

## Delisting of SWAP Technologies and Telecomms Plc

Following the merger between PAN Africa Towers Limited and SWAP Technologies and Telecomms PLC, converting from a Public limited liability company to a Private limited liability company and subsequently delisting from the NASD OTC Securities Exchange, the shares of SWAP Technologies and Telecomms Plc were removed from the composition of the NASD Securities Index on November 7, 2022.

### Background

In 2018, the Board and management of SWAP embarked on a strategic review of the business with the objective of achieving improved performance through a robust turnaround plan. SWAP was one of Nigeria's earliest tower businesses. However, over the last five (5) years, SWAP has been adversely impacted by large foreign currency debt and unsteady revenues which resulted in inconsistent loss-making throughout the period and an inability to make further investments in the maintenance of its tower assets.

These operating challenges made it difficult for the company to effectively deliver services to clients. Consequently, SWAP entered into a Managed Services and Colocation Agreement dated July 1, 2018, with PAT which granted PAT the right to use SWAP's Towers Assets. This arrangement provided SWAP with some income, though insufficient to service debt repayment. Based on the existing business relationship between PAT and SWAP, PAT advanced a senior secured loan of ₦21.29 billion to SWAP for the settlement of loans from its secured and unsecured creditors.

This arrangement resulted in PAT emerging as the only secured creditor to SWAP, thereby granting PAT inalienable rights to utilize SWAP's tower assets as part of the security for the debt. With scarcely viable options for paying off the loan to PAT, the Board of SWAP took the next strategic step of merging business operations with PAT by way of a Scheme of Mergers, and negotiated the negative Net Asset Value position of the Company to secure value for shareholders.