

This Programme Memorandum has been prepared in accordance with the guidelines issued on 11 September, 2019 of the Central Bank of Nigeria ("CBN") on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, and the CBN circular to all deposit money banks and discount houses dated 12 July, 2016 on the Mandatory Registration and Listing of Commercial Papers (together the "CBN Guidelines") and the Commercial Paper Registration and Quotation Rules of the FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") in force as at the date hereof. This document is important and should be read carefully. If you are in any doubt about its content or the action to take, kindly consult your Stockbroker, Accountant, Banker, Solicitor, or any other professional adviser for guidance immediately. This Programme Memorandum has been seen and approved by the Board of Directors of Asiko Power Limited who jointly and severally accept full responsibility for the accuracy of all information given.



ASIKO POWER LIMITED

(RC784301)

₦2,500,000,000
COMMERCIAL PAPER ISSUANCE PROGRAMME

Asiko Power Limited ("**APL**", "**the Issuer**" or "**the Company**"), a private limited liability company incorporated in Nigeria, has established this ₦2,500,000,000 (Two Billion Five Hundred Million Naira) Commercial Paper Issuance Programme (the "**CP Programme**" or the "**Programme**"), under which the Company may from time to time issue Commercial Paper Notes ("**CP Notes**" or "**Notes**"), denominated in Nigerian Naira or in such other currency as may be agreed between the Issuer and the relevant Issuing and Placing Agents (as defined in the section titled, "**Summary of the Programme**", in separate Series or Tranches subject to the terms and conditions ("**Terms and Conditions**") contained in this programme memorandum (the "**Programme Memorandum**").

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement (as defined herein) applicable to such Series or Tranche (the "**Applicable Pricing Supplement**"). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦2,500,000,000 (Two Billion Five Hundred Million Naira) over a three-year period that this Programme Memorandum, including any amendments or supplement thereto, shall remain valid.

This Programme Memorandum is to be read and interpreted in conjunction with any supplement hereto and all documents which are incorporated herein by reference and, in relation to any Series or Tranche (as defined herein), together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated and form part of this Programme Memorandum. This Programme Memorandum, any Applicable Pricing Supplement and the Notes have not been and will not be registered with the Securities and Exchange Commission ("**SEC**"), or under the Investments and Securities Act, No. 29 of 2007 (as Amended).

The CP Notes issued under this Programme shall be issued in dematerialized form, registered, quoted and traded over the counter ("**OTC**") via the FMDQ Securities Exchange Limited ("**FMDQ Exchange**" or the "**Exchange**") platform in accordance with the rules, guidelines and such other regulations as prescribed by the Central Bank of Nigeria ("**CBN**") and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The CPs issued under the Programme will be settled via the FMDQ Depository Limited ("**FMDQD**"), acting as Central Securities Depository for the Notes.

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

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

SOLE ARRANGER/ISSUING & PLACING AGENT



DEALER



COLLECTING AND PAYING AGENT



RC 125097

TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS.....	3
IMPORTANT NOTICES	7
INCORPORATION OF DOCUMENTS BY REFERENCE	8
PROFESSIONAL PARTIES TO THE PROGRAMME.....	9
SUMMARY OF THE PROGRAMME	10
OVERVIEW OF ASIKO POWER LIMITED	12
USE OF PROCEEDS	21
REVISED CBN GUIDELINES ON ISSUANCE OF CPS	22
TERMS AND CONDITIONS OF THE NOTES	24
TAX CONSIDERATIONS	29
RISK FACTORS	30
SETTLEMENT, CLEARING AND TRANSFER OF NOTES	32
PRO FORMA APPLICABLE PRICING SUPPLEMENT	35
AUDITOR'S COMFORT LETTERS	38
EXTRACT OF ISSUER'S RATING REPORTS	43
SOLICITOR'S OPINION	44
GENERAL INFORMATION	58

GLOSSARY OF DEFINED TERMS

Unless the context otherwise requires, the following expressions shall have the meanings respectively assigned to them in the table below. Words in the singular shall include the plural and vice-versa, references to a person shall include references to a body corporate, and references to a gender includes the other gender.

Terms/Abbreviations	Description
"Agency Agreements"	(A) The Issuing and Placing Agency Agreement ("IPA Agreement") dated on or about the date of this Programme Memorandum executed by the Issuer and the Issuing and Placing Agents; and (B) the Collecting and Paying Agency Agreement ("CPA Agreement") dated on or about the date of this Programme Memorandum executed by the Issuer and the Collecting and Paying Agents.
"Agents"	The Collecting and Paying Agent, the Dealer and the Issuing and Placing Agent.
"Arranger" "Issuing and Placing Agent" or "IPA"	Stanbic IBTC Capital Limited.
"Board" or "Directors"	Board of Directors of Asiko Power Limited.
"Business Day"	Any day (except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria) on which banks are open for business in Nigeria.
"CAMA"	Companies and Allied Matters Act, No. 3 of 2020 (as amended) and as may be amended from time to time.
"CBN"	The Central Bank of Nigeria.
"CBN Guidelines"	CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019 and the CBN Circular of 12 July 2016 on Mandatory Registration and Quotation of Commercial Papers, as amended or supplemented from time to time.
"CGT"	The Capital Gains Tax as provided for under the Capital Gains Tax Act (Cap. C1) LFN 2004 (as amended by the Finance Acts.
"CITA"	Companies Income Tax Act (Chapter C21) LFN, 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007, and the Finance Acts
"Collecting and Paying Agents" or "CPAs"	Stanbic IBTC Bank Limited or any successor collecting and paying agent in respect of the Notes, appointed by the Issuer from time to time in accordance with the Agency Agreement.
"Commercial Paper", "CP", "CP Notes" or "Notes"	The Commercial Paper Notes to be issued by the Issuer under the CP Programme in form of short-term zero-coupon notes under the CP Programme.
"Conditions" or "Terms and Conditions"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes".
"CP Programme" or "Programme"	The ₦2,500,000,000 (Two Billion Five Hundred Million Naira) domestic commercial paper issuance programme established by the Issuer which allows for the issuances of multiple Series or Tranches of Notes by the Issuer from time to time under a standardised documentation framework with varying maturities and discount rates.
"Day Count Fraction"	The method of calculating the discount in respect of a Note as specified in the applicable Pricing Supplement.
"CSD" or the "Clearing System" or "FMDQD"	FMDQ Depository Limited.
"Dealer"	Vetiva Advisory Services Limited
"Dealer Agreement"	the dealer agreement dated on or about the date of this Programme Memorandum entered into between the Issuer and the Dealer.

GLOSSARY OF DEFINED TERMS

Dealing Members	A member of FMDQ Exchange that is licensed to make market in CPs to qualified institutional investors on any of the FMDQ Exchange-advised trading systems.
"Deed of Covenant"	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Issuer in favour of the Noteholders.
"Default Rate"	The interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate + 5% per annum (whichever is higher).
"Event of Default"	An event of default by the Issuer as set out in Condition 6 of the "Terms and Conditions".
"Face Value"	The par value of the Notes.
"APL", "Asiko Power Limited", the "Issuer" or the "Company"	Asiko Power Limited
"FGN"	Federal Government of Nigeria.
"Finance Acts"	Means the Finance Act 2019, Finance Act 2020 and Finance Act 2021 and any amendments and supplements thereafter.
"FMDQ Exchange" or the "Exchange"	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for, amongst others, listing, quotation, registration, and trading of securities.
"FMDQ Exchange Rules"	The FMDQ Commercial Paper Registration and Quotation Rules, October 2023 (as may be amended, from time to time) and such other regulations with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time.
"Force Majeure"	Means any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects the Issuer's ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergencies, riots, wars, embargoes, legislations, acts of God, acts of terrorism, and industrial unrest.
"Government"	Any federal, state or local government of the Federal Republic of Nigeria.
"Implied Yield"	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement.
"ISA"	The Investment and Securities Act No. 29 of 2007 as may be modified or amended from time to time.
"Issue Date"	The date upon which the relevant Series/Tranche of the Notes is issued as specified in the Applicable Pricing Supplement.
"Issue Price"	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
"Issue Rate"	The discount rate at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
"Issuing and Placing Agent"	Stanbic IBTC Capital Limited.
"LFN"	Laws of the Federal Republic of Nigeria.
"Material Adverse Change"	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme.
"Naira", "NGN" or "₦"	The Nigerian Naira.
"NIBOR"	Nigerian Inter-Bank Offered Rate.
"Notes" or "CP Notes"	Means the commercial paper issued by the Issuer from time to time under the Programme, in accordance with the provisions of the CBN Guidelines and this Programme Memorandum.
"Noteholders" or "Holder"	The several persons for the time being, whose names are shown in the records of the CSD and/or entered in the Register as holders of

GLOSSARY OF DEFINED TERMS

	the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders.
"Outstanding Notes"	Means, in relation to the Notes, all the Notes issued, other than: (i) those Notes which have been redeemed (ii) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption monies have been duly paid in accordance with the provisions of the Conditions, and (iii) those Notes which have become void under the provisions of the applicable Deed of Covenant.
"PITA"	Personal Income Tax Act (Chapter P8) LFN 2004 (as amended by the Personal Income Tax (Amendment) Act of 2011, and the Finance Acts.
"Pricing Supplement" or "Applicable Pricing Supplement"	The pricing supplement applicable to a Series or Tranche of Notes issued under the CP Programme.
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement.
"Programme"	The ₦2,500,000,000 (Two Billion Five Hundred Million Naira) commercial paper issuance programme established by the Issuer which allows for the multiple issuances of Notes from time to time within the validity period of the Programme.
"Programme Limit"	The aggregate amount of ₦2,500,000,000 (Two Billion Five Hundred Million Naira)
"Programme Memorandum"	This information memorandum dated 05 June 2024 which sets out the aggregate size and broad terms and conditions of the CP Programme.
"Qualified Institutional Investor" or "QII"	Include banks, fund/asset managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms, Issuing Houses and any other category of investors as may be determined by the Exchange from time to time.
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date.
"Redemption Date" or "Maturity Date"	In relation to any Series or Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in the Applicable Pricing Supplement.
"Register"	A register or such registers as shall be maintained by the Registrar in which are recorded details of Noteholders.
"Registrar"	The CSD or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme.
"SEC"	The Securities and Exchange Commission established pursuant to the ISA.
"SEC Rules"	The Securities and Exchange Commission's Rules and Regulations 2013 (as amended from time to time).
"Series"	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except for their respective Issue Dates, and/or Issue Prices.
"SME"	Small and Medium Enterprises.
"Tranche"	Notes which are identical in all respects and whose aggregate sum is less than the Issue Programme.
"Unique Identifier"	Means a code specifically designated/assigned to identify a CP.

GLOSSARY OF DEFINED TERMS

"VAT"	Value Added Tax as provided for in the Value Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007 and the Finance Acts).
"VAT Act"	Value Added Tax Act (Chapter V1) LFN, 2004 (as amended by the Value Added Tax (Amendment) Act No. 12 of 2007 and the Finance Acts.
"WHT"	Withholding Tax as provided for in section 78(2) of CITA and section 70 of PITA.
"Zero Coupon Note"	Notes which will be offered and sold at a discount to their Principal Amount and will not bear interest, save for default interest payable on late payments.

IMPORTANT NOTICES

This Programme Memorandum contains information provided by APL in connection with the CP Programme under which the Issuer may issue and have outstanding at any time up to a maximum aggregate amount of ₦2,500,000,000 (Two Billion Five Million Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

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

The Issuer accepts responsibility for the information contained in this Programme Memorandum and confirm that it has taken all reasonable care to ensure that the information contained or incorporated in this Programme Memorandum is correct and does not omit any material fact that is likely to affect the import of such information.

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

Notes issued under the Programme shall be restricted to Qualified Institutional Investors who meet the qualification criteria prescribed by FMDQ Exchange from time to time.

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

Neither this Programme Memorandum nor any other information supplied about the CP Programme is intended to provide a basis for any credit or other evaluation or should be considered as a recommendation or the rendering of investment advice by the Issuer, the Issuing and Placing Agent and Dealer that any recipient of this Programme Memorandum should purchase any Notes.

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

Specifically, FMDQ Securities Exchange Limited takes no responsibility for the contents of this Programme Memorandum, nor any other information supplied in connection with this CP Programme, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Programme Memorandum.

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

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

In the event of any default by the Issuer, the IPA, the Dealer and the Collecting and Paying Agents are under no obligation to seek recovery or initiate any action against the Issuer, either on its own or on behalf of a Noteholder.

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

INCORPORATION OF DOCUMENTS BY REFERENCE

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

1. Each Applicable Pricing Supplement relating to any Series or Tranche issued under the Programme.
2. The audited annual financial statements (and notes thereto) and any unaudited interim financial statements published after such annual financial statements of the Issuer for the financial years/periods prior to each issue of Notes under this Programme.
3. Relevant Rating reports by the Rating Agencies; and
4. Legal Opinion on the Programme by Udo Udoma & Belo-Osagie.

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





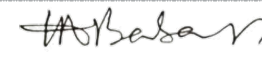
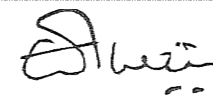
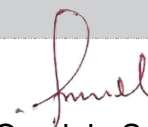
The Issuer may for so long as any Note remains outstanding, publish an amended and restated Programme Memorandum or a supplement to the Programme Memorandum on the occasion of any subsequent issue of Notes, where there has been: -

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

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

The Issuer will provide, at its registered office, as set out in the Programme Memorandum, free of charge and to each prospective investor upon request, a copy of any of the documents deemed to be incorporated herein by reference, unless such documents have been modified and superseded (and which documents may at the Issuer's option to be provided electronically). Request for such documents shall be directed to the Issuer or the IPA at their respective registered offices as set out in this Programme Memorandum.

PROFESSIONAL PARTIES TO THE PROGRAMME

ISSUER	
Asiko Power Limited Plot 224 Moshood Abiol Ijora Lagos	 FELIX EKUNDAYO
SOLE ARRANGER / ISSUING AND PLACING AGENT	
Stanbic IBTC Capital Limited Stanbic IBTC Towers Walter Carrington Crescent Victoria Island Lagos	 Oladele Sotubo
DEALER	
Vetiva Advisory Services Limited 266B, Kofo Abayomi Street Victoria Island Lagos	 Olutade Olaegbe
SOLICITOR TO THE TRANSACTION	
Udo Udoma & Belo-Osagie St Nicholas House (10 th , 12 th , & 13 th Floors) Catholic Mission Street Lagos	 Nicholas Okafor
RATING AGENCY	
Agusto & Co UBA House, 57 Marina Road Lagos	 Isaac Babatunde
COLLECTING AND PAYING AGENTS	
Stanbic IBTC Bank Limited Stanbic IBTC Towers Walter Carrington Crescent Victoria Island Lagos	 Chidi Okezie
AUDITOR	
Crowe Dafinone 15 Elsie Femi Pearse Street Victoria Island Lagos	 Omolola Samuel

SUMMARY OF THE PROGRAMME

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

TERMS	DESCRIPTION
Issuer:	Asiko Power Limited
Issuing and Placing Agent:	Stanbic IBTC Capital Limited
Dealer:	Vetiva Advisory Services Limited
Collecting and Paying Agents:	Stanbic IBTC Bank Limited
Auditor:	Crowe Dafinone
Solicitor:	Udo Udoma & Belo-Osagie
Programme Description:	The ₦2,500,000,000.00 (Two Billion Five Hundred Million Naira) Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardized documentation framework
Programme Size:	₦2,500,000,000.00 (Two Billion Five Hundred Million Naira)
Issuance in Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, and each Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement
Currency of Issue:	Nigerian Naira
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
Issue Size:	As specified in the Applicable Pricing Supplement
Use of Proceeds:	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer to support its short-term financing requirements or refinancing of its existing indebtedness
Interest Payments:	Notes shall be issued at a discount and in the form of Zero-Coupon Notes. Thus, the Notes will not bear interest, other than in the case of overdue payment
Source of Repayment:	The repayment of all obligations under the Programme will be funded from the cash flow of APL unless otherwise specified in the Applicable Pricing Supplement
Method of Issue:	The Notes may be offered and sold by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement.

SUMMARY OF THE PROGRAMME

Tenor:	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of 15 (Fifteen) days and a maximum of 270 (Two Hundred and Seventy) days, including rollover from the date of issue. The maturity date of all Outstanding Notes shall fall within the validity period of the Issuer/CP Programme rating filed with the Exchange at the commencement of the registration of the CP Programme.
Default Rate:	Interest rate equivalent to the daily overnight Nigerian Inter-bank Offered Rate (NIBOR) + 5% per annum or issue rate + 5% per annum (whichever is higher).
Redemption:	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines and FMDQ Exchange Rules
Issuer Rating:	The Company was recently assigned an Investment Grade rating of BBB- by Agusto & Co Limited dated 12 March 2024. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.
Status of Notes:	Unless stated otherwise in an applicable Pricing Supplement, each Note constitutes a senior, direct, unconditional, unsubordinated, and unsecured obligation of the Issuer and the Notes rank <i>pari-passu</i> among themselves, and save for certain debts mandatorily preferred by law, with other present and future senior unsecured and unsubordinated obligations of the Issuer's Outstanding Notes from time to time
Quotation:	The Issuer may elect at its discretion to have any Series or Tranche of Notes quoted on the FMDQ Exchange platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted or listed on the relevant trading platform
Taxation:	The Notes issued under the Programme will be Zero Coupon Notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Note holders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws
Governing Law:	The Notes issued under the Programme and all related contractual documentation will be governed by, and construed in accordance with the laws of the Federal Republic of Nigeria
Settlement Procedures:	The Notes will be settled via direct debit, electronic funds transfers, NIBSS Instant Payment (NIP), NIBSS Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS") and in accordance with the guidelines and procedures of the CSD

Business Description

Asiko Power Limited (“APL”, “the Issuer” or “the Company”) was incorporated on 06 November 2008 as a private company. The Issuer is involved with the provision of gas-to-power products and solutions to residential, commercial, and industrial establishments.

Group Structure

APL is a subsidiary of Asiko Energy Holdings Limited (“AEHL” or “the Group”). AEHL (formerly Linetrade Gas Limited) became the pioneer off taker from Nigeria LNG Company (“NLNG”) on the Domestic LPG (Dom LPG) programme, Domestic Propane (Dom Propane) programme and in 2021, the Company was successful in becoming a pioneer offtaker of LNG under the Domestic LNG (Dom LNG) programme, making APL the only company in all three programmes, thereby demonstrating the Company’s capacity and commitment to the clean energy drive.

AEHL was established to manufacture all kinds of products and derivatives of petroleum, gas and other hydrocarbons, as well as related products, while building, operating and maintaining power transmission stations and facilities that ensures the smooth process of trading clean power and energy solutions. This process involves, storing, trading, importing, and exporting manufactured power products.

Other subsidiaries of AEHL include:

- Gas Terminalling and Distribution Limited – distribution of LNG, LPG, and Propane across Nigeria
- Gas Terminalling Storage Company Limited – owner and operator of the combined 5,000MT LPG and approximately 13,000MT LNG storage facility currently under construction at Ijora, Lagos.
- Gas Terminalling Global Operations Limited – supply of LPG, Propane and soon to commence LNG across Nigeria
- Asiko Carbon Zero Limited – developing renewable energy.
- Asiko Hydrocarbon Company Limited – processing and liquefaction of gas in Nigeria which is due to commence operations imminently.



Business Operations

APL's business operations are segmented into three verticals which aim to deliver power solutions to various areas of the economy:

- **Power generation:** as an Independent Power Producer, APL provides captive power solutions for industrial and commercial business complexes. APL's key clients within this segment are well known household names such as Cadbury Nigeria PLC, Alvaro Power Solutions Limited, Union Bank of Nigeria, Paelon Hospital and Hyde Energy Limited
- **Industrial and retail gas distribution:** as a leading provider of clean energy solutions, APL, through depots such as the Utesi depot, stores and distributes LPG and Compressed Natural Gas, improving gas availability in the region
- **Autogas:** APL has developed two Autogas stations (Kano & Utesi) which are at the core of accelerating fuel transition and deepening gas penetration in Nigeria by providing clean energy solutions to vehicles that have been converted from petrol-powered engines to dual fuel (LPG and petrol) engines

APL is a part of NLNG's Domestic LPG, Propane and LNG Schemes which provides an avenue for the Company to procure LPG, LNG and Propane for distribution to clients across the country.

Corporate Governance Structure

The Board of Directors of APL, who act on behalf of its shareholders, provides guidance and direction for the day-to-day management/administration of the Company. The Board of Directors has a blend of experience and knowledge cutting across the various business lines of the Company.

The Board of Directors for APL consists of:

S/N	Board Members	S/N	Board Members	S/N	Board Members
1	Engr. Alex Ogedegbe	4	Mr. Kamar Bakrin	7	Mr. Babatunde Edun
2	Mr. Felix Ekundayo	5	Mr. Mustapha Fasinro		
3	Mr. Abubakar Folami	6	Mr. Martin Ekundayo		

Board Committees

Audit Committee: meets semi-annually.

Members

- Mr. Kamar Bakrin (Chairman)
- Mr. Babatunde Edun
- Mr. Tayo Odetunde,
- Mr. Mustapha Fasinro
- Mr. John Sylvester
- Mr. Simon Jones
- Mr. Ik Okoli

Corporate Governance & Compliance Committee: meets semi-annually.

Members

- Mr. Martin Ekundayo (Chairman)
- Mr. Mustapha Fasinro
- Mr. Lekan Felix Adekeye
- Mr. Omotunde Hassan

- Mr. Tayo Ojeleke

Health Safety Environment and Quality & Operations Committee: meets semi-annually.

Members

- Mr. Babatunde Edun (Chairman)
- Mr. Kamar Bakrin
- Mr. Mustapha Fasinro
- Mr. Omotunde Hassan
- Ms. Modupe Ayeni
- Mr. Olayinka Rabi

Shareholding Structure as of 31 December 2023

Shareholder	Number of shares held	Percentage Holding (%)
Asiko Energy Holdings Limited	5,999,999.00	99.99
Asiko International Energy (Nigeria) Limited	1.00	0.01
Total	6,000,000.00	100

Board of Directors and Management Team

The Board of Directors:

- | | |
|------------------------|---------------------------------------|
| ➤ Engr. Alex Ogedegbe | – Chairman |
| ➤ Mr. Felix Ekundayo | – Managing Director |
| ➤ Mr. Abubakar Folami | – Executive Director |
| ➤ Mr. Kamar Bakrin | – Independent, Non–Executive Director |
| ➤ Mr. Mustapha Fasinro | – Non - Executive Director |
| ➤ Mr. Martin Ekundayo | – Non - Executive Director |
| ➤ Mr. Babatunde Edun | – Non - Executive Director |

The Management team:

- | | |
|--------------------------|--|
| ➤ Mr. Felix Ekundayo | – Managing Director |
| ➤ Mr. Abubakar Folami | – Chief Commercial Officer/ED, Finance |
| ➤ Mr. Oluwatayo Odetunde | – Head, Corporate Governance & Compliance /GM, Finance |
| ➤ Mr. Busayo Fabunmi | – GM, Operations |
| ➤ Mrs. Esther Nwokoro | – GM, Corporate Services |
| ➤ Mr. Uwaezuko Igbokwe | – Manager, HSEQ |
| ➤ Mr. Adeola Okoro | – Head, Internal Audit & Compliance |

Profile of the Board of Directors as of 31 December 2023

Engr. Alexander Ogedegbe – Chairman

Engr. Alexander Ogedegbe has over 45 years of engineering and business management experience in the oil and gas industry. Over his career he has served in various positions, he was the Managing Director of the Port Harcourt Refining Company Limited from 1990 – 1992, Managing Director of the Kaduna Refining & Petrochemical Company Ltd from 1992 – 1995 and the Group General Manager, NNPC's Group Managing Director's Office from 1995-1996,

He was also the Managing Director for National Engineering and Technology Company (NETCO, the Joint Venture Company of NNPC and Bechtel Inc.) from 1996 – 1998, Director General, NNPC – Nigerian College of Petroleum Studies, Kaduna between 1998 and 1999, Group Executive Director (Eng. & Technology) and member of NNPC Board of Directors between 1999 and 2003.

Engr. Ogedegbe holds both a B.Sc. and an M.Sc. in Chemical Engineering from the University of Iowa, USA. He is also a registered engineer with COREN and a Fellow of the Nigerian Society Of Chemical Engineers.

Mr. Felix Ekundayo – Managing Director

Mr. Ekundayo is a seasoned Chemical Engineer with over 35 years of experience in engineering and business management in the Oil and Gas Industry. Mr. Ekundayo, alongside associates, founded and meticulously piloted the affairs of Gas Terminalling Limited (nee Linetrade Gas) in 2006, turning it into a foremost LPG supply, logistics and distribution company and this in turn led to him being appointed at the helm of affairs of Asiko Energy Limited, thereby cascading down to Asiko Power Limited.

He commenced his career working for Foster Wheeler and later ICI and BP. His engineering career spanned 11 years and covered design, commissioning and operation of midstream and downstream oil and facilities. He then spent 5 years as a Senior Consultant with Nexant Limited, consultants to the energy industry. During his time with Nexant, he consulted on various refining, gas, infrastructure, and petrochemical projects around the world.

Mr. Ekundayo holds a B.Eng. (Hons) in Chemical Engineering from the University College, London (1988) as well as an MBA from Exeter University (1990). He is the President of the Nigeria Liquefied Petroleum Gas Association (NLPGA).

Mr. Abubakar Folami – Executive Director

Mr. Abubakar Folami is an astute professional with over 35 years of experience of financial management and commercial experience in the oil and gas industry.

Prior to his appointment in October 2009, he was Executive Director Finance of Oando Marketing Limited. Before this, he was the Chief Finance Officer of Oando Plc, a position he was promoted to in July 2005. In that period, he was a key member in the internal efficiency and structural changes that took place at Oando Plc. Before joining Oando, he was Divisional Finance Controller and Assistant Head Internal Audit of John Holt Plc, a company that has operations spread over the whole of Nigeria. And before joining John Holt in 2001, Mr. Abubakar managed a firm of Chartered Accountants for seven years. He has also held management positions at Sabitu Folami & Co. in Nigeria, Javed & Co. Chartered Accountants and Trustee Savings Bank Plc in the United Kingdom.

Mr. Folami holds a B.Sc. degree in Accounting, Finance and Economics from the University of Essex, UK (1987). He is also a member of the Association of Certified Chartered Accountants (AACA) as well as an associate member of the Institute of Chartered Accountants of Nigeria (ICAN).

Mr. Kamar Bakrin – Independent, Non-Executive Director

He has over 30 years of experience in business management experience in the FMCG, energy and oil and gas sectors.

Mr. Kamar Bakrin was until recently Operating Partner at Helios Investment Partners, the World's largest Africa-focused private equity firm, where he headed the Nigeria office. Prior to this, he was a Director at the Corporate office of the Nigerian conglomerate, the Honeywell Group; responsible for the Natural Resources and Power Infrastructure businesses.

Mr Bakrin previously served as MD/CEO of Oando Energy Services during which he led the transition to a full oilfield services company. He was, before that, the Chief Executive of Oando Marketing after having been the Head of Corporate Development of Oando's Holding company. Before returning to Nigeria, Kamar was a Consultant with the Boston Consulting Group in the USA and has also worked with Colgate Palmolive, South Africa, and Arthur Andersen (now KPMG).

Kamar also Chairs the Boards of Scidar, Arnergy Solar Ltd. and Truck Transit Parks Ltd and serves on the Boards of Polysmart Ltd. and Gas Terminalling Global Operations Ltd.

He holds a BA in Agriculture Economics from the University of Ilorin and an MBA from the Columbia Business School in the United States. He is a fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and a member of the Institute of Directors, Nigeria.

Mr. Mustapha Fasinro – Director

Mr. Fasinro has acted as a senior production engineer, lead reservoir engineer, production platform superintendent, crude oil sales and marketing operations engineer and as an independent petroleum products trader, advisor, and consultant for the past five years. During this period, he gained extensive

experience in the oil and gas industry, from Geology to sales/marketing, project financing and development.

In the more recent past, he has concentrated on the West African and International oil trading markets for crude oil and petroleum products, risk management strategies, the organization of trading companies and the development of indigenous trading entities in Nigeria.

He began his career in the early 1990's with Abacan Resource Corporation in Calgary, Canada and was involved in the development of the field production and well data reporting software, pipeline design and construction, well completion, pre-commissioning, and commissioning of a 28,000 barrels per day production facility. Thereafter he was Senior Production Engineer on the IMA field offshore Port-Harcourt, Nigeria.

Mr. Fasinro is a member of the Institute of Petroleum, UK and holds a Bachelor of Engineering, Chemical Engineering from South Bank University (UK)

Mr. Martin Ekundayo – Non-Executive Director

Mr. Martin Ekundayo is a qualified lawyer, with over 18 years of experience in the oil and gas industry. He is presently Regional Director for BJ Services covering the Middle East, Africa, and the Former Soviet Union. Prior to this, he was Senior Legal Counsel for Gazprom in the UK. Before joining Gazprom,

Mr. Ekundayo spent 5 years with Koch Supply & Trading Co Ltd (an affiliate of Koch Industries Inc.), where he established and managed the company's contracts department, as well as work on petroleum origination business for the West African region.

He attended the University of Buckingham for his LLB.

Mr. Babatunde Edun – Non-Executive Director

Mr. Babatunde is a seasoned businessman with demonstrated expertise in Telecommunications, Logistics, Distributed Power, and Oil & Gas Industries. His knack for start-up businesses has earned him a reputation for building several businesses of scale. He is presently applying his vast business experience for Tranos Contracting Ltd in a bid to increase the in-country value creation in the Oil & Gas service Industry and to expand the light manufacturing base in Nigeria.

Mr. Edun is a member of the Institute of Directors (IoD), the Lagos Polo and Ikoyi clubs and serves on the Boards of ACCAT (Nigeria) Ltd, COMENERGY Ltd, Exchange Telecommunications Ltd, Tranos Contracting Ltd, C & I Leasing PLC and Ilubirin Foreshore Development Company.

Mr. Edun has a B.Sc. in Business Administration from the University of Lagos (1986 – 1992) and and MBA from Lagos Business School (2011).

Profile of the Management Team

Mr. Felix Ekundayo – Managing Director

Mr. Ekundayo is a seasoned Chemical Engineer with over 35 years of experience in engineering and business management in the Oil and Gas Industry. Mr. Ekundayo, alongside some friends, founded and meticulously piloted the affairs of Gas Terminalling Limited (nee Linetrade Gas) in 2006, turning it into a foremost LPG supply, logistics and distribution company and this in turn led to him being appointed at the helm of affairs of Asiko Energy Limited, thereby cascading down to Asiko Power Limited.

He commenced his career working for Foster Wheeler and later ICI and BP. His engineering career spanned 11 years and covered design, commissioning and operation of midstream and downstream oil and facilities. He then spent 5 years as a Senior Consultant with Nexant Limited, consultants to the energy industry. During his time with Nexant, he consulted on various refining, gas, infrastructure, and petrochemical projects around the world.

Mr. Ekundayo holds a B.Eng. (Hons) in Chemical Engineering from the University College, London (1988) as well as an MBA from Exeter University (1990). He is the President of the Nigeria Liquefied Petroleum Gas Association (NLPGA).

Mr. Abubakar Folami – Executive Director Finance/Chief Commercial Officer

Mr. Abubakar Folami is an astute professional with over 35 years of experience of financial management and commercial experience in the oil and gas industry.

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Mr. Folami holds a B.Sc. degree in Accounting, Finance and Economics from the University of Essex, UK (1987). He is also a member of the Association of Certified Chartered Accountants (AACCA) as well as an associate member of the Institute of Chartered Accountants of Nigeria (ICAN).

Mr. Oluwatayo Odetunde – Head, Corporate Governance & Compliance /GM Finance

He joined the Company in August 2014 as the Financial Controller and worked in this role for 8 years before becoming the head of corporate governance & compliance in January 2023. Prior to this, in 2013-2014, he was the Chief Financial Officer in Wafa Aggregate/ABR Offshore. From 2009-2013, he was the Head of Internal Audit in Capital Oil and Gas Limited, and before then he was the Finance Manager in Airtel Cards Limited in 2006-2009. Between 1992 to 2006, he was the Finance Manager in BTAS Advertising, The Drawing Board Advertising Limited and Zepol Advertising Limited.

He has a B.Sc. Degree in Accounting from Lagos State University, an MBA from the Pan Atlantic University. He has over 30 years OF experience in finance, and he is an associate member of the Institute of Chartered Accountants of Nigeria (ICAN).

Mr. Busayo Fabunmi – GM, Operations

He joined Asiko in February 2019 as the Group General Manager Operations. Before this, he held various positions such as Engineering Maintenance Manager in Gas Terminalling and Distribution Limited (2017-2019), Team Lead – Maintenance in First Deepwater Discovery Limited (2013-2017), and Mechanical Project Engineer in Pz Cussons Nigeria Plc (2010-2013).

Over the years, he has been involved in activities such as delivering an LPG terminal with 5X2250CuM Mounded Tanks, spearheading front-end engineering development, proficient knowledge of ASMR Boiler and Pressure Vessel Code. He led a team to construct a 20MMSCFD Compressed Natural Gas (CNG) Facility. Mr. Busayo facilitated the development of the Power & Gas business which resulted in an increase in the group's EBITDA.

He has a master's degree in mechanical engineering. Being a Project Management Professional (PMP), Black Belt holder (Six-sigma), a registered Engineer (COREN), and a member of the American Society of Mechanical Engineers (ASME), he has over 15 years of experience.

Esther Nwokoro – GM, Corporate Services

She joined Asiko in January 2021 as the General Manager Corporate Services. Prior to this, she worked as the Human Resources Manager in Gas Terminalling from 2014-2020, the Financial Accountant in Gas Terminalling from 2013-2014, a Technical Assistant in Crowe Dafinone in 2007-2010, a position she moved to after being the Trainee Technical Consultant in Crowe Dafinone in 2006-2007.

She is a professional with 15 years of experience in finance and human resources. She is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), and a Senior Professional in Human Resources International (SPHRi).

Esther has a B.Sc. in accounting from the University of Lagos (2010), a master's degree in development finance from the University of Lagos (2018).

Mr. Uwaezuoke Igboke – Manager, HSEQ

Mr. Igboke is a professional in environmental, health, safety and quality assurance. He has over 19 years of experience in the field.

Prior to joining Asiko as the head of the HSEQ department in January 2020, he worked as Operations Supervisor in OVH Energy Marketing Limited from 2006-2019. Before this, he worked as the HSE officer in OilServ Nigeria Limited for 3 months in 2006, a position he moved to from being the Field Supervisor/Safety Officer in Lapis Lazuli Technologies in June 2001 to June 2004. In July 2000 to June 2001, he worked in Shell Petroleum Development Company Nigeria Limited Port Harcourt as a support staff.

Mr. Igboke's experience over the years spans from driving compliance to safety standards and quality control processes, championing health and safety campaigns, coordinating risk assessments and management, overseeing project execution amongst others.

He holds a B.Eng. in Soil & Water Engineering from the Federal University of Technology Owerri. He is a member of the Nigeria Institute of Safety Professional, and a specialist member of the Institute of Safety and Risk Management UK. He is certified auditor for ISO 14001 & Management Systems and NEBOSH Distinction in International General Certificate. He has an Ethics Officer certification from the South African Ethic Society, NEBOSH Distinction in International Technical Certificate in Oil & Gas Operational Safety.

Mr. Oluyemi Owadokun – Head, Power Operations

Mr. Oluyemi has over 30 years of experience in the Electrical Engineering field.

He started his career as a Site/Project Engineer in Kenol Nigeria Limited in 1992, he then moved to Daib Consultants Limited as the Project Engineer (Electrical) in 1993 where he worked for 7 years. In February of 2000, he became the Senior Design Engineer/Project Manager in C.A Consultants Limited. This propelled him into becoming the Field Support Engineer in MTN Nigeria Communications Limited, Abuja in 2002, a position he held until he became the Switch Power Manager in the Lagos branch of the same organisation in 2008. In 2009, he became the Senior Manager, Power Planning in MTN Nigeria Communications Limited, Lagos, a position he held for 5 years. He moved to IHS Towers Plc in 2015 and worked there for 2 years as the Head of Operations and in 2018 – 2020, he was the Chief Technical Officer in Telenoetica Limited. In March 2020 – July 2022, he was the Director of Filco Engineering Limited, Power and Telecom Engineers. And in August 2022, he became the Head of Power Operations Business Unit in Asiko.

Over the years, he has been responsible for growth strategies, rural electrification, technology installation, RF modernisation in infrastructural solutions, dimensioning of power systems amongst others. He has handled projects such as the electrical design of the aviation terminal and bank office complex for Chevron Nig. Ltd., etc.

He is a registered engineer with the Council for the Regulation of Engineering in Nigeria (COREN) and a corporate member of the Nigerian Association of Technologists in Engineering.

Mr. Oluyemi has an HND in Elect. Engineering from the Polytechnic Ibadan, a PGD management from the University of Calabar, and an MBA from Lagos Business School (LBS).

USE OF PROCEEDS

Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the company for its general corporate purposes, including short-term funding requirements or refinancing of its existing indebtedness.

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

Sources of Repayment

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

BACKGROUND

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

REGULATORY FRAMEWORK

Issuance of and investment in CPs by Banks and Discount Houses in Nigeria is subject to the provisions of the CBN Guidelines and the FMDQ Securities Exchange Limited Rules. The provisions applicable to CPs are as highlighted below:

QUALIFICATION

A CP qualifies as a financing vehicle if:

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

SIZE AND TENOR

CPs shall be issued at the primary market for a minimum value of ₦100,000,000.00 (One Hundred Million Naira) and multiples of ₦50,000,000.00 (Fifty Million Naira) or as otherwise determined by the FMDQ Exchange. Furthermore, they shall be issued for maturities, subject to a minimum of 15 (Fifteen) days and a maximum of 270 (Two Hundred and Seventy) days, from the date of issue. The interest or discount element on maturing CPs may not be capitalised and rolled over.

RATING

Either the issuer of a CP or the specific issue shall have an investment grade rating (minimum of BBB) by a rating agency registered in Nigeria or any international rating agency acceptable by the CBN. An indicative rating should have been obtained prior to the submission of declarations and information to the CSD.

INVESTORS IN BANKERS' ACCEPTANCES AND COMMERCIAL PAPERS

CPs may be issued to and held by individuals who meet the eligibility criteria set out by the FMDQ Exchange, deposit money banks, other corporate bodies registered or incorporated in Nigeria and unincorporated bodies, non-resident Nigerians and foreign institutional investors.

FORMS OF MAINTAINING CPs

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

ISSUING AND PAYING AGENT

Only a deposit money bank and discount house may act as an CPA for issuance of CP.

GENERAL REQUIREMENTS

- i. CPs are only redeemable at maturity and as such cannot be pre-liquidated.
- ii. The investors may re-discount the paper with the Issuer before maturity at new market terms if the Issuer is willing to purchase the risk.
- iii. Any proposed issue of CPs shall be completed within the period of ten (10) business days from the date of opening of the issue for subscription.
- iv. All CPs issued in Nigeria shall be registered with the CSD, which shall serve as the custodian of all issues and central depository for all dematerialised instruments.

COMPLIANCE WITH SECURITIES REGULATIONS

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

MODE OF PAYMENT AND ISSUANCE OF CPS

The initial investor in a CP may pay the discounted value of the CP through the Issuing and Placing Agent (where applicable). However, when the CP is held in dematerialized form, the Holder shall have it redeemed through a licensed securities depository and receive payment from the CPA.

MANDATORY REGISTRATION AND QUOTATION OF CPS

CPs are required by law to be registered and quoted on authorised securities exchanges. Accordingly, banks are prohibited from transacting in CPs that are not quoted or intended for quotation on an authorised securities exchange, in any capacity whatsoever, including but not limited to act as issuer, guarantor, issuing, placing, paying and collecting agent.

The CBN has cleared FMDQ Exchange for the registration and quotation of CPs in Nigeria.

COMPLIANCE WITH THE CBN GUIDELINES AND FMDQ EXCHANGE RULES

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines and FMDQ Exchange Rules. A legal opinion confirming adherence to the CBN Guidelines and FMDQ Exchange Rules is incorporated on pages 44 – 57 of this Programme Memorandum.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer under the Programme. The provisions of the Applicable Pricing Supplement to be issued in respect of any Note are incorporated by reference herein and will supplement these Terms and Conditions for the purposes of that Note. The Applicable Pricing Supplement in relation to any series of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions contained herein, replace or modify the following Terms and Conditions for the purpose of such series of Notes.

1. ISSUANCE OF NOTES

The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding ₦2,500,000,000. Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from the Deed of Covenant.

2. FORM, DENOMINATION, AND TITLE

2.1 Form and Denomination

2.1.1 Unless otherwise specified in any Applicable Pricing Supplement, the Notes shall be registered electronically, serially numbered, and denominated in a nominal amount of ₦1,000 per Note.

2.1.2 The Notes issued under this Programme will be denominated in Naira.

2.1.3 Notes issued will be in the form of Zero-Coupon Notes and will not pay interest prior to final maturity.

2.1.4 Notes will be issued through book-entry deposit by crediting the CSD account of applicants and a Register of Noteholders shall be maintained by the CSD.

2.2 Title

Title to the Notes will pass upon credit to the CSD account of the Noteholder. Transfer of title to Notes shall be effected in accordance with the rules governing transfer of title in securities held by the CSD. The Issuer may deem and treat the registered holder of any Note who is registered in the records of the CSD and the Register as the absolute owner thereof for all purposes, including but not limited to the payment of any outstanding obligation in respect of the Notes, and no liability shall attach to any person for such a determination.

3. STATUS OF THE NOTES

Each Note constitutes a direct, unconditional, unsubordinated, and unsecured obligation of the Issuer and the Notes rank *pari passu* without any preference among themselves. The payment obligations of the Issuer shall, save for such exceptions as may be provided by applicable legislation in relation to preferential statutory payments, at all times rank at least equally with all present and future unsecured and unsubordinated indebtedness and monetary obligations of the Issuer.

4. REDEMPTION

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

5. PAYMENTS

The Face Value of the Notes will be paid to the Noteholders shown on the Register at the close of business on the Relevant Last Date. The registered Noteholder shall be the only person entitled to receive payments in respect of the Note and the Issuer will be discharged by payment to, or to the order of, the registered Holder in respect of each amount so paid.

5.1 Method of Payments

- 5.1.1 Payment of the outstanding obligations in respect of the Notes will be made by electronic funds transfer, in Naira to the account of the Noteholder specified in the Register.
- 5.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the CPAs. Noteholders shall not be required to present and/or surrender any documents of title to the CPAs.
- 5.1.3 In the case of joint Noteholders, payment by electronic transfers will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes to such joint Noteholders.
- 5.1.4 In the case of nominees, the nominee shall be paid as the registered Noteholder, which payee shall in turn transfer such funds to the holders of the beneficial interests.
- 5.1.5 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note, where the Issuer or CPA has provided evidence that the money was transferred into the account of the Noteholder.
- 5.1.6 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, lockout, fire explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice). Such payments by cheque shall be sent through a reputable and registered courier operator to the address of the Noteholder as set forth in the Register.
- 5.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the Agent shall be responsible for any loss in transmission and the postal authority shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this condition.

5.2 Payment Day

Payment shall be made on a Payment Business Day. If the due date for payment of any amount in respect of the Notes is not a Payment Business Day, then the Noteholder thereof shall not be entitled to payment of the amount due until the next Payment Business Day. The Holder shall not be entitled to any further interest or other payment in respect of such delay.

5.3 Closed Periods

No Noteholder may require the transfer of the Notes (i) during the period of 5 (five) days ending on the due date for redemption in respect of that Note; or (ii) following the issuance of a default notice to the Issuer pursuant to Condition 6.2 (Action upon Event of Default).

6. EVENT OF DEFAULT

6.1 Event of Default

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

- 6.1.1 if the Issuer fails to make payment in full by the Maturity Date;

- 6.1.2 if the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for a period of 14 days following the service on the Issuer of a written notice requiring that breach to be remedied;
- 6.1.3 should any, representation, warranty or undertaking made in connection with any documentation supplied by the Issuer be, in the Arranger's opinion, materially incorrect;
- 6.1.4 if the Issuer initiates bankruptcy or insolvency proceedings or becomes insolvent, or is provisionally or finally sequestered, or is provisionally or finally wound up, or is unable to pay its debts as they become due, or is placed under provisional or final judicial management, or enters into a scheme of arrangement or compromise with its creditors;
- 6.1.5 should the shareholders of the Issuer pass a resolution for the winding up of the Issuer;
- 6.1.6 if the Issuer acts in any way which may have a material adverse effect on the Issuer's business, financial condition or assets, or its ability to perform its obligations under the Issue;
- 6.1.7 if an attachment, execution or other legal process is levied, enforced upon, issued on or against a material or substantial part of any assets of the Issuer and is not discharged or stayed within 90 days of service by the relevant officer of the court of such attachment, execution or other legal process;
- 6.1.8 if a writ of execution is issued by any competent court attaching any material or substantial part of assets belonging to the Issuer and such remains unsatisfied for more than 9 Business Days after the date on which it is issued; or
- 6.1.9 if the Issuer fails to notify FMDQ Exchange through the IPA that the Notes have been liquidated and funds have been transferred to all Noteholders by 5:00pm on the Redemption Date.

6.2 Action upon Event of Default

Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if the Issuer withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction.

Upon the occurrence of an Event of Default, the Issuer shall pay Noteholders interest at the Default Rate until the debt obligations to the Noteholders have been settled in full. In addition, the Noteholder shall have the right to exercise all other remedies available to them under the laws of Nigeria.

7. REGISTER

- 7.1 The Register shall be maintained by the CSD. The Register shall reflect the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.
- 7.2 Statements issued by the CSD as to the aggregate number of Notes standing to the CSD account of any person shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer and the Collecting and Paying Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 7.3 The Register shall be open for inspection during the normal business hours of the CSD to any Noteholder or any person authorised in writing by the Noteholder.

TERMS AND CONDITIONS OF THE NOTES

- 7.4 The CSD shall alter the Register in respect of any change of name, address, or bank account number of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

8. NOTICES

8.1 Notices to the Noteholders.

- 8.1.1 All notices to the Noteholders will be valid if mailed by pre-paid registered mail to them at their respective addresses of record in the relevant register of Notes of a Tranche maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of the CBN, the FMDQ Exchange, the CSD, or such other regulatory authority as may be applicable to the Notes.

- 8.1.2 Any notice shall be deemed to have been given on the second day after being so mailed, the date of delivery or on the date of first publication in national newspapers.

8.2 Notices from the Noteholders

- 8.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing and given by lodging the same with the Collecting Paying Agents at their registered office.

- 8.2.2 Any change of name or address on the part of the Noteholder shall forthwith be notified to the Issuer and subsequently, the Register shall be altered accordingly following notifications to the CSD.

9. MODIFICATION

- 9.1 The Arranger and the Issuer may agree, without the consent of the Noteholders, to any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of any law in Nigeria and which is not prejudicial to the interest of the Noteholders.

- 9.2 Save as provided in condition 9.1 above, no amendment of the Terms and Conditions may be effected unless:

- i. such amendment is in writing and signed by or on behalf of the Issuer; and
- ii. such amendment:
 - if it affects the rights, under the Terms and Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% of the outstanding Principal Amount of all the Notes; or
 - if it affects only the rights, under the Terms and Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% of the outstanding Principal Amount of all the Notes held by that group.
- iii. the Exchange is notified of such amendment(s).

- 9.3 Any such modification shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

10. MEETING OF NOTEHOLDERS

- 10.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 days prior written notice to such Noteholders. The notice is required to be given in terms of Condition 8. Such notice shall specify the date, place, and time of the meeting to be held, which place shall be in Nigeria.

TERMS AND CONDITIONS OF THE NOTES

- 10.2 Every director or duly appointed representative of the Issuer may attend and speak at a meeting of the Noteholders but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.
- 10.3 Noteholders holding not less than 10% in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to convene such a meeting within 10 days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
- 10.4 A Noteholder may by an instrument in writing (a "**Form of Proxy**") signed by the holder or, in the case of a corporation executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a "**Proxy**") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.
- 10.5 Any Noteholder which is a corporation, may by resolution of its directors or other governing body authorise any person to act as its representative (a "**Representative**") in connection with any meeting or proposed meetings of the Noteholders.
- 10.6 Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the holder of the Notes to which the appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder.
- 10.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders request a meeting, and the Issuer fails to convene such a meeting within 10 days of such request, then the chairman of the meeting held at the instance of the Noteholders, shall be selected by a majority of Noteholders present in person or Proxy.
- 10.8 At any such meeting, two or more Noteholders present in person, by Representative or by Proxy, holding in aggregate not less than 1/3 of the Principal Amount of Notes shall form a quorum. On a poll, each Noteholder present in person or by Proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
- 10.9 If within 30 minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than 14 days nor more than 21 days thereafter and at the same time and place. At such adjourned meeting one or more Noteholders present or represented by Proxy shall form a quorum and shall have power to pass any Special Resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.

11. FURTHER ISSUES

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

12. GOVERNING LAW

The provisions of this Programme Memorandum and the Notes are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria.

TAX CONSIDERATIONS

The tax consequences of investments in the Notes are broadly summarised below. The summary is not intended and should not be construed, to be tax advice to any particular subscriber. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Notes in view of his/her own personal circumstances. Neither the Issuer nor its advisers shall be liable to any subscriber in any manner for placing reliance upon the contents of this section.

The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Note holders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

Where there is taxable income made by a company or individual when it purchases such commercial paper at a discount (i.e. the difference between the discounted value and the face value of the commercial paper), which income is taxable under the Companies Income Tax Act and would have been taxable under the Personal Income Tax Act but for the provisions of the Personal Income Tax (Amendment) Act, 2011.

The effect of the Personal Income Tax (Amendment) Act, 2011 is to exempt otherwise taxable income earned by holders of short-term debt securities issued by corporate bodies from the imposition of Personal Income Tax. The Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2012 ("CIT Exemption Order") which granted exemption to income and interest earned, by corporate bodies for a period of 10 (Ten) years with effect from the commencement date of 2nd January 2012 has expired.

With the expiration of the CIT Exemption Order on January 2, 2022, companies' income tax may now be chargeable on the difference between the discounted value and the face value of the commercial papers.

Furthermore, the proceeds from the disposal of Notes were exempt from tax chargeable under the Value-Added Tax Act (Cap V1 LFN 2004) (as amended by the Value-Added Tax (Amendment) Act No. 12 of 2007) by virtue of the Value-Added Tax (Exemption of the Proceeds of the Disposal of Government and Corporate Securities) Order 2011, commencing from January 2, 2012 ("VAT Exemption Order"). This exemption was for a period of 10 (Ten) years from the date of the Order, and this lapsed on 01 January 2022. However, the Finance Act, 2020 now excludes securities from the payment of value added tax. As such, the Notes will not be liable to value added tax even with the expiration of the VAT Exemption Order.

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

RISK FACTORS

The following section does not ascribe nor describe all the risks (including those relating to each prospective investor's particular circumstances) with respect to an investment in the Notes. The risks in the following sections are provided as general information only. Prospective investors should refer to and carefully consider the risks described below and the information contained elsewhere in this Programme Memorandum, which may describe additional risks associated with the Notes. Investors should also seek professional advice before making investment decisions in respect of the Notes.

RISK RELATING TO NIGERIA

Political Risk

Political risk is the possibility of risk of loss arising, where political conditions, changes in policy or political or events in a particular country inhibit the ability of counterparties resident in that country to meet their financial obligations. Several significant changes have occurred within the Nigerian political environment since the general elections in February 2023. The administration of President Bola Tinubu was inaugurated in May 2023 and there have been a number of significant policy shifts including removal of fuel subsidy and several operational changes to the country's foreign exchange regime, all of which are aimed at expanding the country's GDP. There continues to be the possibility that further economic and political reforms will be instituted as part of the administration's reform agenda.

Economic Risk

The Nigerian economy continues to face significant headwinds. Based on the FGN's Medium-Term Fiscal Framework, GDP growth is projected to be modest over the short-term (3.76%, 4.22% and 4.78% in 2024, 2025 and 2026, respectively). Inflation is also projected to remain considerably elevated for the foreseeable future. Furthermore, FX liquidity and volatility remains a challenge. While the new administration is committed to an economic growth agenda and has commenced the implementation of a reform agenda, there is no guarantee that the economic environment will improve in the near term.

Insecurity Risk

Security remains a major concern for the Nigerian government in 2024. Despite making notable progress in combating insecurity and insurgency within Nigeria and across the wider ECOWAS region, the nation grapples with significant security challenges, enduring attacks, and kidnappings, notably in the North-East, North-West, and South-South regions. While, the Federal Government continues to combat the activities of the Boko Haram group, with some recorded successes, including the recapture of previously controlled territories, recorded incidents of conflict and criminal incidents continue to pose a threat to the country. The occurrence of an event of political instability, at either State or National level, could have a material adverse effect on Nigeria's economy and the operations of the Issuer.

RISK RELATING TO THE ISSUER AND ITS BUSINESS

Business Risk

The financial performance of APL is sensitive to several factors, the most significant being the supply and price of Liquefied Petroleum Gas (LPG) and propane and potentially liquified Natural Gas.

Market Risk

Market risk is the risk that changes in market prices, such as crude prices, foreign exchange rates and interest rates may affect the Company's income. Due to Nigeria's economic dependency on crude exports as a major contributor to GDP and foreign exchange reserves, prolonged periods of low crude prices may lead to a decline in crude oil production and in turn in foreign reserves, and subsequently, a devaluation of the Naira.

Prices of oil and natural gas may fluctuate widely due to many factors over which APL has no control, including but not limited to global, regional economic and political developments in natural resource-producing regions; The ability of the Organisation of Petroleum Exporting Countries and other producing nations to influence global production levels and prices; Prices of unconventional / alternative energies and changes in demographics and consumer preferences.

RISK FACTORS

Competitive Risk

This is the risk that other companies that provide similar and/or disruptive products and services will adversely impact the Company's ability to achieving its goals and objectives. APL operates in a highly competitive environment. Its competitiveness could be adversely impacted if the Company's level of innovation lags its competitors. Its competitors are comprised of captive power companies as well as companies who procure and distribute propane and LPG.

Interest Rate Risk

This is the risk of loss arising from fluctuations in the value of future cash flows or fair values of assets and liabilities because of a change in the market interest rate. Interest rate risk occurs when there is a mismatch between interest rate exposures on sensitive assets and liabilities. Interest rates are highly sensitive to many factors beyond APL's control, including increased regulation of the financial sector, monetary policies, domestic and international economic and political conditions and other factors. The Company is exposed to interest rate risk as it borrows funds at multiple interest rates.

Regulatory Risk

The volatility in the Nigerian financial and energy regulatory system can adversely affect APL's activities, operating results and financial conditions, leading to the Company incurring significant material costs, reduced production or asset value, amongst others. APL operates in an industry that has undergone significant regulatory changes and future regulatory changes may impact the Company's business activities.

Industrial and Environmental Risk

APL's activities involve a wide range of operational risks, such as explosions, fires, accidents, equipment failures, leakage of toxic products, emissions or discharges into the air that can potentially cause death or injury, or impact natural resources and ecosystems. APL's workforce and the public are exposed to risks inherent to the Company's operations, which could lead to legal proceedings against the Company and its legal representatives, notably in cases of death, injury and property and environmental damage. Such proceedings could also damage the Company's reputation.

RISK RELATING TO THE NOTES

Investment Risk

Investment Risk involves a decline in the net realizable value of investment assets arising from adverse movement in market prices or factors specific to the investment itself e.g., reputation. Every investment varies and each type has its inherent risks, which has the potential to reduce the value of such investments.

Liquidity Risk

The Notes issued under this Programme will be new securities which may not be widely distributed and for which there is currently no active trading market. Although applications will be made for Notes issued under the Programme to be admitted and traded on the FMDQ Exchange, there is no assurance that such applications will be accepted, that any particular issue of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular issue of Notes.

Market Risk

The market price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in APL's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which APL operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes, as well as other factors, including the trading market for notes issued by or on behalf of Nigeria as a sovereign borrower.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Words used in this section shall bear the same meanings as used in the section headed “Glossary of Defined Terms”, except to the extent that they are separately defined in this section or the meaning if applied, would be clearly inappropriate for the context.

Clearing System

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

All transactions in the Notes shall be cleared and settled electronically in accordance with the rules and operating procedures of the CSD. Subject as aforesaid, each Series or Tranche of Notes will be issued, cleared, and transferred in accordance with the Terms and Conditions and will be settled through Authorised Participants (as defined below) who will follow the electronic settlement procedures prescribed by the CSD.

Authorised Participants

The CSD will maintain central securities account for the IPA and Dealing Members (“Authorised Participants”) and each beneficial owner of the Notes is required to have a sub-account under the Authorised Participants. Noteholders may exercise their rights in respect of the Notes held in the custody of the CSD only through the Authorised Participants.

For purposes of Notes issued under this Programme, the Authorised Participant is Stanbic IBTC Bank PLC and any other bank appointed by the Issuer to act as CPA.

Registration

- i. The Authorised Participant is required to register with the CSD before dealing in CPs.
- ii. Noteholders without sub-accounts are required to route their account opening applications and transactions through the Authorised Participant who would then notify the CSD to create a relevant sub-account for the Noteholder.
- iii. The CSD will assign a unique identification number (the “Trade Member Code”) to the Authorised Participant and open the account(s) requested by the Authorised Participant.
- iv. FMDQ Exchange will request for the CP to be registered with the CSD, who in turn will furnish FMDQ Securities Exchange Limited and the Authorised Participant with the unique identifier for the registered CP.
- v. The CSD will re-open the existing Unique Identifier for all Tranches with same maturity dates, however new Unique Identifier will be issued for Tranches with different maturity dates.
- vi. The CSD will furnish the Authorized Participant with:
 - a. Account Number(s), including sub-accounts for clients.
 - b. CP Symbol and ISIN Codes

Lodgement

The Authorised Participant will electronically lodge CPs within 10 (ten) Business days after receiving the approval for quotation of the CPs on the Exchange and advise the CSD after lodgement to transfer the CPs to the sub-accounts of the beneficial owners of the Notes and the CSD shall process same.

Redemption

- i. No transactions or trades may be effected for any CP fifteen (15) Business Days prior to its Maturity Date.
- ii. The Authorised participant shall obtain the statement of investors’ accounts/holdings from the CSD one (1) Business Day before the maturity of the CP.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

- iii. The Authorised Participant shall effect repayment to the designated accounts of all registered holders of the CP.
- iv. The Issuer shall ensure that there are sufficient funds in its funding account with the CPA to pay all investors (i.e., including investors that have indicated interest to participate in another CP issuance (which is not a rollover) within the Programme) by 12:00 noon on the maturity date of the CP, failing which the Issuer shall be in violation of FMDQ Exchange Rules.
- v. The CPA shall ensure that funds have been transferred to all CP holders by 3:00 PM on the maturity date of the CP.
- vi. The CSD shall expunge (knock-off) matured CPs on the Maturity Date or Redemption Date of the CP.
- vii. The Maturity Date shall be on a Business Day, however if the Maturity Date falls on a public holiday, payment will be made on the following Business Day.

Roll-Over

- i. All CPs, including roll-overs shall not exceed 270 (two hundred and seventy) days (tenor) from the date of issue.
- ii. Every rollover shall be treated or classified as a fresh/separate CP.
- iii. Where the issuer is desirous to rollover, the IPA shall be informed no later than three business days before the maturity date of the CP and shall furnish the IPA with the relevant updated document for the re-evaluation of the CP.
- iv. The IPA upon receipt of notification shall notify FMDQ Exchange by providing the relevant documentation that all investors have been duly informed not later than 3:00 PM, one business day prior to the maturity of the CP. Upon receipt, FMDQ Exchange shall confirm approval.
- v. Upon granting approval for rollover, FMDQ Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the new unique identifier, subject to receipt of CP rollover fees from the Authorised Participant.
- vi. The CSD shall expunge the existing CP unique identifier from the system and replace with new codes.

Default

- i. The IPAs shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all CP holders by 5:00 p.m. on the Maturity Date of the CP, failing which, the Issuer shall be deemed to be in default.
- ii. In the case of a rollover, if any investor objects to a rollover, the Issuer shall effect the payment of the value of the investor's CP holding on the maturity date, based on the initial terms of the Issue. Failure by the Issuer to effect such payment shall result in a default.
- iii. The FMDQ Exchange shall be notified immediately it is identified that a default is imminent or there is a strong possibility of default. The IPAs shall provide reasons for the default or imminent default e.g., the investors may not be paid due to CPA experiencing technical issues such as a market disruption or insufficient funds in the funding account to meet payment obligations on maturity date or as the case may be.

Note: In the event of default, the IPAs are under no obligation to seek recovery or initiate any action against the Issuer either on its own or on behalf of the investors.

Secondary Market Trading (OTC) Guidelines

- i. The Authorised Participant will submit CP transaction instructions/details to the CSD via the authorised data-exchange platform.
- ii. CP transactions are to be submitted to the CSD by the applicable cut off time on the settlement date and the Authorised Participant is to state the particular account number where the CP(s) should be traded from or deposited into.
- iii. The CSD shall deliver securities and send confirmation of transfers via the authorised platform by 2.00p.m. on the settlement date to the Nigeria Inter-Bank Settlement System ("NIBSS") and to the FMDQ Exchange simultaneously.
- iv. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the CSD, and the Authorised Participant simultaneously.
- v. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is five Business Days before the Maturity Date.

Reporting

- i. The CSD will effect the transfer of CPs on the settlement date as advised by the buyer and seller ("Trading Parties") and keep records of consideration for each transaction.
- ii. The CSD will advise the Authorised Participant or the FMDQ Exchange for onward communication to the Authorised Participant, as applicable, of successful and failed transactions on each settlement day.
- iii. The Authorised Participant and Noteholders can ascertain their CP balances after each day's trade via the CSD's website (if applicable).

Transfer of Notes

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

Cash Settlement

Trading Parties will be responsible for effecting the payment transfers either via Real Time Gross Settlement, NIBBS Electronic Funds Transfer or any other transfer mode agreed by the Trading Parties and recognised by the CBN.



ASIKO POWER LIMITED

(RC784301)

***Issue of Up to ₦[•] (Series 1) Commercial Paper Notes
Under Its ₦2,500,000,000
COMMERCIAL PAPER ISSUANCE PROGRAMME***

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum dated 05 June 2024 [•] 2024 prepared by Asiko Power Limited in connection with its ₦2,500,000,000 (Two Billion Five Hundred Million Naira) Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the "Programme Memorandum").

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

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

This document has been prepared in accordance with the Central Bank of Nigeria Guidelines issued on 11 September 2019 on the Issuance and Treatment of Bankers Acceptances and Commercial Paper, and the CBN circular to all deposit money banks and discount houses dated 12 July, 2016 on Mandatory Registration and Listing of Commercial Papers (together the "CBN Guidelines") and the FMDQ Securities Exchange Limited Rules. The document is not required to be registered with the Nigerian Exchange Limited ("NGX") or the Securities and Exchange Commission ("SEC"). This document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his/her Banker, Stockbroker, Accountant, Solicitor, or any other professional adviser for guidance immediately.

ARRANGER/ISSUING & PLACING AGENT



RC 1031358

DEALER



COLLECTING AND PAYING AGENTS



RC 125097

THIS PRICING SUPPLEMENT IS DATED [•], 2024

PRO FORMA APPLICABLE PRICING SUPPLEMENT

TERMS	DESCRIPTION
Issuer:	Asiko Power Limited
Sole Arranger / Issuing and Placing Agent:	Stanbic IBTC Capital Limited
Dealer:	Vetiva Advisory Services Limited
Sponsor(s) to the Quotation on FMDQ Exchange:	Stanbic IBTC Capital Limited
Collecting and Paying Agent:	Stanbic IBTC Bank Limited
Auditors:	Crowe Dafinone
Solicitors:	Udo Udoma & Belo-Osagie
Series Number:	[•]
Programme Size:	₦ 2,500,000,000.00
Central Securities Depository:	FMDQ Depository Limited
Issued and Outstanding at the date of this Pricing Supplement:	[•]
Face Value:	₦ 2,500,000,000.00
Discounted Value:	[•]
Nominal Amount Per Note:	[•]
Tenor:	[•]
Maturity Date:	[•]
Final Redemption Amount:	[•]
Minimum Subscription:	[•]
Specified Currency:	Nigerian Naira (₦)
Status of Notes:	[•]
Form of Notes:	[•]
Quotation:	Notes may be quoted on the FMDQ Exchange or any other recognised exchange
Taxation:	Please refer to the 'Tax Considerations' section in the Programme Memorandum
Method of Offer:	[•]
Book Closed Period	[•]
Implied Yield:	[•]
Discount Rate:	[•]
Any other Formula or basis For Determining Amount(s) Payable:	$PV = FV * (1 - (DR * t / \text{actual number of days in year}))$
Day Count Fraction:	Actual/Actual (actual number of days in month and actual number of days in a year)
Business Day Convention:	Any day except Saturday, Sunday, and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria.

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Source of Repayment	The repayment of all obligations under the Programme will be funded from the cash flow of APL
Use of Proceeds	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the company for its general corporate purposes, including short-term funding requirements or refinancing of its existing indebtedness.
Redemption/Payment Basis:	Bullet
Other Terms Applicable on Redemption:	[•]
Offer Opens:	[•]
Offer Closes:	[•]
Allotment Date:	[•]
Issue Date:	[•]
Notification of Allotment:	All applicants will be notified through an email and/or telephone of their allotment by no later than [•]
Payment Date:	[•]
Details of Bank Account(s) To Which Payments Are to Be Made in Respect of The Notes:	Stanbic IBTC Bank Limited
Settlement Procedures and Settlement Instructions:	Purchases will be settled via direct debit, electronic funds transfer (NIBSS, NEFT, RTGS, etc.)
Issuer/Issue Rating:	BBB- by Augusto & Co Limited
Specified Office of Arranger/IPA:	[•]

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no significant change in the financial position of the Issuer since [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 [date of last published annual accounts.]

RESPONSIBILITY

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

Signed at _____ on this _____ day of _____ 2024

**For and on behalf of
Asiko Power Limited**

Name

Capacity: Director

Name

Capacity: Director / Company Secretary



Crowe Dafinone
 15 Elsie Femi Pearce Street
 Off Kofu Abayomi Street
 Victoria Island
 Lagos, Nigeria
 +234 703 408 9471
 +234 815 088 7019
 01 6309324
 info@crowe.ng
 www.crowe.ng

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

Opinion

The accompanying summary of financial information, which comprise of the summary statements of financial position as at 31st December, 2022, 31st December, 2021 and 31st December, 2020 and the summary of profit and loss and all other comprehensive income for the year ended 31st December, 2022, 31st December, 2021 and 31st December, 2020, and the summary statements of cash flows for the year ended, are derived from the audited financial statement of Asiko Power Limited for the year ended 31st December, 2022, 31st December, 2021 and 31st December, 2020 respectively.

In our opinion, the accompanying summary financial statements are consistent, in all material respect, with the audited financial statements of Asiko Power Limited in accordance with the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act 2011, International Financial Reporting Standards.

Summary financial statements

The summary financial statements do not consist of all the disclosures required by the International Financial Reporting Standards, Companies and Allied Matters Act, and the Financial Reporting Council of Nigeria Act No. 6, 2011, applied in the preparation of the audited financial statements of Asiko Power Limited. Therefore, the summary financial statements are not a substitute for the audited financial statements of the company.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements for the year ended 31st December, 2022, 31st December, 2021 and 31st December, 2020 in our report dated 4th July, 2023, 31st March, 2022 and 25th March, 2021 respectively.

The financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the financial statements.

Directors' responsibilities for the summary financial statements

The directors are responsible for the preparation of the summary of the audited financial statements in accordance with the Financial Reporting Council of Nigeria Act 2011, International Financial Reporting Standards and the FMDQ commercial paper quotation rules.

Auditors' responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."


Omolola Samuel
 Engagement Partner
 FRC/2012/ICAN/0000000358
 For: Crowe Dafinone
 Chartered Accountants

14th March, 2024



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FINANCIAL SUMMARY

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST DECEMBER, 2022, 2021 AND 2020

	2022	2021	2020
	N '000	N '000	N '000
Revenue	4,277,124	2,270,494	700,820
Cost of sales	(3,594,564)	(1,825,491)	(537,742)
Gross profit	682,560	445,003	163,078
Other operating income	3,438	3,008	244
Administrative expenses:			
Employee cost	110,337	77,106	33,082
Electricity, water and power	3,716	4,212	2,213
Printing and stationery	943	1,323	955
Legal and other professional charges	9,118	6,942	2,450
Depreciation of property, plant and equipment	33,120	14,170	13,213
Amortization of intangible assets	394	2,362	2,362
Business promotion and advertisement	15,392	6,690	2,142
Subscription and donation	750	1,050	673
Insurance	2,001	2,885	2,013
Rent, rates and levies	2,170	-	6,400
Repairs and maintenance	18,302	21,038	8,327
Communication expenses	5,870	7,874	7,650
Other office expenses	8,116	4,666	5,114
Bank charges	5,116	2,931	819
Operating profit	470,077	294,762	75,909
Finance income	9,790	-	68
Finance cost	(2,584)	-	(1,589)
Profit before taxation	477,283	294,762	74,118
Taxation	(197,397)	(79,178)	(11,603)
Profit for the year	279,886	215,584	62,515

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022, 2021 AND 2020

	2022	2021	2020
	N '000	N '000	N '000
Assets			
Non-current assets			
Property, plant and equipment	1,742,570	284,024	257,874
Intangible asset	-	394	2,755
Total non-current assets	1,742,570	284,418	260,629
Current assets			
Inventories	825,564	33,878	53,445
Amount due from customers under construction contract	33,622	33,622	33,622
Trade and other receivables	1,504,532	917,229	573,699
Prepayments	193	-	3,461
Cash and cash equivalents	340,508	17,800	5,196
Total current assets	2,704,419	1,002,529	669,423
Total assets	4,446,989	1,286,947	930,052
Equity & liabilities			
Equity			
Minimum issued share capital	6,000	6,000	6,000
Share premium	484,386	484,386	484,386
Accumulated revenue	447,349	274,129	58,544
Revaluation Reserve	45,379	45,379	45,379
Total equity	983,114	809,894	594,309
Liabilities			
Non-current liabilities			
Provision for liabilities and charges	124,113	5,042	5,042
Financial liabilities at amortised cost	1,445,000	-	-
Total non-current liabilities	1,579,113	5,042	5,042
Current liabilities			
Trade and other payables	1,815,290	381,397	311,591
Taxation	69,472	90,614	19,110
Total current liabilities	1,884,762	472,011	330,701
Total liabilities	3,463,875	477,053	335,743
Total equity and liabilities	4,446,989	1,286,947	930,052

STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2022, 2021 AND 2020

	2022 M '000	2021 M '000	2020 M '000
Operating profit	470,077	294,762	75,909
Adjustment for those items not involving the movement of funds:			
Depreciation of property, plant and equipment	52,184	36,097	18,500
Amortisation	394	2,362	2,362
Reclassification of capital work in progress	-	-	6,429
Profit on disposal of property, plant and equipment	-	(2,625)	-
Cashflow before changes in working capital	522,655	320,596	103,200
(Increase)/decrease in inventories	(791,686)	19,567	82,794
Increase in trade and other receivables	(587,303)	(343,529)	(184,889)
(Increase)/decrease in prepayments	(193)	3,461	(3,258)
Increase in trade and other payables	1,433,893	69,805	132,137
Cash inflow from operating activities	577,366	79,900	129,984
Tax paid	(89,468)	(7,674)	(2,668)
Net cash inflow from operating activities	487,898	72,226	127,316
Cash flows from investing activities			
Purchase of property, plant & equipment	(1,510,730)	(62,247)	(124,657)
Proceeds from disposal	-	2,625	-
Finance income	9,790	-	68
Finance cost	(2,584)	-	(1,860)
Net cash outflow from investing activities	(1,503,524)	(59,622)	(26,449)
Cash flows from financing activities			
Dividend paid	(106,666)	-	-
Movement in borrowings	1,445,000	-	-
Net cash inflow from financing activities	1,338,334	-	-
Net increase in cash and cash equivalents	322,708	12,604	867
Cash and cash equivalents at the beginning of the year	17,800	5,196	4,328
Cash and cash equivalents at the end of the year	340,508	17,800	5,195

FINANCIAL SUMMARY

STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER, 2022, 2021 AND 2020

	Share capital M '000	Share premium M '000	Revaluation reserve M '000	Accumulated deficit M '000	Total equity M '000
As at 1 st January, 2022	6,000	484,386	45,379	274,129	809,894
Profit for the year	-	-	-	279,886	279,886
Other comprehensive income	-	-	-	-	-
Dividend paid	-	-	-	(106,666)	(106,666)
As at 31 st December, 2022	6,000	484,386	45,379	447,349	983,114
As at 1 st January, 2021	6,000	484,386	45,379	58,545	594,310
Profit for the year	-	-	-	215,584	215,584
Other comprehensive income	-	-	-	-	-
As at 31 st December, 2021	6,000	484,386	45,379	274,129	809,894
As at 1 st January, 2020	6,000	484,386	45,379	(3,970)	531,795
Profit for the year	-	-	-	62,515	62,515
Other comprehensive income	-	-	-	-	-
As at 31 st December, 2020	6,000	484,386	45,379	58,545	594,310

Asiko Power Limited

Issuer Rating

Bbb-

This refers to a company with satisfactory financial condition and adequate capacity to meet obligations as and when they fall due relative to all other issuers in the same country.

Outlook: Stable
 Issue Date: 12 March 2024
 Expiry Date: 30 June 2024

Previous Rating: Bbb-

Industry: LPG Trading and
 Power Generation

Outline	Page
Rationale	1
Company Profile	4
Ownership, Mgt & Staff	5
Financial Condition	7
Outlook	12
Financial Summary	13
Rating Definitions	15

Analysts:
 Ndianabasi Udondian
 ndianabasiudondian@agusto.com

Isaac Babatunde
 isaacbabatunde@agusto.com

Agusto & Co. Limited
 UBA House (5th Floor)
 57, Marina
 Lagos
 Nigeria

www.agusto.com

RATING RATIONALE

- Agusto & Co. hereby affirms the "Bbb-" rating assigned to Asiko Power Limited ("Asiko Power", "APL" or "the Company"). The rating affirmation buttresses the Company's capacity to grow earnings despite current economic headwinds, due to its enhanced storage capacity, broader distribution network, its subsisting supply contracts with critical distributors, and its current positioning to profit from the continuous hikes in the price of LPG. The rating also considers APL's improved cash flow position that bolsters its ability to meet maturing obligations. The rating is however constrained by the persistent funding mismatch in the Company's working capital management, rising direct costs which have weighed down on the Company's profitability in recent times, and the volatile macro-economic environment within which the Company operates.
- Asiko Power Limited commenced trading in November 2010 with an initial focus of providing off-grid power solutions to residential clusters and businesses. In recent times, however, the Company's major revenue earner has been the sale of Liquefied Petroleum Gas (LPG). This shift in focus was informed by an inability to turn a profit on the power business due to low power tariffs in the country, driven by subsidies. Despite this shift, APL continues to build capacity in the power-generating business as it anticipates a future liberalisation of the sector. In 2022, the Company raised a ₦1.5 billion Series 1 Bond, channelling part of the proceeds towards the enhancement of its power generating capacity.
- In the financial year ended 31 December 2022 (FYE 2022), APL's revenue grew by 88% to ₦4.3 billion, mainly supported by a 76% rise in the price of LPG, in response to increasing direct costs, and to a lesser extent, by higher volumes. APL was however unable to transfer all its incremental costs to its customers, leading to the upswing in cost of sales far outpacing revenue growth in the year. Cost of sales to revenue ratio in 2022 increased to 84% as a result (2021: 80%). Operating cost to sales ratio on the other hand, decreased to 5% (2021: 7%) as the Company continued to benefit from economies of scale. This cost-saving was however insufficient to serve as buffer for the Company's margins, with operating profit margin dipping to 11% during the year (2021: 13%). In the same period, Asiko Power Limited's asset base increased by 246% to ₦4.4 billion (2021: ₦1.2 billion) as the Company embarked on major expansionary projects aimed at building capacity for its power business, and driving growth of the LPG business. The company's Return on Assets (adjusted for the 246% increase in asset base during the

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St. Nicholas House
10th, 12th & 13th Floors
Catholic Mission Street
P.O. Box 53123
Lagos, Nigeria
+234 1 2774920-2
uubo@uubo.org
www.uubo.org

5th June 2024

Stanbic IBTC Capital Limited
Stanbic Towers,
Walter Carrington Crescent,
Victoria Island,
Lagos.

Attention: Solly Odidison

Dear Sir,

RE: ESTABLISHMENT OF A ₦2,500,000,000 (TWO BILLION, FIVE HUNDRED MILLION NAIRA) COMMERCIAL PAPER ISSUANCE PROGRAMME BY ASIKO POWER LIMITED

We have been retained as legal counsel in connection with the establishment of the ₦2,500,000,000 (two billion, five hundred million Naira) Commercial Paper Issuance Programme (the "Programme") by Asiko Power Limited (the "Issuer").

The Programme is for the issuance of discounted and/or zero-coupon commercial paper notes with a minimum tenor of 15 days and a maximum tenor of 270 days (the "Notes") in series and/or tranches and in an aggregate amount of up to ₦2,500,000,000 (two billion, five hundred million Naira) (across all tenors), being the maximum size of the Programme.

This opinion is issued pursuant to the Issuing and Placing Agency Agreement dated 5th June 2024 between the Issuer and the Issuing and Placing Agent.

1. DEFINITIONS

1.1. Words and expressions used in this opinion ("Opinion") and not otherwise defined herein shall have the same meanings attributed to those terms in the Issuing and Placing Agency Agreement.

The following terms, where used in this Opinion, shall have the meaning set out beside them below:

"Authorised Dealer" means a Nigerian bank licensed by the CBN to deal in foreign exchange;

PARTNERS: DAN AGBOR • ANIEKAN UKPANH • JUMOKO LANBO • UZOMA AZIKWE • FOLAKE ELIAS ADEBOWALE • YINKA EDU • NICHOLAS OKAFOR • OZOFU LATUNDE OGEMUDIA
LOLADE OSOSAMI • MENA AJAKPOVI • FESTUS ONYIA • ADEOLA SUNMOLA • JOSEPH EMMUNEJE • ONYINYE OKAFOR • OLUKAYODE DADA • AMINA IBRAHIM
OF COUNSEL: MYMA BELO-OSAGIE
RETIRED FOUNDER: UDOMA UDO UDOMA
CONSULTANTS: OLUGBENGA OJO • ANIOLA OUDOSINMI-ETTI • SALLY UDOMA
OFFICES: LAGOS • ABUJA • PORT-HARCOURT



“BFA” means the Business Facilitation (Miscellaneous Provisions) Act 2022;

“Board” means the Board of Directors of the Issuer;

“CAC” means the Corporate Affairs Commission - Nigeria's companies' registry;

“CAMA” means the Companies and Allied Matters Act, No.3 2020 (as amended by the BFA);

“CBN” means the Central Bank of Nigeria;

“CBN Guidelines” means:

- (a) the Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued by the CBN on 11th September 2019; and
- (b) the Letter from the CBN to all Deposit Money Banks and Discount Houses dated 12th July 2016 with respect to the Mandatory Registration and Listing of Commercial Paper;

“CCI” means a Certificate of Capital Importation issued by an Authorised Dealer in electronic form;

“CITA” means the Companies Income Tax Act (Chapter C21) LFN 2004 (as amended by the Companies Income Tax (Amendment) Act, No.11, 2007 and the Finance Act 2019, Finance Act 2020, Finance Act 2021, and Finance Act 2023);

“Collecting and Paying Agency Agreement” means the Collecting and Paying Agency Agreement entered into between the Issuer and Stanbic IBTC Bank Limited;

“Commissioner” means the Commissioner for Stamp Duties of the FIRS;

“Court” means the Federal High Court;

“CP Rules” means the Commercial Paper Registration and Quotation Rules issued by FMDQ Exchange in October 2023 (as may be amended from time to time) or such other regulations with respect to the issuance, registration and quotation of commercial paper as may be prescribed by FMDQ Exchange from time to time;



“Dealer” means Vetiva Advisory Services Limited;

“Dealer Agreement” means the dealer agreement dated on or about the date of this deed entered into between the Issuer and the Dealer

“FEMM Act” means the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act Chapter F34 LFN 2004 (as amended by the BFA);

“FIRS” means the Federal Inland Revenue Service;

“FMDQ Exchange” means FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the SEC to provide a platform for, inter alia, the listing, quotation, registration and trading of securities;

“Issuing and Placing Agent or “IPA”” means Stanbic IBTC Capital Limited, and any other additional IPAs appointed pursuant to the Issuing and Placing Agency Agreement from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer’s right to terminate the appointment of an IPA pursuant to the Issuing and Placing Agency Agreement;

“Issuing and Placing Agency Agreement” means the issuing and placing agency agreement entered into between the Issuer and the IPA;

“ISA” means the Investments and Securities Act No. 29, 2007 (as amended by the BFA);

“LFN 2004” means the Laws of the Federation of Nigeria, 2004;

“NGN” means the Naira, the official currency of Nigeria;

“Nigeria” means the Federal Republic of Nigeria;

“Opinion Documents” mean the documents listed in paragraphs (a) to (j) of paragraph 3.1 below;

“PITA” means the Personal Income Tax Act (Chapter P8) LFN 2004 (as amended by the Personal Income Tax (Amendment) Act, No.20, 2011, the Finance Act 2019, Finance Act 2020, Finance Act 2021, and Finance Act 2023);

“SEC” means the Securities and Exchange Commission;



“SEC Rules” mean the SEC Rules and Regulations 2013 (as amended from time to time) issued pursuant to the ISA;

“Stamp Duties Act” means the Stamp Duties Act (Chapter S8) LFN 2004 (as amended by the Finance Act 2019, Finance Act 2020, Finance Act 2021, and Finance Act 2023);

“Transaction Documents” means the documents listed in paragraphs (e) to (i) of paragraph 3.1 below; and

“VAT Act” means the Value Added Tax Act (Chapter V1) LFN 2004 (as amended by the Value Added Tax (Amendment) Act No. 12 of 2007 and the Finance Act 2019, Finance Act 2020, Finance Act 2021, and Finance Act 2023).

2. SCOPE OF OPINION

- 2.1. This Opinion is limited to Nigerian law applicable in Nigeria as at the date of this Opinion and is provided on the basis that the Opinion will itself be governed by, and construed in accordance with, Nigerian law. We express no opinion on any laws, procedures, matters, or other circumstances relating to jurisdictions other than Nigeria. This Opinion is given on the best of our knowledge and is given as at the date of this Opinion based on the information and documents set out in paragraph 3 below.
- 2.2. Except for the searches: (a) on the corporate records of the Issuer at the CAC on 19th February 2024; and (b) at the Lagos Division of the Court in Ikoyi on 23rd February 2024 with respect to whether any insolvency processes, proceedings, petitions or resolutions have been filed against the Issuer, we have not carried out any investigation or verification of the facts, or the reasonableness of any assumption or statement of opinion (including as to the solvency of any other person expressed to be a party to the Transaction Documents or any other person), contained in the Transaction Documents or in determining whether any material fact has been omitted therefrom.
- 2.3. In providing this Opinion, we assume no obligation to update or supplement the Opinion to reflect any facts or circumstances which may come to our attention after the date of this Opinion or changes in law and regulations which may occur or take effect after the date of this Opinion.
- 2.4. We have made no searches or enquiries concerning any person at the Court or at the CAC (other than the Issuer) or on any corporate records of



a person (other than that of the Issuer) nor have we examined any other documents other than the Opinion Documents.

3. DOCUMENTS EXAMINED

- 3.1. In arriving at the opinions expressed below, we have reviewed and relied on the following documents:
- (a) a copy of the memorandum and articles of association of the Issuer certified by the CAC on 7th November 2008;
 - (b) a copy of the Certificate of Incorporation of the Issuer dated 6th November 2008;
 - (c) a copy of the Issuer's most recent Status Report certified by the CAC dated 19th February 2024;
 - (d) an extract of the resolution of the Board which was passed at a meeting of the Board held on 17th May 2024 by which the Board approved the establishment of the Programme and the issuance and offering of the Notes;
 - (e) the executed Issuing and Placing Agreement dated 5th June, 2024;
 - (f) the executed Dealer Agreement dated 5th June, 2024;
 - (g) the executed Collecting and Paying Agency Agreement dated 5th June, 2024;
 - (h) the Programme Memorandum dated 5th June, 2024;
 - (i) the pro-forma final terms; and
 - (j) the executed Deed of Covenant dated 5th June, 2024.
- 3.2. We have also reviewed and relied on such laws, rules, and regulations as we have deemed necessary as a basis for the opinions expressed herein.

4. ASSUMPTIONS

In rendering the opinion below, we have assumed that:

- (a) in our examination of the Opinion Documents, the documents submitted to us as originals are authentic, that all signatures are

genuine and that all documents submitted to us as copies are complete, correct and conform to the originals;

- (b) there are no contractual or similar restrictions binding on the Issuer which would affect the conclusions arrived at in this Opinion or affect the Issuer's ability to establish the Programme and to issue the Notes;
- (c) there are no contractual or similar restrictions contained in any agreement or arrangement (other than those in the Transaction Documents) that are binding on any party to such Transaction Document which would affect the opinions expressed herein;
- (d) all resolutions provided have been validly passed in accordance with the requirements of the law and the memorandum and articles of association of the Issuer and are in full force and effect and have not been amended, modified, or superseded as at the date of this Opinion;
- (e) no party has entered into any Transaction Documents in consequence of bad faith, fraud, coercion, duress, misrepresentation or undue influence or on the basis of a mistake of fact or law or believing it to be fundamentally different in substance or in kind from what it is;
- (f) all approvals, consents, and authorisations provided to us are genuine and authentic;
- (g) all statements as to matters of fact contained in the Transaction Documents are correct and not misleading other than to the extent that such statements relate to matters that we have specifically opined on in this Opinion and that all representations of facts expressed in or implied by the documents that we have examined are accurate;
- (h) no Notes will be issued with a tenor of more than 270 days or on the basis that the Notes may be rolled over after 270 days;
- (i) the Issuer has been rated in the manner required by, and in compliance with, the CBN Guidelines and the CP Rules;
- (j) the documents in the file of the Issuer held at the CAC are the most recent and up to date records of the Issuer;

- (k) no steps have been taken for the administration, bankruptcy, liquidation, dissolution or similar procedure of or in respect of the Issuer, and the Issuer is not insolvent within the meaning of the CAMA, after the dates of the searches referred to in paragraph 5.10(a) below;
- (l) the copies of the Issuer's corporate documents which we have relied on are in full force and effect and have not been amended, modified, or superseded as at the date of this Opinion;
- (m) the proceeds realised from the issuance of the Notes under the Programme will not cause any borrowing or similar limit binding on the Issuer from time to time to be exceeded or breached; and
- (n) there are no facts not disclosed to us by the Issuer which would affect the conclusions that we have arrived at in this Opinion.

5. OPINION

Based on our review of the Opinion Documents and the foregoing assumptions, and subject to the further qualifications set forth in paragraph 6 below, it is our opinion that:

- (a) Subject to the qualification in paragraph 6.2 below, the Issuer is a private limited liability company, duly incorporated and validly existing under the laws of Nigeria with corporate authority, perpetual succession, capacity to own moveable and immovable properties and the ability to sue and be sued in its corporate name.
- (b) The Issuer is empowered by Article 31 of its articles of association to issue the Notes and to perform its obligations under the Transaction Documents.

5.2. Due Authorisation

- (a) The Transaction Documents and the performance of the Issuer's obligations thereunder, and the issue of the Notes, have been duly authorised by the Board, and the Transaction Documents have been duly executed and delivered, in each case, by the Issuer.
- (b) The Transaction Documents constitute, and the Notes (when issued) will constitute, legal, valid, and binding obligations of the Issuer and are enforceable against the Issuer in accordance with their respective terms subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as

to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law and / or in equity).

- (c) The holders of the Notes that will be issued under the Programme will each be entitled to enforce the terms of the Deed of Covenant against the Issuer.

5.3. No Conflict

The execution, delivery, and performance by the Issuer of its obligations under the Transaction Documents, and the issuance of the Notes pursuant to the Transaction Documents, will not, to the best of our knowledge, conflict with, violate, contravene, or constitute a default under:

- (a) the memorandum and articles of association of the Issuer; or
- (b) any law or regulation in force in Nigeria and applicable to the Issuer.

5.4. Filings, Registrations, or Consents

- (a) Save for the requirement to pay stamp duty on the Transaction Documents at the Stamp Duties Office of the FIRS and to file the Transaction Documents with FMDQ Exchange, it is not necessary under the laws of Nigeria that any document be filed, registered, recorded or notarised before or with any court, public office or other authority in Nigeria in order to ensure the legality, validity, enforceability, and the admissibility in evidence of any of the Transaction Documents or the performance by the Issuer of its obligations under the Transaction Documents (including the issuance of the Notes).
- (b) Subject to the qualification in paragraph 6.3 below, it is permissible for the Issuer to issue the Notes and invite investors to invest in the Notes pursuant to Section 67(1)(b) of the ISA.
- (c) The issuance of the Notes by the Issuer does not require SEC approval or registration with the SEC.
- (d) The Notes have been issued in compliance with the requirements of the CBN Guidelines and the CP Rules.

5.5. Taxation

- (a) The Issuer is incorporated in Nigeria. Under the respective provisions of the CITA and the PITA, the Issuer has an obligation to withhold tax on interest payments to residents and non-resident companies and individuals and to remit the tax withheld to the FIRS (in the case of corporate Noteholders), and to the relevant State Internal Revenue Service (in the case of individual Noteholders) except where such interest is specifically exempted from tax. The Notes issued under the Programme will be zero-coupon/discounted notes and, as such, will be offered and sold at discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders.
- (b) Other than value added tax payable on the fees due to a selling or buying agent, the Noteholders will have no obligation under the VAT Act to pay value added tax on the buying or selling of the Notes as the VAT Act exempt securities from the payment of value added tax.
- (c) Any sale of Notes by a Noteholder (whether resident in Nigeria or non-resident unless an exemption applies) will give rise to a capital gains tax obligation at the rate of 10 per cent on the gain realised from a disposal of such Notes.
- (d) The Stamp Duties Act requires stamp duty to be paid, at the rates specified therein, on instruments executed in Nigeria "or relating, wheresoever executed, to any property situate or to any matter or thing done or to be done in Nigeria", failing which payment on such instruments shall not be admissible in evidence in any civil proceedings:
 - (i) The Transaction Documents, being instruments executed in Nigeria or that relate to a matter or thing done or to be done in Nigeria, will be subject to the payment of stamp duty at the applicable rate and to be stamped by the Commissioner. The applicable rate of stamp duty can only be confirmed following an assessment of the Transaction Documents by the Commissioner.
 - (ii) Stamp duty must be paid within 30 (thirty) days after the execution of the Transaction Documents except where they are executed outside Nigeria, in which case stamp duty



must be paid within 30 (thirty) days after the date that physical or electronic copies of the documents are first brought into or received in Nigeria.

- (iii) The Notes, when issued, will be liable to ad valorem stamp duty at the rate of NGN00.05 (five kobo) on every NGN50.00.

5.6. Foreign Currency Regulations

- (a) Under Nigerian law, residents and non-residents of Nigeria may invest in, acquire, deal in, or dispose of the Notes.
- (b) Pursuant to Section 15 of the FEMM Act, an investor is permitted to bring foreign exchange into Nigeria to invest in the Notes and such an investor is entitled to obtain a CCI from the relevant Authorised Dealer through which such foreign capital was brought into Nigeria. A CCI will only be issued by the relevant Authorised Dealer when the foreign capital has been received in Nigeria and converted into Naira.
- (c) A CCI serves as evidence that foreign currency has been inflowed into Nigeria through an Authorised Dealer and converted into Naira to invest in securities, such as the Notes. A CCI will permit a Noteholder in whose favour it is issued to have access to the Nigerian Autonomous Foreign Exchange Market to repatriate proceeds from the Notes, subject to providing appropriate documentation to the relevant Authorised Dealer. Based on the CCI, such money may be repatriated out of Nigeria without restriction and without the need to obtain any consent, approval, licence, or permission of any person or authority other than the routine approval of the Authorised Dealer through which the foreign currency will be repatriated.
- (d) Where an investor brought foreign capital into Nigeria to invest in the Notes and does not obtain a CCI, such an investor will not be permitted to access the Nigerian Autonomous Foreign Exchange Market to repatriate the proceeds from that investment.

5.7. Ranking of Claims

The obligations of the Issuer under the Transaction Documents rank at least *pari passu* with all other present unsecured and unsubordinated obligations of the Issuer subject to the effect of applicable bankruptcy,



insolvency or similar laws affecting the enforcement of creditors' rights generally.

5.8. Governing Law and Dispute Resolution

5.8.1. The parties' choice of Nigerian law as the governing law of the Transaction Documents will be upheld and applied by the courts in Nigeria.

5.8.2. The submission to arbitration by the parties would be upheld by a Nigerian court because parties are permitted under Nigerian law to choose arbitration as a means of settling their disputes. Nigerian law also permits parties to choose the seat and governing rules of the arbitration.

5.9. Immunity and Set Off

Neither the Issuer nor any of its assets are entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which shall include, without limitation, suit, attachment prior to judgment, execution, or other enforcement).

5.10 Winding up

- (a) Subject to the qualification in paragraph 6.3 below, based on our searches at the registries (i) of the CAC on 19th February 2024 and (ii) at the Lagos Division of the Court in Ikoyi on 23rd February 2024, we confirm that as at those dates, no documents had been filed at the CAC, and no proceedings or petition has been initiated at the Lagos Division of the Court, for the administration, winding up, bankruptcy, liquidation, dissolution, or similar procedure of or in respect of the Issuer.
- (b) Subject to bankruptcy and insolvency laws generally applicable to Nigerian companies, in bankruptcy or insolvency proceedings involving the Issuer, the obligations of the Issuer under the Transaction Documents will remain valid, binding, and enforceable. Upon the commencement of winding-up proceedings against the Issuer at the Court, no attachment or execution can be levied against its assets that are not subject to any security interest.
- (c) Subject to bankruptcy and insolvency laws generally applicable to the Issuer, upon the maturity of the Notes, in the event that the Issuer is unable to discharge all of its obligations to the Noteholders, the Noteholders (as creditors of the Issuer) are



entitled to apply for the winding up of the Issuer on the ground of the Issuer's inability to pay its debts.

- (d) The Notes are neither secured nor guaranteed and the Issuer has created no security interests in favour of the Noteholders by the Transaction Documents. As a result, in the insolvency of the Issuer, Nigerian law would regard the Noteholders as unsecured creditors of the Issuer for all purposes.

5.11. Domicile, Residence

Under Nigerian law, an entity that is not incorporated in Nigeria will not, by reason of its purchase of the Notes, and enforcing its rights thereunder be:

- a. required to be incorporated in Nigeria or be required to comply with any requirement as to foreign registration or qualification in Nigeria;
- b. required to make any filing with any court or other agency in Nigeria prior to any enforcement of the Transaction Documents (including the Notes); or
- c. deemed to be resident, domiciled, or carrying on business in Nigeria for tax or any other purpose and the performance by any party of any of its rights, duties, obligations, or representations under the Transaction Documents (including the Notes) will not violate any existing applicable law or regulation in Nigeria

6. QUALIFICATION

6.1. Enforceable

The expression "enforceable" as used in this Opinion means that the obligations of the Issuer under the Transaction Documents are of a type which the courts in Nigerian will enforce. It does not mean that those obligations will be enforced in all circumstances in accordance with their terms. In addition, but without limitation, the power of a Nigerian court to order specific performance of an obligation, to stay proceedings or to grant injunctive relief or any equitable remedy, is discretionary and, accordingly, we express no opinion as to whether such remedies would be available in respect of any of the obligations of the Issuer and a Nigerian court may make an award of damages where specific performance of an obligation or any other equitable remedy was sought.

6.2. Exemption from Registration with the SEC

Section 313(1) (h) of the ISA provides that the SEC may, from time to time, make rules and regulations for the purpose of giving effect to the ISA and may, in particular, make rules and regulations, among other things, prescribing that the provisions of the ISA shall not apply or shall apply with such modifications, if any, as may be specified in the regulations to any person or any securities or to any transaction. The SEC has on this basis, and by virtue of Rule 8 of the SEC Rules provided that the provisions of the ISA and the SEC Rules requiring registration shall not apply to, among other things, any note, bill of exchange or banker's acceptance which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions and which has a maturity, at the time of issuance, not exceeding 9 (nine) months exclusive of days of grace, or the maturity of which is likewise limited. This means that commercial papers which have a maximum tenor of 270 (two hundred and seventy) days (such as the Notes) are not required to be registered with the SEC.

6.3. Searches at the Federal High Court

6.3.1. There is no independent registry at which to confirm whether any steps have been taken to wind up the Issuer. Under Nigerian law, the Court has exclusive jurisdiction in matters relating to the insolvency of a Nigerian company. The CAMA provides that the division of the Court within whose area of jurisdiction the registered office or head office of a company is situate shall have the jurisdiction to wind up that company. That notwithstanding, there is a possibility for an action for the winding up of the Issuer to be commenced in any of the divisions of the Court across Nigeria. Consequently, unless an exhaustive search is conducted in each division of the Court, it cannot be confirmed conclusively that no winding up petitions have been filed against the Issuer. The information regarding the commencement of matters in the Court are kept in physical files which are sometimes imperfectly kept.

6.3.2. Online searches are not available. Therefore, in order to ascertain that no such action has been instituted, it would be necessary to travel to each State and the Federal Capital Territory (many of which are between one and two hours flying distance from Lagos) to carry out a physical search of the hard copies of the Court's files in all the divisions. Accordingly, such physical searches are prone to errors and provide no guarantee that no such matters have in fact been commenced. The usual practice is to conduct a search in the division of the Court in which the company's registered office is located and this is the approach that has been adopted with respect to the Issuer because the Issuer has its registered office in Lagos State. Being the commercial centre of the country, a search in the Lagos State division of the Court does provide some level of comfort.



7. BENEFIT OF OPINION

- 7.1. This Opinion is addressed to the IPA and is given for the IPA and Dealer's sole benefit for the purpose of the transactions contemplated by the Transaction Documents.
- 7.2. This Opinion is not to be relied upon by anyone else or quoted in any public document without our prior express written consent, other than those professional advisers or persons (such as auditors, legal advisers or insurers) who, in the ordinary course of their business, have access to the papers and records of the IPA or are entitled by law to see them on the basis that such persons will make no further disclosure without our prior express written consent.
- 7.3. This Opinion may be included in the Programme Memorandum, and you may release a copy of this opinion (a) to the extent required by any applicable law or regulation; (b) to any regulatory authority having jurisdiction over you; or (c) in connection with any actual or potential dispute or claim to which you are a party relating to the issue of any Note, in each case for the purposes of information only on the strict understanding that we assume no duty or liability whatsoever to any such recipient as a result or otherwise.

Yours faithfully,

UDO UDOMA & BELO-OSAGIE

GENERAL INFORMATION

Authorisation

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Asiko Power Limited dated 17 May 2024.

Auditors

Crowe Dafinone acted as auditors of the annual financial statements of the Issuer for the fiscal year which ended 31 December 2022 and was responsible for the audit and issued an unqualified report.

Commercial Paper Outstanding

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

Going Concern

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

Litigation

The Issuer is not engaged (whether as defendant or otherwise) in any legal, arbitration, administration or other proceedings, the result of which might have or have had a material effect on the financial position or the operations of the Issuer, nor is the Issuer aware of any such proceedings being threatened or pending.

Material Contracts

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

1. the Deed of Covenant dated 05 June 2024 executed by the Issuer as a deed poll in favour of the Note holders.
2. the Issuing and Placing Agency Agreement dated 05 June 2024 executed by the Arranger/IPA, and the Issuer;
3. the Dealer Agreement dated 05 June 2024 executed by the Issuer, and the Dealer
4. the Collecting and Paying Agency Agreement dated 05 June 2024 executed by the Issuer and the Collecting and Paying Agent.

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

Ultimate Borrower

The Issuer is the borrower in respect of the Notes.