP) and a fresh five-year National Development Plan. The Nigerian economy remains resilient, having weathered two recent recession (2016 and 2020), and successfully exited with a fast recovery.

Table 1: Macro Economic Data

Economic Indicators	2019	2020	2021F	2022F	2023F	2024F
GDP at current prices (US\$ billions)	446.5	429.4	508.0	560.0	660.0	742.9
Real GDP growth (%)	2.27%	-1.92%	2.50%	2.30%	2.20%	2.10%
GDP per capita (US\$ market exchange rates)	2,222	2,083	2,602	2,830	3,075	3,346
Average Consumer Price Index (CPI) (%)	11.39%	15.75%	17.47%	16.10%	14.80%	13.50%
Monetary policy rate (%)	13.5%	13.5%	14.0%	14.0%	13.5%	13.5%
Current account/GDP (%)	-3.6%	-4.5%	-2.5%	-2.0%	-1.5%	-1.4%
Population (million)	201.0	206.1	211.4	216.7	222.2	227.7
Total external debt (US\$ billions)	27.4	33.3	35.0	35.4	41.5	45.6
Total external debt (% of GDP)	6.1%	7.8%	7.5%	7.5%	7.5%	7.5%
Exchange rate US\$/N (average)*	360.7	410.3	420.0	435.0	440.0	450.5

Source: IMF, DMO, Chapel Hill Denham Research

* refers to I&E Window rate

15.3 Sectoral Contribution to GDP

Q1-2021 GDP print revealed that the Nigerian economy grew by 0.51% Year on Year (**yoy**) and 40bps Quarter on Quarter (**qoq**) in the first quarter of 2021. While the oil sector contracted by 2.21% yoy, the non-oil sector expanded by 0.79%. The contraction in the oil sector was a fallout of low crude oil production. Cement, telecommunications and agriculture sectors drove the performance of the non-oil sector with growth rates of 11.20%, 7.69% and 2.28% respectively. In terms of contribution to real GDP, agriculture, industry and services contributed 22%, 24% and 54%, depicting that the service sector remains the stronghold of the Nigerian economy.

15.4 Fiscal Deficit

The Federal Government of Nigeria’s overall fiscal deficit increased by 16.9% to ₦5.74Billion (-3.8% of GDP) in 2020 from ₦4.91 Billion (-3.4% of GDP) in 2019. Notably, the deficit recorded in 2020, exceeded the 2020 budget benchmark of ₦4.98 Billion and the 3.0% of GDP maximum limit set by the Fiscal Responsibility Act 2007 (FRA). The worsening fiscal deficit balance is tied to lower oil prices and production caused by a fall in demand due to the COVID-19 pandemic. Over the past three (3) years, fiscal deficits have significantly missed targets due to ambitious revenue estimates and expenditure pressure.

To address the chronic fiscal deficit, the Government has introduced different revenue-enhancing measures including: (1) the Deep Offshore and Inland Basin Production Sharing Contract (PSC) Act which improves the fiscal terms for deep offshore fields, and (2) the Finance Act 2020, which, amongst other provisions. The IMF has also recommended that the Government expand the excise tax base to include alcohol and cigarettes. In 2021, the FGN has budgeted a fiscal deficit of ₦5.6 Trillion. This will be financed using the conventional method of combining domestic borrowing, external debt and monetary financing by the CBN.

15.5 Inflation

Headline inflation resumed a descent in April 2021 at 18.12% yoy; declining further to 17.38% yoy (-37bps mom) as at July 2021. Food and core inflation closed at 21.03% yoy (-80bps mom) and 14.05% yoy (+77bps mom) respectively in July 2021. Factors supporting the recent disinflation trend include the dip in specific food prices in the Consumer Price Index basket, the absence of major price shocks and CBN's proactive stance to managing foreign exchange in the economy. The CBN has the firepower of Nigerian Treasury Bills (**NTBs**), Open Market Operations (**OMO**) and special bills to control the level of money supply fueling inflation, as well as maintaining the agriculture and manufacturing sector interventions to manage inflation.

15.6 Foreign Exchange

The CBN officially scrapped the previous official rate of ₦381/US\$ and replaced it with ₦410/US\$ in May 2021 as a signal of exchange rate convergence in the market. This became unavoidable after the CBN devalued the currency twice in 2020 from ₦306.9/US\$ to ₦360/US\$ and thereafter to ₦379/US\$. Adopting the previous exchange rate had proven too expensive for the CBN as they had to supply ₦5.72 Billion annually to defend the Naira. After adopting the Nigerian Autonomous Foreign Exchange Rate Fixing Methodology (**NAFEX**) rate in May 2021, the CBN affirmed to the market that they will be conducting all government transactions at the official NAFEX rate. In addition, the CBN recently 'sanitized' the FOREIGN EXCHANGE market by discontinuing the sale of foreign exchange to BDCs and reallocating the funds to commercial banks, who are better placed to supply foreign exchange to the right hands. Furthermore, the indefinite continuity of the Naira for Dollar scheme was another ingenuity from the CBN to tap foreign exchange from the diaspora community. Recently, the CBN also placed microfinance banks on restriction from selling foreign exchange to the public in a bid to prevent rent-seeking activities in the foreign exchange market that expands the backlog of foreign exchange demand (estimated at US\$2Billion in January 2021) for the CBN. The import of the recent developments in Nigeria's foreign exchange market are pointers to a well-regulated market, with one goal to mind – to ensure that genuine demand for foreign exchange in Nigeria are met.

15.7 Interest Rate

In order to stimulate the economy and manage the dire economic effect of COVID-19, the CBN slashed the benchmark Monetary Policy Rate (**MPR**) twice in 2020 from 13.50% to 11.50%. Following the first rate cut in May 2020, the CBN also restricted the sale of OMO bills to non-bank investors. This was meant to encourage more participation of foreign portfolio investors in OMOs. The minimum loan-to-deposit ratio was raised to 65% from 30% to encourage lending to the real sector. The CBN is expected to continue to use administrative tools to incentivize banks to increase lending to the real sector and bolster economic growth.

15.8 Reforms

Nigeria is currently implementing two major economic development plans concurrently: the Nigeria's Medium Term National Development Plan (**MTNDP**) 2021-2025 and the Nigeria Economic Sustainability Plan (**NESP**). These plans replaced the Vision 2020 and Economic Recovery and Growth Plan (**ERGP**), which partly achieved its objectives. The NESP was enunciated to drive the recovery of the Nigerian economy from the 'debris' of the COVID-19 pandemic. The N23 trillion NESP anchors on job creation and fiscal expansion through mass agricultural and housing programme, renewable energy, digitization, public works, support for Small and Medium Enterprises (**SMEs**), diversification from liquid crude to gas among others. On its part, the MTNDP is the current medium term planning framework of the FGN. The strategic objectives of the MTNDP include: to establish a strong foundation for a diversified economy, with robust SME growth, and a more resilient business environment; to invest in critical physical, financial, digital and innovation infrastructure; to build a solid framework and enhance capacities to strengthen security and ensure good governance and; to enable a vibrant, educated and healthy populace.

The Ministry of Power is also implementing the Power Sector Reform Programme (**PSRP**), a medium term (2017 – 2021) plan developed and supported by the World Bank. The plan is aimed at resolving the current

challenges in the power sector, restore its financial viability and improve power supply. There is also the \$2 Billion Siemens power deal that is expected to raise electricity generation in Nigeria from 4,500MW to 25,000MW.

In spite of its challenges, Nigeria still presents one of the most compelling frontier/emerging market opportunities in the world due to the following factors:

- **Strong underlying demographics:** The country's huge population, favourable demographics (62% of people below the age of 25) and a growing, albeit slowly, middle class provide wealth generating capacity for the foreseeable future.
- **Stable political environment:** Nigeria has had relative political stability since 1999, ending the country's preceding 16 year run under military rule. The country has also witnessed 3 successful civilian-to-civilian transitions since 1999, providing further evidence of the country's commitment to maintaining democracy.
- **Commitment to reforms:** The pace and steady progress of reforms in Nigeria in recent years is testament to the commitment of the government to developing the country. The reforms have resulted in Nigeria's improved ranking in the ease of doing business reform ranking of the World Bank, and also resulted in a fundamental shift in the public's perception of the government's fiscal responsibility. It is envisaged that the reforms will continue to be the catalyst for improvement in Nigeria's social and economic infrastructure and provide a favourable framework for investment and real growth opportunities across sectors.
- **Wealth of natural resources:** With its large reserves of human and natural resources, Nigeria has the potential to build a highly prosperous economy, reduce poverty significantly and provide the infrastructure, health and education its population badly needs.
- **External debt management:** Nigeria has successfully reined in on its external debt over the past decade, thereby allowing for an effective management of public finances and promotion of investment.
- **Significant investment opportunities in infrastructure:** It is estimated that Nigeria requires an investment of US\$100 billion (N36 Trillion) in infrastructure – power, rail transportation, roads and oil & gas – to achieve and sustain double digit economic growth rate. The 2020 budget proposal earmarks N2.14 Trillion (21% of total budget) towards capital expenditure. The government has also set up the Presidential Infrastructure Development Fund (PIDF) and funded it with US\$650 Million, to make investment in infrastructure. The Road Infrastructure Tax Credit Scheme was launched in 2019, via an executive order, to provide incentives for the private sector to construct and rehabilitate 19 roads and bridges of 794.4km. According to the Presidency, the scheme has attracted N205 billion in private sector financing thus reinforcing the Government's focus on infrastructure development as well as its drive towards stimulating growth and employment especially through infrastructure investments.

In conclusion, the on-going Government reform and fight against corruption and insurgency, continuous drive by the CBN for credit expansion to the real sector, and underlying strong demographic advantages, will continue to present a compelling case for investments in all sectors of the economy.

16. INDUSTRY OVERVIEW

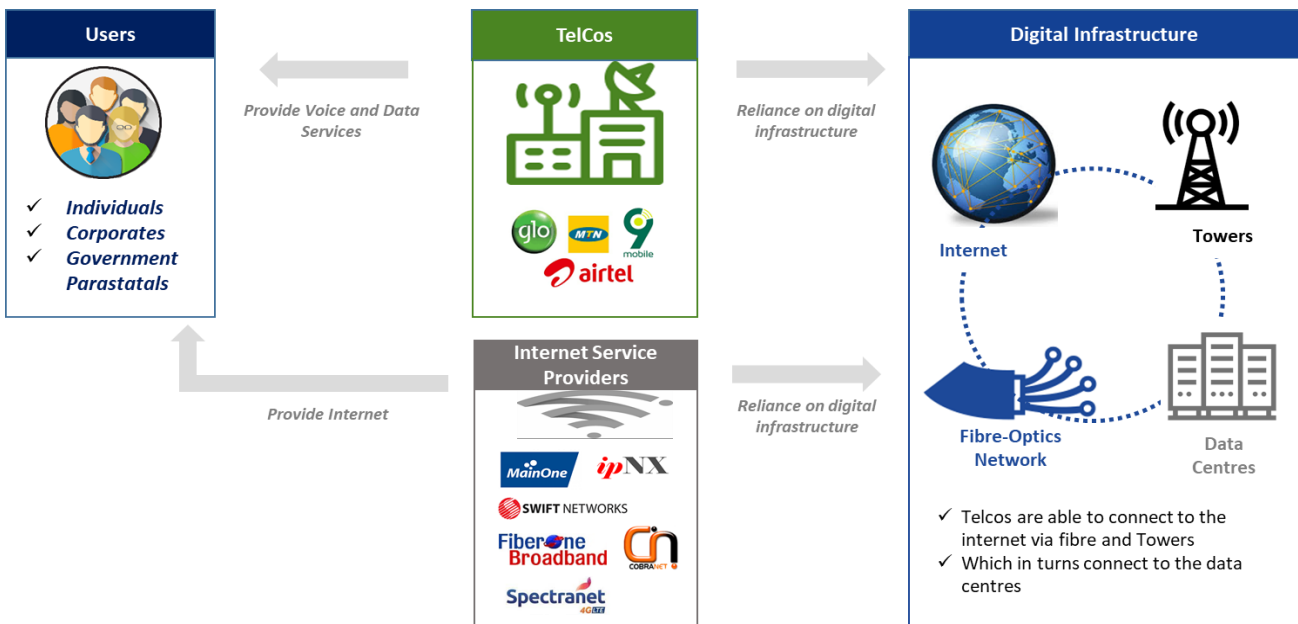
16.1 General Overview

Digital infrastructure broadly refers to the critical real assets that keep us all connected to the internet. It essentially refers to everything from fibre-optic networks that connect businesses and homes, to the data centres that organisations use to house their critical networks of computer and storage resources and to the towers and small cells that carry data traffic wirelessly to the end user.

The digital ecosystem includes multiple layers of infrastructure assets, equipment and technologies that all work together to provide us with the broadband coverage, capacity and computing power needed to live, work and play in today's virtual era.

This sector is set for a sustained boom that is fueled by the acceleration of digital transformation across the business world as result of the pandemic. The impact of COVID-19 has highlighted the importance of these essential assets and the connectivity that we all need to live, work and play in today's digital world. As the demand for digital communications increases exponentially throughout the industrial, commercial, and domestic sectors, there are multiple opportunities to invest in the digital infrastructures, the backbone for the world's connectivity.

This schematic below sets out the relationship between digital infrastructure and the services society have come to rely on.



The essential digital infrastructure which co-exist to deliver bandwidth comprises:

- **Mobile Communication Towers:** These are a combination of steel structures that are designed in order to support antennas for telecommunications and broadcasting. Mobile communication towers carry data traffic wirelessly to end-users and help provide better network coverage and reception signal in the areas they are mounted. The telecommunication market has aided in the increase in the demand for telecommunication towers in both rural as well as off-grid areas.
- **Data Centres:** Data centres are physical facilities that house critical computer and storage resources. They are principal storehouses for multiple information technology equipment such as servers, storage subsystems, networking equipment, routers, firewalls, and storage area network and data applications. The widespread digitalization across the global economy has led to increased importance of data centres. Tenants of data centres are heavy data users such as big technology and innovation companies, oil and gas companies, banking and financial institutions, government agencies, health care providers, etc.

- **Fibre-Optic Networks:** Fiber optics, also called optical fibers, are microscopic strands of very pure glass that are used to transmit data over long distances. They are commonly used in telecommunication services such as internet, television and telephones. Fibre-optic networks are the communication backbone of the internet and as the internet traffic begins to rapidly grow, the capacity of optical networks is geared to expand accordingly. The universe of fibre-optic network can be split into the following:
 - **Long-haul fibre** connect cities and countries throughout the world. This fibre is typically leased to network providers and telecoms operators.
 - **Sub-sea fibre** connects countries that do not share land borders through undersea fibre, for example between European and African countries.
 - **Fibre connecting mobile telecommunication towers and data centres** connects the broader fibre network as well as fibre connections within cities and between regions.
 - **Fibre-To-The-Premises (FTTP)** connects end users, both businesses and consumers, to the broadband network.

Digital infrastructure assets have the following series of characteristics that that make them viable investment for providers.

- **Long Tenor Contracts:** Contracts are usually an average of 10-20 years. In instances where terms are short term, they are typically renewed, with no intervention required.
 - **Minimal Client Turnover:** These are usually low as it is costly, complicated and timewasting to remove and reconstruct outsourced data centre operations.
- Unique Regulatory Risks:** Like core infrastructure, digital infrastructure tends to be highly regulated, but in unique ways.

16.2 Tower Industry Overview

Mobile communication towers are enabled sites where antennas and electronic communications equipment are placed typically on a radio mast, tower, or other raised structure to create a cell (or adjacent cells) in a network. The primary function of a tower is to ensure proper elevation to antennas that receive and transmit radio-frequency signals from cell phones and other devices. To function effectively, these towers are usually placed adjacent a road for physical access with availability of telecommunications network connectivity and electrical power.

In Sub-Saharan Africa, Nigeria is the largest market by the number of connected subscribers with approximately 500 million subscribers in 2020. According to the Nigerian Communications Commission (**NCC**), the number of third generation (**3G**) and fourth generation (**4G**) towers and colocation towers in Nigeria increased to 53,460 in 2020 from about 30,000 in 2013. Based on data from Global System for Mobile Communications' (**GSMA**), Nigeria's share of Sub-Saharan Africa towers rose to 16% in 2020 from 13% in 2014. It is worth noting that the number of towers in the country influences the quality of the services provided by Mobile Network Operators (**MNOs**).

Tower companies (in Nigeria) provide core services such as colocation and build-to-suit telecommunication towers. We highlight that the build-to-suit towers are demand driven. The colocation could be around traditional telephony, broadband, backbone, among others. Considering that some MNOs, Code Division Multiple Access (**CDMA**), fixed wireless and fixed wired operators may prefer customised services, tower companies provide tower solutions that meet such needs. Tower companies also structure products around buy-and-lease-back models and provide Distributed Antenna Solutions (**DAS**) both for outdoor and indoor. Accordingly, the growth of tower companies' revenue is partly driven by tenancy growth, with tenancy ratio (number of tenants divided by number of towers).

16.2.1 Classification of Towers

There are largely 4 types of towers including:

- **Lattice Towers:** These towers are made from steel and are segmentally designed triangular or square shaped lattices. Also referred to as “self-supporting towers”, these structures can accommodate the heaviest load and wind, and provide the most stability when compared to other cell tower types. This cell tower is ideal for installations where space requirements may be limited and often inexpensive to purchase, transport and install. They can be used as electricity transmission towers, radio towers or as an observation tower. The Eiffel Tower is an example of a lattice tower.
- **Monopole Towers:** These towers are one of the most popular tower type in the industry and feature a single steel requiring only one foundation, usually under 50 metres. Because of the single pole design, it takes a shorter construction period, and can be cheaper than other traditional tower structures.
- **Guyed Towers:** Guyed towers are tall, slender steel structures that depend on guy lines (diagonal tensioned cables anchored to the ground) for stability. They are designed to provide strength, efficiency and versatility with easy installation. Most radio and television towers are guyed towers.
- **Stealth Towers:** Stealth towers are creative concealment structures and are usually deployed to satisfy zoning regulations. They are more expensive than other towers because they require additional material to create an obscured appearance, and their miniature size typically makes them less efficient.

16.2.2 Distribution of Towers In Nigeria

According to NCC, there were 33,832 towers operated by MNOs and tower infrastructure companies. The operators also reported a total number of 36,998 base stations as at December 2020. From a geographic perspective, available data on the deployment of towers across geopolitical zones in 2020 show that the South-West has the highest share of 41% (up from 30% in 2019) and because of the activities of insurgents in the North-East, the region has the lowest share of towers at 4%.

16.2.3 Factors Driving Demand for Towers In Nigeria

Rising Population

To put this in context, Nigeria is the largest economy in Africa and could become one of the top 10 economies in the world and the third most populous country by 2050 after India and China. Importantly, Nigeria has a youthful population (with median age being 18 year olds) and a rising urban population (50% of the population), and this points to a potential for growth in mobile and information and communications technologies (ICT). The growing and increasingly sophisticated middle class in Nigeria also indicates a strong headroom for growth. In all, we see these compelling demographic factors underpinning the growth of demand for the services of towers companies by the MNOs over the medium-to long term as their subscriber base expands.

Increasing Mobile Penetration

Mobile penetration in Nigeria has risen substantially over the past decade and is expected to rise further in the coming years. Nigeria’s telecommunication-density, as reported by NCC, has been on an upward sloping trend since 2009 with the exception of 2019 when the number fell below 100%. It, however, picked up again in 2020 to 107.41%. In 2021, the mobile penetration has been fluctuation due to the mandatory registration of the SIM cards; the NCC reported a penetration of 98.39% as at July 2021.

Increasing Data Consumption

We highlight that, in comparison to usage in other parts of the world, Nigeria moved up two spots in ranking, as in 2017 the country was ranked the 8th country with the most internet users, whereas in 2020 the country was ranked 6th. This indicates a strong outlook over the medium-to-long term as the population rises. Importantly, over a twenty (20) year period, the number of Nigerians that use the internet ballooned to 126mn in 2020 from 0.2mn in 2000 with internet penetration of 61%, according to Internet World Stats. Nigeria is also one of the largest countries in the world using social

media platforms such as Facebook, Instagram, among others. As Nigeria comes out of COVID-19 induced economic recession, we expect rising income and economic output to underpin consumers' spending power in the coming years. We believe the number of mobile phones in use in Nigeria will exceed the population in the long term, as in Indonesia (a country with similar population).

Affordability of SIM Cards and Smartphones

It is expected that internet data usage will also be driven by affordability, considering that competition has driven data prices lower in recent years. Accordingly, more consumers at the bottom of the income pyramid in Nigeria will possibly be able to afford data usage in the long term. An increase in sales of affordable smart phones by mobile operators in Nigeria has been observed and thus support the expectation. Importantly, SIM cards are a lot more affordable and being offered free to attract subscribers - SIM cards used to cost as much as ₦36,000 in the early years of GSM in Nigeria, but is now as low as ₦100 and sometimes free during sales promotion periods. With rising population and affordability of SIM cards, Nigeria's smartphone penetration of 13.0% should rise over the medium-to-long-term.

Expansion of technology to 5G from 4G, 3G and 2G respectively

The fast pace of mobile technology expansion, due to rising demand for fast data for internet connection, has paved way for demand for towers. This has been for both colocation and built-to-suit models. It is expected that more telecom companies would expand to 4G network and eventually to 5G to drive future growth.

Densification and Coverage Requirements by MNOs and Internet Service Providers (ISPs)

As network densification in the urban areas increased over the years, the need for more towers and other digital infrastructures by MNOs and ISPs also increased. This partly explains the increase in the number of towers in the urban and commercial city like Lagos. In addition, MNOs and ISPs also seek to increase their expansion to the rural areas for increased coverage. This also supported the growth of the towers sector as demand from the MNOs and ISPs rose. Rural connectivity, for voice and eventually data, is predicted to drive growth in the medium to long term for the industry given the enormous opportunity. Accordingly, leasing space on towers should enable increased investment in rural and ultra-rural areas.

Quality of service by MNOs and ISPs.

The need for MNOs and ISPs to regularly upgrade the quality of their network, breeds increased demand for the services of tower and digital infrastructure companies in Nigeria.

16.2.4 Risk Factors to Industry Growth in Nigeria

Slow Growth of the Economy

Telecommunication businesses perform well in a strong and expanding economy. Historically, economic recession slowed down the growth momentum of the telecommunication industry, and consequently a decelerated growth for providers of towers and digital infrastructure.

Regulation

The main customers of the tower companies, mostly the MNOs, historically experienced regulation-induced growth slowdown or contraction. The latest regulatory headwind is the linkage of National Identification Numbers (**NIN**) to SIM cards of mobile telephone users with registered Global System Mobile (**GSM**) lines. Notably, the temporary suspension of the sale of new SIM cards resulted in the slowdown of the growth of the telecoms sector.

Currency Risk

Tower materials and associated equipment are largely imported and are priced in foreign currency. So, a weak Naira will put an upward pressure on the costs of service of tower companies to MNOs and ISPs. The increase in cost may not be easily transferred to the end consumers. The recent low foreign exchange liquidity in the Nigerian foreign exchange market slowed down the capital expenditure of telecoms companies. Such a development limits or slows down the growth ambitions of the MNOs and ISPs, and consequently the growth of the tower sector.

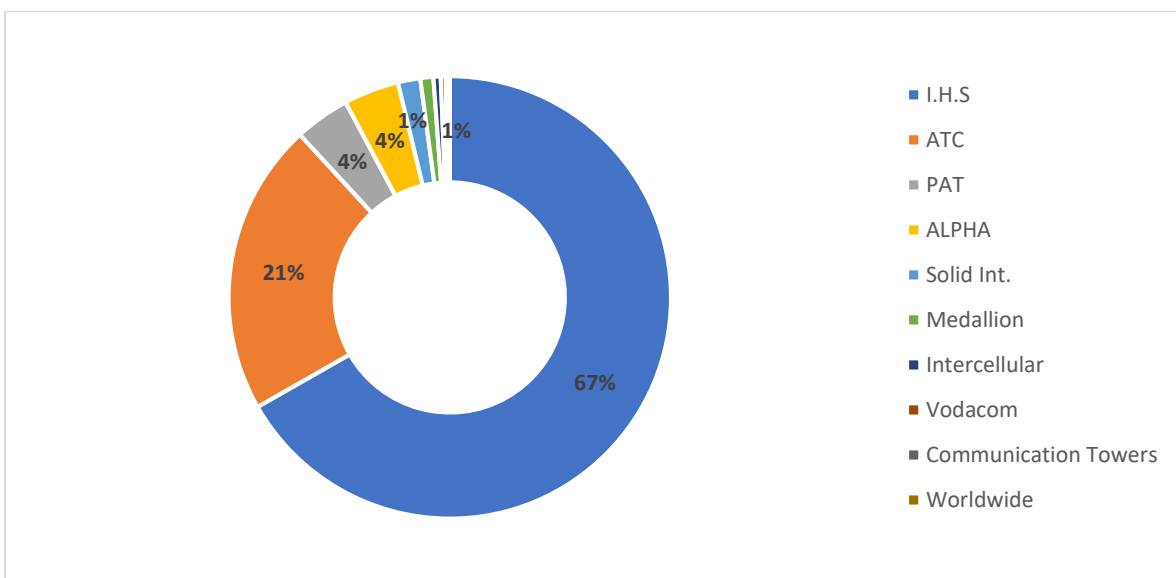
16.2.5 Revenue and Market Share Expansion

Revenue trends and market share was analyzed based on the number of operators that made submissions to the NCC. Revenue rose by 7.0% year-on-year to stand at ₦430.57Billion in 2019, with 88% of the industry revenue accretion driven by the IHS Group, followed by American Tower Corporation (ATC) Nigeria with 11% growth attribution. It is clear that the high number of customers by IHS Group and ATC Nigeria underpinned their growth momentum in 2019.

Market Share by Number of Towers

Based on submissions received by the NCC from tower companies and research coverage, for masts and towers, there are c. 25,223 towers owned by the players in the industry. The IHS Group is the clear leader in the Nigerian towers market and fully owns IHS Nigeria Limited, IHS Towers Nigeria Limited and INT Nigeria Limited. Between 2011 and 2016, IHS acquired 13,522 towers in seven transactions and this explains the 67% market share of IHS Group in the Nigerian towers market. The IHS Group is the largest in the market with 17,085 towers as at 2019 and is followed by ATC Nigeria, which had a market share of 21%. ATC's towers stood at 5,124 as at 2019, and scaled up to over 5,300 in 2021.

Market Share Summary



It is worth noting that the market shares displayed in the table above are based on the number of companies that made submissions to the NCC and our research coverage.

16.2.6 The Nigerian Tower Outlook

The Nigerian Tower Market is expected to witness strong growth backed by swift growth in the telecommunications industry along with increasing internet penetration and independent wireless network services in the country. Additionally, the sound growth of the information technology and e-commerce industries in the country in the coming years is expected to spur potential growth for the Nigeria telecom tower market.

It is expected that there would be a spur in digital skills in the country along with multiplication in the adjacent suppliers to provide affordable smartphones across Nigeria and this would further drive mobile phone adoption in the country in the near future. In addition, continuous support and assistance provided to the app developer community to encourage the development of relevant applications supported by content in the local language are anticipated to penetrate the adoption of mobile phones accompanied by mobile networks in the near future. Growth in mobile penetration adoption would multiply the demand for telecom towers in the country in the coming years.

This outlook is also firmly supported by the government's National Broadband Plan, which includes the encouragement of infrastructure sharing, incentives to extend the 3G network to around 80 percent of the population, and the release of spectrum for long term evolution (LTE). In addition, continued investments in the mobile network rollout have resulted

in a reduction of the coverage gap, which is linked to providing mobile network access to the remote areas in the country where the least connectivity was witnessed as of now. Thus, increasing the mobile services network to the rural areas across Nigeria is expected to further drive growth in the tower industry in the near future. Projected increase in middle-class and youth population also contributes to a strong momentum in the towers market, as the robust deployment of smartphones and expected increased investment in mobile internet network is estimated to widen the telecom tower infrastructure in the coming years.

16.3 Overview of Fiber-Optic Networks

Fiber optics is the technology used to transmit information as pulses of light through strands of fiber made of glass or plastic over long distances.

The biggest advantage of optical fiber is that it is the fastest and most cost-effective means of transporting information when compared other communication medium. The bandwidth and distance capability of fiber means that fewer cables are needed, fewer repeaters, less power and less maintenance. In addition, fiber is unaffected by the interference of electromagnetic radiation which makes it possible to transmit information and data with less noise and less error. Fiber is lighter than copper wires, which makes it popular for aircraft and automotive applications. These advantages open up the doors for many other advantages that make the use of optical fiber the most logical choice in data transmission.

Telco operators use fiber for economic reasons, but their cost justification requires adopting new network architecture to take advantage of fiber's strengths. Fiber optics is frequently used in a variety of medical instruments to provide precise illumination. It also increasingly enables biomedical sensors that aid in minimally invasive medical procedures. Because optical fiber is not subject to electromagnetic interference, it is ideal for various tests like magnetic resonance imaging (MRI) scans. Other medical applications for fiber optics include X-ray imaging, endoscopy, light therapy and surgical microscopy.

16.3.1 Fiber Optics Deployment in Nigeria

According the NCC, the on-land fiber deployment in Nigeria as at December 2020 was 43,898.8km. The on land fiber deployment was reported as follows: MTN – 14,612km; GLO - 13,306km; AIRTEL – 11,151km; EMTS - 4,650km and NTEL - 180km. The total submarine fiber deployment was 25,128.3km as against 24,729.3km in year 2019. This is an increase of 1.36% within the year under consideration. The fiber deployment by four Mobile operators are as follows: - MTN- 15,244km; GLO- 9,800km; AIRTEL – 14km and NTEL - 70km.

The total fibre deployed in Nigeria as at 2020 was 69,027.1km (On-land and Submarine) and MTN had the largest on-land and submarine deployment.

The Commission's engagement of the Nigeria Governors Forum (NGF) is also expected to increase the fibre outlay in Nigeria by the end of Year 2021.

16.3.2 Factors Driving Demand of Fiber Optic Networks in Nigeria

Increased Internet Penetration

The demand for fiber optic networks is driven by the increased conversion from 2G and 3G networks to 4G and 5G as well as affordability of diverse brands of smartphones and internet enabled devices. NCC reported that broadband penetration increased from 37.80% as at December 2019 to 45.02% as at December 2020. Similarly, broadband subscriptions increased from 72 million subscriptions in December 2019 to 89 million subscriptions as at December 2020.

Internet Service Providers

The demand for fiber optic network has also driven by increased Internet Service Providers (ISPs) that provide services cutting across social networking, e-commerce, video streaming and e-payments. More content and cloud providers are also investing increasingly in backbone infrastructure to increase their reach to consumers and clients, thereby improving user experience.

Increasing reliance on Internet Access

There has generally been a global shift to digital trends and a particular reliance on the internet by key sectors of the economy. The COVID-19 pandemic also necessitated that more services and transactions are conducted via the internet, increasing the need for fiber optic networks in Nigeria. In the coming years, the fiber optic market is anticipated to aggressively grow due to the increased installation of wireless and fiber networks for home and business broadband.

Expansion of Telecommunication Services in Nigeria

With the increasing usage of Over The Top (OTT) services by customers in Nigeria and Africa as well as OTT providers rapidly building new infrastructure, fiber optic network deployment is expected to continue to increase significantly. These OTT services cut across social network, voice and messaging service applications such as Facebook, Skype, Instagram, WhatsApp, Tiktok, etc.

Increasingly Favourable Demographics

The demand for fiber optic infrastructure is also driven by the demographic selection of the country. Nigeria has a thriving youthful population that is increasingly dependent on the internet for daily needs. At the start of 2015, mobile broadband subscribers accounted for 17% of the total of 884 million total mobile subscriptions in Africa. However, by the end of 2020, this is expected to make up 76% (c.1 billion) of the total of 1.32 billion mobile subscriptions in Africa (Ovum, 2020).

16.4 Outlook

There is an expansive deployment of fibre optic infrastructure in Nigeria for the core and backbone networks to provide Internet broadband connectivity. Although Nigeria currently has six submarine fiber optics cable networks connecting the country to the world with Internet broadband capacity of over 27Tbps, internet broadband penetration at subscriber's levels is still very low and majority of the fiber optic networks in the country are concentrated in the urban areas. It is expected that there would be a spread to rural areas and semi-urban areas in Nigeria and to West Africa in the coming years, necessitating increased deployment across the network.

In the medium to long term, there is also an expected increased demand for internet connectivity, evidenced by increased technological deployments, mobile subscribers, 4G and 5G networks and increased use of smart devices. These are expected to provide opportunities for the deployment of fiber optic infrastructure in the coming years and at increasingly affordable prices.

Pan African Towers is poised to play in this space with expected benefits to be realised in the coming years.

16.5 Data Centres

Data centres are dedicated space within a building, or a group of buildings, used to house computer systems and associated components, such as telecommunications and storage systems. They send, receive, process and store digital data and are critical infrastructure to modern economies. They are equipped with guaranteed power supplies and high bandwidth connectivity (often duplicated to ensure resilience), controls to maintain a specified range of temperature and humidity, and advanced security systems for both the facilities and data.

The internet exists on servers in data centres. Almost all internet traffic flows to or from a data centre. This volume of traffic will double globally by 2022, and the volume of data (measured in gigabytes per second) will projected to double every year through to 2024. According to NCC, the number of Internet Subscribers increased from 135million subscription as at March 2020 to 154million Subscriptions as at November 2020 representing an increase of 13.77%. Broadband penetration increase within the year 2020, reaching a peak of 45.93%.

The data centres in Nigeria are seeing increased demand as businesses move to cloud-centric models from on premise models. Regulation has also underpinned the growth of the industry, as the adoption of local data protection in Nigeria has resulted in cloud and content providers exploring hosting their content locally in data centres. The Government of Nigeria requires data to be hosted locally for key sectors such as oil & gas, financial services, and public sector.

According to Internet Society data, Nigeria has seen exponential growth in internet traffic within the past decade from 300 Mbps in 2012 to 125 Gbps in 2020, due to the spread of content providers across the hosting data centres in Lagos.

16.5.1 Data Center Tiers

The Tier levels are a standardized methodology defined by Uptime Institute over 25 years ago that are used to consistently evaluate various data center facilities in terms of potential site infrastructure performance, or uptime.

There are 4 tiers of data centre standards, and they are summarized below

- Tier I: used by small businesses with an availability of 99.671% availability and an estimated annual downtime of 28.8 hours
- Tier II: used by mid-sized businesses with an availability of 99.749% availability and an estimated annual downtime of 22 hours
- Tier III: used by large companies with an availability of 99.982% availability and an estimated annual downtime of 1.6 hours
- Tier IV: used large companies with an availability of 99.995% availability and an estimated annual downtime of 0.04 hours

16.5.2 Data Center Providers in Nigeria

The country with the main commercial data centre providers are as discussed below.

- **MDXi Lekki**, is a Tier-III data center certified facility owned by MainOne that provides floor space for housing IT equipment, along with all of the necessary power distribution, cooling, cabling, fire suppression and physical security systems via self-owned submarine cable infrastructure. There are plans underway for additional 300 racks by 2023 if the current demand trend is sustained.
- **Rack Centre** runs a leading carrier neutral Tier III certified data centre that accommodates business-critical server hardware, network and security infrastructure. Rack Centre recently announced an expansion programme that will immediately double capacity to 1,200 square metres, followed immediately by an additional 6,000 square metres of white space, for a total of 14.5 MW of IT capacity at its campus in Lagos. According to Rack Centre, the expansion will create West Africa's largest data centre.
- **MTN Nigeria Data Center**, a purpose built Tier III standards data center with standard features such as security, dedicated or metered bandwidth, monitoring, backup, access to the internet via high grade self-owned submarine cable infrastructure.
- **Internet Solutions Nigeria Data Centre**, a neutral Tier III certifies facility that offers co-location, cloud rack and cloud networking facilities offering fast, reliable access to business applications, and enables cloud, unified communications and collaboration solutions.
- **21st Century Technologies Limited**, operates a Tier III data centre designed with all active capacity and distribution components. The company have Data Centres in various locations and specializes in the commercial protection of off-site data, server hosting, indexing, records archiving, etc.
- The other notable players in the industry are **Excelsimo, Galaxy Backbone, Interconnect Nigeria (ICN), ipNX, Layer 3, and Medallion Communications.**

16.5.3 Factors Driving Demand for Data Centres in Nigeria

Cost Efficient Model

Outsourcing data centre allows companies to rely on qualified professionals that offer the same services to many customers. As a result, all operating costs, from the technology required to the cost of energy, from human resource costs to video surveillance costs, will be shared among several companies and thus significantly reduced costs.

Ability to scale

Data centres gives corporates the opportunity to scale operations without an extensive capita budget, all that is required is renting additional storage spaces. In addition, they have access to qualified information technology related staff that are often difficult to find especially in small and medium-sized companies. Management will be "freed" from the task of

managing the infrastructure and will be able to dedicate their time to daily support of their core business.

Need for Uptime Guarantee

Data centers operate state-of-the-art facilities and offer sophisticated backup systems to keep things running even in the event of an outage. Service Level Agreements (SLAs) executed by parties aim to guarantee high levels of availability. If senior managements of corporates do not have to worry about the technical aspects of data center and IT infrastructure uptime as well as the risks of any downtime and the redundancy measures being taken, they will be able to focus on accomplishing corporate goals, on applications and supporting the business.

Capacity

With the constant change in technology, large corporates are realizing they do not have the capacity to respond swiftly to technological changes. Data centres on the globe makes it possible for corporates to manage their data center operations dynamically and scale operations effortlessly.

Regulation and Compliance

Companies, particularly those in regulated sectors, are being required to put in place disaster recovery and business continuity measures, increasing IT infrastructure capacity requirements. Local regulatory bodies are adopting international standards, and as a result, corporations must buy more and increasingly complex infrastructure to meet business needs. Further, data security and disaster recovery are also key requirements for obtaining and maintaining industry certifications and standards. Implications on space constraints, power costs and internal capacity are significant, hence the increasing attractiveness of the outsourcing model. Specifically, National Information Technology Development Agency (NITDA) Guideline requires:

- all indigenous Original Equipment Manufacturers (companies that produce functional computer devices from component parts bought from other organisations) to assemble all hardware in Nigeria and maintain fully staffed facilities for that purpose;
- all telecommunications companies to host all subscriber and consumer data in Nigeria;
- all ministries, departments and agencies of the Federal Government of Nigeria (MDAs) to host their websites locally and under a registered.gov.ng domain;
- all data and information management companies to host all sovereign data in Nigeria; and
- MDAs to host all sovereign data locally on servers within Nigeria.

16.5.4 Data Centre Outlook

Though the data center infrastructure has not evolved in Nigeria like other developed nations like USA, Canada, UK or Germany, there are a few Tier – III data centers in the country. Given that they are an emerging economy and power house of Africa, Nigeria can be strategically important to target African market. The rapid adoption of e-commerce and internet technology in Nigeria also increases the prospects for data centers.

The mandatory guideline for Nigerian Content Development in Information and Communication Technology by NITDA encourages indigenous innovation, development of the local ICT industry and establishment of intellectual property and data regulation and protection standards thereby creating a huge demand for data centres and the digital services provided by data centre facilities.

16.6 Regulatory Framework

Telecommunications Regulation in Nigeria

Pan African Towers is subject to the policy and regulatory supervision of the Federal Ministry of Communications and Digital Economy, the Nigerian Communications Commission (“NCC”), the National Broadcasting Commission (“NBC”) and the Central Bank of Nigeria (“CBN”).

Federal Ministry of Communications and Digital Economy

The Federal Ministry of Communications and Digital Economy is responsible for policy formulation as it pertains to the information and communications technology sector. Its policy direction drives activities and developments within the sector. This Ministry was mandated to facilitate universal, ubiquitous and cost-effective access to communications infrastructure and to utilise information and communications for job creation, economic growth and transparency in governance.

Nigerian Communications Commission

The NCC is the independent national regulatory authority for the telecommunications industry in Nigeria. It is responsible for stimulating investments in the sector and creating an enabling environment for competition among operators in the industry. The NCC was mandated to monitor all significant matters relating to the performance of all licenced telecommunications service providers and publish annual reports. The powers of the NCC range from the issuance of various licences relating to the provision of communications services, equipment and products, to regulating competition, issuing spectrum and numbering resources for the industry.

The NCC was established pursuant to the Nigerian Communications Act 2003 (“**NCC Act**”). Other pertinent sector regulators are the National Information Technology Development Agency and the NBC. The NCC’s mandate includes:

1. protection and promotion of the interests of consumers against unfair practices;
2. promotion of fair competition in the communications industry;
3. granting and renewing communications licences and enforcing compliance with licence terms and conditions by licensees;
4. fixing and collecting fees for grant of communication operations and spectrum licences and other regulatory services provided by the NCC;
5. development and monitoring of performance standards and indices relating to the quality of telephone and other communications services and facilities supplied to consumers;
6. management and administration of frequency spectrum for the telecommunications sector; and
7. preparation and implementation of programmes and plans that promote and ensure the development of the communications industry. The NCC enforces the NCC Act and regulations made pursuant to the NCC Act.

National Broadcasting Commission

The NBC is responsible for enabling the emergence of a sustainable broadcasting industry by regulating the broadcasting industry in Nigeria. The NBC is a parastatal of the Federal Government established by the National Broadcasting Commission Act, Chapter N11, LFN 2004 and it advises the Federal Government in connection with the implementation of the National Mass Communication Policy and radio and television services within Nigeria. The NBC is also responsible for undertaking research in the broadcast industry and setting standards for the contents and quality of all broadcast material. The NBC is empowered to receive process and consider applications for the ownership of radio and television stations including cable television services direct satellite broadcast and any other medium of broadcasting, amongst others.

17. DESCRIPTION OF THE CO-OBLIGOR- PAN AFRICAN TOWERS LIMITED

17.1 Background Information

Pan African Towers Limited (“PAT”, “Pan African Towers” or the “Company”) is an independent owner and operator of digital infrastructure and wireless communications sites in Nigeria. Headquartered in Lagos, it was incorporated in Nigeria in 2013 under the Laws of the Federal Republic of Nigeria and licensed by the NCC in 2017 to engage in the business of telecoms colocation and infrastructure sharing services.

The Company commenced business operations in Nigeria, in 2017 and currently has c.1,000 towers across Nigeria, with over 600 active towers. The Company has historically invested in digital infrastructure assets, with a predominant focus on the acquisition of mobile telecommunications/broadcast towers. In 2017, PAT entered into a “Manage with License to Lease Agreement” (“MLA”) with an existing tower companies to manage a portfolio of tower sites in Nigeria.

The Company’s service offerings include; traditional services such as colocation, built-to-suit, managed services, buy-lease-back and Distributed Antenna Solutions (DAS) and value-added services (broadband, utility, content and support). The Company has a diverse customer base that currently share space on existing sites alongside other telecommunication providers.

As a supplier of essential network services to MNOs, the Company’s principal focus is providing flexible and varying solutions in order to maximise the potential benefit from its customers’ growing requirements for network expansion in response to demand for communications services that is driven by underlying demographic and macroeconomic growth in each of its existing markets. The Company seeks to explore more opportunities and selectively add site portfolios to its current assets

The Company was licensed in 2017 by the NCC to provide infrastructure sharing and collocation services. This license is tenured for ten years and can be renewed for another ten years, subject to the roll out of services, payment of license fee and other charges due.

The management of the Company is executing several strategic initiatives to drive its aspiration of becoming a clear leader in the creation and operations of digital infrastructure assets in Nigeria.

The Company has an aggressive growth plan to reach all parts of Nigeria and aim to deploy up to 500 towers annually, within the next five years; to help bridge the coverage gap in Nigeria and accelerate the strong appetite for next-generation mobile broadband growth and internet penetration.

17.2 Key Strengths of Pan African Towers

Pan African Towers’ approach to the digital infrastructure business is a game changer; one that offers unparalleled value to MNOs, ISPs and by extension, consumers of telecommunication services. Through the provision of important infrastructure and superior service to the rapidly growing mobile telecommunications sector, the Company is well-positioned to capitalize on sustainable structural growth drivers and support from evolving telecommunication technology trends. The following has been identified as the key strengths of the Company:

Cheap Local Currency Funding

Pan African Towers has a couple of projects financed by local currency debt which come at low to average funding costs. This minimizes exposure to currency and interest rate risks, especially in the event of a possible depreciation of the country’s domestic currency. The Company has not defaulted on any of its debts and has the capacity to fulfil all obligations as and when due.

The Company would continue to invest in digital infrastructure, and would engage with the local currency markets that provide access to long-term local currency funding at minimal currency and interest rate risks.

Long Term Contractual Revenue

Pan African Towers currently has long-term contracts with its clients, in line with the Company's superior service levels provided at prices below the Telco's total cost of ownership, strategic site selection and access to the Company's geographically diversified site portfolio. This enables rapid Telco network expansion and reinforces the long-term incentive for Telcos to continue to develop partnerships with the Company. The long-term contracts also reinforces the ability of the Company to continually generate revenue while also servicing its client. The Company's contract includes multiple renewal options and captures a bigger share of the client wallet by offering Naira-denominated rates for services provided.

PAT also has a business model that creates natural incentives for Telcos to enter into long-term contracts by providing a higher level of operational service and coverage and is poised to continue to have long term contractual revenues in the future. The Company is well placed to continually deliver sustainable margin enhancement through the addition of multiple long-term colocation contracts from new and existing clients across its markets, supported by incremental process improvements and operational efficiencies.

Credible Client Base

Pan African Towers have a well-diversified customer base which includes some of Africa's largest tier-one mobile network operators (MTN Nigeria Communications Plc, Airtel Nigeria and 9Mobile). The Company acquires, owns and operates critical mobile telecommunications infrastructure, hosting multiple Telecommunication Companies (**Telcos**) seeking to increase their mobile telecommunications coverage across Africa in a cost effective way than they are able to do themselves.

As part of its service offerings to Telcos, including the option to collocate on its existing towers either as an anchor tenant or as a colocation tenant, provides an attractive and cost-effective service to address the Telco's network requirements and ambitions to grow their network coverage. Colocations are further driven by strong and growing demand for data across Sub-Saharan Africa, which requires that Telcos add upgraded telecommunications equipment to existing towers. This trend is particularly prevalent in areas of rapid urbanisation and PAT believes that it is strongly positioned to capture this demand.

Vast Product Offerings and Strategically Located Portfolio

Pan African Towers offers a wide range of offerings including Colocation, Built to Suit, Managed Services, Buy-Lease-Back, DAS Solutions. The Company also provides a number of value-added services including partnership to OTT players, broadcasters, and advertisers to provide content to their subscribers, 24hours monitoring capability to sites, equipment, and remote installations, clean energy generation to business installations and communication facilities for education and access to trade. The Company intends to expand into the creation of data centres and establishment of fibre-optic network assets for existing and potential tenants, and intends to expand into other segments including deployment of metropolitan fibres and smart cells.

The Company has an extensive array of towers located in most of the states in Nigeria, with a plan to deploy up to two thousand, five hundred (2,500) towers within the next five years to help bridge the broadband coverage gap in Africa and accelerate Africa's strong appetite for next generation mobile broadband growth and internet penetration.

Long-Term Structural Growth Opportunity in Nigeria

The Company has leading positions in Nigeria which has a rapidly growing mobile telecommunications market that require high levels of investment from Telcos to meet the strong demand for enhanced mobile telecommunications coverage and growing data consumption. Rising demand for mobile telecommunications services across Africa, especially in Nigeria, is driven by favorable demographics (fast growing dense population with an underpenetrated telecom sector) and improving macroeconomic conditions. This demand is underpinned by a regulatory environment that encourages

competition amongst Telcos to increase the accessibility of mobile services and that recognises mobile connectivity as a significant driver of socioeconomic development. The national regulators in Nigeria also support digital infrastructure companies like the Company because regulators perceive the companies as helping to fulfil government mandates to provide faster, cheaper and better-quality telecommunications services.

Furthermore, with increased need for new and upgraded site infrastructure in both urban and rural areas, PAT would be very instrumental in fulfilling these infrastructure needs.

Attractive Site Economics

The Company's business model benefits from attractive site economics. New colocations require very little incremental installation capital expenditure. The Company has developed a model of demand-led expansion capital expenditure that underpins its returns on organic investment through both Built-to-Suit and colocations.

Experienced Management Team

The Board of the Company is supported by the senior management team that have a deep wealth of experience in digital infrastructure sector. The team has a proven track record of successfully developing and expanding the Company's operations.

Use of Sustainable Energy and Pass through Costs

The Company's compelling business model, coupled with the use of cutting-edge technology powered by "green" renewable energy, will give various telecom network operators across Nigeria, the support to lower costs and deliver high quality and reliable service levels across their operations.

Climate change presents business risks to the Company, both directly and indirectly and the Company recognizes that. Extreme weather events resulting from climate change can cause direct physical damage to towers and base stations, whilst indirectly impacting operations through disruption of energy supply or works by contractors. The Company understands that investments in renewable energy are not only effective at reducing mobile operators' greenhouse gas emissions and reliance on diesel fuel, but also generate cost savings that could enable the profitable expansion of mobile networks to rural and low-population density areas. Through its mini-grid partners, the Company also generates clean energy for sales to local communities around its towers across Nigeria.

As part of the Company's carbon-lowering efforts, the Company has a long-term plan to opt for more energy efficient and environmentally safer technologies as it continues to upgrade its infrastructure. It would achieve these deployment goals through an innovative approach to tower design, a deployment powered by renewable energy, and a localised business model that empowers the communities it is present in.

Future Development

The Company has entered into an agreement to combine its business with SWAP Technologies and Telecoms Plc via a Scheme of Merger. The merger will make the enlarged company the 3rd largest digital infrastructure company in Nigeria with a broader diversified network.

17.3 Principal Activities

The Company provides the following services:

Colocation of Towers

Through its towers, the Company provides its clients with space, cooling, physical security, and power to meet their business needs including traditional telephony, broadband, backbone transport, or additional supplementary services.

Built-to-Suit

The Company offers a "build to suit" service, by which it constructs new towers for an operator, based on an operator's request as to location, specifications and timing together with colocation opportunities. By entering into these

arrangements with PAT, operators are able to reduce the future capital expenditure and operational expenditure associated with constructing and operating new towers.

Managed Services

The Company helps to manage clients’ towers on an ongoing basis through standardized offerings designed to deliver on standard or agreed-upon target Service Level Agreements (SLAs). These services are typically offered to cover business-critical services – functions that are at the heart of a business.

Buy and Lease-Back

The Company offers buy and lease-back services to telecommunication operators, availing them the opportunity to improve liquidity, reduce the financial and human resources dedicated to tower maintenance and focus on their core business. These operators then partner with the Company to assist with ancillary functions and services, such as regular and emergency maintenance of telecommunications equipment

Distributed Antenna Solutions (DAS)

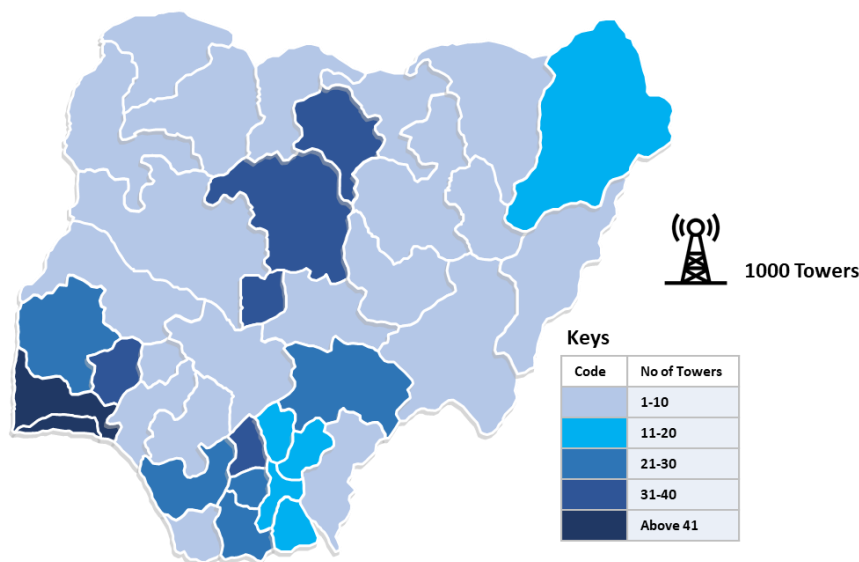
The Company provides comprehensive Distributed Antenna Solutions that continue to provide clients with better coverage and connectivity. The Company has successfully planned and implemented antenna systems for the companies in the cellular industry and offer innovative solutions to get the job done right.

Value-Added Services

The Company also provides value-added services to clients including: Broadband (Wi-Fi and small cells), Utility (renewable energy and enabling services), Content (mobile edge offload and tower advertising) and Support (Internet of things and Remote monitoring solutions).

17.4 Pan African Towers Growing Footprint in Nigeria

The Company’s growth over the past five (5) years is driven by the mission to become a force to reckon with in the supply of digital infrastructure in Nigeria. It has grown its active sites by implementing a well-defined growth strategy designed to bridge the supply gap of digital infrastructure in the country. The Company has nine hundred and sixty one (961) tenants that collocate across the Company’s network that are distributed across the country as follows:



The Company has a growth plan to deploy up to five hundred (500) towers annually over the next five years. This would help bridge the coverage gap in Nigeria and accelerate the strong appetite for next-generation mobile broadband growth and internet penetration.

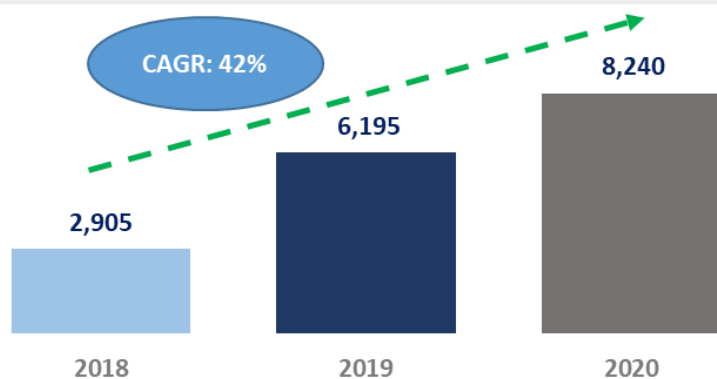
17.5 Client Base

The Company has grown its client base over the years to include large and diverse operators, ranging from listed organisations to thriving small businesses. The Company has been able to deliver a wide range of solutions to meet the business requirement of its customers. The universe of the Company's clients are summarized below.



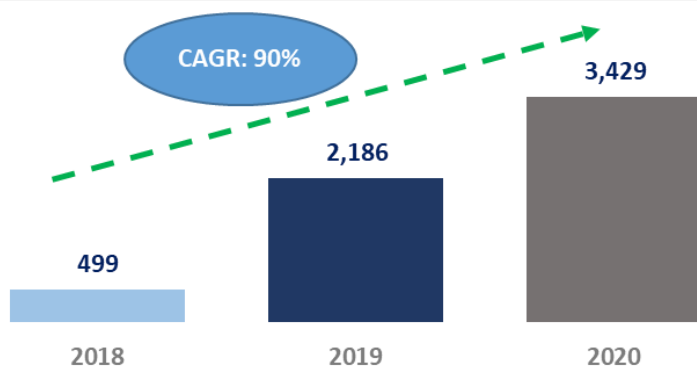
17.6 Financial Summary (2018- 2020)

Revenue (₦ 'mn)



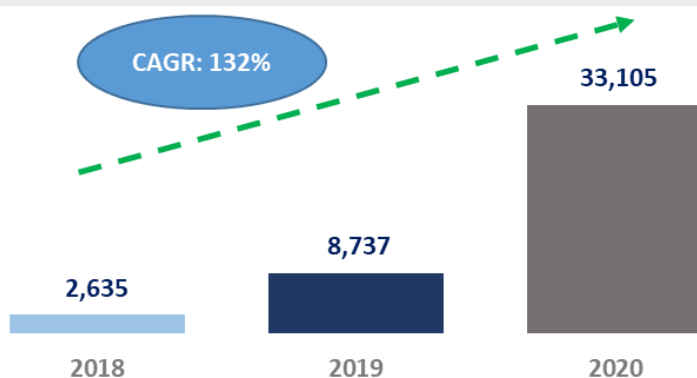
- Revenue has largely shown consistent upward trend. Revenue has been growing year on year since 2018.
- CAGR of revenue over the two year period is 42%. The increase in revenue is largely attributed to increase in the number of built-to-suite towers and increase in colocation.

EBITDA (₦ 'mn)



- EBITDA has also grown over the years due to the steady growth in revenue and relatively steady expenses

Total Asset (₦ 'mn)



- Total assets increased steadily over the years due to increase in towers and fixed assets.
- The spike in 2020 is in line with the growth plans of the business.

17.7 Profile of PAT's Directors

The Board of Pan African Towers (the “**Board**”) has broad experiences across geographies and sectors and is well-placed to provide guidance and oversight to the Company. Recent changes to the Board have sought to improve overall corporate governance and oversight. In compliance with relevant codes of corporate governance including but not limited to the Nigerian Code of Corporate Governance, 2018, the Company ensures that the Board is accountable and responsible for the affairs of the Company and the its operations and transactions are conducted in a transparent manner on terms that are commercially at arm’s length.

Furthermore, to ensure alignment with the tenure and other board composition requirements of the NCC Code of Corporate Governance for the telecommunications industry, the Board ensures continuity and periodic rotation to the membership of the Board.

The Board adopts good corporate governance practices by ensuring effective communication with its shareholders, ensuring that ethical standards are maintained and putting in place sufficient internal control systems to for the effective running of the Company’s day-to-day activities, amongst others.

Mr. Oluwole Adeleke, FCA – Chairman

Mr. Oluwole Adeleke was appointed as Chairman of the Board, effective December 16 2020. He currently is also a Senior Adviser & Managing Director at Chapel Hill Denham with roles that straddle the investment banking and the investment management divisions of the firm. He joined the firm in October 2020, after an extensive career that spanned over thirty (30) years, in the building materials sector where he demonstrated strong credentials in a variety of roles - including leadership of Finance & IT functions and Strategy.

In 1993, he was appointed as the first Nigerian Chief Financial Officer in AshakaCem Plc (a subsidiary of Lafarge SA, now LafargeHolcim Group). Prior to this time, he had played a leading role in the privatization of the majority shareholding of the Federal Government of Nigeria in the business, gaining first-hand experience in raising funds through the domestic capital markets. In 2003, he was appointed Finance Director of Lafarge Wapco Nigeria Plc (now Lafarge Africa Plc), South West Nigeria operation of the LafargeHolcim Group where he participated actively in a team that rescued the business from technical insolvency arising from a short term financing of a major capacity expansion. In 2008, he joined Dangote Industries Limited (**DIL**) as Chief Financial Officer in the Group’s cement business. He returned to Lafarge Africa Plc (**LAP**) in 2011, first in the role of a Consultant within the business transformation team. In this role, and similar to what he had accomplished in Dangote Cement Plc, he participated actively in the consolidation of LafargeHolcim Group’s shareholdings in cement assets in Nigeria and South Africa. In 2016, he was appointed to lead the strategy and corporate finance functions of LAP where he successfully led several landmark corporate actions for the business. In 2019, he led the execution of LAP Board and shareholder approvals of the disposal of the company’s 100% equity holding in Lafarge South Africa Holdings Pty, at an agreed enterprise valuation of c.US\$600m, which effectively repaid all foreign currency denominated loans on LAP’s balance sheet and the consequent resolution of foreign exchange translation risk for the business.

Wole is a graduate of Accounting from Bayero University, Kano (1982) and a Chartered Accountant (1987). He trained with the firm of Deloitte Haskins & Sells (now Deloitte) in the UK and Nigeria and is a member of the Institute of Chartered Accountants in England & Wales (**ICAEW**), Fellowship of the Institute of Chartered Accountants of Nigeria (**ICAN**) and hold a certificate of the Advance Management Programme of the London School of Business (2003).

Mrs. Oghenekaro Akaba – Executive Director

Mrs. ‘Karo Akaba was appointed as an Executive Director, effective 2019. She is a seasoned sales executive, with about 14 years’ experience in the Nigerian telecommunications industry. Through her career, she has created, maintained, and enhanced relationships with mobile network operators, broadband internet providers, regulatory agencies, and other stakeholders within the sector. She has nurtured and grown sales revenues for MNOs and ISPs and signed multiple multi-million-dollar partnership deals with other organisations.

Prior to joining Pan African Towers, she worked at Helios Towers, Prime Infrastructure and Engineering Services, and Swap Technologies & Telecom where she deployed her skillset in growing these brands.

Akaba holds a First-Class Honours degree in Cell Biology & Genetics from the University of Lagos (2007) and an MBA (Management) from the same institution in 2015. She is an ISO 9001:2015 certified auditor, with experience in project management, sales account management, multiplying sales revenues, negotiations, team building and strategic planning and execution (2017). She is an alumna of the Lagos Business School, where she had her Senior Management Programme (SMP 69 Class).

Mr. Mobolaji Balogun – Non-Executive Director

Mr. Mobolaji Balogun is one of the leading deal makers by volume and value of successfully completed transactions in Nigeria over the last decade. 'Bolaji has 27 years of experience in financial services and mobile telecommunications. Mr. Balogun left FCMB Capital Markets in January 2001 to become a co-founder and Director of Econet Wireless Nigeria, now Airtel Nigeria, which was the first major private infrastructure investment in Nigeria. He led the capital raising and license auction process for Econet Wireless Nigeria's US\$285million GSM license. He was pioneer Chief Business Development and Strategy Officer and in October 2001, was appointed Chief Marketing Officer. The US\$1.7 Billion sale of Econet Wireless to Celtel in 2005 remains Nigeria's single largest successfully exited private investment. Mr. Balogun left mobile telecommunications and returned to investment banking, when he founded Chapel Hill in 2005.

Mr. Balogun was formerly Chairman of Lafarge Africa Plc and was a Director of Nahco Aviance Plc. He is a Director of Trustfund Pensions Plc, one of Nigeria's largest Pension Fund Managers and NASD Plc, the first OTC Market launched in Nigeria. He was appointed to the Africa Advisory Board of the Johannesburg Stock Exchange in September 2009 and was Chairman of the investment banking trade group, the Association of Issuing Houses of Nigeria from September 2010 to July 2014. Mr. Balogun holds a B.Sc. in Economics from the London School of Economics (1989) and joined the Board of Chapel Hill Denham in April 2005.

Mr. Philip Southwell – Non-Executive Director

Mr. Philip Southwell is a Partner in Chapel Hill Denham and was the co-founder of Axius Capital, where he was involved in developing the investment frameworks for channeling institutional capital into long-term infrastructure projects in emerging markets. Mr. Southwell has advised and raised capital for REITs in Australia, Singapore, South Africa, UK, Germany, Russia and the UAE. Mr. Southwell has a 25-year career in investment banking and principal investing, mostly focused on emerging markets in Asia, Middle East, Central Europe and also in Africa where he has been operating continuously since 1998. He has deep management and operational joint-venture experience including hiring and building local market teams; acquiring operating licenses and being the accountable head of regulated businesses in South Africa, Kenya, Nigeria, Egypt, Algeria; negotiating sale and purchase agreements and joint ventures including with Equity Bank of Kenya; and setting up greenfield businesses in Nigeria. He bought and built cross-product businesses in Algeria, Egypt, Nigeria, Kenya, Turkey, Russia, Hungary, Philippines and Lebanon and built greenfield businesses in Saudi Arabia and Asia.

He was lead adviser on many African landmark transactions including: co-advising (with Mr. Mobolaji Balogun) the Central Bank of Nigeria and the then Governor of the Central Bank of Nigeria, Sanusi Lamido Sanusi on the restructuring of the Nigerian Banking sector and creation of AMCON; advising Standard Bank on its \$5.5 Billion sale of a 20% strategic stake to ICBC; advising MTN on the \$3.8 Billion acquisition of Investcom; leading the \$700m sovereign-backed issue for the Angolan Transport Ministry; advising OCI on its \$790m sale of Sokhna Port to DP World; co-advising Mansard's PE owners on its sale to AXA; leading a capital raising for Sterling Bank of Nigeria; advising on the acquisition of Edgars; and executing multiple capital markets (equity and credit) offerings across Nigeria, South Africa, Kenya, Egypt, Tunisia and Algeria.

Currently Mr. Southwell is active in the emerging market real asset sectors, investing in infrastructure and real estate. In partnership with Mr. Balogun, Mr. Southwell has designed, structured and launched a naira-denominated infrastructure debt fund, which was listed in Nigeria in 2017 and is Chairman of the Investment Committee. Philip is a Fellow of the

Institute of Chartered Accountants of England & Wales (1994), graduated from Durham University (1989) and Eton College (1985).

Mr. Hamza Atta – Independent Non-Executive Director

Mr. Hamza Atta is an Independent Non-Executive Director on the Pan African Towers Limited Board, effective December 16, 2020. He is the Managing Director of Polystyrene Industries Limited, Cubic Contractors Limited and Design Paint Limited. Prior to that, he worked as a Legal Associate in Oyagbola Chambers in the commercial law and litigation department. Hamza is a member of the Manufacturer's Association of Nigeria, Institute of Directors, Nigeria Bar Association and Real Estate Developers Association of Nigeria. He has 24 years' experience in Business Development and Project Management. He also has 15 years' experience in design, procurement, government relations and marketing. Hamza has an LL. B in Law from Hull University (1988) and a B.L from Nigeria Law School (1991).

Ms. Oke Maduwesi – Independent Non-Executive Director

Oke Maduwesi sits as an Independent Non-Executive Director in Pan African Towers Limited, effective December 16, 2020. She also is the Founder/Chief Executive Officer (CEO) of Zaron group of companies, comprising Zaron International Limited, Zaron Cosmetics Limited and Skin By Zaron, who are distributors and marketers of beauty care products under the Zaron brand. Earlier in her career, she was a banker. She had her first degree in Economics, from Edo State University, Ekpoma, Edo State in 1998 and a Master of Business Administration (MBA) from the University of Leeds, UK in 2010.

Mr. Tunde Titilayo – Non-Executive Director

Mr. Tunde Titilayo is a Non-Executive Director of PAT effective 2020. He started his professional career with Guinness Nigeria limited as a Graduate Engineer but later joined Cooper and Lybrand (now PWC) as a Trainee Consultant. Mr. Tunde thereafter joined the banking industry in 1991, first with Intercontinental Merchant Bank, and later moved to UBA as a Senior Manager, commercial banking. He left UBA as a Principal Manager to join FCMB as Assistant Vice President in charge of emerging corporates before leaving in 2001 as Assistant General Manager to start SWAP Technologies and Telecoms Limited as the Founding Director and took the company public in 2008.

He is a graduate of Electrical and Electronic Engineering from Obafemi Awolowo University Ile Ife (1989) and got an MBA degree from Lagos Business School/IESE Barcelona executive MBA program in 2001. He is an alumni of Harvard Business School OPM program and attended executive education courses at the Wharton Business School of Pennsylvania as well as Columbia Business School in New York. He also attended the Global Immersion program at Harvard Centre in Shanghai, China.

He also sits on the board of the Nigerian American Chambers of Commerce and a Fellow of the Institute of Directors. He is also an Allworld Nigeria 50 Awardee.

Mr. Tumininu Tiyaamiyu – Non-Executive Director

Mr Tumininu Tiyaamiyu sits as a Non-Executive Director in PAT effective 2018. He is a Certified Chartered Accountant (ACCA, UK) who has spent over 13 years out of his 17 years' working experience in the Financial Services and Telecommunications Industries in Nigeria, the United Kingdom and United Arab Emirates; where he directly managed the relationship of telecom companies and service providers, viz. MTN, Airtel, Glo, Ericsson, ZTE, Visafone, Etisalat, DU Telecoms, Huawei, CITCC, and so on.

Tumi bagged a First-Class Bachelors' Degree in Accounting from the University of Ado - Ekiti, Nigeria (2001) and holds an MBA (Distinction), specializing in International Finance & Strategy from Hult International Business School, Boston, Massachusetts (USA) (2009).

17.8 Employees

As at December 31, 2020, Pan African Towers Limited had thirty-eight (38) employees.

17.9 Premises

Pan African Towers Limited currently operates from its main office at Lagos, Nigeria. Details of the Co-Obligor's premises are provided below:

S/N	Office	Address
1	Lagos (Head Office)	10A Tokunbo Omisore Street Lekki Phase 1 Lagos

17.10 Corporate Governance

The Corporate Governance framework of Pan African Towers Limited allows the Board to effectively perform its task of overseeing the Management in order to ensure corporate fairness, transparency and accountability in the management of the Company. The framework defines the role and duties of the Directors and the qualities required of the members of the Board of Directors. The framework also defines the Board Organisation and Governance Structure. The Board carries out its oversight functions through its various committees.

17.11 Board Committees

The Company is fully committed to implementing best practice corporate governance standards and recognizes that corporate governance practices must achieve two goals: protecting the interest of Shareholders and guiding the Board and management to direct and manage the affairs of the Company effectively and efficiently. To enhance corporate governance, the Board has established the following committees with delegated authorities:

17.11.1 Finance & Investment Committee

The Finance & Investment Committee shall oversee the following

- Recommend to the Board, financial policies, goals and budgets that support the mission, values and strategic goals of the Company;
- Review the Company's financial performance against its goals and propose major transactions and programs to the Board;
- Ensure that meaningful and timely financial reports statements and updates are provided to the Board; and
- Oversee the financial performance and position of the Company

17.11.2 Audit & Risk Committee

The Audit & Risk Committee shall oversee the following:

- The integrity of the Company's financial statements;
- The Company's compliance with legal and regulatory requirements as they pertain to the financial operations of the company;
- The performance of the Independent Auditors and of the internal audit function; and
- The Company's systems processes, and internal controls over financial reporting and compliance with ethical standards adopted by the Company.

17.11.3 Governance, Nomination & Remuneration Committee

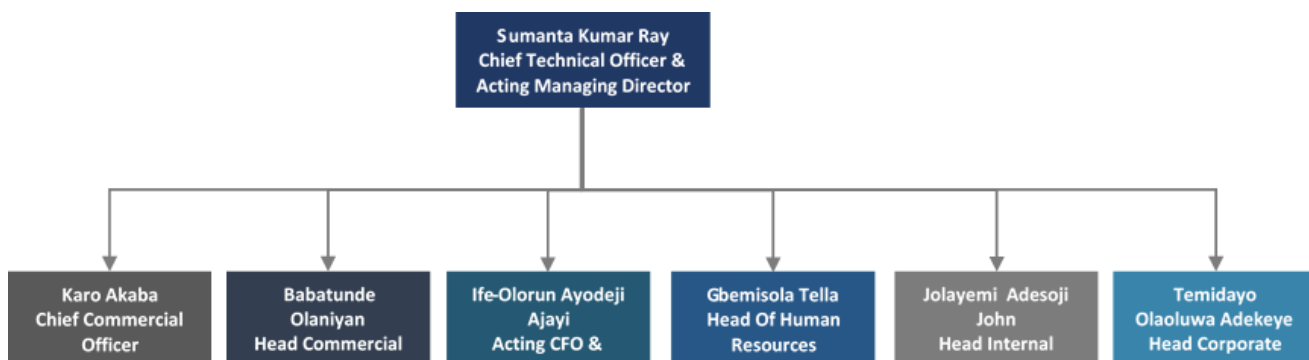
The governance, nomination & remuneration committee shall oversee the following:

- Provision of oversight of strategic people issues, including employee retention, equality and diversity as well as other significant employee relations matters; and
- Compensation of the Company's senior executives.

Board committees are constituted to assist the Board properly assess management reports, proposals, effectively exercise oversight functions and make recommendations to the Board. In addition to its overall responsibility for corporate governance, the Board's duties include setting the Company's strategy and values and overseeing and supporting the management team in its day-to-day running of the business. The Company believes

that the Board has the requisite knowledge, diversity, skills and independence to enable it to successfully discharge its duties.

17.12 Profile of PAT’s Management Team



Sumanta Kumar – Acting Chief Executive Officer and Chief Technical Officer

Sumanta Kumar Ray is a native of Mumbai in India and has 30 years of experience in the telecom industry. He has worked for quite a number of global organisations and firms like the Indian Air Force, Vodafone, Lucent Technologies in Singapore, Bonsal Networks India, Reliance, Visafone, Ooredoo Qatar and Huawei Technologies in Nigeria where he performed roles as Chief Technology Officer, GM Operations, Flight Lieutenant, Programme Manager, MS-Director and Vice President- Wireless Operations for these multinationals. He holds a Bachelor of Technology (B.Tech) degree in electrical engineering from Veer Surendra Sai University of Technology (Formerly UCE), Burla ((1988)) and has attended various professional and management training and workshops whilst pursuing his career.

Karo Akaba – Chief Commercial Officer

Mrs. ‘Karo Akaba was appointed as an Executive Director, effective 2019. She is a seasoned sales executive, with about 14 years’ experience in the Nigerian telecommunications industry. Through her career, she has created, maintained, and enhanced relationships with mobile network operators, broadband internet providers, regulatory agencies, and other stakeholders within the sector. She has nurtured and grown sales revenues for MNOs and ISPs and signed multiple multi-million-dollar partnership deals with other organisations.

Prior to joining Pan African Towers, she worked at Helios Towers, Prime Infrastructure and Engineering Services, and Swap Technologies & Telecom where she deployed her skillset in growing these brands.

Akaba holds a First-Class Honours degree in Cell Biology & Genetics from the University of Lagos ((2007)) and an MBA (Management) from the same institution in 2015. She is an ISO 9001:2015 certified auditor, with experience in project management, sales account management, multiplying sales revenues, negotiations, team building and strategic planning and execution ((2017)). She is an alumna of the Lagos Business School, where she had her Senior Management Programme (SMP 69 Class).

Babatunde Olaniyan – Head Commercial Contracts and Regulatory

Babatunde has 17 years’ in the telecoms industry and 8 years’ chambers experience. Before joining PAT, he was the Head of the Commercial Legal and Department with ATC Nigeria Wireless Infrastructure Limited. Babatunde has a degree in Law from Ogun State University (1994) and was called to the Nigerian Bar in 1995. He had attended several relevant short courses including project management.

Ife-Olorun Ajayi – Acting Chief Financial Officer & Financial Controller

Ife-Olorun has over 27 years' experience in Finance, Treasury and Audit across the financial and manufacturing industries. He has several years of work experience with Greenwich Trust Group, Standard Alliance Insurance, Ernst & Young and FCMB among others.

Ife-Olorun holds a BSc in Accounting (1992) from Lagos State University. He is also a fellow of ICAN (2009) and Certified Institute of Pensions (2008).

Gbemisola Tella – Head, Human Resources

Gbemisola has about 11 years' experience in human resource management. Prior to joining PAT, she worked with Price Water Coopers, PZ Cussons and Motus Technologies. She holds degree in Agric Economics and Extension from the Ladoko Akintola University of Technology (2008) and is an Associate of the Chartered Institute of Personnel Management Nigeria (2015).

Jolayemi Adesoji John – Head, Internal Audit and Revenue Assurance

Jolayemi has 7 years' experience in the Nigerian telecoms industry. Prior to joining PAT, he worked at Prime Infrastructure and Engineering Services, and Swap Technologies & Telecoms. He holds an honors degree in Accounting (2011) and Masters of Science in Accounting from Obafemi Awolowo University (2016).

Temidayo Olaoluwa Adekeye – Head, Corporate Services

Temidayo has 13 years' experience in the Nigerian telecoms industry. Prior to joining PAT, he worked at Helios Towers, Justice Quest Partners, Prime Infrastructure and Engineering Services, and Swap Technologies & Telecoms. He holds an L.L.B in Law from the University of Ilorin (2000) & a B.L from the Nigerian Law School (2002). He was called to the Nigerian Bar in 2002.

18. DESCRIPTION OF THE ISSUER- PAT DIGITAL INFRA FUND SPV PLC

18.1 Introduction

PAT Digital Infra Fund SPV Plc was incorporated on the 14th of August 2021 (registered number RC 1828271) as a public limited liability company with registered address at 10A Tokunbo Omisore Street Lekki Phase 1 Lagos State. PAT Digital Infra Fund SPV Plc has no subsidiaries and was established as a special purpose vehicle set up for the purpose of issuing bonds to further on-lend to the Co-Obligor to fund capital expenditure, working capital and enhance liquidity.

PAT Digital Infra Fund SPV Plc has an authorized share capital of ₦2,000,000.00 divided into 2,000,000 ordinary shares of ₦1.00 each held by Pan African Towers Limited (1,999,999 shares) and Mr. Oluwole Adeleke (1 ordinary share) respectively.

18.2 Principal Activities

The Principal activities of PAT Digital Infra Fund SPV Plc is to issue Bonds to the public, especially Qualified Investors, and use the proceeds in accordance with the terms of the Transaction Documents.

As at the date of this Shelf Prospectus, the Issuer has not engaged, since its incorporation, in any activities other than those incidental to its incorporation and registration as a public limited company, the authorization and issue of the Bonds and of the other documents and matters referred to or contemplated in this document to which it is or will be a party and matters which are incidental or ancillary to the foregoing.

18.3 Directors and Company Secretary

Below are details of the nominee directors of the Issuer:

Name	Designation
Oluwole Adeleke	Director
Tumininu Tiya miyu	Director
AK Nominees Management Services Limited	Company Secretary

18.4 Profile of Directors

Mr. Oluwole Adeleke- Director

Mr. Oluwole Adeleke was appointed as Chairman of the Board, effective December 16 2020. He currently is also a Senior Adviser & Managing Director at Chapel Hill Denham with roles that straddle the investment banking and the investment management divisions of the firm. He joined the firm in October 2020, after an extensive career that spanned over 30 years, in the building materials sector where he demonstrated strong credentials in a variety of roles - including leadership of Finance & IT functions and Strategy.

In 1993, he was appointed as the first Nigerian Chief Financial Officer in AshakaCem Plc (a subsidiary of Lafarge SA, now LafargeHolcim Group). Prior to this time, he had played a leading role in the privatization of the majority shareholding of the Federal Government of Nigeria in the business, gaining first-hand experience in raising funds through the domestic capital markets. In 2003, he was appointed Finance Director of Lafarge Wapco Nigeria Plc (now Lafarge Africa Plc), South West Nigeria operation of the LafargeHolcim Group where he participated actively in a team that rescued the business from technical insolvency arising from a short term financing of a major capacity expansion. In 2008, he joined Dangote Industries Limited as Chief Financial Officer in the Group's cement business. He returned to Lafarge Africa Plc (in 2011, first in the role of a Consultant within the business transformation team. In this role, and similar to what he had accomplished in DCP, he participated actively in the consolidation of LafargeHolcim Group's shareholdings in cement assets in Nigeria and South Africa. In 2016, he was appointed to lead the Strategy and Corporate Finance functions of LAP where he successfully led several landmark corporate actions for the business. In 2019, he led the execution of LAP Board and shareholder approvals of the disposal of the company's 100% equity holding in Lafarge South Africa Holdings Pty, at an agreed enterprise valuation of c.US\$600m, which effectively repaid all foreign currency denominated loans on LAP's balance sheet and the consequent resolution of foreign exchange translation risk for the business.

Wole is a graduate of accounting (1982, Bayero University, Kano) and a Chartered Accountant (1987). He trained with the firm of Deloitte Haskins & Sells (now Deloitte) in the UK and Nigeria and is a member of the Institute of Chartered Accountants in England & Wales (ICAEW), fellowship of the Institute of Chartered Accountants of Nigeria (ICAN) and hold a certificate of the Advance Management Programme of the London School of Business (2003).

Mr. Tumininu Tiyaamiyu – Director

Mr Tumininu Tiyaamiyu sits as a Non-Executive Director in PAT effective 2018. He is a Certified Chartered Accountant (ACCA, UK) who has spent over 13 years out of his 17 years’ working experience in the Financial Services and Telecommunications Industries in Nigeria, the United Kingdom and United Arab Emirates; where he directly managed the relationship of telecom companies and service providers, viz. MTN, Airtel, Glo, Ericsson, ZTE, Visafone, Etisalat, DU Telecoms, Huawei, CITCC, and so on. Tumi bagged a First-Class Bachelors’ Degree in Accounting from the University of Ado - Ekiti, Nigeria (2001) and holds an MBA (Distinction), specializing in International Finance & Strategy from Hult International Business School, Boston, Massachusetts (USA) (2009).

AK Nominees Management Services Limited– Company Secretary

AK Nominees was established in 1996 with the vision of being a one-stop centre to provide value added and quality legal services to the Nigerian and International Business Communities.

The Firm provides a wide range of legal services mainly to private and public companies and has a substantial domestic and International practice. The Firm currently has 4 Partners, 12 Associates and 8 support staff with offices in Lagos, Abuja and a representative office in Calabar and Port Harcourt. It also has alliances with key Law Firms in Ghana, Cote D’Ivoire, Republic of Benin and Sierra Leone.

Its focus is providing clearly perceived legal work of the highest international standards while leveraging on the tax, consulting and business advisory background of its founding partners and varied experience of its entire staff.

18.5 Directors’ Interests

Below is the breakdown of director’s holding beneficial interest in the issued share capital of PAT Digital Infra Fund SPV Plc

Director	Number of Shares	% shareholding
Mr. Oluwole Adeleke	1	0.00005%

18.6 Employees

The Issuer has no employees. The Directors and the Company Secretary of the Issuer are part of the management team and the Company Secretary of the Co-Obligor respectively.

18.7 Indebtedness

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

18.8 Material Contract

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

18.9 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.

18.10 Financial Information

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

18.11 Litigation

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

19. USE OF PROCEEDS

The Pricing Supplement for each Series or Tranche under the Programme will specify the details of the use of proceeds of that particular Series or Tranche.

20. RISK FACTORS

Investment in Bonds involves certain risks. Accordingly, prospective investors should carefully consider, amongst other things, the risk factors described below, together with all of the detailed information set out elsewhere in this Shelf Prospectus and reach their own views before making an investment decision. The following section does not describe all the risks of an investment in the Bond. Additional risks and uncertainties not presently known to the Issuer, or that it currently believes is immaterial, could also impair the Issuer's business operations and as a result, the ability of the Issuer to service its obligations under any Bonds. Investors should reach their own views or obtain such professional advice as they deem appropriate, before making an investment decision in respect of the Bonds.

20.1 Country Risk

20.1.1 Economic Risk

This is the risk that changes in macroeconomic variables such as GDP, exchange rate, interest rates, oil prices, inflation, monetary and fiscal policies will adversely affect the Bonds.

The Nigerian economy is largely dependent on crude oil production which has, in the past, been affected by incessant security crisis and political disturbances in the Niger Delta region. Up until recently, activities in this region have been volatile affecting the entire spectrum of the oil and gas industry.

In addition, a number of manufacturing/trading companies have been impacted by the difficulty in accessing foreign exchange for the purchase of raw materials or finished goods, leading to a significant decline in output. This has hindered the ability of such companies to service their loan facilities, thereby impacting the profitability of some banks and increasing their impairments.

Furthermore, the COVID-19 outbreak has impacted economic activity in Nigeria, creating large external and fiscal financing need in 2020. The contraction in global economic activity has also constrained the economic recovery momentum, following the recession experienced in 2016. Given the global nature of the COVID-19 pandemic, there is uncertainty around the severity and duration of the impact across markets, and impact on Nigeria's near-term growth.

Instability in key areas across the globe can adversely affect the movement of trade and foreign exchange in Nigeria. Investors are also advised to pay attention to key indicators in the global economy that may have an impact on investments in Nigeria.

20.1.2 Political Risk

These are risks related to political instability, security, religious differences and ethnicity in Nigeria. Over the past five years, there has been an increase in the number and frequency of attacks and cases of kidnapping across various parts of Nigeria.

Sectarian conflicts in the Middle Belt and Northern Nigeria continue to pose a threat to Nigeria's political stability. The intermittent crisis and insurgence of Boko Haram have been identified as major contributors to the regions' security challenges especially in the North-Eastern Part of Nigeria. The Government is working to curtail the operations of these insurgent groups but this is a risk that remains. In recent times also, the country has witnessed political demonstrations and tensions including calls for restructuring; increasing rifts between the executive and legislative arms of government; protests around protecting the principles of the Rule of Law, Constitutionalism, amongst others.

20.1.3 Emerging Markets Risk

Emerging markets such as Nigeria are subject to greater risk than more developed markets and financial turmoil in any emerging market could cause the price of securities to decrease. Generally, investments in emerging

markets are only suitable for sophisticated investors who understand the instruments and fully appreciate the significance of the risks involved in investing in emerging markets.

Investors should also note that emerging markets, such as Nigeria, are subject to rapid change and that the information set forth in this Shelf Prospectus may become outdated relatively quickly. Investors should also note that emerging markets such as Nigeria are subject to rapid change and that the information set forth in this Shelf Prospectus may become outdated relatively quickly.

Moreover, financial turmoil in any emerging market country tends to adversely affect prices in equity markets of all emerging market countries as investors move their money to more stable, developed markets. Financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Nigeria and adversely affect the Nigerian economy as companies that operate in emerging markets can face severe liquidity constraints as foreign funding sources are withdrawn. Thus, even if the Nigerian economy remains relatively stable, financial turmoil in any emerging market country could adversely affect the Co-Obligor's business, as well as result in a decrease in the price of the securities

20.2 Risks Related to the Issuer

20.2.1 Issuer is a special purpose vehicle with no business operations or significant assets.

The Issuer is a special purpose vehicle with no business other than issuing Bonds. The right of Bondholders to receive payments in respect of the Bonds is therefore limited to payments actually received by the Issuer in respect of Notes issued. Investors are thus relying on the creditworthiness of the Issuer, as applicable, for each issuance of the respective Bonds.

20.2.2 Change in Governing Law

The Issuer is duly incorporated and established under Nigerian law, which remains in effect as at the date of this Shelf Prospectus. 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 Shelf Prospectus.

20.3 Risk Related to the Bond

20.3.1 Structural Risks

- **The market price of the Bonds may be volatile**

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Company's operating results, adverse business developments, changes in the regulatory environment in which the Company operates, changes in financial estimates by securities analysts and the actual or expected sale or purchase of a large number of bonds. Each investor needs to assess the market prior to trading their Bonds.

- **Bonds may be subject to optional redemption by the Issuer**

An optional redemption feature in the Bonds may negatively affect their market value. During any period when the Issuer may elect to redeem Bonds, the market value of those Bonds generally will not rise substantially above the price at which it can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a lower rate.

- **Referencing to an index may subject the Bonds to additional risk**

The Issuer may issue Bonds with Principal repayment or Interest payments determined by reference to an index (or formula), to changes in the prices of the securities or commodities or other relevant factors. Potential investors should be aware that:

- they may receive no interest;
 - they may lose all or a substantial portion of their principal;
 - a relevant factor may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices; and
 - timing of changes in a relevant factor may affect the actual yield to investors, even if the actual level is consistent with their expectations; i.e., in general, the earlier the change in the relevant factor, the greater the effect on yield.
- **Credit ratings may not reflect all risks**
The Bonds will be assigned a rating by at least one Rating Agency. The ratings are not a recommendation to prospective investors to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time; the rating may also not reflect all the risks that a potential investor may be seeking clarity on. A credit rating is not a recommendation.
 - **Credit Risk**
Bonds issued under the Programme will be general obligation bonds backed by the full faith and credit of the Issuer and the Co-Obligor. If a prospective investor purchases Bonds, it is relying solely on the creditworthiness of the Issuer. In addition, an investment in the Bonds involves the risk that subsequent changes in the actual or perceived creditworthiness of the Issuer may adversely affect the market value of the Bonds.
 - **Legal Investment considerations may restrict certain investments**
The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Bonds are a legal investment for it, (ii) Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

20.3.2 Market Risk

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk.

- **Liquidity risk for the Bonds**
There may not be very active two-way quote trading in the Bonds once issued, although the listing of the bonds on NGX or FMDQ increases the possibility of trading activity. The liquidity of the Bonds may be somewhat limited and investors may not be able to trade the Bonds actively; although there are a number of initiatives aimed at developing and deepening the debt capital market and creating liquidity and a vibrant, tradable bond market, the impact of these initiatives on the trading of the Bonds cannot be assessed immediately.
- **Currency (Exchange Rate) Risk**
A number of the projects that will be undertaken by the Company may involve a foreign currency component either in terms of the cost of manpower and equipment or other foreign denominated elements required for the execution of such projects. Fluctuations in the value of the Naira can make the costs of projects more expensive than currently projected, thus impacting negatively on the Company's ability to complete the projects within the existing financing structure or servicing of the projects' funding scheme. Consequently, the Company may not generate the revenues anticipated from the projects.
- **Changes in interest rates may affect the price of the Bonds**
When securities such as bonds are offered with a fixed interest rate, such securities are subject to price fluctuations; as such securities may vary inversely with changes in prevailing interest rates. That is, where interest rates rise, prices of fixed rate securities fall and when interest rates drop, the prices increase. Accordingly, the extent of the fall or rise in the prices is a function of the existing

coupon, 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 Bonds.

- The Bonds may, in the event of a change in market conditions which result in an adverse change in interest rates, be unattractive to investors; with the prevailing rates being more attractive than the coupon on the issued Bonds.

2. Appointment of Bond Trustees

- 2.1 The Issuer hereby creates and establishes a trust for the benefit of the Bondholders.
- 3.1 Subject to the terms and conditions of this Deed, the Issuer hereby appoints the Bond Trustees to act on behalf of the Bondholders, to hold the benefit of the covenants and other obligations of the Issuer on behalf of the Bondholders and itself. Any sums received by the Bond Trustees from the Issuer shall be received on trust in accordance with the provisions of this Deed.
- 2.2 By execution of this Deed, the Bond Trustees have accepted and agreed to enforce the powers and perform the duties and obligations of the Bond Trustees as assigned and specifically set out in this Deed and generally provided for in the Trustees Investment Act.
- 2.3 The Bond Trustees shall have no duty, responsibility, or obligation for the issuance of the Bonds or for the validity or exactness of the same, or of any documents relating to such issuance.

3. Declaration and Duration of Trust

- 3.2 The Bond Trustees hereby declare themselves as Bond Trustees for the Bondholders with effect from the date of this Deed to hold the benefit of the Issuer's covenants and other obligations in this Deed in trust for the Bondholders according to their respective interests and subject to the terms and conditions of this Deed.
- 3.3 For the avoidance of doubt, the Parties to this Deed agree that the common law rules against perpetuities will apply to this Deed and the Deed shall not endure beyond twenty-one (21) years from the date of its creation.
- 3.4 Subject to Clause 3.2, the trust created by this Deed shall be a continuing obligation and shall remain in full force and effect until:
 - 3.4.1 the Bondholders have been paid all outstanding obligations under the Programme and the Bond Trustees receive an unconditional confirmation in writing from the Registrar that there is no Principal Amount Outstanding or Coupon outstanding in respect of the Bonds; and/or
 - 3.4.2 the date on which the Issuer receives an unconditional release in writing by the Bond Trustees (for the Issuer and the Co-Obligor) from all of their respective obligations under this Deed or other documents pursuant to this Deed, if any.
- 3.5 The Issuer shall use the net proceeds from the issue of a Series (after deduction of the costs and expenses incurred in connection with the issuance of such Series) in accordance with the provisions of the Final Terms.

4. Programme Trust Deed Binding on all Parties

- 4.1. The provisions of this Deed or any supplemental deed created pursuant to this Deed shall be binding on the Issuer, the Co-Obligor, the Bond Trustees and the Bondholders and all persons claiming through them respectively as if such Bondholders and persons are parties to this Deed.
- 4.2. Subject to the provisions of this Deed and Section 201 (2) of CAMA, a Bondholder or a person claiming through a Bondholder shall have no right to sue the Parties (either jointly or severally) for the enforcement of any benefit conferred on a Bondholder by virtue of this Deed or any Series Trust Deed.

5. Issuance of the Bonds

5.1 **Mode of Issuance and Offering**

- 5.1.1 The Issuer shall issue and offer the Bonds in Series in an aggregate nominal amount from time to time up to and not exceeding the Aggregate Principal Amount in accordance with the terms of this Deed. Any Bond issued in accordance with this Deed shall be constituted by this Deed without further formality.
- 5.1.2 Any Series, as and when issued, shall constitute a single class and shall be direct and unconditional obligations of the Issuer as provided in the relevant Series Trust Deed and the ranking shall be as specified in the relevant Series Trust Deed.
- 5.1.3 The Bonds constitute an irrevocable obligation of the Obligor.
- 5.1.4 The Bonds shall be issued by way of an offer for subscription, auction or private placement through a book building process and or any other such methods as set out more particularly in the relevant Supplementary Shelf Prospectus or Pricing Supplement.
- 5.1.5 Each issue of Bonds shall form a separate Series. The provisions of this Deed shall apply *mutatis mutandis*, separately and independently to the Bonds of each Series. Each Series shall be constituted by a separate trust created by a Series Trust Deed under which the Bond Trustees shall hold the benefit of the covenant in Clause 7.2 of this Deed in trust for the Bondholders of the particular Series. The provisions contained in any other Series Trust Deed shall apply only in relation to the Series to which it relates.
- 5.1.6 The name of each Series will commence with the word "Series" and will be followed by a number in consecutive order of issuance of the Series.
- 5.1.7 If there is any conflict between the provisions of a Series Trust Deed relating to a Series and the provisions of this Deed, the provisions of the Series Trust Deed shall prevail over the provisions of this Deed in respect of the relevant Series.
- 5.1.8 The Bonds shall be listed on a Recognised Securities Exchange and issued in denominations as specified in the Series Trust Deed relating to the relevant Series. The tenor of the Bonds for each Series shall be specified in the relevant Series Trust Deed.
- 5.1.9 The Bonds shall be issued and transferable in units or amounts to be determined by the Issuer and stated in the relevant Conditions. All payments in respect of, under and in connection with this Deed, shall be denominated in Nigerian Naira and subject to compliance with all applicable legal or regulatory requirements.
- 5.1.10 Other than as provided in this Deed, any Series Trust Deed and the Deed of Guarantee, there are no restrictions on the transferability of the Bond.
- 5.1.11 The minimum subscription of the Bonds shall be as specified in the relevant Series Trust Deed.
- 5.1.12 The Coupon payable in respect of the Bonds shall be specified in the relevant Series Trust Deed.

5.2 **Purpose of the Bonds**

- 5.2.1 The purpose for which the proceeds of the Bonds are to be utilized shall be specified in the Final Terms.
- 5.2.2 Without prejudice to the generality of the previous and the subsequent provisions of this Deed, the Bond Trustees shall not be bound to enquire as to the application of the proceeds of the Bonds.

5.3 **Form and Delivery of the Bonds**

5.3.1 The Bonds will be delivered in dematerialised form through book-entry deposit by crediting the CSD Account of each Bondholder who shall be so informed by an E-allotment Notification. Notwithstanding the foregoing, where so specified in the Final Terms, the Bonds of any Series may be issued in certificated form.

5.3.2 Title to the Bonds passes only upon registration of a Bondholder in the Register.

5.3.3 Statements issued by the CSD as to the aggregate number of Bonds standing to the CSD account of any Bondholder shall be conclusive and binding for all purposes except in the case of manifest error, and such person (or his/her legal representatives) shall be treated by the Issuer, the Bond Trustees and the Registrar as the legal and beneficial owner of such aggregate number of Bonds for all purposes.

5.3.4 The Bondholders shown in the records of the CSD (or their legal representatives) are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of this Deed and any relevant Series Trust Deed.

5.3.5 Notwithstanding Clause 5.3.1 above, a Bondholder may elect to receive a certificate, covering the aggregate Principal Amount of his beneficial interest in the Bonds. PROVIDED THAT joint Bondholders shall be entitled to only one (1) certificate in respect of the Bonds jointly held by them which certificate shall be delivered to one of the joint Bondholders whose name appears first in the Register and the delivery of a certificate to one of such persons shall be deemed to be sufficient delivery to all.

5.4 **Transfer of Bonds**

Transfers of Bonds will be effected through the records of the CSD and the respective participants in accordance with the rules and procedures of the CSD and title to Bonds shall pass when such transfer is recorded in the Register.

5.5 **Conditions of the Bond**

The Obligors shall comply with, perform and observe all the provisions of this Deed and the Conditions. The Conditions shall be deemed to be incorporated in this Deed and shall be binding on the Obligors, the Bond Trustees and the Bondholders and all persons claiming through or under them respectively.

5.6 **Ranking of the Bonds**

The ranking of the Bonds as and when issued shall be as specified in the relevant Final Terms.

5.7 **Status of the Bonds**

5.7.1 The Bonds constitute direct, general, unconditional, irrevocable, unsecured and senior obligations of the Obligors and (and shall qualify as securities in which Pension Fund Administrator may invest under the PRA) and will also qualify as securities in which the Bond Trustees may invest under the Trustees Investments Act.

5.7.2 Unless otherwise stated in the Final Terms, each Bond in a Series constitutes a senior direct and unsubordinated obligation of the Obligors and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Bonds and in respect of principal and any Coupon on the Bonds shall at all times rank at least equally with all unsecured obligations of the Issuer, present and future except for obligations mandatorily preferred by law applying to companies during insolvency generally.

5.8 Persons to be treated as Bondholders

Except as ordered by a court of competent jurisdiction or as required by law, the Obligors, the Bond Trustees, and the Registrar (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft thereof) may:

5.8.1 for the purpose of making payment thereon or on account thereof and for the purpose of voting, giving consents and making requests pursuant to these provisions, deem and treat the registered holder of any Bond as the absolute legal and beneficial owner thereof and of all rights thereunder free from all encumbrances, and shall not be required to obtain proof of such ownership or as to the identity of the registered Bondholder; and

5.8.2 for all other purposes, deem and treat the registered holder of any Bond as the absolute owner thereof free from all encumbrances and shall not be required to obtain proof of such ownership (other than, in the case of any person for the time being so shown in such records, a certificate or letter of confirmation signed on behalf of the Registrar or any other form of record made by it) or as to the identity of the registered holder of any Bond.

5.9 Rights of Bondholders

The Bondholders shall not have or acquire any right against the Bond Trustees or the Guarantor (where applicable) in respect of the Bonds or the Deed of Guarantee (where applicable) except as expressly conferred upon them by this Deed, or by law, regulation or court order and no person shall be recognized as a Bondholder except in respect of Bonds registered in his name in the Register.

5.10 Certificates of the Registrar

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

6. Establishment of Transaction Accounts

6.1 Establishment of the Debt Service Payment Account

Subject to the applicable Final Terms, the Issuer shall not later than the Closing Date, open with the Account Bank, the Debt Service Payment Account in respect of any relevant Series or Tranche of Bonds in the name and under the control of the Bond Trustees.

6.2 Funding of Debt Service Payment Account

6.2.1 The Debt Service Payment Account shall be funded or procured to be funded by the Issuer in such frequency as may be specified in the applicable Final Terms for the purpose of accumulating monies to pay any Coupon due, and where applicable, repay the principal on the applicable Payment Date. The money standing to the credit of the Debt Service Payment Account on any Payment Date shall not be less than the Principal Amount Outstanding and Coupon due on the relevant Series on the relevant Payment Date.

- 6.2.2 The Issuer shall pay or the Obligors shall procure to be paid into the Debt Service Payment Account, all monies due under the Bonds no later than (five (5) Business Days) before the Payment Date or as may be specified in the applicable Final Terms.
- 6.2.3 The Issuer shall, and the Co-Obligor shall procure that the Issuer shall, no later than 10.00a.m. on the Business Day immediately succeeding the date on which the payments referred to in Clause 6.2.2 above, is made, send a payment confirmation by authenticated SWIFT acknowledgment or other acceptable form or notification to the Bond Trustees confirming that the relevant payment has been made into the Debt Service Payment Account.
- 6.2.4 The Bond Trustees shall utilise the funds in the Debt Service Payment Account for the purposes of effecting payments on the Bonds to the Bondholders as and when due in accordance with the relevant Final Terms.
- 6.2.5 The Bond Trustees shall, at the expense of the Obligors, immediately notify the Obligors in writing:
- 6.2.5.1 if the Bond Trustees have not by close of business on the date specified in Clause 6.2.2, received the full amount required for payment to the relevant Bondholders, that it has not received the full amount required for payment to the Bondholders; or
- 6.2.5.2 if the Bond Trustees have received the full amount of any sum payable in respect of the Bonds, that it has received the full amount required for payment to the Bondholders and the Issuer is accordingly discharged of its payment obligations then due.
- 6.2.6 Upon receipt of the notice specified in Clause 6.2.5.1, the Issuer shall, and the Co-Obligor shall procure that the Issuer shall, not later than three (3) Business Days before a Payment Date, remit sufficient funds into the Debt Service Payment Account to meet such shortfall in the Principal Amount or Coupon due on the Bonds as calculated by the Bond Trustees.
- 6.2.7 Where a Payment Date falls on a non-Business Day, such payment shall be postponed to the next day which is a Business Day. If same falls into the next calendar month, such Payment Date shall be brought forward to the immediately preceding Business Day. The Bondholder shall not be entitled to any further Coupon, return or other payment in respect of any such delay.

6.3 Minimum Reserve Account

- 6.3.1 Subject to the applicable Final Terms, the Issuer may, in respect of any Series or Tranche of Bonds, open a Minimum Reserve Account prior to the relevant Issue Date, in the name and under the control of the Bond Trustees.
- 6.3.2 The Co-Obligors shall at such times and in such amounts specified in the applicable Final Terms, deposit or procure to be deposited, funds in the Minimum Reserve Account, as security for the fulfilment of the Issuer's repayment obligations to the Bondholders, to protect the Bondholders against unexpected volatility, or interruption, in the cash flow available to service the payment obligations of the Issuer under this Programme Trust Deed and the relevant Series Trust Deed.
- 6.3.3 In the event that the Bond Trustees determines not later than three (3) Business Days before the Maturity Date or the Coupon Payment Date that the funds in the Debt Service Payment Account are insufficient to pay the Principal Amount or the Coupon due on the Bonds, and following the issuance of the written notice by the Bond Trustees as contemplated under Clause 6.2.5.2, any of the Bond Trustees shall effect transfer of required funds from the Minimum Reserve Account to the Debt Service Payment Account to pay the principal or Coupon due.

- 6.3.4 In the event the Bond Trustees utilise the monies in the Minimum Reserve Account for the purpose stated in Clause 6.3.3 above, the Co-Obligor shall ensure that the Minimum Reserve Account is funded up to the applicable minimum reserve amount no later than five (5) Business Days before the next Coupon Payment Date after such utilisation.

7. Covenants of the Obligors

Each Obligor covenants to the Bond Trustees that it shall:

- 7.1 comply with and perform and observe all the obligations expressed to be undertaken by it or imposed on it under this Deed and the Bonds. The Bond Trustees shall be entitled to enforce the obligations of each Obligor under the Bonds as if the same were set out and contained in the Deed, which shall be read and construed as one document with the terms of the Conditions;
- 7.2 to the extent that any Bonds are constituted under the relevant Series Trust Deed and issued, be indebted to the Bondholders up to the Principal Amount of the Bonds specified in such Series Trust Deed in respect of the relevant Series and undertakes to the Bond Trustees that the Bonds, to the extent constituted and issued, shall be redeemed together with any outstanding interest and other monies on the Redemption Date in the relevant currency (or earlier on an amortised basis) provided for in the relevant Final Terms or such earlier date as the same or any part may become due and repayable;
- 7.3 pay to the Bond Trustees in immediately available funds, the full Principal Amount of the Bonds and or such part of the Bonds as ought to be redeemed on the Redemption Date as may be payable, and shall in the meantime and until such date (both before and after any judgment or other order of a court of competent jurisdiction) pay unconditionally to or to the order of the Bond Trustees, interest (which shall accrue from day to day) on the Principal Amount of the Bonds;
- 7.4 in the event that the Issuer fails to make payment to the Bond Trustees on or before the due date or improperly withholds or refuses to make such payment, interest shall continue to accrue on the Principal Amount so withheld or refused (both before and after any judgment or order of a court of competent jurisdiction) at the Coupon rate up to and including the date on which payment is eventually made to the Bondholders;
- 7.5 ensure that every payment of principal and or interest on the Bonds will be made free of all costs, commissions, charges, fees, or other payments or deductions, other than any tax on income which the Issuer may by any Applicable Laws be required to deduct;
- 7.6 obtain and keep in full force and effect all authorisations required for the validity and enforceability of the Issue Documents against each of the Obligors;
- 7.7 promptly inform the Bond Trustees of any Event of Default or Potential Event of Default as soon as it becomes aware of such event;
- 7.8 comply in all material respects with all Applicable Laws, permits, and licences to which it may be subject and which in each case is material to its business and its obligations under the Issue Documents for as long as any Bonds are outstanding under the Programme, and shall obtain and maintain such permits and licences except where such non-compliance will not result in a Material Adverse Effect on its business or its obligations under the Issue Documents;
- 7.9 furnish the Bond Trustees with five (5) copies of its quarterly financial statements within ten (10) Business Days of sending the same to the SEC (or any other relevant Authority), or where the Co-Obligor is a private company, within ten (10) business days from the end of the relevant quarter;
- 7.10 furnish the Bond Trustees with five (5) copies of its audited financial statements, including its Statement of Financial Position and statements of sources and application of funds for that fiscal year, prepared in accordance with IFRS and confirmed by the Auditors as

- fairly representing its financial condition at the end of that fiscal year, at the same time as such statements are being sent to the Obligor;
- 7.11 for as long as any Bonds are outstanding, except with the prior written consent of the Bond Trustees (such consent not to be unreasonably withheld, conditioned or delayed), not be entitled to enter into any amalgamation, de-merger, merger, consolidation or corporate restructuring or enter into any transaction which effect would be similar to that of a merger, consolidation or corporate reconstruction, provided that:
- 7.11.1 no consolidation, corporate restructuring, merger or other change in the status of the Obligor shall be interpreted to avoid the Obligor's obligations imposed by this Deed and in the event of any change in status of the Obligor, the successor or successors-in-title of the Obligor shall be held and deemed responsible for the due performance of the obligations intended by this Deed PROVIDED that if required by the Bond Trustees, the successor or successors-in-title of the Obligor shall expressly assume by a supplemental trust deed to the Trust Deed in form and substance satisfactory to the Bond Trustees, all of the obligations of the Issuer under the Trust Deed;
- 7.11.2 immediately before and after giving effect to such consolidation or merger, no Event of Default shall have occurred and be continuing; and
- 7.11.3 the Obligor or its successor-in-title, as the case may be, shall have delivered to the Bond Trustees, a certificate signed by two (2) of its directors stating that the consolidation or merger complies with the provisions of Clauses 7.10.1 and 7.10.2 above.
- 7.12 unless with the prior written consent of the Bond Trustees first had and obtained (which consent shall not be unreasonably withheld, conditioned or delayed), not reduce its issued share capital or otherwise amend or change its share capital in a manner which, in the reasonable opinion of the Bond Trustees, would adversely affect its ability or obligation to pay the principal and or interest on Bonds and or any monies payable under this Deed except such amendment is required by an Applicable Law;
- 7.13 in any case (other than as stipulated in Clause 7.12) of alteration of capital, and or amendment of its Memorandum and Articles of Association, it shall, inform the Bond Trustees in writing no later than ten (10) Business Days upon completion, giving full particulars of the status of its share capital as altered, and or amendment of its Memorandum and Articles of Association accompanied with a formal representation by the Obligor confirming that such alteration or amendment shall not adversely affect its ability or obligation to pay principal and or interest on the Bonds issued under this Deed. In addition, the Issuer shall give answers to any reasonable queries of the Bond Trustees in respect of such alteration or amendments;
- 7.14 retain a reputable firm of auditors as its auditors at all times;
- 7.15 duly and punctually pay and discharge all Taxes for which: (a) it reasonably believes it is liable, pursuant to any self-assessment procedure; and (b) assessed upon it or its assets under any Applicable Law within the time allowed, without incurring penalties, except:
- 7.15.1 such payment is being contested in good faith;
- 7.15.2 adequate reserves are maintained for those Taxes and any interest or penalties; and
- 7.15.3 such payment can be lawfully withheld;
- 7.16 bear and pay any Duties and Charges (including interest and penalties, payable or imposed by any Authority or government agency in Nigeria), in connection with the execution, delivery and performance of this Deed, and shall indemnify each Bondholder against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, any properly incurred legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same;

- 7.17 ensure that it maintains its legal status and complies with all Applicable Laws required to maintain such status;
- 7.18 ensure the information it makes available to the Bondholders directly or through any of its directors, officers, employees, or representatives in connection with the transactions contemplated by this Deed shall be complete and correct in all material respects; and not contain any untrue statement of a material fact or omit to state a material fact;
- 7.19 keep proper books of account and, at any time after an Event of Default has occurred or if the Bond Trustees reasonably believes that an Event of Default may have occurred or may be about to occur, allow the Bond Trustees and the Auditor free access to such books of accounts at all reasonable times during normal business hours, until such Event of Default ceases;
- 7.20 for as long as any Bond is outstanding and, except with the prior written consent of the Bond Trustees (such consent not to be unreasonably withheld, conditioned or delayed), procure that its holding company (where applicable), the Co-Obligor shall not divest its majority interest in the Issuer and or any of its Affiliates;
- 7.21 notify the Bond Trustees of any change in control, divestment or restructuring of its parent company or any of its Affiliates;
- 7.22 not declare or pay any dividend in cash or otherwise or make a distribution (whether by way of redemption, acquisition or otherwise) in respect of its share capital if a Potential Event of Default or an Event of Default has occurred and is continuing;
 Provided that:
 - if provided for in any Series, prior to the occurrence of an Event of Default, it shall obtain the prior written consent of the Bond Trustees, to declare or pay any dividend or make a distribution; and
 - where any Series enjoys the benefit of a credit enhancement, the Obligor shall only pay dividends or make any distributions or other form of payments (whether or not an Event of Default has occurred) in accordance with the relevant credit enhancement documents.
- 7.23 use its best endeavours to maintain the quotation or listing on the Recognised Securities Exchange on which the Bonds are quoted or listed or, if it is unable to do so having used such endeavours, use its best endeavours to obtain and maintain a quotation or listing of such Bonds on such other stock exchange or securities market as the Obligors may decide and upon obtaining a quotation or listing of such Bonds issued by the Issuer on such other stock exchange or exchanges or securities market or markets, enter into a deed supplemental to this Deed or the relevant Series Trust Deed to effect such consequential amendments as shall be necessary to comply with the requirements of any such stock exchange or securities market. Provided that the Issuer shall be able to delist the Bonds from any exchange for any reason whatsoever with the prior approval of the Majority Bondholders;
- 7.24 provide the Bond Trustees with all documents and information it may reasonably require in connection with the performance of its obligations under this Deed, within fifteen (15) Business Days of receipt of a written request from the Bond Trustees or, in the event that the Obligor may require a longer period to obtain such documents or information from third parties, as soon as is reasonably practicable after such request and in any event by such longer period as may be agreed with the Bond Trustees;
- 7.25 by 31 December in each year in which any part of the principal amount on the Bonds and accrued interest are outstanding, issue a certificate stating that:
 - 7.25.1 all arrangements required during the next financial year to meet the payment obligations of the Obligor have been put in place by the Obligor; and
 - 7.25.2 to the best of its knowledge, it is not aware of any facts or circumstances in the ordinary course of its business that will affect its ability to meet its

payments obligations as and when due.

- 7.26 ensure that all payments due to the Bondholders shall be paid to the Debt Service Payment Account as provided in the relevant Final Terms.
- 7.27 subject to the Final Terms, where the day on which a payment is due to be made is not a Business Day, that payment shall be effected on or by the next succeeding Business Day unless that succeeding Business Day falls in a different month in which case payment shall be made on or by the immediately preceding Business Day.

8. Creation of Additional Series

- 8.1 The Issuer shall be at liberty from time to time without the consent of the Bondholders, to create and issue additional Series pursuant to the Programme either: (i) ranking pari passu in all respects (except for the first payment of Coupon, issue price, issue dates and principal amount) with outstanding Series, or (ii) upon such terms as to ranking, interest, conversion, redemption and otherwise as the Issuer may at the time of issue determine. For the avoidance of doubt, any further issuance of Bonds may have the same terms and conditions as the Bonds of any Series (except for the amount and date of the first payment of interest, issue price, issue dates and Principal Amount) so that the same shall be consolidated and form a single class with the outstanding Bonds of a particular Series.
- 8.2 Any Series created pursuant to the provisions of Clause 8.1 shall be constituted by a Series Trust Deed. In any such case the Issuer, may make such consequential modifications to this Deed as the Bond Trustees shall require in order to give effect to such issue of a Series.
- 8.3 The Bond Trustees shall hold the benefit of the payment obligations of the Issuer in trust for the Bondholders of a Series in accordance with the terms and conditions of the applicable Series Trust Deed.
- 8.4 Every Series Trust Deed as well as counterparts of this Deed shall be executed by the Obligors and the Bond Trustees and a memorandum of any Series Trust Deed shall be attached to this Deed and any counterparts of the same.
- 8.5 A memorandum of every Series Trust Deed shall be endorsed by the Bond Trustees on this Deed and by the Issuer on counterparts of this Deed.
- 8.6 The provisions of this Deed except as otherwise varied in the relevant Series Trust Deed shall be incorporated by reference in the Series Trust Deed relating to any Series created pursuant to this Deed.

9. Guarantee by the Co-Obligor

- 9.1 The Parties agree that all the obligations of the Co-Obligor are without preferences or distinction among them (the “**Obligations**”).
- 9.2 The Co-Obligor guarantees to the Bond Trustees:
 - 9.2.1 the due and punctual payment of the principal and interest on the Bonds and any other amount payable by the Issuer under this Deed (in immediately available funds, without any deduction, set-off, counterclaim or withholding of any kind (including without limitation, on account of taxes); and
 - 9.2.2 the due and punctual performance and observance by the Issuer of its obligations which it may from time to time be obliged to perform under or pursuant to this Deed.
- 9.3 The Obligations shall include monetary damages arising out of any failure by the Issuer to perform its obligations under this Deed or any other Issue Document, to the extent that any failure to perform such obligations gives rise to monetary damages.
- 9.4 The Obligations under the provisions of this Clause 9 constitute the full Obligations and is enforceable against the Co-Obligor to the full extent of its properties and assets, irrespective of the reliability or enforceability of this Deed or any other

Issue Document, or any other circumstance whatsoever.

- 9.5 The Obligations under this Deed are continuing obligations and shall extend to the balance of all sums payable by the Issuer under this Deed and the Bonds, regardless of any intermediate payment or discharge in whole or in part.

9.6 **Payments**

9.6.1 Any payment made by the Co-Obligor shall be in satisfaction of the relevant covenant to pay by the Issuer pursuant to Clause 7.2 (except to the extent where there is a default in a subsequent payment). Interest shall accrue on any payment made after the due date, up to and including the date payment is made. All payments made by the Co-Obligor under this Deed shall be subject to Clause 7.4.

9.6.2 The Co-Obligor agrees that the payment of any amounts due with respect to any indebtedness owed by the Issuer, is hereby subordinated to the prior payment of the Obligations in full.

9.6.3 The Co-Obligor agrees that after an Event of Default has occurred and during its continuance, such Co-Obligor will not demand, sue for or otherwise attempt to collect any indebtedness from the Issuer, owed to the Co-Obligor until the Obligations shall have been paid in full. Where, notwithstanding the above, the Co-Obligor collects, enforces or receives any amounts in respect of such indebtedness, such amounts collected, enforced and or received by the Co-Obligor would have been collected, enforced or received as Bond Trustees for the Bond Trustees and be paid over to the Bond Trustees to be applied to repay the Obligations.

9.7 **Indemnity**

As an independent and primary obligation, the Co-Obligor unconditionally and irrevocably agree to indemnify, and keep the Bond Trustees indemnified, from and against all and any cost and liabilities suffered or incurred by it arising from any failure of the Issuer to pay any sum due and payable by it on the due date and in the manner prescribed in this Deed, or through any payment obligation of the Issuer becoming unenforceable, invalid or illegal on any grounds, whether known to the Bond Trustees or not.

9.8 **Waiver of Defences**

9.8.1 The Co-Obligor waives all defences that may be available to it by virtue of any valuation, stay, moratorium law or other similar law now or effective in the future, any right to require the ranking of assets of the Co-Obligor and any other entity or person primarily or secondarily liable with respect to any of the Obligations, and all suretyship defences generally.

9.8.2 The Co-Obligor agrees that its Obligations shall not be released or discharged, in whole or in part, or otherwise affected by, the adequacy of any rights which the Bond Trustees may have against any security or other means of obtaining repayment from the Obligations.

9.8.3 The Obligations of the Co-Obligor under this Clause 9 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding regarding any reconstruction or similar proceeding with respect to the Issuer. The liabilities of the Co-Obligor shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, ownership, membership, constitution of the Co-Obligor, the Issuer or the Bond Trustees.

9.8.4 The provisions of this Clause 9 are made for the benefit of the Bond Trustees and its permitted successors and assigns, and may be enforced by them from time to time against the Co-Obligor and without requirement on the part of the Bond

Trustees or any of its agents first to exercise any of its rights against the Co-Obligor or to exhaust any remedies available to it against the Co-Obligor or to resort to any other source or means of obtaining payment of any of the Obligations or to elect any other remedy.

- 9.8.5 The provisions of this Clause 9 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied.

10. Credit Enhancement

There may be, in respect of the Bonds issued in each Series, credit enhancement measures (to be specified in the applicable Final Terms instruments), collateral, insurance policies and third-party guarantees.

11. Representations and Warranties

11.1 *Representations and Warranties of the Obligors*

Each Obligor hereby undertakes, represents and warrants to the Bond Trustees and the Bondholders that, as of the date of this Deed and on each Issue Date that:

11.1.1 Status

11.1.1.1 It is a limited liability company, duly incorporated and validly existing under the laws of the Federal Republic of Nigeria;

11.1.1.2 It has the power and authority to own, lease and operate its assets and carry on its business as it is being conducted.

11.1.2 Powers and authority

11.1.2.1 It has the power to enter into and perform and has taken all necessary action to authorise the entry into and performance of the Issue Documents to which it is a party and the transactions contemplated by such Issue Documents to the extent applicable to it.

11.1.2.2 No limit on its powers will be exceeded as a result of the borrowing or giving of guarantees or indemnities contemplated by the Issue Documents to which it is a party.

11.1.3 No adverse change: Save as disclosed in the Shelf Prospectus, since the date of its last audited financial statements delivered to the Bond Trustees, no event which is likely to have a Material Adverse Effect has occurred.

11.1.4 Non-conflict: The entry into and performance by it into, and the transactions contemplated by, the relevant Issue Documents to which it is a party do not, and will not contravene or conflict with the CAMA, ISA or any other law or regulation applicable to it; its constitutional documents; any document which is binding upon it or any of its assets; or any licence that is required for the carrying on of its business.

11.1.5 Valid and binding obligations: The obligations expressed to be assumed by it under the Issue Documents to which it is a party are legal and valid obligations, binding on it and enforceable against it in accordance with their respective terms.

11.1.6 Validity and admissibility in evidence

Other than the payment of applicable stamp duties and the stamping of the Issue Documents, all authorisations and any other acts, conditions or things required or desirable:

11.1.6.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Issue Documents to which it is a party; and

11.1.6.2 to make the Issue Documents to which it is a party admissible in evidence in its jurisdiction of incorporation, have been obtained, effected, done, fulfilled or performed and are in full force and effect.

It shall bear and pay any Duties and Charges (including interest and penalties, payable or imposed by any Authority or government agency in Nigeria), in connection with the execution, delivery and performance of this Deed, and shall indemnify each Bondholder against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, any properly incurred legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

11.1.7 Indebtedness and Solvency:

11.1.7.1 Save as disclosed in the Shelf Prospectus and the applicable Pricing Supplement it has no other loans, material contingent liabilities or other similar indebtedness, other than those permitted under an Issue Document;

11.1.7.2 Save as disclosed in the Shelf Prospectus and the applicable Pricing Supplement, it has no other debentures, mortgages, charges, or security, other than those permitted under an Issue Document;

11.1.7.3 It is neither unable nor has it admitted its inability to pay its debts as they fall due nor has it suspended the making of payments on any of its debts or, by reason of actual or anticipated financial difficulties, commenced negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness;

11.1.7.4 Save as otherwise disclosed in the Shelf Prospectus and the applicable Pricing Supplement no moratorium has been declared in respect of any of its Indebtedness; and

11.1.7.5 The value of its assets is not less than its liabilities (both actual and contingent).

11.1.8 Authorisations: All consents, licences, authorisations and approvals:

11.1.8.1 required to be obtained by it to enable the consummation of the transactions constituted by the Issue Documents to which it is a party; and

11.1.8.2 necessary for the conduct of its business substantially as conducted at the date hereof, have been obtained (and are in full force and effect) or will be obtained (and remain in full force and effect) prior to the Closing Date for the first Series, their terms and conditions have been complied with in all material respects and they have not been and, so far as the Obligor is aware, will not be revoked or otherwise terminated as a result of entry into the Issue Documents to which it is a party, and the consummation of the transactions constituted thereby, and in each case if not obtained or complied with, or if revoked or terminated, would not be reasonably expected to have a Material Adverse Effect.

11.1.9 Litigation: Other than as disclosed in the Shelf Prospectus, no litigation, arbitration, administrative proceedings or other proceedings are current or, to the knowledge of the Issuer and Co-Obligor (having made all due enquiries), pending or threatened in writing, against the Issuer and/or Co-Obligor or against any of its directors or its assets which, if adversely determined, would reasonably be expected to have a Material Adverse Effect.

11.1.10 No deduction or withholding: It will not be required to make any deduction or withholding from any payment it may make under the Bonds except where such deduction or withholding is mandatorily required by law.

11.1.11 Compliance with Laws

11.1.11.1 To the best of its knowledge, no practice, procedure or policy employed by the Obligor in the conduct of its business violates any judgment, law, regulation, order or decree applicable to it and which violation, if

enforced, would be reasonably likely to have a Material Adverse Effect.

11.1.11.2 All returns and resolutions and other documents required to be filed with or delivered by the Issuer and the Co-Obligor to the Corporate Affairs Commission and the SEC pursuant to the CAMA, the ISA and the SEC Rules have been or will be duly filed or delivered, except where failure to do so would be reasonably likely to have a Material Adverse Effect.

11.1.12 General duty of disclosure

11.1.12.1 The Shelf Prospectus and the Pricing Supplement contain and will contain (as applicable) all such information which a reasonable investor will consider material to making informed assessments of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Co-Obligor and of the rights attaching to the Bonds.

11.1.12.2 All statements of fact contained in the Shelf Prospectus and the Pricing Supplement are true and accurate in all material respects and there are no material facts known to it that are not disclosed therein and the omission of which could make statements therein false or misleading and there are no other circumstances adversely affecting it which have not been disclosed in the Shelf Prospectus and the Pricing Supplement and which if disclosed would be calculated to affect materially the decision of a subscriber to the Bonds.

11.1.12.3 Except as already mentioned in the Shelf Prospectus and the Pricing Supplement and to the best of its knowledge and belief (having made due and careful inquiry), no circumstances have arisen whereby any person is entitled to require payment or seek redress in respect of any obligation or by reason of any of its default.

11.1.12.4 Since it commenced operations, its business has been carried out in the ordinary and usual manner.

11.1.13 Approval of Shelf Prospectus

11.1.13.1 Applications have been made for the Bonds to be registered by the SEC. The Shelf Prospectus comprises a prospectus issued in compliance with the SEC Rules.

11.1.13.2 No Event of Default will result from the execution, or the performance, of any transaction contemplated by any Issue Document.

11.1.14 No default

11.1.14.1 No Event of Default is continuing or might reasonably be expected to result from the issue of the Bonds or the entry into of, or the performance of any transaction contemplated by, the Issue Documents.

11.1.14.2 No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or any of its assets which might have a Material Adverse Effect.

11.1.15 No Immunity: Neither it nor any of its assets has any right of immunity on the ground of sovereignty or otherwise, from jurisdiction, attachment (before or after judgment) or execution in respect of any action or proceeding relating in any way to the Issue Documents that may be brought in the courts of the Federal Republic of Nigeria or any relevant jurisdiction.

11.1.16 Pari passu ranking: Its payment obligations under the Issue Documents rank at least pari passu with the claims of all its other senior secured creditors (in respect of Bonds with credit enhancement, as applicable) or unsecured and unsubordinated creditors (in respect of bonds without credit enhancement), except for obligations mandatorily preferred by law applying to companies generally.

- 11.1.17 Ranking and financial indebtedness:
- 11.1.17.1 No security exists over all or any of its present or future assets other than as disclosed in the Shelf Prospectus or permitted by the Issue Documents.
- 11.1.17.2 It has no Financial Indebtedness outstanding other than what is permitted under the Issue Documents.
- 11.1.18 Good title to assets: It has a good, valid and marketable title to, or valid leases or licences of, or is otherwise entitled to use, all assets necessary for the conduct of the business as it is presently being conducted, where failure to do so would be reasonably expected to have a Material Adverse Effect.
- 11.1.19 Material Contracts: It is not and to the best of its knowledge and belief (having made due and careful enquiry) and other person is not in breach of any material contract to which it is a party nor has anything occurred which entitled any party to any material contract to rescind or terminate it or decline to perform their obligations under it.
- 11.1.20 Insurance: It has taken out all insurances in respect of its assets, business and operations that a reasonable and prudent operator would consider material under similar circumstances, and it is in full compliance with the terms of the insurance policies.
- 11.1.21 Anti-corruption law: To the best of its knowledge and belief, it has conducted its businesses in compliance with applicable anti-corruption laws and has instituted and maintains as at the date of this Deed policies and procedures designed to promote and achieve compliance with such laws.
- 11.1.22 Times for making representations and warranties
- 11.1.22.1 The representations and warranties set out in this Clause 11
(*Representations and Warranties of the Issuer and Co-Obligor*) are made by the Issuer and the Co-Obligor on the date of this Programme Trust Deed and the initial Closing Date and are deemed to be repeated by the Issuer and the Co-Obligor on each Closing Date and Payment Date for each Series of the Bond.
- 11.1.22.2 When a representation and warranty is repeated, it is applied to the facts and circumstances existing at the time of repetition, provided always that in respect of any Issue Date, the representations contained in Clauses 11.1.4, 11.1.5, 11.1.12 and 11.1.13 shall be limited and refer only to the Tranche or Tranches of Bonds forming a single series of Bonds to be issued on such Issue Date and, to the extent that the such representations contained in Clauses 11.1.4, 11.1.12, and 11.1.13 relate to the Shelf Prospectus, such representations shall be limited to the Pricing Supplement prepared in respect of such Tranche or Tranches of Bonds.

11.2 ***Representations and Warranties of the Bond Trustees***

Each of the Bond Trustees undertake, represent and warrant to the Obligors that, as of the date of this Deed and as at the Issue Date of any Series of the Bonds:

- 11.2.1 it is a company duly registered under the laws of the Federal Republic of Nigeria;
- 11.2.2 it is duly registered and authorised by the Commission to act as a Bond Trustee in connection with capital market transactions;
- 11.2.3 it has the full power, consent and authority to enter into this Deed, exercise its rights and perform its obligations under this Deed and such authorisations and consent are in full force and effect;
- 11.2.4 it has the resources, capacity and expertise to act on behalf of the Bondholders with regard to every issue of Bonds under the Programme and it shall comply with the provisions of the ISA, the Trustees Investments Act, this Deed and the

- relevant Series Trust Deeds in the performance of its obligations;
- 11.2.5 the obligations expressed to be assumed by it under this Deed are legal and valid obligations binding on it in accordance with their terms;
- 11.2.6 it shall provide any information that the Commission or the Issuer may require in connection with its obligations to act on behalf of the Bondholders;
- 11.2.7 it shall not allow any conflicts to occur between its obligations in connection with the Bonds and its commercial interests;
- 11.2.8 it does not have any subsisting and undisclosed fiduciary relationship with the Issuer; and
- 11.2.9 it shall comply with its obligations under this Deed and the terms and conditions specified in this Deed.

12. Enforcement

The rights and duties of the Bond Trustees and Bondholders, in respect of recovery of amounts owing on the Bonds and the Coupons are set out in Condition 15 (*Events of Default*) of Schedule One.

13. Payment of Principal, Coupon and Premium

13.1 Payment of principal, Coupon and premium (if any) for the time being owing or due on all or any part of the Bonds will be credited by the Account Bank on the instruction of the Bond Trustees into the nominated bank accounts of the Bondholders contained in the Register as made available to the Registrar by the Bondholders for this purpose (or in the case of joint registered Bondholders, by the joint Bondholders) or may be made by a cheque/warrant drawn on a bank duly licensed by the Central Bank of Nigeria and sent (by a Bond Trustees) by post to:

- 13.1.1 the relevant Bondholder at his registered address; or
- 13.1.2 in the case of joint registered Bondholders, the joint Bondholder whose name stands first in the Register; or
- 13.1.3 such person or persons or to such address as the relevant Bondholder or all the joint registered Bondholders may in writing direct.

Provided that any payment for an amount above ₦10,000,000.00 (Ten Million Naira) (or such other limit prescribed under applicable regulation) will be made through electronic payment transfer by credit into the bank account specified by the Bondholder. Where a Bondholder has not nominated any bank account and the amount is above ₦10,000,000.00 (Ten Million Naira) the Bond Trustees will notify the Bondholder and pending the time the Bondholder provides the account details, the Bond Trustees will withhold payment of such amount. For the avoidance of doubt, no coupon shall accrue from the period commencing on the date of notification of the Bondholder to the date on which the Bondholder provides the account details.

- 13.2 Every cheque sent through the post will be sent at the risk of the relevant Bondholder or joint registered Bondholders and payment of any cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the principal, coupon and premium (if any) represented by such cheque.
- 13.3 Without prejudice to the provisions of the Final Terms, the receipt by each Bondholder or in the case of joint Bondholders by any one of such joint Bondholders of any principal or coupon payable in respect of Bond(s) held by such Bondholder or joint Bondholders shall constitute a discharge of the payment obligations of the Issuer to pay such principal or coupon.

14. Priority of Payments

14.1 *Pre-Enforcement Priority of Payment*

Unless otherwise provided pursuant to the relevant Series Trust Deed, on each Payment Date occurring prior to the delivery of a notice of an Event of Default, monies standing to the credit of the Debt Service Payment Account as at the Payment Date shall be applied by the Bond Trustees in the following order of priority, (the “**Priority of Payments**”) (in each case only if and to the extent that payments of a higher priority have been made in full):

- 14.1.1 payment of all Statutory Obligations (where applicable);
- 14.1.2 payment of all costs, charges, expenses and liabilities incurred and payments made in or about the execution of the relevant Series Trust Deed (as applicable) including the Bond Trustees’s fees, costs and expenses;
- 14.1.3 payment of the interest and premium (where applicable) owing on the Bonds pari passu, in proportion to the amount due to the Bondholders in respect of the relevant Series respectively, and without preference or priority;
- 14.1.4 payment of the Principal Amount Outstanding on the Bonds pari passu in proportion to the amount of Bonds held by each Bondholder in respect of the relevant Series and without preference or priority; and
- 14.1.5 the excess cash flow (if any) shall be paid to the Issuer, provided that the Minimum Reserve Account (where applicable) has been maintained in accordance with the applicable Final Terms.

14.2 *Post-Enforcement Priority of Payments*

Clause 14.1 above notwithstanding, if the Bond Trustees are so authorised in accordance with this Deed (and unless otherwise provided in the relevant Series Trust Deed on each Payment Date after the occurrence of an Event of Default, monies standing to the credit of the Debt Service Payment Account as of the Payment Date shall be applied by the Bond Trustees in the following order of priority, (in each case only if and to the extent that payments of a higher priority have been made in full):

- 14.2.1 to pay any Statutory Obligations (where applicable);
- 14.2.2 to pay pari passu and pro rata: (a) the fees and expenses of the relevant receiver or manager; and (b) the Bond Trustees’ fees costs and expenses;
- 14.2.3 where applicable, to pay pari passu and pro rata according to the respective amounts thereof, the interest due and payable on the Bonds;
- 14.2.4 where applicable, to pay pari passu and pro rata according to the respective amounts thereof, the scheduled Principal Amounts due and payable on the Bonds; and
- 14.2.5 to apply pari passu and pro rata all available amounts remaining to prepay or repay the outstanding principal (until repaid in full).

- 14.3 If the Bond Trustees hold any moneys in respect of Bonds which have become void, or in respect of which claims have become prescribed, it shall apply them in accordance with the order of payment set out above.

15. Bond Trustees to act on instructions of Bondholders

- 15.1 The Bond Trustees are not bound to take any proceedings or any other action in relation to this Deed, the Bonds or any documents executed pursuant to the Deed or any of the other Issue Documents to which each Bond Trustee is a party unless:

- 15.1.1 it is so directed by an Extraordinary Resolution of the Bondholders; or

- 15.1.2 it is requested to do so in writing by the Majority Bondholders;

in either case, the Bond Trustees (and every attorney, delegate, manager, agent or other person appointed by it) shall be entitled to be indemnified by the Bondholders and or secured to its satisfaction in respect of all liabilities, proceedings, claims, demands, costs,

charges and expenses to which the Bond Trustees may become liable or which may be incurred by it (or any of the above-mentioned parties so appointed by it) in connection with this Deed, provided that the Bond Trustees shall not be held liable for the consequence of taking any such action.

16. Exclusive Right of the Bond Trustees

None of the Bondholders shall have any independent power to enforce any right or to exercise any rights, discretions or powers or to grant any consents or releases under or pursuant to any of the Issue Documents. Any power or right of the Bondholders under this Deed may be exercised only by the Bond Trustees or any delegate appointed by it in accordance with the terms of this Deed.

17. Powers, Duties and Indemnities of Bond Trustees

- 17.1** Subject to the provisions of this Deed including Clause 2.4 above, the Bond Trustees shall enjoy all powers, reliefs and indemnities granted to it, and perform the obligations imposed on it pursuant to the Trustees Investments Act and all Applicable Laws for the time being in force.
- 17.2** Subject to Clause 2.4, the Bond Trustees shall have the power to do any act in accordance with this Deed, the relevant Series Trust Deed, the ISA and any Applicable Law for the benefit of the Bondholders.
- 17.3** The Bond Trustees shall have the following duties and responsibilities:
- 17.3.1 to act in accordance with the provisions of this Deed, the relevant Series Trust Deed, the ISA, the Trustees Investment Act and any Applicable Laws, and safeguard the rights of the Bondholders for the Issuer's obligations under the Programme;
- 17.3.2 to summon, as and when necessary, meetings of all Bondholders of a Series where necessary matters and business will be presented to and determined by Bondholders; provided that the Guarantor, where applicable, shall receive notice of, and has the right to attend all meetings of the Bondholders and to receive all other documents and correspondence sent by the Bond Trustees to the Bondholders; and
- 17.3.3 not to enter into contracts or other arrangements that would amount to a conflict of interest in the performance of its obligations under this Deed, or any other customary obligations of Bond Trustees.
- 17.4** The Bond Trustees shall ensure that no material amendment to the Issue Documents shall be made without the prior written consent of the Guarantor (where applicable in relation to a Series).
- 17.5** The Bond Trustees shall make payments of coupon and principal in respect of the Bonds in accordance with the Conditions and this Deed and for so long as the Bonds are evidenced by records confirmed by the Registrar, provided that it makes the payments in accordance with the Conditions and this Deed.
- 17.6** The Bond Trustees shall not make any payment of Coupon or principal in respect of any Series in an amount which is greater than the amount of interest or principal payable in accordance with the Conditions in respect of such Series and determined or calculated by it.
- 17.7** Prior to an Event of Default and after curing or waiving all Events of Default which may have occurred, the Bond Trustees shall not be liable except for the performance of its duties as specifically set out in this Deed or as required under any Applicable Law or regulation which applies to Bond Trustees.
- 17.8** The Bond Trustees shall make copies of this Deed and the latest consolidated audited financial statements of the Issuer and the Co-Obligor available for inspection by Bondholders (without charge) between the hours of 10:00 a.m. and 4:00 p.m. on any Business Day, at its specified office.

- 17.9** The duties and obligations of the Bond Trustees shall be determined solely by the express provisions of this Deed, and no implied powers, duties or obligations of the Bond Trustees, except as provided by the ISA or any other Applicable Law shall be construed into this Deed.
- 17.10** Upon the occurrence of an Event of Default, the Bond Trustees shall, subject to the provisions of this Deed, exercise such rights and utilise such powers vested in it under this Deed, and the ISA, and shall use the required degree of care and skill in the exercise of its duties.
- 17.11** The Bond Trustees shall not be required to expend, or risk its own funds, or otherwise incur any liability in the performance of its duties, or in the exercise of its rights or powers as Bond Trustees, except where such liability arises from its negligence, default and or misconduct.
- 17.12** Notwithstanding any other provisions of this Deed, the Bond Trustees shall not be liable for:
- a) an error of judgment made in good faith by any officer or employees, unless it shall be proved that the Bond Trustees were negligent in ascertaining the pertinent facts and in such instance, any resulting liability shall be borne by it; or (b) action taken or omitted to be taken by it in good faith in accordance with the lawful direction of the Majority Bondholders.
- 17.13** The Bond Trustees may accept a certificate from the Issuer that the entire Bond has been redeemed or relating to any matter primarily within the knowledge of the Issuer as sufficient evidence of such matter and any such certificate shall be a complete protection to the Bond Trustees acting upon such certificate.
- 17.14** It is hereby expressly agreed and declared as follows:
- 17.14.1 The Bond Trustees may in relation to this Deed, act on the opinion or advice of or any information from any solicitor, valuer, surveyor, broker, auctioneer, accountant, or other expert, whether obtained by the Issuer or by the Bond Trustees, and shall not be responsible for any loss occasioned by so acting provided that they have used its best efforts to ensure that such persons are competent; and any such advice, opinion or information may be obtained or sent by letter or electronic mail, and the Bond Trustees shall not be liable for acting on any advice, opinion or information purporting to be so conveyed even though the same shall contain some error or shall not be authentic; Provided that the Issuer shall bear the fees and costs and expenses incurred by the Bond Trustees in the appointment of any solicitor, valuer, surveyor, auctioneer, accountant or any other agent, expert or professional in respect of the trust and agreed in advance in writing by the Issuer. The Issuer hereby agrees to pay to the Bond Trustees such fees and expenses within fifteen (15) working days on a full indemnity basis together with any VAT or similar tax payable in connection with the engagement of any such agent, expert or professional upon receipt of the Bond Trustees' written request;
- 17.14.2 The Bond Trustees shall not be bound to give notice to any person or persons of the execution of this Deed or of any acts or deeds made or done by virtue of this Deed or to see to the registration of this Deed in any registry or to any other formalities (except to the due execution by them of this Deed);
- 17.14.3 except as otherwise provided, the Bond Trustees shall not be bound to take any steps to ascertain whether any event has happened upon the occurrence of which the Bond may be declared immediately repayable;
- 17.14.4 except as otherwise expressly provided, the Bond Trustees in the exercise of all trusts, powers, authorities and discretions vested in it and in the absence of fraud, negligence, or misconduct, shall not be responsible for any loss, costs,

damages, expenses or inconvenience that may result from the exercise or non-exercise of its powers, and in particular, the Bond Trustees shall not be bound to act at the request or discretion of the Bondholders under any provision of this Deed unless it shall first be indemnified to their satisfaction by the Bondholders against all costs, charges, expenses and liability which may be incurred in complying with such request or discretion;

17.14.5 the Bond Trustees shall be responsible for the monies subscribed by applicants for the Bonds;

17.14.6 the Bond Trustees shall be at liberty to:

17.4.6.1 accept a certificate signed by any two (2) Directors of the Issuer or the Co-Obligor or as appropriate any two (2) Directors of an Affiliate as to any fact or matter on which the Bond Trustees may need or wish to be satisfied as sufficient evidence of such fact or matter including the certification that any properties or assets in the opinion of such people have a particular value or produce a particular income or are suitable for such Issuer's (or Affiliate's) purposes as sufficient evidence that they have that value or produce a particular income or are so suitable;

17.4.6.2 and the Bond Trustees shall not be bound in such case to call for further evidence or be responsible for any loss that may be occasioned by its failing to do so or by its acting on any such certificate

17.14.7 the Bond Trustees shall not be responsible for having acted upon any resolution purporting to have been passed at any meeting of the Bondholders where minutes have been made and signed, even though it is subsequently found that there was some defect in the constitution of the meeting or the passing of the resolution with the effect that the resolution was not valid or binding upon the Bondholders except where the Bond Trustees had knowledge of such defect prior to taking such action;

17.14.8 the Bond Trustees shall not be bound to declare any Series immediately repayable or to take any steps to enforce payment or any of the provisions of this Deed unless and until in any of such cases the Bond Trustees are required to do so in writing by Majority Bondholders or by an Extraordinary Resolution passed at a duly convened meeting of the Bondholders; provided that the Bond Trustees shall in any case, inform the Bondholders of the happening of any Event of Default that comes to its knowledge;

17.14.9 without prejudice to the right of indemnity by law given to the Bond Trustees, the Bond Trustees and every attorney, manager, agent or other person appointed by it pursuant to this Deed, shall be entitled to be indemnified by the Obligor in respect of all liabilities and reasonable expenses incurred by it in the execution or purported execution of the powers and trusts or of any powers, authorities or discretions vested in it pursuant to this Deed. Provided that (a) the Bond Trustees, their attorney, agent or manager or other person appointed by it, has not acted negligently or in default of its powers, duty and obligations, and the Bond Trustees may retain and pay out of any monies in its hand upon the trusts of these, the amount of any such liabilities and expenses and also the remuneration of the Bond Trustees; and

17.14.10 the Bond Trustees shall not be liable for anything except a breach of trust committed by it. Provided nevertheless that nothing contained in this Clause 17 shall exempt the Bond Trustees from indemnifying the Issuer or Bondholders against any liability for negligence or breach of trust where it fails to show the degree of care and diligence required of it having regard to the provisions of this Deed and any Applicable Law conferring on it powers, authorities or discretions.

17.15 Power to Delegate or Appoint Agents

17.15.1 Instead of acting personally, a Bond Trustee may employ and pay an agent (whether a solicitor or other professional person), to transact or conduct or carry out all acts required to be done by it, including the receipt and payment of money, in connection with this Deed, provided however, that the Bond Trustee shall not delegate all its powers to an agent before notifying the Commission of such delegation.

17.15.2 It is hereby agreed that, for the purpose of liability, where a Bond Trustee appoints:

17.15.2.1 professional adviser(s), it will not be liable for the acts or omissions of such professional advisers provided that the Bond Trustee exercised due care and diligence in the selection of such professional adviser(s);

17.15.2.2 agents and has delegated its trust powers and functions to agent(s), the Bond Trustee will be liable for the acts and omissions of such agent(s).

17.16 Dealings with the Issuer and its Securities

17.16.1 Subject to the provisions of the ISA, and the SEC Rules, the Bond Trustees shall be at liberty in the ordinary course of their business, and every director, other officer or servant of the Bond Trustees shall be at liberty, to enter into contracts with or hold any office for profit under the Issuer or any Affiliate of the Issuer and to hold, purchase, sell, underwrite or otherwise deal with any of the Bonds or any other securities and other obligations of the Issuer or of any such Affiliate and to act as Bond Trustee of any other securities or obligations of the Issuer or of any such Affiliate without being accountable for any receipt, profits, interest charges, commissions, fees or other remuneration arising from such actions.

17.16.2 Without prejudice to the generality of sub-clause 17.16.1, it is expressly declared that such contracts, transactions or arrangements may include:

17.16.2.1 any contract for the purchase or leasing to the Bond Trustee of the whole or any part of the property of the Obligors or of any property or assets formerly included in such property of the Obligors; or any contract for the sale or leasing by the Bond Trustees of any property or assets on the basis that such property or assets will become part of the property of the Issuer or will be paid for out of capital money or exchanged for all or part of the property of the Obligor otherwise; or any other dealing with or in relation to property or assets subject to the trusts of this Deed whether similar to those contracts or not;

17.16.2.2 any contract, transaction or arrangement for or in relation to the placing, underwriting, purchasing, subscribing for or dealing with or lending money upon the Bonds or any other bond, shares, debenture bond, debentures or other securities of the Obligor or an Affiliate or any contracts of insurance with the Issuer or any of its subsidiaries; and

17.16.2.3 any of the Bond Trustees acting as Bond Trustee of any other securities or obligations of the Obligors, or their Affiliates.

17.16.3 The Bond Trustees shall not be accountable to the Obligors or any of their Affiliates or to the Bondholders for any profits or benefits resulting or arising from any contract, transaction or arrangement as is mentioned in this Clause and the Bond Trustees shall also be at liberty to retain for its own benefit and shall be in no way accountable to the Issuer, or any Affiliate or to the Bondholder for any benefits or profits or any fees, commissions, discount or share of brokerage paid to it by bankers, brokers or other parties in relation to or otherwise arising out of any contract, transaction or arrangement (including any dealing with the Bonds or the property of the

Issuer) permitted by or effected under or in connection with this Deed.

17.17 Authorisation of the Bond Trustees

Each Bondholder authorises the Bond Trustees (whether or not by or through employees or agents):

- 17.17.1 to exercise such rights, remedies, powers and discretions which are specifically delegated to or conferred upon the Bond Trustees by this Deed together with such powers and discretions as are reasonably incidental to the powers; and
- 17.17.2 to take such action on its behalf as may from time to time be authorised under or in accordance with this Deed.

17.18 Bond Trustees' Authority to Execute Documents

- 17.18.1 The Bond Trustees are authorised to enter into and execute any further document(s), which is required to be executed with respect to the Bond.
- 17.18.2 In each and every case, the Bond Trustees agree to hold the rights and benefits created under this Deed for the benefit of the Bondholders in the manner contemplated by this Deed.

17.19 Power to retain Monies

- 17.19.1 At any time when payment is not due, the Bond Trustees shall be entitled at their discretion to invest all or any of such monies in the Transaction Accounts in (a) direct obligations of the Federal Government of Nigeria and securities fully and unconditionally guaranteed as to the timely payment of principal and coupon by the Federal Government of Nigeria, (b) direct obligations of any state of the Federal Republic of Nigeria which has a minimum investment grade rating from a rating agency registered by the Commission at the time of purchase or (c) deposit accounts, commercial papers or bankers' acceptances, or instruments (in each case having maturities of not more than 365 days following the date of purchase) of any bank duly licensed by the Central Bank of Nigeria to operate in Nigeria, provided that such bank is assigned a minimum corporate rating of A or its equivalent by a rating agency registered with the Commission and a minimum of a BB- or a comparable rating by an internationally recognized rating agency (the "Permitted Investments").
- 17.19.2 The maturity date or the date on which such Permitted Investments may be redeemed at the option of the Bond Trustees who made the investments pursuant to this Clause 17.19 shall coincide as nearly as possible with (but shall in no event be later than) the date(s) on which monies in the relevant Transaction Accounts from which the said Permitted Investments was made will be required for the purposes thereof and the Bond Trustees shall select Permitted Investments in accordance with the provisions of this Deed.

17.20 The receipts or proceeds from any Permitted Investments shall upon receipt form part of the relevant Transaction Account.

17.21 The Bond Trustees shall be responsible for any loss occasioned by Permitted Investments in instances of fraud, negligence, misconduct and other related discrepancies.

17.22 The returns on the investment of amounts comprised in the Transaction Accounts shall be benchmarked against prevailing 91 (ninety-one) days Treasury Bills and/or standard deposit rate depending on the volume of the funds at the time of investment.

17.23 The Bond Trustees shall, in exercising its discretion in investment, be guided by the following investment principles:

- 17.23.1 investment must be made in accordance with this Deed and all Applicable Laws;
- 17.23.2 the Bond Trustees shall not make speculative investments;

- 17.23.3 the Bond Trustees shall make investments that deliver the best total return for the Bondholders in relation to the risks associated with the particular investments and taking into account both yield and capital growth;
- 17.23.4 the Bond Trustees shall consider the capital needs of the Bondholders, the duration of the trust and the maturity of other investments;
- 17.23.5 the Bond Trustees shall compare the value of the proposed investment with the whole portfolio of investments, to ensure that there is no potential mismatch;
- 17.23.6 the Bond Trustees shall not invest in any assets which are not liquid or easily transferable or convertible to cash;
- 17.23.7 the Bond Trustees making investments pursuant to Clause 17.19 shall only invest in instruments that yield a return that is at least Market Competitive; and
- 17.23.8 where necessary, the Bond Trustees shall seek qualified investment advice.

17.24 *Fiduciary Duties of the Bond Trustees*

The Bond Trustees shall comply with the fiduciary duties owed to the Bondholders in accordance with this Deed and any other applicable laws, including to:

- 17.24.1 manage the Debt Service Payment Account in accordance with Clause 6 of this Trust Deed;
- 17.24.2 promptly pay all amounts due on all or any part of the Bonds to the Bondholders in accordance with Clause 13 of this Trust Deed;
- 17.24.3 manage the trust property in a responsible, prudent and productive manner;
- 17.24.4 act for the benefit of the Bondholders in the management of the trust property and not let its duties and that owed to the Bondholders conflict;
- 17.24.5 ensure that the trust property is vested accordingly to the terms of the trust herein established;
- 17.24.6 take custody and control of all trust property and open a separate trust account;
- 17.24.7 not commingle its funds with those of the trust;
- 17.24.8 segregate its assets from trust property;
- 17.24.9 not pledge or charge the trust property except as permitted by this Deed; any Series Trust Deed, the ISA, the SEC Rules or any applicable law;
- 17.24.10 act impartially and solely in the best interest of all Bondholders; and
- 17.24.11 not delegate its duties except as permitted by this Deed.

17.25 *Covenant of Compliance*

The Bond Trustees' covenants with the Issuer and the Co-Obligor that it shall comply with and perform all the provisions of this Deed which are binding on it.

17.26 *Bond Trustees' Indemnity*

Nothing in this Deed shall, in any case in which the Bond Trustees have failed to show the degree of care and diligence required of it as Bond Trustees, exempt it from indemnifying any party who has suffered any loss as a result of the act or omission of such the Bond Trustees against any liability for negligence, default, breach of duty or breach of trust in relation to its duties under this Deed.

17.27 *Powers Additional*

The powers hereby conferred upon the Bond Trustees shall be in addition to any powers, which may from time to time be vested in them by general law or by the Bondholders.

18. Appointment of the Registrar

- 18.1 The Registrar shall be appointed by the Issuer but shall be responsible to the Bond

Trustees.

- 18.2 The Registrar shall at all times keep in its designated office in Lagos for the time being or at such other place in Nigeria as the Bond Trustees may approve, an accurate Registers showing the amount of the Bond for the time being issued and fully paid; the date of registration and all subsequent transfers or changes of ownership; the name and address and any other necessary description of each Bondholder and any person deriving title under him/it, such information to be obtained by the Registrar.
- 18.3 The Bond Trustees and the Bondholders or any of them and any persons authorised in writing by any of them shall be at liberty to inspect the Register and to take copies of and extracts from the same or any part between the hours of 8.00 a.m. and 4.00 p.m. on a Business Day. Provided that Bondholders shall only be entitled to information in relation to the Bonds, which they own. The Register may be closed at such times and for such periods as the Registrar may from time to time determine provided that it shall not be closed for more than thirty (30) consecutive days in any year.
- 18.4 The Registrar shall maintain and update the Register until such time when all outstanding Bonds have been fully redeemed and the Issuer's liability has been discharged. The Registrar shall provide details of the Register to the Bond Trustees on a quarterly basis during the period in which the Bonds are outstanding.
- 18.5 Only Bondholders whose names appear in the Register at the relevant record date for any payment shall be entitled to receive any payments of principal, and coupon or premium due on the Bonds.

19. Purchase of Bond by the Issuer

The Issuer may at any time and from time to time purchase any part of the Bonds through the market or by tender (available to all Bondholders alike) but not otherwise. Any Bond so purchased will be cancelled and will not be available for re-issue.

20. Remuneration of the Bond Trustees

- 20.1 During the continuance of the trust created hereunder and until the trust is determined, the Bond Trustees' remuneration shall be as documented in an engagement letter executed between it and the Issuer and/or the Co-Obligor.
- 20.2 The remuneration in the engagement letter referred to in Clause 20.1 may be reviewed at the end of each year, by the mutual agreement of the Parties, provided that the revised fee does not exceed the maximum fee stipulated by the SEC on fees for professional advisers.
- 20.3 The Issuer shall pay the Bond Trustees a mutually agreed sign-on fee and an annual Bond Trustee's fee.
- 20.4 The Bond Trustees shall be reimbursed for all invoiced costs, charges and expenses reasonably incurred by the Bond Trustees in connection with the performance of their duties under this Deed. However, the Bond Trustees shall not incur any expenses in excess of the aggregate sum of ₦200,000 (Two Hundred Thousand Naira) in one calendar year, without the Issuer's prior written consent unless such expense is incurred for the purposes of enforcing the provisions of this Deed against the Issuer upon the occurrence of an Event of Default in which case such consent shall not be required.

21. Exit and Entry of the Bond Trustees

21.1 *Appointment of Bond Trustees*

For as long as any Bond is outstanding, the Issuer is vested with the power, subject to the notification and approval of the Commission, to appoint a new Bond Trustee (up to a maximum of two (2) Bond Trustees acting jointly), provided that such appointment must have been approved by an Extraordinary Resolution of the Bondholders for the time being

subject to the notification and approval of the SEC.

21.2 ***Retirement of Bond Trustees***

21.2.1 A Bond Trustee shall be required to retire from its position as Bond Trustee in the event of any of the following happening:

21.2.1.1 except for voluntary liquidation for the purpose of amalgamation or reconstruction, if it goes into liquidation or if a receiver is appointed over the undertaking of the Bond Trustee or if a public authority shall take over the undertaking of the Bond Trustee or any substantial part of it; or

21.2.1.2 if the Bond Trustee has been fraudulent or has acted with misconduct in the performance of its duties under this Deed; and if for good and sufficient reason the Issuer is of the opinion that a change of the Bond Trustee is desirable in the interests of the Bondholders and notifies the Bond Trustee in writing accordingly.

21.2.2 In the event of the occurrence of any of the events stipulated in Clause 21.2.1 above, the Bond Trustees' retirement shall take effect immediately the Issuer appoints a new Bond Trustee, provided that such appointment must have been approved by an Extraordinary Resolution of the Bondholders for the time being, subject to the notification and approval of the SEC.

21.2.3 ***Voluntary Retirement of a Bond Trustee***

21.2.3.1 The Bond Trustees shall have the right to voluntarily retire upon giving the Issuer ninety (90) days written notice of its intention to do so.

21.2.3.2 Where there is no other subsisting trustee at the time of the Bond Trustees' retirement, the said retirement shall not take effect until the Issuer has, subject to (where applicable, the Guarantor's written approval) and the Commission's approval, appointed a successor Bond Trustee and the Commission shall be promptly notified. In such event, the successor Bond Trustee shall cause notice of its appointment to be issued to the existing Bondholders.

21.2.3.3 The Bond Trustee shall not be responsible for any cost occasioned by its voluntary retirement, except for the cost of physically transferring all documents related to this Deed to a new Bond Trustee, and the cost of notifying the Bondholders of the appointment of a successor Bond Trustee.

21.2.3.4 In the event of the retirement of a Bond Trustee in accordance with this Clause 21, the Bond Trustee shall immediately account for and deliver up all of the Assets, to its appointed successor. In addition, the retiring Bond Trustee undertakes to refund the unearned portion of the annual fees for the year that it retires.

22. Indemnity relating to applications to the Court

The Issuer shall indemnify the Bond Trustees in respect of all costs and expenses lawfully incurred by the Bond Trustees in relation to or arising out of any application made to any court (either in Nigeria or any other country where any assets of the Issuer are situated) by the Bond Trustees or any of the Bondholders for an order that the trust may be carried out under the direction of the court or for an order of declaration relating to the administration of the trust or the enforcement of the rights under this Deed or the construction of this Deed.

23. Power to recoup money owed to the Bond Trustees

- 23.1 Without prejudice to the right of indemnity by law given to trustees, the Bond Trustees shall be entitled to be indemnified out of the property or assets of the Obligors in respect of:
- 23.1.1 all liabilities, costs, charges and expenses incurred by it in relation to this Deed or to the preparation and execution or purported execution of this Deed;
 - 23.1.2 the performance of the trusteeship duties in accordance with the provisions of this Deed; and
 - 23.1.3 the exercise of any trusts powers or discretion vested in it pursuant to this Deed.
- 23.2 In priority to any payments to the Bondholders, the Bond Trustees may retain and pay out of any funds in its possession arising from the trusts, all sums necessary to effect such indemnity and also the remuneration of the Bond Trustees as provided in this Deed.

24. Modification of the terms of the Deed

- 24.1 Subject to the approval of the Commission, and without prejudice to the powers of the Bondholders exercisable by an Extraordinary Resolution, the Bond Trustees, the Guarantor (where applicable), and the Obligors may at any time without the sanction of an Extraordinary Resolution make any modification to this Deed as may be agreed between the Parties where the Bond Trustees is of the opinion that such modification will not be materially prejudicial to the interests of the Bondholders or that the modification is intended to correct a manifest error or omission or that in its opinion, the modification is of a formal, minor or technical nature. Any such modification shall be binding on the Bondholders and any such modification shall be notified by the Bond Trustees to the Bondholders as soon as possible.
- 24.2 The Obligors will not, without the prior written consent of the Bond Trustees or an Extraordinary Resolution of the Bondholders, agree to any amendments to or any modification of, or waiver of the terms of any outstanding Bonds and will act at all times in accordance with any instructions of the Bond Trustees from time to time with respect to any outstanding Bonds. Any such amendment, modification, waiver or authorisation made with the consent of the Bond Trustees shall be binding on the Bondholders, and unless the Bond Trustees agree otherwise, any such amendment or modification shall be notified by the Issuer to the Bondholders and the Commission in accordance with Condition 16 (*Notices*).
- 24.3 No consolidation, modification, alteration or addition shall impose any further payment on the Bondholders in respect of the Bonds held by them or any liability in connection with the Programme.

25. Obligors Waiver of Defences

- 25.1 The obligations of the Obligors under this Deed shall not be affected by any act, omission, matter or thing which might operate to release or otherwise exonerate an Obligor from its obligations under this Deed in whole or in part, including, whether or not known to the Obligors or the Bond Trustees:
- 25.1.1 any time, indulgence or waiver granted to or composition with the Issuer or any other person;
 - 25.1.2 the taking, variation, compromise, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights, remedies or securities against the Issuer or any other person, non-observance of any formality or other requirement in respect of any instruments; or
 - 25.1.3 any legal limitation, disability, incapacity or other circumstances relating to the Issuer or any other person.

26. Incorporation of Schedules

The provisions contained in the Schedules to this Deed shall have full effect in the same manner as if such provisions were set forth in the body of this Deed. The powers conferred upon the Bond Trustees in the Schedules shall be in addition to any powers, which may from time to time be vested on them by any Applicable Law or by the Bondholders.

27. Notice of breach to the Commission

The Bond Trustees shall be responsible for informing the Commission whenever it becomes necessary to enforce the terms of this Deed and of any breach of the terms and conditions of the Deed, not later than ten (10) Business Days after the Bond Trustees have actual knowledge of the breach.

28. Compliance with the ISA

The Bond Trustees in exercise of the powers and discretions vested in them pursuant to this Deed shall comply with the provisions of the ISA.

31. Accountability of the Registrar to the Bond Trustees

The Issuer agrees that the Registrar shall at all times be responsible to the Bond Trustees and act in respect of the trust created herein in accordance with the direction of the Bond Trustees and shall provide the Bond Trustees with a semi-annual statement of account in respect of principal, interest and/or premium (if any).

32. Force Majeure

Neither the Issuer, the Co-Obligor, nor the Bond Trustees shall be liable to the other for failure or delay in the performance of a required obligation under this Deed, if such failure or delay is caused by a "Force Majeure" event. Provided that such Party gives prompt written notice of such condition, the steps being taken or proposed to be taken in relation to such event and resumes the performance of its obligations as soon as reasonably possible after the cessation of such condition, the said condition not extending beyond a period of thirty (30) days. Provided also that the other party is reasonably satisfied that such condition impedes the relevant party's ability to discharge its obligations under this Deed. If the condition extends beyond a period of 30 days, the Party not affected may terminate this Deed by giving twenty-one (21) days written notice to the affected Party.

33. Governing Law and Jurisdiction

This Deed shall be governed by, and construed in accordance with laws of the Federal Republic of Nigeria.

34. Dispute Resolution

- 34.1 In the event of any dispute arising out of or in relation to this Agreement, such dispute shall be communicated by any of the Parties involved in the dispute to the SEC within five (5) Business Days of the onset of the dispute.
- 34.2 The Parties shall endeavour to resolve the same by mutual consultation with each other, within ten (10) Business Days of the declaration in writing of the dispute.
- 34.3 Any dispute, which is not mutually resolved by the Parties in accordance with Clause 34.2 above, shall be referred to arbitration in accordance with the provisions of the Arbitration and Conciliation Act Cap A18 Laws of the Federation of Nigeria 2004 or any statutory re-enactment or modification of the same.
- 34.4 The Arbitration Tribunal shall consist of three (3) Arbitrators, one appointed by the Bond Trustees, a second appointed jointly by the Issuer and the Co-Obligor, and the third Arbitrator who shall preside over the Panel, shall be appointed by the two (2) Arbitrators so appointed. In the event that the two Arbitrators appointed by the Issuer and the Co-Obligor

respectively do not agree on the appointment of such third Arbitrator, or if the Issuer or the Co-Obligor fail to appoint their respective Arbitrator within ten (10) Business Days after the declaration of a dispute, then such Arbitrator shall be appointed by the Chairman of the Chartered Institute of Arbitrators UK (Nigeria Branch) on the application of any Party and when appointed the third Arbitrator shall convene an arbitrators meeting and act as Chairman at the same. The arbitral proceedings shall be held in Lagos, Nigeria, and shall be conducted in English Language.

- 34.5 The arbitration rules and procedures and award shall be binding on the parties to the dispute. The cost of the arbitration shall be borne as determined by the arbitral award. Each Party shall, however, bear its lawyer's fees. The award shall include consequential, indirect or punitive damages.
- 34.6 The Arbitrators shall issue a final award within twenty-five (25) days after the exchange of pleadings by the Parties. In the event the Arbitral Tribunal fails to deliver the final award as aforesaid; the dispute shall be referred to the SEC for resolution.
- 34.7 Any Party aggrieved by the decision of the SEC, may then refer the matter to the Investment and Securities Tribunal established in accordance with the provisions of the ISA, for resolution.

35. Assignments and Transfers

- 35.1 The Bond Trustees may assign or transfer any of their rights, interests or obligations under or in respect of this Deed to any successor as Bond Trustees subject to the provisions of this Deed, provided that they give the Issuer prior notification of such transfer.
- 35.2 The Issuer and the Co-Obligor may not assign or transfer any of their rights, interests or obligations under or in respect of this Deed to any person, without the express written consent of the Bond Trustees.

36. Counterparts

This Deed may be executed simultaneously in any number of counterparts, each of which shall be deemed to be an original, but all of which taken together, shall constitute one and the same instrument.

Pan African Towers Limited

Rating Assigned:
Bbb-

This refers to a company with a satisfactory financial condition and adequate capacity to meet obligations as and when they fall due.

Outlook: Stable
Issue Date: 2 September 2021
Expiry Date: 30 June 2022

**Industry: Telecoms
 Infrastructure**

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RATING RATIONALE

Agusto & Co. hereby assigns a “Bbb-” rating to Pan African Towers Limited (“Pan African Towers”, “PAT” or the Company). The rating reflects the Company’s good profitability level, adequate working capital and position as a leading indigenous player in the telecommunication tower infrastructure industry as well as its qualified management team. Furthermore, the rating is underpinned by the strong business fundamentals on the back of the Company’s aggressive growth plan occasioned by the substantial telecom infrastructure deficit in Nigeria in addition to the regulatory authority’s support for local content in the industry. Furthermore, the Company’s management is in the process of finalising the merger (subject to regulatory approval) of PAT and SWAP Technologies and Telecoms Plc (SWAP), which would eliminate the high level of receivables from related parties post-merger. Nonetheless, the rating is tempered by the Company’s weak cash flow and high leverage position.

Pan African Towers, a leading indigenous player in the telecommunication tower infrastructure industry was incorporated in 2013 and commenced operations in 2017 after obtaining its operating licence from the Nigerian Communications Commission (NCC). The Company provides telecoms colocation¹ and infrastructure sharing services to Mobile Network Operators (MNOs) and other Internet Service Providers (ISPs) through its 607 active sites, serving key regions in the country. PAT currently has a total of 984 tenants across its 607 active tower network with a colocation ratio of 1.62 times.

Despite the challenging macroeconomic environment in the country precipitated by the advent of the COVID-19 pandemic in 2020, the telecommunication sector experienced significant growth attributable to the upsurge in demand for voice and data services triggered by the work from home measures due to the movement restrictions imposed by the government to stem the spread of the virus. As a result, the Company’s revenue grew by 33% to ₦8.2 billion as MNOs and ISPs required additional tower and connectivity infrastructure to meet the rise in demand for data and voice services. In the same vein, the Company’s operating profit rose by 57% to ₦2.7 billion, translating to an operating profit margin (OPM) of 32.8% (2019: 27.8%), however, the profit before tax (PBT) to sales ratio declined to 15.6% (2019: 21.8%) due to the rise in interest expense on borrowings in the year under review. Pan African Towers achieved a pre-tax-pre-interest return on assets (ROA) of 10% and a three-year (2018 – 2020)

¹ This refers to the practice of locating multiple wireless broadcast facilities/providers within the same facility. It is a cost reduction model that allows telecom infrastructure operators to provide services to various customers on using one tower.

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weighted average ROA of 14%, both of which are satisfactory in our opinion. The Company posted a pre-tax return on equity (ROE) of 27%, which was good in our view. Going forward, we expect the Company's profitability level to be sustained on the back of the opportunities in the Nigerian telecommunication sector due to the growing urban population as well as the rising adoption of mobile phones that support 3G and 4G networks, resulting in the increased demand for internet services (which stood at 140m active subscribers at the end of June 2021, based on data released by the Nigerian Communications Commission².

In the financial year ended (FYE) 31 December 2020, Pan African Towers recorded a negative operating cash flow (OCF) of ₦14.8 billion attributable to the rise in amounts due from related parties. The relationship with related parties is on account of the Master Sharing and Colocation Agreement (MSCA) PAT signed with SWAP Technologies and Telecoms Plc for the lease of SWAP's towers. In the year under review, PAT advanced ₦19.68 billion to SWAP, which resulted in the deterioration of the Company's operating cash flow. In the six months ended 30 June 2021, the Company recorded a positive OCF position of ₦335 million, which was insufficient to cover interest payments of ₦1.3 billion. In our opinion, the Company's cash flow position as at 31 December 2020 requires improvement.

In the year under review, the Company recorded a short term financing need (STFN) of ₦19.5 billion due to the large amount advanced to the related party. However, the working capital available of ₦21.5 billion was sufficient to meet the STFN resulting in an overall working capital surplus of ₦2 billion. In our opinion, Pan African Tower's working capital position is satisfactory.

In FYE 2020, Pan African Towers' total liabilities stood at ₦26.3 billion comprising largely of interest-bearing liabilities (IBL) at 85%. In the year under review, PAT's finance cost on borrowings increased to ₦1.03 billion translating to an interest expense to sales ratio of 12.5%, which is higher than our benchmark of not more than 5%. The growth in the interest expense is due to the ₦19.3 billion obtained from the Nigeria Infrastructure Debt Fund managed by Chapel Hill Denham 2020. The Company's total debt less cash as a percentage of average total assets and IBL (net of cash) to equity ratio of 126% and 296% respectively in 2020 are not in line with our benchmarks. In the six months ended 30 June 2021, the Company's leverage position remained high as the interest expense to sales ratio and IBL (net of cash) to equity ratio of 14% and 296% respectively were not in line with our benchmarks. In our opinion, the Company's leverage position is high and we expect this to continue in the near term on the back of the loan obtained from the Nigerian Infrastructure Development Fund (NIDF) as well as the planned debt capital raise program the Company is undertaking to finance its growth plans. Nonetheless, we note that the Company can repay its debt obligations on the back of its strong cash-generating capacity and history of servicing other borrowings obtained from the NIDF, Fidelity Bank and FSL Securities Limited.

² <https://www.ncc.gov.ng/statistics-reports/industry-overview#total-by-technology>

Agusto notes that subsequent to FYE 2020, Pan African Towers has applied to the Federal Competition and Consumer Protection Commission (FCCPC) to obtain regulatory approval for a proposed change in the Company's existing ownership structure due to the impending equity takeover of the Company by Chapel Hill Denham. Upon receipt of the regulatory approval from the FCCPC, Chapel Hill Advisory Partners Limited will hold 67% of the Company's equity, while the balance of 33% will be owned by Prime Infrastructure West Africa Limited (PIWA).

Pan African Towers intends to reduce the existing telecom infrastructure gap in the country through the deployment of up to 3,300 greenfield sites to new and underserved communities by the end of 2023 rising to 5,000 locations in 2025 while continuing to leverage energy-efficient power solutions for its operations³. In addition, the relative stability of the Company's contracts with the Mobile Network Operators (MNOs) as well as the large telecom infrastructure deficit in the country provides room for growth in the near to medium term.

We expect the Company's profitability and working capital levels to remain strong at the end of FYE 2021, while the cash flow position should rebound after the completion of the merger between PAT and SWAP. Nonetheless, in our opinion, the Company's leverage will remain high attributable to the loans obtained from the NIDF and the ongoing debt capital raise program.

Based on the aforementioned, we have attached a **stable** outlook to PAT.

³ *The Company currently has 50 tower sites that are powered by renewable energy solutions and there are plans to add another 100 sites before the end of 2021 to reduce diesel costs in line with the Company's cost leadership strategy.*



23. LETTER FROM REPORTING ACCOUNTANT

23.1 Letter from Reporting Accountant



The Directors
Pan African Towers Limited
10A Tokunbo Omisore Street
Off Admiralty Way
Lekki, Lagos

And

The Directors
Chapel Hill Denham Advisory Limited
10 Bankole Oki Street
Ikoyi, Lagos

Gentlemen,

REVIEW OF THE AUDITED FINANCIAL STATEMENTS FOR THE FIVE YEARS ENDING 31ST DECEMBER 2016-2020

We have reviewed the audited financial statements of Pan African Towers Limited for the 5 years ending December 31, 2016 - 2020 in line with Securities and Exchange Commission Rules and Regulations, 2013 and International Standards on Review Engagements. The Financial Statements were prepared under the historical cost convention and in line with the International Financial Reporting Standard. Messrs Ernst & Young were the auditors of the company in respect of all of the above mentioned accounting periods. Each of the audit reports on the financial statements for these periods was unqualified.

The financial information set out on pages 5 to 6 have been prepared from the audited financial statements except where indicated. The Financial Statements have been prepared in accordance with the Company's accounting policies, after making such adjustments as we considered appropriate.

Opinion

In our opinion, except as disclosed in the emphasis of matter paragraph below, the financial statements for the five year periods ended 31 December 2016 - 2020, give a true and fair view of the operating results of the company and the cash flows for the periods stated and the state of affairs of the company at the balance sheet dates, and have been prepared on the same accounting basis normally adopted by the

Emphasis of Matters

We draw attention to Note 13 to the historical financial statements which indicates that the Company has Eight (8) pending legal suits as disclosed in the note. Our opinion is not modified in respect of this matter.

We also draw attention to Note 4 to the introduction which indicates that the issuer is PAT Digital Infra Fund SPV Plc which is registered as a Special Purpose Vehicle while Pan African Towers (PAT) is a co-obligor.

Yours faithfully,


Ajibade Taofeek Fashina
For: Pedabo Audit Services
FRC/2013/ICAN/0000000904
Lagos, Nigeria




..... September 2021



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A.T. FASHINA A.O. FOLORUNSHO K.I. KHANOBA

24. HISTORICAL FINANCIAL STATEMENT OF PAN AFRICAN TOWER LIMITED

24.1 Audited Statement of Financial Position for the 5 years ending 31 December 2016- 2020

Pan African Towers Limited
Historical Financial Statements for the years ending 31 December 2016-2020
Together with Reporting Accountant's Reports

Historical Statement of Financial Position For The Five Years Ending 31 December 2016-2020

		31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17	31-Dec-16
Non-current assets	Note	N'000	N'000	N'000	N'000	N'000
Property, plant and equipment	4	4,487,887	3,028,393	952,487	-	-
Right of use asset	10	2,476,468	1,845,182	-	-	-
Intangible assets	5	588,707	169,920	82,579	-	-
Tower decommissioning cost		16,489	10,729	-	-	-
Investment in subsidiary	6	800	800	800	-	-
Total non-current assets		7,570,351	5,055,024	1,035,866	-	-
Current assets						
Trade and other receivables	7	2,362,039	1,621,446	480,937	9,650	-
Advances and other assets	8	1,442,055	655,731	990,333	-	-
Due from related party	9	19,683,075	-	-	-	-
Cash and cash equivalents		2,047,956	1,404,614	127,687	-	-
Total current assets		25,535,125	3,681,791	1,598,957	9,650	-
Total Assets		33,105,476	8,736,815	2,634,823	9,650	-
Equity						
Share capital		165,000	10,000	10,000	10,000	350
Deposit for shares		3,615,447	884,447	679,451	-	-
Retained earnings		3,050,967	1,762,211	412,717	(2,350)	(1,950)
Total equity		6,831,414	2,656,658	1,102,168	7,650	(1,600)
Non-current liabilities						
Lease liability	10	1,434,070	1,225,495	12,952	-	-
Decommissioning provision		22,840	13,053	3,087	-	-
Interest bearing loan and borrowings	11	19,838,784	1,120,216	-	-	-
Total non-current liabilities		21,295,694	2,358,764	16,039	-	-
Current liabilities						
Accounts and other payables	12	2,340,117	2,025,034	1,323,317	2,000	1,600
Lease liability	10	234,181	6,442	5,167	-	-
Interest bearing loan and borrowings	11	2,404,070	1,689,916	188,132	-	-
Total current liabilities		4,978,368	3,721,392	1,516,616	2,000	1,600
Total liabilities		26,274,062	6,080,157	1,532,655	2,000	1,600
Total Liabilities and Equity		33,105,476	8,736,815	2,634,823	9,650	-

24.2 Statement of Financial Position as at 30 September 2021

PAN AFRICAN TOWERS LIMITED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	30-Sep 2021 R'000
Non current assets	
Property, plant and equipment	5,249,278
Right of Use Asset	2,268,216
Intangible Assets	594,810
Tower Decommissioning Cost	16,489
Investment in subsidiary	800

Total non current assets	8,129,593

Current assets	
Trade and other receivables	2,347,132
Advances and other assets	1,377,675
Due from related party	21,168,919
Cash and cash equivalents	222,992

Total current assets	25,116,718

Total assets	33,246,312
	=====
Equity	
Share capital	165,000
Deposit for shares	3,615,447
Retained earnings	3,434,891

Total equity	7,215,338
	=====
Non current liabilities	
Lease Liability	1,117,030
Decommissioning & site restoration provision	22,840
Interest bearing loan	20,525,413

Total non current liabilities	21,665,283
	=====
Current liabilities	
Accounts and other payables	1,919,801
Income Tax Payable	-
Lease Liability	234,181
Bank Overdraft	1,030,285
Interest bearing loan	1,181,423

Total current liabilities	4,365,690

Total liabilities	26,030,973

Total equity and liabilities	33,246,312
	=====

24.3 Statement of Profit or Loss and Other Comprehensive Income for the 5 Years Ending 31 December 2016-2020

Pan African Towers Limited
Historical Financial Statements for the years ending 31 December 2016-2020
Together with Reporting Accountant's Reports

Historical Statement of Comprehensive Income For The Five Years Ending 31 December 2016-2020

		31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17	31-Dec-16
	Note	N'000	N'000	N'000	N'000	N'000
Revenue	2	8,240,491	6,195,189	2,905,175	-	-
Cost of sales	3	(3,951,943)	(3,529,699)	(2,092,498)	-	-
Gross profit		4,288,548	2,665,490	812,677	-	-
Other income		9,575	9,047	-	-	-
Administrative expenses		(1,583,706)	(942,288)	(273,533)	(400)	(400)
Loss allowance on receivables		(184,017)	(52,965)	(104,800)	-	-
Operating profit		2,530,400	1,679,284	434,344	-	400
Finance cost		(1,241,644)	(329,789)	(19,277)	-	-
Profit before taxation		1,288,756	1,349,495	415,067	(400)	(400)
Taxation		-	-	-	-	-
Profit for the year		1,288,756	1,349,495	415,067	(400)	(400)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		1,288,756	1,349,495	415,067	(400)	(400)
Basic earnings per share (Naira)		7.81	135.00	42.00		

24.4 Statement of Profit or Loss and Other Comprehensive Income for the Period Ending 30 September 2021

PAN AFRICAN TOWERS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	30-Sep 2021 R'000
Lease income	7,377,734
Direct cost	(3,183,842)
Gross profit	4,193,892
Other Income	10,267
Administrative expenses	(1,351,987)
Loss Allowance on Trade Receivables	(231,975)
Operating profit/(loss)	2,620,198
Finance Cost	(2,236,275)
Profit/(loss) before taxation	383,923
Taxation	-
Profit/(loss) after taxation	383,923
Other Comprehensive Income	-
Total comprehensive Income	383,923
Earnings per share	
Basic profit/(loss) per share	2.33

24.5 Statement of Cash Flows for the 5 Years Ending December 2016- 2020

Pan African Towers Limited
Historical Financial Statements for the years ending 31 December 2016-2020
Together with Reporting Accountant's Reports

Historical Statement of Cash Flows For The Five Years Ending 31 December 2016-2020

	31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17	31-Dec-16
	N'000	N'000	N'000	N'000	N'000
Cash flows from operating activities					
Profit before tax	1,288,756	1,349,494	415,067	(400)	(400)
Adjustments					
Depreciation from property, plant and equipment	595,985	271,368	61,767	-	-
Depreciation from right of use asset	279,559	226,253	-	-	-
Amortisation from intangible asset	21,371	8,633	2,843	-	-
Amortisation from tower decommissioning cost	1,394	466	-	-	-
Interest expense on lease liability	212,145	144,820	-	-	-
Finance cost	1,026,866	184,970	-	-	-
Impairment Allowance	184,017	52,965	104,800	-	-
Loss on disposal of property, plant and equipment	3,190	-	-	-	-
Decommissioning provision	2,633	1,158	3,087	-	-
	3,615,916	2,240,127	587,564	(400)	(400)
Changes in working capital					
trade and other receivables	(924,611)	(880,444)	(585,737)	(9,650)	-
Advance and other assets	(786,323)	(645,223)	(980,683)	-	-
Due from related party	(19,683,075)	-	-	-	-
Trade and other payables	315,083	715,597	1,321,317	400	400
Cash generated from operation	(17,463,010)	1,430,057	342,461	(9,650)	-
Income tax paid	-	-	-	-	-
Net cash inflow from operating activities	(17,463,010)	1,430,057	342,461	(9,650)	-
Cash flows from investing activities					
Purchase of property, plant and equipment	(2,058,669)	(2,375,232)	(1,014,254)	-	-
Disposal of property, plant and equipment	-	-	-	-	-
Acquisition of right of use asset	(487,696)	(192,685)	-	-	-
Purchase of intangible assets	(440,158)	(95,974)	(85,422)	-	-
Investment in subsidiary	-	-	(800)	-	-
Net cash used in investing activities	(2,986,523)	(2,663,891)	(1,100,476)	-	-
Cash flows from financing activities					
Increase in deposit for shares	2,886,000	204,996	679,450	9,650	-
Payment of principal portion of lease liabilities	(191,650)	(124,972)	18,119	-	-
Payments of interest portion of lease liabilities	(7,331)	(6,294)	-	-	-
Increase in interest bearing loans	19,743,964	2,829,796	188,132	-	-
Loan repayment	(361,726)	(238,468)	-	-	-
Interest paid	(976,382)	(154,297)	-	-	-
Net cash inflow from financing activities	21,092,875	2,510,761	885,701	9,650	-
Net increase in cash and cash equivalents	643,342	1,276,927	127,686	-	-
Cash and cash equivalents at the beginning	1,404,613	127,686	-	-	-
Cash and cash equivalents, end of the year	2,047,955	1,404,613	127,686	-	-

24.6 Statement of Cash Flows for the Period Ended 30 September 2021

PAN AFRICAN TOWERS LIMITED

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	30-Sep 2021 R'000
Cash flows from operating activities:	
Profit/(loss) before taxation	383,923
Adjustments for:	
- Depreciation from PPE	633,766
- Depreciation from Right of Use Asset	208,253
- Ammortisation of intangible	37,165
Tower decommissioning charged	
- Interest Expense on Lease Liability	175,413
- Finance Cost	2,060,862
- Receivable Impairment	231,975
- Gain / Loss on Disposal of PPE	(623)
- Decommissioning & site restoration provision	0

	3,730,734
Changes in Working Capital	
- Increase in Trade receivables	(217,068)
- Increase in Advances and other assets	64,379
- Increase in Account payables	(420,315)

Cash generated from operating activities	3,157,731
	=====
Cash flow from investing activities:	
Purchase of property, plant and equipment	(1,396,335)
Proceeds from disposal of property, plant and equipment	1,801
- Increase in Due from Related Party	(1,485,844)
Acquisition of Right of Use Asset	-
Tower Comissioning Cost	-
Purchase of Intangible assets	(43,269)

Net cash used in investing activities	(2,923,647)
	=====
Cash flows from financing activities:	
- Increase in deposit for shares	-
- Increase in Payment of principal portion of lease liabilities	(492,453)
- Increase in interest bearing loans	1,128,379
- Principal Loan Repayment	(2,197,326)
- Interest Paid	(1,528,967)
Provision for Decommissioning	

Net cash generated from financing activities	(3,090,367)
	=====
Net Increase in cash and cash equivalents	(2,856,283)
Cash and cash equivalents at 1 January	2,047,956

Cash and cash equivalents at 30 June	(808,327)
	=====

25. STATUTORY AND GENERAL INFORMATION

25.1 Authorization of the Programme

By a resolution dated August 18, 2021, the Shareholders of PAT Digital Infra Fund SPV Plc approved the establishment of a ₦50,000,000,000.00 (Fifty Billion Naira) Debt Securities Programme, and the issuance of Bonds thereunder. The extract of the resolution of the Board is as follows:

1. That the Company be and is hereby authorised to raise debt capital through a Special Purpose Vehicle PAT Digital Infra Fund SPV PLC (the “SPV”) - by the establishment of a bond issuance programme of up to ₦50,000,000,000.00 (Fifty Billion Naira);
2. That the Company be and is hereby authorized to issue fixed rate bonds of up to ₦10,000,000,000.00 (Ten Billion Naira) through the SPV - being the Series 1 Bond;
3. Subject to the approval of the regulatory authorities, the Directors of the Company are hereby authorised to absorb excess monies arising from the Series 1 Bond capital raising exercise in the event of an over subscription up to the maximum limit prescribed under applicable regulations

25.2 Incorporation and Share Capital History

Pan African Towers Limited was incorporated as a digital infrastructure and wireless service facilitator in 2013 and licensed by NCC in 2017 to engage in the business of telecoms colocation and infrastructure sharing services.

As at the date of this Shelf Prospectus, the Co-Obligor’s authorized share capital is ₦500,000,000 comprising 500,000,000 ordinary shares of ₦1 each, and its issued and fully paid share capital is ₦500,000,000 comprising 500,000,000 ordinary shares of ₦1 each.

The following changes have taken place in the Co-Obligor’s authorized and issued share capital since its incorporation:

Year	Authorized Share Capital (₦)		Issued and Fully Paid Up (₦)		Consideration/Method of Issue
	Increase	Cumulative	Increase	Cumulative	
2018	10,000,000	10,000,000	10,000,000	10,000,000	
2019	490,000,000	500,000,000	490,000,000	500,000,000	Share issuance
2020	-	500,000,000	-	500,000,000	
2021 till date	-	500,000,000	-	500,000,000	

25.3 Co-Obligor Shareholding Structure

As at the date of this Shelf Prospectus, the shareholding structure of Pan African Towers Limited was as follows¹:

Shareholder	No. of Ordinary Shares Held	Percentage (%)
Prime West Africa Infrastructure Limited	490,000,000	98.00
Keynes Private Equity Limited	9,900,000	1.98
Tokunbo Ogunfodun	100,000	0.02
	500,000,000	100.00

¹ Chapel Hill Advisory Partners Limited has completed the acquisition of a majority stake in PAT. Regulatory approval of the acquisition has been obtained. The updated Status Report – reflecting the changes in shareholding – should be issued by the Corporate Affairs Commission imminently.

25.4 Co-Obligor Directors Interests

As at 31 December 2020, none of the Directors had any direct interest in the share capital of the Company.

25.5 Statement of Indebtedness

As at 31 May 2021, the Company had bank facilities in the ordinary course of business amounting to approximately ₦21.7 Billion. The Company had no other outstanding debenture, mortgages, charges or similar indebtedness or contingent liabilities as at the referenced date.

For a summary of the Company's outstanding debt agreements, see "Material Contracts" below.

25.6 Summary of Capital Structure

As at 31 December 2020, the summary of the capital structure of Co-obligor are as follows:

Summary of Capital Structure (₦'000)	31-Dec-20
Cash and cash equivalent	2,047,956
Short term debt	2,404,070
Long term debt	19,838,784
Total shareholder's equity	6,831,414
Guarantees	0

25.7 Claims and Litigation

As at September 9, 2021, there are 7 pending cases (including an arbitration) against the Company (the "Direct Cases") with the Company being a defendant in all the Direct Cases. There are two cases (Mr. Chika Ogudo v SWAP Technologies & Telecommunications Pic (Suit No.: HOW/815/2020) and Dr. G. A Nwokolo v SWAP Technologies and Telecomms Pic (Suit No. HID/130/2020)) the Company is not a party to but will be affected by their outcome (the "Indirect Cases"). This is because the Indirect Cases are in relation to parcels of land upon which sites being managed by the Company are located pursuant to a Managed Services and Colocation Agreement between the Company and SWAP Technologies and Telecomms Pic dated July 1, 2018.

The aggregate value of claims asserted against the Company in the Direct Cases and Indirect Cases (minus interest) is ₦93,614,583.3 while the aggregate value of the claims asserted by the Company against other parties in the Cases is ₦199,151,904.41.

The portion of the contingent liabilities that is realistically likely to materialize is not likely to impact the Co-Obligor significantly or adversely affect the Co-Obligor's ability to perform its obligations.

25.7 Mergers and Takeover

The Company has entered into an agreement to combine its business with SWAP Technologies and Telecoms Plc via a Scheme of Merger. The merger will make the enlarged company the 3rd largest digital infrastructure company in Nigeria with a broader diversified network.

25.8 Off Balance Sheet Items

As at December 31, 2020 the Co-Obligor had no Off Balance Sheet Items other than in the ordinary course of business.

25.9 Material Contracts

The following agreement(s) have been entered into by the Company and are considered material to the Transaction:

- The Programme Trust Deed; A Programme Trust Deed dated February 2, 2022 between PAT Digital Infra Fund SPV Plc, in connection with the Programme. The extracts of the Programme Trust Deed are set out on pages 64 to 90 of this Shelf Prospectus;
- List of current debt agreements with dates:
 - Fidelity Bank Loan of ₦121 million obtained in 2019
 - Nigeria Infrastructure Debt Fund (NIDF) Debt Investment of ₦1.152 Billion obtained in 2019
 - NIDF Infrastructure Investment of ₦13.34 Billion and ₦4.0 Billion Senior Secured and Subordinated Debt respectively obtained in 2020
- An Amended and Restated Shareholders Agreement among the Company, Chapel Hill Advisory Partners Limited and Prime infrastructure West Africa Limited dated May 7 2021
- An undated Deed of Amendment and Restatement of Investment & Strategic Partnership Agreement among Pan African Towers Limited, Swap Technologies & Telecomms Plc and Swap Associates Limited
- Undated Security Deed between Pan African Towers Limited and Paxhill Minerva Limited an undated Security Deed between SWAP Technologies & Telecomms Limited (the “Chargor”) and Paxhill Minerva Limited (the “Security Trustee”) in consideration for the Investment Amount granted to the Chargor by Pan African Towers Limited
- An amended and restated subscription option agreement between PAT and CHD
- An undated and unexecuted Trust Deed between CHD, PAT and Paxhill Minerva Limited

25.10 Declarations

Except as otherwise disclosed herein:

- No share of the Company is under option or agreed conditionally or unconditionally to be put under option;
- No commissions, discounts, brokerages or other special terms have been granted to any person in connection with the issue or sale of any share of the Company;
- Save as disclosed herein, the Directors of Pan African Towers have not been informed of any shareholding representing 5% or more of the issued share capital of the Company;
- There are no founders, management or deferred shares or any options outstanding;
- There are no material service agreements between Pan African Towers and any of its Directors and employees other than in the ordinary course of business;
- There are no long-term service agreements between the Company and any of its Directors and employees;
- No director or key management personnel has been involved in any of the following (in or outside Nigeria):
- A petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was a partner or any company of which he was a director or key personnel;
- A conviction in a criminal proceeding or is named subject of pending criminal proceedings relating to fraud or dishonesty;
- The subject of any order, judgement or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty, restraining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.
- Further declarations/information in respect of Directors/shareholders/key management staff of the Issuer:
 - It is further declared that to the best of the Directors’ knowledge as at 31 December 2020,
 - None of the Directors/shareholders/key management staff is under any bankruptcy or insolvency proceedings in any court of law;
 - None of the Directors/shareholders/key management staff has been convicted in any criminal proceeding;

- None of the Directors/shareholders/key management staff is the subject of any order, judgment or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty.

25.11 Costs and Expenses

Costs and expenses in respect of any issuance of Bonds under this Programme shall be payable by the Issuer or the Co-Obligor and shall be disclosed in the Applicable Pricing Supplement relating to the Bonds being issued.

25.12 Consents

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

Directors of the Co-Obligor	Oluwole Adeleke Oghenekaro Akaba Mobolaji Balogun Phil Southwell Hamza Atta Tumi Tiyaamiyu Oke Maduewesi Tunde Titilayo
Directors of the Issuer	Oluwole Adeleke Tumininu Tiyaamiyu
Issuing Houses	FCMB Capital Market Limited Chapel Hill Denham Advisory Limited Vetiva Capital Management Limited FSL Securities Limited
Reporting Accountants	Pedabo Audit Services Limited
Solicitor to the Programme	G. Elias & Co.
Solicitor to the Issuer	Aluko & Oyebode
Trustees	Stanbic IBTC Trustees Limited Paxhill Minerva Limited
Registrars	Coronation Registrars Limited
Rating Agencies	Agusto & Co.
Co-Obligor's Auditors	Ernst & Young
Receiving Banks	Access Bank Plc First City Monument Bank Limited Union Bank of Nigeria Plc

25.13 Documents Available for Inspection

- a) Copies of the following documents may be inspected at the offices of Joint Issuing Houses during normal business hours on any weekday (except public holidays) from the date of issuance of this Shelf Prospectus:
- b) Certificate of Incorporation of the Co-Obligor and the Issuer, duly certified by the CAC;
- c) Memorandum and Articles of Association of the Co-Obligor and Issuer, duly certified by the CAC;
- d) Audited Financial Statement of the Co-Obligor for the years ended December 31, 2018 to 2020;
- e) Reporting Accountants' Report on the audited accounts of the Co-Obligor for the three years ended December 31, 2018 to 2020;
- f) Management account of the Co-obligor for the period ended September 30, 2021;
- g) Board Resolution of the Issuer dated 18th August 2021, authorizing the Debt Issuance Programme;
- h) Board Resolution of the Co-Obligor dated 16th August 2021, authorising the Debt Issuance Programme;
- i) Letter from the Securities and Exchange Commission dated December 23, 2021 approving the registration of the Shelf Prospectus;
- j) Shelf Prospectus issued with respect to the Debt Issuance Programme;
- k) Any Vending Agreements in relation to specific issuances under the Programme;
- l) Any Series Trust Deeds;
- m) Any Pricing Supplement;
- n) Consents of Parties referred to on page 104;
- o) The schedule of claims and litigations and the opinion of the Solicitors to the Offer prepared in connection therewith; and
- p) Material contracts referred to on page 99 to 100.

25.14 Relationship between the Issuer, Co-Obligor and Other Advisers

As at the date of this Shelf Prospectus, the Chapel Hill Advisory Partners Limited ("CHAPS") (a part owner in Chapel Hill Denham Advisory Limited) has made an investment into Pan African Towers Limited.

Apart from the point above, there are no other relationship between the Issuer/Co-Obligor and any other advisers except in the ordinary course of business.

25.15 Other Material Information

Mr. Wole Adeleke, a director of the Co-Obligor also sits as a director Chapel Hill Denham Advisory Limited, a Joint Issuing House.

26. FORM OF PRICING SUPPLEMENT

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

If you are in any doubt about the contents of this document or any action to be taken, it is recommended that you consult your Stockbroker, Banker, Solicitor, Accountant or any other professional adviser duly registered under the Investment and Securities Act No. 29, 2007 (as amended). For information concerning certain Risk Factors which should be considered by prospective Qualified Institutional Investors and High Net-worth Investors, please refer to the section on risk factors in the Shelf Prospectus for the Bond Programme.

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

(THIS DOCUMENT IS FOR GUIDANCE PURPOSES FOR PRICE DISCOVERY PROCESS ONLY – RED HERRING)



PAT DIGITAL INFRA FUND SPV PLC RC: 1828271

Offer for Subscription

(By way of a Book Build)

of

up to N(●)Series (●): (●)-Year (●)% (●) Rate Bonds due 20(●)

(being offered to Qualified Institutional Investors and High Net Worth Investors)

Under the N50 Billion Bond Issuance Programme

Application List Open: (●), 2021

Application List Close: (●), 2021

This Pricing Supplement has been prepared pursuant to Rule 321 of the Rules and Regulations of the Securities and Exchange Commission (“the **Commission**” or “**SEC**”) in connection with the issuance of N(●) Bonds under the N50,000,000,000.00 Debt Issuance Programme established by PAT Digital Infra Fund SPV Plc (“the **Issuer**”). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated February 2, 2022 and any other supplements to the Shelf Prospectus to be issued by the Issuer. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement. A copy of this Pricing Supplement has been delivered to the Commission for registration. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall prevail. This Pricing Supplement may be used to offer and sell the Bonds only if accompanied by the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained from any of the Issuing Houses. The registration of the Shelf Prospectus and this Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Shelf Prospectus or this Pricing Supplement. No securities will be allotted or issued on the basis of the Shelf Prospectus read together with this Pricing Supplement later than three years after the date of the issue of the Shelf Prospectus. This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Securities being issued hereunder (the “**Series [●]Bonds**” or “**Bonds**”). An application has been made to the FMDQ for the admission of the Bonds to the Daily Official List of the Exchange. The Bonds now being issued will upon admission to the Daily Official List qualify as a security in which Trustees may invest under the Trustees Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004. The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement. The Issuer declares that having taken reasonable care to ensure that such is the case, the information contained in this Pricing Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information and that save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus. Further, the material facts contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

FINAL TERMS OF THE SERIES ([●]) BOND		
1	Issuer:	PAT Digital Infra Fund SPV Plc
2	Co-Obligor	Pan African Towers Limited
3	Series Number:	[●]
4	Aggregate Principal Amount of Bonds:	[●]
5	Issue Price:	[●]
6	Denominations:	[●]
7	Issue Date: Interest Commencement Date (if different from Issue Date):	[●]
8	Maturity Date:	[●]
9	Principal Moratorium:	[●]
10	Interest Basis:	[●]
11	Redemption/Payment Basis:	[●]
12	Status:	[●]
13	Security:	[●]
14	Listing(s):	[●]
15	Method of Distribution:	[●]
16	Offer Period:	[●]
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE		
17	Fixed Rate Note Provisions	
	▪ Interest Rate:	[●]
	▪ Coupon Payment Date(s)/Payment Dates:	[●]
	▪ Interest Amount(s):	[●]
	▪ Business Day Convention:	[Following Business Day Convention/Preceding Business Day Convention/Modified Business Day])
	▪ Business Day:	Modified Business Day
	▪ Other terms relating to method of calculating interest for Fixed Rate Notes:	[●]
18	Floating Rate Note Provisions:	[●] (If not, delete the remaining sub-paragraphs of the paragraph)
	▪ Coupon Payment Date(s):	[●]
	▪ Receiving Bank:	[●]
	▪ Premium/Spread (if applicable):	[●]
	▪ Relevant Time (if applicable):	[●]
	▪ Screen Rate Determination: – Benchmark: – Coupon Determination: – Relevant Screen Page:	Actual/Actual: Actual/360
	▪ Day Count Fraction:	[●]

PROVISIONS RELATING TO REDEMPTION		
19	Optional Early Redemption (Call Option):	[•]
20	Optional Early Redemption (Put Option):	[•]
21	Scheduled Redemption/Amortization:	[•]
22	Redemption Amounts:	[•]
23	Scheduled Redemption Dates:	[•]
24	Final Redemption Amount:	[•]
GENERAL PROVISIONS APPLICABLE TO THE BONDS		
25	▪ Form of Bonds:	Dematerialized Bonds
	▪ Form of Dematerialized Bonds:	(Registered/Certificate/Dematerialized)
	▪ Registrar:	[•]
26	Trustee(s)	[•]
27	Record Date:	[•]
28	Other terms or special conditions:	[•]
DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS		
29	Underwritten/Book-building:	[•]
30	If Underwritten, names of Underwriters:	[•]
31	Clearing System:	CSCS / FMDQ-D
GENERAL		
32	Rating:	[•]
33	Taxation:	[•]
34	Governing Law	Nigeria
APPENDICES		
35	Appendices:	(List and attach Appendices if applicable)
USE OF PROCEEDS		
[Insert details of use of proceeds]		
MATERIAL ADVERSE CHANGE STATEMENT		
Except as disclosed in this document and in the Shelf Prospectus dated [], there has been no significant change in the financial or trading position of the Issuer since [insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts].		
RESPONSIBILITY		
The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Shelf Prospectus referred to above, contains all information that is material in the context of the issue of the Bonds		