

THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ CAREFULLY. IF YOU ARE IN ANY DOUBT AS TO ITS CONTENTS OR THE ACTION TO BE TAKEN, PLEASE CONSULT YOUR BANKER, STOCKBROKER, ACCOUNTANT, SOLICITOR OR ANY OTHER PROFESSIONAL ADVISER FOR GUIDANCE IMMEDIATELY. INVESTING IN THIS OFFER INVOLVES RISKS. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" ON PAGE 35 OF THE PROSPECTUS.



PRESCO PLC
RC 174370

**OFFER FOR SUBSCRIPTION
(BY WAY OF A BOOK BUILD)
OF**

**₦34,500,000,000 7 YEAR 12.85% SENIOR UNSECURED FIXED RATE SERIES I BONDS DUE 2029
BEING OFFERED TO QUALIFIED INSTITUTIONAL INVESTORS AND HIGH NET WORTH INVESTORS
UNDER THE ₦50,000,000,000 BOND ISSUANCE PROGRAMME**

**Book Opens: Monday, 28 February 2022
Book Closes: Tuesday, 08 March 2022**

This Pricing Supplement is prepared for purpose of Rule 279(3) of the Rules and Regulation of the Securities and Exchange Commission (the "Commission" or "SEC") in connection with the issuance of ₦34,500,000,000 Bonds under the ₦50,000,000,000 Bond Issuance Programme established by Presco PLC ("Presco" or the "Issuer"). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated 05 April 2022 and any other supplements to the Shelf Prospectus to be issued by the Issuer and with all documents which are incorporated therein by reference. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement.

To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall prevail. This Pricing Supplement may be used to offer and sell the Bonds only if accompanied by the Shelf Prospectus. A copy of this Pricing Supplement has been delivered to the commission for registration. A copy of the Pricing Supplement will also be made available for download on the respective websites of the Commission (www.sec.gov.ng) and the Issuer (<https://www.presco-plc.com/>), throughout its validity period. Copies of this Pricing Supplement and the executed Shelf Prospectus can be obtained at no cost the offices or the Issuer or the Issuer and Issuing House(s).

The registration of the Shelf Prospectus and this Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Shelf Prospectus or this Pricing Supplement. No securities will be allotted or issued on the basis of the Shelf Prospectus, read together with this Pricing Supplement, later than three years after the date of the issue of the Shelf Prospectus.

This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Securities being issued hereunder (the "Series 1 Bonds" or "Bonds"). An application will be made to FMDQ Securities Exchange Limited and/or the Nigerian Exchange Limited for admission of the Bonds to their respective platform(s). The Bonds now being issued will upon admission to the platform(s) qualify as security in which the Trustees may invest under the Trustee Investments Act (Chapter T22) Laws of the Federation of Nigeria, 2004.

The Directors of the Issuer accept full responsibility for the information contained in this Pricing Supplement and declare that having taken reasonable care to ensure that such is the case, the information contained in this Pricing Supplement is, to the best of their knowledge (having made all reasonable enquiry), in accordance with the facts and does not omit anything likely to affect the import of such information and that save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus. Furthermore, the information contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

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

LEAD ISSUING HOUSE



STANBIC IBTC CAPITAL LIMITED
RC 1031358

JOINT ISSUING HOUSE



CARDINALSTONE PARTNERS LIMITED
RC 739441



QUANTUM ZENITH CAPITAL AND INVESTMENTS LIMITED
RC 639491

This Pricing Supplement is dated 05 April 2022

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PARTIES TO THE OFFER

Directors and Company Secretary of the Issuer

Felix Nwabuko (Chief Executive)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Gerald Ray (Executive Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

William Kenneth Crockett (Executive Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Dirk Lambrecht (Non-Executive Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Ingrid Vandewiele (Non-Executive Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

James Erhuero (Non-Executive Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Aiguobasimwin Akenzua (Independent Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Bassey E.O Edem (Independent Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Nonye Udo (Independent Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Osa Osunde (Independent Director)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Patrick Uwadia (Company Secretary)
 Obaretin Estate
 Km 22 Benin Sapele Road
 Benin City
 Edo State

Issuing Houses

Stanbic IBTC Capital Limited
 I.B.T.C. Place
 Walter Carrington Crescent
 Victoria Island
 Lagos

[Signature]
 FUNSO AKERE

CardinalStone Partners Limited
 5 Okotie Ebch
 Off Awolowo Road
 Ikoyi
 Lagos

[Signature]
MICHAEL NZEWI

Quantum Zenith Capital and Investments Limited
 12th Floor Plot 2 Ajose Adeogun
 Victoria Island
 Lagos

[Signature]
 [Handwritten Name]

Solicitor to the Transaction

Olaniwun Ajayi LP
 The Adunola
 Plot 2 Banana Island
 Ikoyi
 Lagos

[Signature]
 Yewande Sanbore

Solicitor to the Issuer

Abdual Talwo & Co
 Goodwill House
 278 Ikorodu Road
 Lagos

[Signature]
 ALAYO
 Olaniwun

Trustee

Stanbic IBTC Trustees Limited
 The Wealth House
 Plot 1678 Olakunle Bakare Close
 Victoria Island
 Lagos

[Signature]
CHARLES DIMORA

Advised by

Udo Udoma & Belo-Osagie
 St. Nicholas House (12th Floor)
 Catholic Mission Street
 Lagos

Reporting Accountant

KPMG Professional Services

KMPG Tower
 Bishop Aboyade Cole St
 Victoria Island
 Lagos

[Signature]
UZADINMA NWANKWO

Registrar

First Registrars & Investor Services Limited

Plot 2, Abebe Village Road
 Iganmu
 Lagos
 01 270 1078

[Signature]
Modupeola Ajigbotafe

Stockbrokers

Stanbic IBTC Stockbrokers Limited

I.B.T.C. Place
 Walter Carrington Crescent
 Victoria Island
 Lagos

[Signature]
BUNMI OJARINOTE

Mega Equities Limited

4AA Force Road
 Onikan
 Lagos

[Signature]
Sam Ojukwu

Rating Agency

Agusto & Co. Limited

5th Floor
 UBA House
 57 Marina
 Lagos

[Signature]
Olusegun Oweyef

Receiving Banks

Stanbic IBTC Bank PLC

I.B.T.C. Place
 Walter Carrington Crescent
 Victoria Island
 Lagos

[Signature]
Nnenna Okun

Zenith Bank PLC

87 Ajose Adeogun Street
 Victoria Island
 Lagos

[Signature]
[Signature]

Auditors

[Signature]
HUNYA FORBUNSO

Deloitte and Touche

Civic Towers
 Plot GA1, Ozumba Mbadiwe Road
 Victoria Island
 Lagos

CONSENTS

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

Directors of the Presco PLC:	Felix O. Nwabuko Gerald Ray William Kenneth Crockett Dirk Lambrecht Ingrid Vandewiele James B. Erhuero Aiguobasinmwin O. Akenzua Bassey E.O Edem Nonye Udo Osa Osunde
Company Secretary of Presco PLC:	Patrick Uwadia
Lead Issuing House:	Stanbic IBTC Capital Limited
Joint issuing Houses:	CardinalStone Partners Limited Quantum Zenith Capital and Investments Limited
Solicitors to the Transaction:	Olaniwun Ajayi LP
Solicitors to the Issuer:	Abdulai Taiwo & Co
Trustee:	Stanbic IBTC Trustees Limited
Reporting Accountants:	KPMG Professional Services
Auditor:	Deloitte and Touche
Receiving Banks:	Stanbic IBTC Bank PLC Zenith Bank PLC
Stockbrokers:	Stanbic IBTC Stockbrokers Limited Mega Equities Limited
Rating Agency:	Agusto & Co Limited

SUMMARY OF THE OFFER

The following are the final terms of the Series 1 Bonds that are the subject of this Pricing Supplement. These terms and conditions are only applicable to this Issue.

Final terms of the Series 1 Bond

1. Issuer: Presco PLC (“**Issuer**” or the “**Company**”)
2. Description of the Bond: 7 year 12.85% senior unsecured fixed rate bonds due 2029
3. Series Number: 1
4. Specified Currency: Naira (“~~N~~”)
5. Aggregate Nominal: Up to ~~N~~34,500,000,000
6. Issue Price: At par. ~~N~~1,000 per unit of the Bond
7. Gross proceeds: Up to ~~N~~34,500,000,000
8. Net proceeds: ~~N~~33,906,271,337.50
9. Denominations: Minimum of ~~N~~10,000,000 (i.e. 10,000 units at ~~N~~1,000 per unit) and multiples of ~~N~~1,000 thereafter. Bids below the Minimum Acceptable Subscription will be disregarded unless they form part of a cumulative bid from the same investor that is greater than the Minimum Acceptable Subscription. Final allotment to respective bidders may be less than the Minimum Acceptable Subscription if bids must be pro-rated for any reason
10. Issue Date: 05 April 2022
11. Coupon Commencement Date: Interest will accrue from the Issue Date. The first Coupon Payment Date shall be on 05 October 2022 and the Coupon shall be due and payable every 05 October and 05 April of each year (each a “**Coupon Payment Date**”) thereafter, in arrears, up to and including the Final Maturity Date
12. Tenor: 7 years
13. Maturity Date: 05 April 2029
14. Principal Moratorium: 3 years from the Issue Date of the Series 1 Bonds
15. Coupon Basis: Fixed Rate
16. Coupon: 12.85% p.a.
17. Redemption/Payment Basis: Amortised redemption of the Principal Amount following the expiration of a three (3) year Principal Moratorium period on the repayment of the Principal Amount; or upon a call

SUMMARY OF THE OFFER

- | | | |
|-----|---------------------|--|
| 18. | Use of Proceeds: | As outlined in Use of Proceeds on page 14 of this Pricing Supplement |
| 19. | Source of payment | General cash flow of the issuer |
| 20. | Status of the Bond: | The Bonds are senior, direct, unsecured and unsubordinated obligations of the Issuer and the provisions of the Conditions of the Programme Trust Deed will apply |
| 21. | Events of Default: | See Events of Default set out in Clause 18 and Condition 19 of the First Schedule of the Programme Trust Deed dated 05 April 2022 |
| 22. | Listing(s): | FMDQ Securities Exchange Limited and/or Nigerian Exchange Limited |
| 23. | Offer Period: | As outlined in the Indicative Transaction Timeline on page 12 of this Pricing Supplement |

Provisions relating to coupon and redemption

- | | | |
|-----|---------------------------|--|
| 23. | Optional Early Redemption | Applicable |
| | (i) Call Option: | With regards to Series I Bonds, a Call Option to effect early redemption of the Bonds, either in part or in whole, can be exercised by the Issuer from the expiration of 48 months from the Issue Date (“exercisable window”), in accordance with the provisions of the Series I Trust Deed. Exercise of the Call option by the Issuer shall be subject to a notice period between 30 to 60 days, and the scheduled early redemption payment may only occur on a coupon or principal payment date |
| | (ii) Call Price: | <p>A Call premium will only be triggered during the exercisable window, if the secondary market yield of the Federal Government of Nigeria 26-April-2029 bond (“benchmark”) is trading at single digit (i.e. less than 10.00%). The reference date for the secondary market yield of the benchmark during the exercisable window is two (2) Business days prior to communicating the notice to bondholders. The secondary market yield will be obtained from FMDQ Daily Quotation List (“FMDQ DQL”) or any other transparent public source if the FMDQ DQL is no longer published.</p> <ul style="list-style-type: none">• Year 5: 101.25% of par value• Year 6: 100.75% of par value• Year 7: (before final maturity date) 100% of par value |

The Call premium will be applied on the principal amount Called on the next coupon or principal payment date.

However, if the secondary market yield of the benchmark two (2) Business days prior to communicating the notice to bondholders is trading above single digit (i.e. 10.00% or above), the bonds

SUMMARY OF THE OFFER

	will be Called at par on the next coupon or principal payment date
(iii) Put Option:	N/A
(iv) Day Count Fraction:	Actual / Actual (actual numbers of days in a month/actual number of days in the year)
(v) Business Day Convention:	Where a Coupon Payment Date falls on a non-Business Day, such payment shall be postponed to the next day which is a Business Day provided that if such a Business Day falls into the next calendar month, such Coupon Payment Date shall be brought forward to the immediately preceding Business Day
(vi) Business Day:	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for general banking business in Lagos, Nigeria
24. Scheduled Amortisation:	See Amortisation and Principal Schedule as outlined on page 15 of this Pricing Supplement
25. Redemption Amount(s):	See Amortisation and Principal Schedule as outlined on page 15 of this Pricing Supplement
26. Scheduled Redemption Dates:	See Amortisation and Principal Schedule as outlined on page 15 of this Pricing Supplement
27. Redemption Notice Period:	30 (thirty) to 60 (sixty) days of notification to the Trustees

General provisions applicable to the Bonds

28. Form of Bonds:	Electronic registration on the Central Securities Clearing System PLC (CSCS) platform and/or FMDQ Depository (FMDQ-D)
(i) Form of Bonds:	Dematerialised
(ii) Registrar:	First Registrar & Investor Services Limited
(iii) Depository:	CSCS platform and/or FMDQ-D
29. Trustees or Joint Trustees:	Stanbic IBTC Trustees Limited
30. Record Date:	No Bondholder may require the transfer of a Bond to be registered during the period of fifteen (15) days ending on the due date for any payment of principal or Coupon on the Bond
31. Bond Settlement:	Bond purchases will be settled by electronic funds transfers through either CBN Inter-Bank Funds Transfer System (" CIBFTS "), National Electronic

SUMMARY OF THE OFFER

Funds Transfer (“NEFT”) or Real Time Gross Settlement (“RTGS”)

Distribution, clearing and settlement provisions

- | | |
|-----------------------------|---|
| 32. Method of Distribution: | Book Building to Qualified Institutional Investors and High Net Worth Individuals |
| 33. Underwriting: | Not applicable |
| 34. Clearing System: | CSCS and/or FMDQ-D |
| 35. Rating: | |
| (i) Issuer: | A+ by Augusto & Co Limited |
| (ii) Issue: | A+ by Augusto & Co Limited |

An issue rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

General

- | | |
|---------------|---|
| 36. Taxation: | <p>The Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order, 2011 (“Order”) and the PITA exempt income and interest earned by holders of bonds issued by corporate bodies from the imposition of income tax under the CITA and PITA respectively. The exemption granted under this Order is for a period of 10 years commencing from January 2, 2012 while there is no similar limitation in respect of the exemption under PITA. Furthermore, the proceeds from the disposal of the Bonds are exempt from tax imposed under the VAT Act 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. This exemption is also for a period of ten (10) years from the commencement date of this Order. Thus, from January 2, 2022, (i.e. the expiration dates for the CIT Order and the VAT Order), the Issuer may be required by law to withhold tax on Coupon payments to the Bondholders.</p> |
|---------------|---|

However, the Finance Act 2019 specifically exempts “securities” from the definition of goods under the Value Added Tax Act. On this basis, it is likely that upon the expiration of the Value Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011, disposals of corporate bonds will still be exempt from VAT. Commissions payable to the SEC, the

SUMMARY OF THE OFFER

- Exchanges and the Depository in connection with the Bonds shall be subject to VAT.
- Please refer to the section on Tax Considerations on page 57 of the Shelf Prospectus dated 05 April 2022 for a detailed description of the tax considerations.
37. Risk Factors: Please refer to the section on Risk Factors on page 35 of the Shelf Prospectus dated 05 April 2022 for a detailed description of the Risk Factors.
38. Governing Law: The Bonds will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.
39. Summary of Claims and Litigation
- Based on the information provided by the Company and its external solicitors, the Company in its ordinary course of business is presently involved in 24 cases. The aggregate amount claimed against the Company in these cases is ₦13,029,754,880 (Thirteen billion, twenty-nine million, seven hundred and fifty-four thousand, eighty hundred and eighty Naira)
- Based on the assessment of the information provided by the Company for the Solicitors to the Transaction's review, the Solicitors to the Transaction believe that the pending claim against the Company is unlikely to have a material adverse effect on the Company or the Transaction.
40. Board approval for issuance of Bonds obtained The board approval was obtained at the board meeting on 28 July 2021.
41. Selling restrictions: Strictly to Qualified Institutional Investors and High Net worth Individuals as stipulated by Rule 321 of the SEC Rules and Regulations
42. Details of Indebtedness: As at 30 September 2021, total indebtedness of Presco PLC stood at ₦25.2 billion
43. Other disclosures: The following agreements have been entered into and are considered material to the Series 1 Bonds:
- (i) Vending agreement dated 05 April 2022 between Presco PLC, Stanbic IBTC Capital Limited, CardinalStone Partners Limited and Quantum Zenith Capital and Investment Limited
- (ii) Series 1 Trust Deed dated 05 April 2022 between Presco PLC, Stanbic IBTC Trustees Limited,
- The Company is currently finalizing the acquisition of 100% of Siat Nigeria Limited, a co-subsidiary of Siat Group.

SUMMARY OF THE OFFER

Extracts of the resolution can be inspected at the offices of the Issuer and Issuing Houses

45 Oversubscription:

In the event of an oversubscription, the Issuer may issue up to an additional 15% of the qualifying Book; and reserves the right to do so

Material adverse change statement

Except as disclosed in this document and in the Shelf Prospectus dated 05 April 2022 , there has been no significant change in the financial or trading position of the Issuer since 31 December 2020 and no material adverse change in the financial position or prospects of the Issuer since 30 September 2021.

INDICATIVE TRANSACTION TIMELINE*

Date	Activity	Responsibility
24 February 2022	Obtain the SEC's clearance of the Pricing Supplement and approval to commence Book Building	Lead Issuing House
28 February 2022	Commence Book Building	Issuing Houses and Bookrunners
08 March 2022	Conclude Book Building	Issuing Houses and Bookrunners
08 March 2022	Determination of Coupon Rate and aggregate principal amount to be issued	Issuing Houses and Bookrunners
08 March 2022	Despatch Allotment Confirmation Letters	Issuing Houses and Bookrunners
28 March 2022	File updated Issue documents with SEC	Lead Issuing House
31 March 2022	Obtain SEC clearance of documents and No Objection to convene Signing Ceremony	Successful Participants
05 April 2022	Hold Signing Ceremony	All Parties
06 April 2022	Remit net Issue proceeds to the Issuer	Receiving Banks
08 April 2022	File executed offer documents with SEC	Lead Issuing House
08 April 2022	File Allotment Proposal and draft newspaper announcement with SEC	Lead Issuing House
13 April 2022	Receive SEC's No-objection to the Allotment Proposal and draft newspaper announcement	Lead Issuing House
22 April 2022	Publish allotment announcement in at least 2 (two) national dailies	Issuing Houses and Bookrunners
28 April 2022	Credit Depositary Accounts of Allottees / dispatch certificates	Registrar
04 May 2022	Listing of the Series I Bond	Lead Issuing House / Stockbroker / FMDQ Listing Member
05 May 2022	Filing of Post Allotment Report / Post Offer Compliance	Lead Issuing House

***NB: These dates are indicative and are subject to change**



Presco

15th October, 2021

The Director General

Securities & Exchange Commission
SEC Tower
Plot 272 Samuel Adesujo Ademulegun Street
Central Business District
Abuja

Dear Sir

Registration of a ₦50 billion bond issuance programme by Presco Plc (the "Programme") and the subsequent issuance of bonds under the Programme

This Shelf Prospectus has been prepared by the Issuing Houses on behalf of Presco Plc (the "Issuer") with a view to providing a description of the relevant aspects of the Issuer's business in connection with the establishment of the Programme.

We hereby make the following declarations in respect of the Programme:

1. we confirm that the information contained in this Shelf Prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import;
2. there has been no significant change in the financial condition, or material adverse change in the prospects of the Issuer since the date of the document;
3. the Issuer is not in breach of any terms and conditions in respect of borrowed monies, which would result in the occurrence of an event of default and an immediate recall of such borrowed monies during the 12 (twelve) months preceding the date of the Shelf Prospectus; and
4. no prosecution has been commenced against the Issuer during the 12 (twelve) calendar months immediately preceding in respect of any breach or contravention of any securities or banking laws or the Companies and Allied Matters Act 2020.

SIGNED for and on behalf of Presco Plc

By its duly Authorised Representatives:


Nwabuko Felix Onwuchekwa
Chief Executive Officer


Crockett William Kenneth
Chief Finance Officer


Uwadia Patrick Kenneth
Company Secretary



PRESCO PLC

HEAD OFFICE - OBARETIN ESTATE

Km 22 Benin-sapele Road | P.o. Box 7061 | Benin City | Edo State | Nigeria
T +234 803 413 4444 | E: presco@siat-group.com | Rc 174370 | www.presco-plc.com

Dirk Arthur G. Lambrecht, (Belgian) | Felix O. Nwabuko, Managing/CEO | Osa Osunde | Engr J.B Erhuero, OON | Amb. Nonye Udo
Ingrid Gabrielle J. Vandewiele (Belgian) | Chief (Dr.) Bassey E. O. Edem, MFR | HRH (Prince) Aiguobasimwin O. Akenzua
William Kenneth Crockett, (Irish) | Gerald Royle Ray, (South African).

USE OF PROCEEDS

The net proceeds of the Series 1 Bonds to be issued under the Programme will be used to refinance existing facilities from Banks and to finance working capital requirements as per the table below.

S/N	Use of Proceeds	Amount (₦)	%	Estimated Completion Period
1	Refinance Bank facilities	25,860,561,068.66	74.96%	Immediate
2	Working capital	8,045,710,268.84	23.32%	Up to 12 Months
3	*Offer costs and expenses	593,728,662.50	1.72%	deducted from gross proceeds
4	Total	34,500,000,000.00	100.00%	

*The offer costs of ₦593,728,662.50 - representing 1.72% of the gross offer proceeds - have been deducted from the gross proceeds

Breakdown of bank facilities to be refinanced

S/N	Bank	Amount to be Refinanced (₦)
1	Stanbic IBTC Bank PLC	624,979,286.91
2	Stanbic IBTC Bank PLC	1,090,909,091.50
3	Fidelity Bank PLC	734,042,553.36
4	Guaranty Trust Bank Limited	3,040,767,123.19
5	Stanbic IBTC Bank PLC	10,369,863,013.70
6	Zenith Bank PLC	10,000,000,000.00
		25,860,561,068.66

AMORTISATION AND PRINCIPAL SCHEDULE

The table below indicates the semi-annual coupon payments during the tenor of the issue. The table reflects coupon of 12.85%.

Period	Bond obligation repayment dates	Semi-annual interest payment (₹)	Scheduled Amortisation (₹)	Principal
Interval 1	05-Oct-22	2,216,625,000		-
Interval 2	05-Apr-23	2,216,625,000		-
Interval 3	05-Oct-23	2,216,625,000		-
Interval 4	05-Apr-24	2,216,625,000		-
Interval 5	05-Oct-24	2,216,625,000		-
Interval 6	05-Apr-25	2,216,625,000		-
Interval 7	05-Oct-25	2,216,625,000	4,312,500,000	
Interval 8	05-Apr-26	1,939,546,875	4,312,500,000	
Interval 9	05-Oct-26	1,662,468,750	4,312,500,000	
Interval 10	05-Apr-27	1,385,390,625	4,312,500,000	
Interval 11	05-Oct-27	1,108,312,500	4,312,500,000	
Interval 12	05-Apr-28	831,234,375	4,312,500,000	
Interval 13	05-Oct-28	554,156,250	4,312,500,000	
Interval 14	05-Apr-29	277,078,125	4,312,500,000	

PRESKO PLC

₦34.5 Billion 12.85% Seven-Year Senior Unsecured Fixed Rate Bonds Due 2029
Under the ₦50 Billion Programme

A+

Outlook: Stable
Issue Date: 30 December 2021
Expiry Date: 30 June 2022

"This Issue rating is indicative and a final rating will be based on receipt of all duly executed contractual agreements and receipt of an unqualified legal opinion."

Issuer's Rating: A+
Issue Date: 30 December 2021
Expiry Date: 30 June 2022

Industry: Oil Palm

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Analysts:
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Agusto & Co. Limited
UBA House (5th Floor)
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Lagos
Nigeria
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Good quality debt issue with low to moderate credit risk; strong capacity to pay returns and principal on local currency debt in a timely manner.

RATING RATIONALE

Agusto & Co. hereby assigns an indicative "A"+ rating to Presco Plc's ₦34.5 billion 12.85% Seven-Year Senior Unsecured Fixed Rate Bonds Due 2029 (the Issue' or 'the Bond'). The assigned rating reflects the credit quality of Presco Plc ("Presco" "the Company" or "the Issuer") evidenced by its good profitability, strong cash flow position, low leverage and a stable, qualified and experienced management team as well as the Issuer's position as one of the top players in the Nigerian Oil Palm Industry. The rating is also upheld by the favourable business fundamentals amid rising demand for oil palm, as well as the strong support it enjoys from the government. However, the rating is constrained by the Company's working capital position that requires improvement in our opinion.

Presco Plc ('Presco', 'the Company' or 'the Issuer') is a fully-integrated agro-industrial company with oil palm plantations in Edo and Delta states. Presco Plc has a diversified portfolio of speciality fats and oil products. The Company is a member of Societed'Investissement pour l'AgricultureTropicale ('SIAT sa') group – a Belgian agro-industrial company specialized in industrial and smallholder plantations of tree crops as well as allied processing industries including palm oil milling, refining in addition to soap making and crumb rubber factories.

Presco Plc issued ₦34.5 billion Seven-Year Senior Unsecured Fixed Rate Bonds due 2029 under its ₦50 billion Bond Issuance Programme by way of an offer for a subscription to qualified investors. The Bonds shall rank pari-passu with the existing obligations of the Issuer and will attract a fixed coupon rate of 12.85% determined through a book-building process payable semi-annually over seven years, while the aggregate principal will be redeemed every six months until maturity in 2029 after the expiration of the moratorium period, which is three years from the issue date.

The Series 1 coupon and principal obligations will be repaid from the operating cash flow of the Issuer. Agusto & Co. has adopted the Issuer's financial forecasts and based on our review, we believe that the projected operating cash flow will be sufficient to repay the interest 10.9 times, while the debt service coverage of 4.1x is good in our view.

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INDEPENDENT REPORTING ACCOUNTANTS' REPORT

The Directors
Presco Plc
Obaretin Estate
Km. 22, Benin - Sapele Road
Edo State
Nigeria

Report on the Financial Statements

We have reviewed the accompanying financial statements of Presco Plc, which comprise the statements of financial position as at December 31, 2016, 2017, 2018, 2019 and 2020, and the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountants' Responsibility

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

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The accountants perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Presco Plc as at 31 December, 2016, 2017, 2018, 2019 and 2020, and its financial performance and cash flows for the years then ended, in accordance with the International Financial Reporting Standards.

Restriction on Distribution and Use

Without modifying our conclusion, our report was prepared for inclusion in the prospectus for the proposed issuance of N30 billion Series 1 Notes under a N50 billion bond issuance programme by Presco Plc and as a result, the financial information may not be suitable for another purpose. Our report is intended solely for Presco Plc and other relevant parties to the offer and should not be distributed to or used by other parties other than Presco Plc and other relevant parties to the offer.

Signed:

Ayodele Othihiwa, FCA
FRC/2012/ICAN/00000000425
For: KPMG Professional Services
Chartered Accountants
31 December 2021
Lagos, Nigeria

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Registered in Nigeria No BN 886925

Partners:

Adegoke A. Oyelami	Ayodele H. Othihiwa	Joseph O. Tegbe	Olanike I. James	Iayo I. Ogunbenro
Adekunle A. Elebute	Bolanle S. Afolabi	Kabir O. Okunlela	Olufemi A. Babem	Temitope A. Onirin
Adetola P. Adoyomi	Chibuzor N. Anyanechi	Lawrence C. Amadi	Olumide D. Olayinka	Tolulope A. Odukale
Aoswale K. Ajayi	Chineme B. Nwigo	Martins I. Arogie	Olusegun A. Sowande	Uzodinma G. Nwankwo
Ajoola G. Olomoia	Elijah O. Olsdunmoye	Mohammed M. Adama	Olutoyin I. Ogunlowo	Victor U. Orwenkpa
Akinyemi Ashade	Goodluck C. Obi	Nneka C. Euna	Oluwalafemi O. Awotayo	
Ayobami L. Salami	Ibitomi M. Adepoju	Olabinpe S. Afolabi	Oluwalayin A. Gbagi	
Ayodele A. Soyinka	Ijeoma T. Emezie-Ezigo	Oladimeji I. Salaudeen	Osame J. Obalaja	



Presco

THE FEDERAL REPUBLIC OF NIGERIA
COMPANIES AND ALLIED MATTERS ACT 2020
PUBLIC COMPANY LIMITED BY SHARES

RESOLUTION OF THE BOARD OF DIRECTORS

OF

PRESKO PLC RC 174370

At a meeting of the Board of Directors (the "Board") of Presco PLC (the "Company") held virtually and hosted at Presco PLC, Obaretin Estate, Ikpoba-Okha LGA, Edo State, Nigeria on Wednesday July 28, 2021 at 4.00 pm, the following resolutions were proposed and duly passed:

1. That the Company be and is hereby authorised to establish a Bond Issuance Programme in an aggregate sum not exceeding ₦50,000,000,000 (fifty billion Naira) under which the Company may in one or more tranches, series or proportions issue bonds, notes or debt instruments (to include senior unsecured or secured, subordinated, convertible or such other forms of debt obligations) by way of public offering, private placement, book building process or any other method, subject to obtaining approvals from the relevant regulatory authorities (the "Bond Programme");
2. That the Company is hereby authorised to issue a first series of bonds under the Bond Programme in an aggregate amount up to ₦30,000,000,000 (thirty billion naira) (the "Series 1 Bonds") in such tranches, at such coupon or interest rates, within such maturity periods and on such terms and conditions as may be specified in the Series 1 Bonds offer documents and by such methods determined by the Issuing House subject to obtaining approvals from the relevant regulatory authorities (the "Series 1 Bond Issue");
3. That, subject to the approval of the relevant regulatory authorities, the Company be and is hereby authorised to take up excess funds in the event of an oversubscription of the Series 1 Bonds up to the maximum limit prescribed under the applicable regulations, or approved by the relevant regulatory authority;
4. That the Board or members of the Company's management be and are hereby authorised to do all acts and things and approve all documents, appoint such professional parties and advisers, perform all such other acts and do all such other things as may be necessary to give effect to the Bond Programme and the Series 1 Bond Issue (the "Transaction"), including without limitation, complying with the directives of any regulatory authority;
5. That the terms of, entry into, finalization, execution, delivery, commencement and performance by the Company of each of the Transaction documents to which it is a party (the "Transaction Documents") and any other notices and documents required to be

PRESKO PLC

HEAD OFFICE - OBARETIN ESTATE

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Dirk Arthur G. Lambrecht, (Belgian) | Felix O. Nwabuko, Managing/CEO | Osa Osunde | Engr J.B Erhuero, OON | Amb. Nonye Udo
Ingrid Gabrielle J. Vandewiele (Belgian) | Chief (Dr.) Bassey E. O. Edem, MFR | HRH (Prince) Aiguoabasinmwin O. Akenzua
William Kenneth Crockett, (Irish) | Gerald Royle Ray, (South African).

APPENDIX III: BOARD RESOLUTION

executed to give effect to the Transaction Documents or the transactions or matters contemplated by the Transaction Documents (the "Ancillary Documents") be and are hereby approved (and, if applicable, ratified);

6. any subsequent variation of or modification to the Transaction Documents that may be considered necessary by the Board be and is hereby approved;
7. That any two Directors of the Company or a Director and the Company Secretary (each an "Authorised Person") be and are hereby authorised severally or jointly to:
 - 7.1 negotiate, finalise, approve, sign, issue, execute and/or deliver the Transaction Documents in accordance with applicable law and with such additions, modifications, variations or alterations as such Authorised Person may deem fit;
 - 7.2 execute, seal (where required) and deliver in accordance with applicable law, the Ancillary Documents or to do all other acts and things in connection with or incidental to the Transaction Documents or any of the foregoing resolutions or deemed by such Authorised Person to be necessary, desirable, incidental, ancillary or appropriate in connection with or for the purposes of giving full effect to the Transaction Documents or any of the foregoing resolutions (including, without limitation, any variation, supplement, amendment, alteration or modification to the Transaction Documents and the Ancillary Documents);
 - 7.3 seek all regulatory approvals and make all required regulatory filings in connection with the Transaction; and
 - 7.4 take all other steps necessary to give effect to the Transaction;
8. That all lawful acts carried out by the Board or members of management of the Company hitherto in connection with the Transaction, be and are hereby ratified.

Dated this 28th day of July 2021



Mr. Felix Nwabuko
Managing Director



Mr. Patrick Uwadia
Company Secretary





23 December 2021

Stanbic IBTC Capital Limited
I.B.T.C. Place
Walter Carrington Crescent
Victoria Island
Lagos

Attention: Laju Atake

Dear Sir,

THE 50 BILLION BOND ISSUANCE PROGRAMME BY PRESCO PLC (THE "PROGRAMME") AND THE ISSUANCE OF BONDS UNDER THE PROGRAMME (THE "TRANSACTION"): SUMMARY OF LITIGATION CLAIMS

This report has been issued in respect of the captioned programme establishment in our capacity as Solicitor to the Transaction. For the purpose of issuing our opinion on the claims and litigation, we requested for information in respect of all outstanding litigation involving the Issuer (the **Litigation Portfolio**). Further to our request, we were provided with case files, a schedule of litigations involving the Issuer (the **Litigation Schedule**), showing a summary of cases involving the Issuer (the **Litigation Summary**), in the Nigerian courts and supplemental lists, detailing the status of the cases (the **Status Update**).

From our review, the Litigation Portfolio comprises twenty-four (24) cases, in respect of which we note that (a) there are eighteen (18) cases involving claims for declaration of title to land (**Land Matters**); (b) four (4) cases relate to employment disputes in respect of employees dismissed by the Issuer; (c) one (1) case involves the enforcement of fundamental human rights against the Issuer for alleged violations of fundamental human rights; while (d) one (1) case relates to an alleged breach of contract. These cases are at various stages of hearing in various courts.

Based on our review, we note that the total amount claimed against the Issuer in the cases comprising the Litigation Portfolio is ₦13,029,754,880 (Thirteen billion, twenty-nine million, seven hundred and fifty-four thousand, eighty hundred and eighty Naira) (**Material Contingent Liability Amount**). As these claims are at various stages, it is difficult to determine the likelihood of success of the claims or the position that the courts may take on same. Nonetheless, in our opinion, any adverse decision in respect of any of the cases comprising the Litigation Portfolio is unlikely to have an adverse effect on the Transaction.

Please find overleaf a summary of the cases as disclosed to us as of 23 December 2021.

Yours faithfully,

Yewande Senbore
(Partner)
OLANIWUN AJAYI LP

APPENDIX V: DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents can be inspected at the head office of the Issuer at Obaretin Estate, Km 22 Benin Sapele Road, Benin City, Edo State and the Issuing Houses, between 8:00am and 5:00pm on Business Days, during the validity period of the Programme and the Issue:

- a. Certificate of Incorporation of the Issuer, duly certified by the CAC;
- b. Memorandum and Articles of Association of the Issuer, duly certified by the CAC;
- c. Reporting Accountants' Report on the audited accounts of the Issuer for the years ended 31 December 2020, 2019, 2018, 2017 and 2016;
- d. The Programme Trust Deed dated 05 April 2022 between the Trustees and the Issuer;
- e. The resolution of the Board authorising the Bond Issuance Programme;
- f. Letter from SEC dated on or before 05 April 2022 approving the registration of the Shelf Prospectus;
- g. The schedule of the Claims and Litigation and the Solicitors' opinion thereon;
- h. Audited Financial Statement of the Issuer for the years ended December 2020, 2019, 2018, 2017 and 2016;
- i. Shelf Prospectus issued with respect to the Bond Issuance Programme;
- j. The Series 1 Trust Deed;
- k. The Pricing Supplement;
- l. The Series 1 Vending Agreement; and
- m. Written Consents of the Directors and Professional Parties to the Issue.

APPENDIX VI: EXTRACT FROM THE FINANCIAL STATEMENT

The Financial information set out in this Pricing Supplement has been extracted from the unaudited September 2021 financial statements of the Issuer and is available at the specified office(s) of the Issuer. This section should be read and construed in conjunction with the audited financial statements published for the financial years prior to the issuance under this Pricing Supplement.

INCOME STATEMENT

PRESKO PLC
Financial Statements
For the nine months ended 30 September 2021

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	9'Months 2021 Unaudited	9'Months 2020 Unaudited	Q3 2021 Unaudited	Q3 2020 Unaudited
In Thousand NGN				
Revenue	34,236,787	18,921,922	12,771,864	5,463,500
Cost of sales	(10,711,955)	(6,999,975)	(5,776,280)	(2,583,126)
Gross profit	23,524,832	11,921,947	6,995,584	2,880,374
Administrative expenses	(4,820,487)	(3,263,831)	(1,922,398)	(1,368,551)
Selling and distribution expenses	(464,109)	(274,283)	(158,068)	(89,880)
Other gains and Losses	(713,895)	(586,440)	(323,295)	(226,965)
Gains on biological asset valuation	600,500		150,000	
Operating profit before finance cost and finance income	18,126,841	7,797,393	4,741,823	1,194,978
Finance cost	(545,048)	(1,220,014)	(104,899)	(388,215)
Profit before tax	17,581,793	6,577,379	4,636,924	806,763
Tax expense	(3,806,359)	(1,546,998)	(988,357)	(166,392)
Profit for the period	13,775,434	5,030,381	3,648,567	640,371
Other comprehensive income				
Actuarial gains (losses) on defined benefit plans	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-
Other comprehensive income for the period	13,775,434	5,030,381	3,648,567	640,371
Basic earnings per share (Kobo)	1,378	503	365	64
Diluted earnings per share (Kobo)				

BALANCE SHEET

PRESKO PLC
 Financial Statements
 For the nine months ended 30 September 2021

CONDENSED STATEMENT OF FINANCIAL POSITION

In Thousands NGN	9'Months 2021 Unaudited	31 December 2020 Audited
ASSETS		
Non-current assets		
Intangible assets		74
Property, plant and equipment	50,103,998	52,109,564
Right-of-use assets	1,624,456	1,624,456
Total Non-current assets	51,728,454	53,734,094
Current Assets		
Inventories	4,917,311	3,549,206
Biological Assets	7,538,344	6,937,844
Trade and other receivables	8,183,795	6,962,759
Cash and cash equivalents	15,018,679	2,585,092
Total current assets	35,658,129	20,034,901
TOTAL ASSETS	87,386,582	73,768,995
EQUITY AND LIABILITIES		
Equity		
Share capital	500,000	500,000
Share premium	1,173,528	1,173,528
Other reserves	-140,088	-140,088
Retained earnings	41,293,449	29,518,014
Total Equity	42,826,889	31,051,454
Non-current liabilities		
Borrowings	7,935,282	6,810,188
Defined benefit obligation	704,551	938,705
Deferred tax liabilities	7,570,083	9,055,816
Deferred income	466,365	466,365
Lease liabilities	186,529	186,529
Total Non-current liabilities	16,862,810	17,457,604
Current liabilities		
Trade and other payables	5,375,554	11,541,335
Current tax liabilities	4,726,454	628,181
Bank overdrafts	2,160,852	6,364,154
Borrowings	15,133,029	6,425,272
Deferred income	267,489	267,489
Lease liabilities	33,506	33,506
Current liabilities	27,696,884	25,259,937
Total liabilities	44,559,694	42,717,541
TOTAL EQUITY AND LIABILITIES	87,386,582	73,768,995

CASH FLOW STATEMENT

PRESKO PLC
 Financial Statements
 For the nine months ended 30 September 2021
CONDENSED STATEMENT OF CASHFLOWS

In Thousands NGN	9'Months 2021 Unaudited	9'Months 2020 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	13,775,434	5,030,381
Adjustment for:		
Tax expense	3,806,359	1,546,998
(Gain)/Loss on biological asset valuation	(600,500)	
Intangible assets reclassified to CWIP		342,172
Depreciation on property, plant and equipment	1,863,094	1,095,551
Finance cost	545,048	1,220,014
Loss on sales of seedlings	713,895	586,440
	20,103,330	9,821,556
Movement in working capital		
Trade and other receivables	(1,221,036)	(150,436)
Inventories	(1,368,105)	(581,187)
Trade and other payables	(6,165,781)	2,322,791
Increase in deferred income from advances from customers		(37,419)
Strategic spares transferred into inventory	4,120,315	
Cash generated from/ (used in) operating activities	15,468,723	11,375,305
Benefit paid	(234,154)	96,217
Tax paid	(744,990)	(1,629,240)
NET CASHFLOW FROM OPERATING ACTIVITIES	14,489,579	9,842,282
CASHFLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(2,744,426)	(4,918,642)
NET CASHFLOW FROM INVESTING ACTIVITIES	(2,744,426)	(4,918,642)
CASHFLOW FROM FINANCING ACTIVITIES		
Interest paid	(546,031)	(1,221,786)
Loan received during the period	14,000,000	3,500,000
Repayment on loan during the period	(4,181,612)	(6,571,021)
Dividend paid	(2,000,000)	(2,000,000)
Unclaimed dividend received from Registrars	(672,291)	
Effect of movement in exchange rates on cash held	(700,985)	(27,376)
NET CASHFLOW FROM FINANCING ACTIVITIES	5,899,080	(6,320,183)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	17,644,233	(1,396,542)
Cash and cash equivalents at the beginning of the period	(4,786,406)	(3,109,669)
Cash and cash equivalents at the end of the period	12,857,827	(4,506,211)

SUMMARY OF CAPITAL STRUCTURE OF THE ISSUER

As at 30 September 2021, the capital structure of the Issuer is as follows:

ITEMS In Thousands NGN		30-Sep-21	31-Dec-20
a.	Cash and cash equivalent	15,018,679	2,585,092
b.	Short term debt	17,294,881	12,789,426
c.	Long term debt	7,935,282	6,810,188
d.	Total equity	42,826,889	31,051,455
e.	Guarantees	-	-

BORROWINGS

In Thousands NGN	30-Sep-21	31-Dec-20
Borrowings	23,068,311	13,235,461
Overdrafts	2,160,852	6,364,154
TOTAL FINANCIAL LIABILITIES	25,229,163	19,599,615

APPENDIX VII: PROCEDURES FOR APPLICATION AND ALLOTMENT

1. Invitation for participation

Eligible Investors are hereby invited to place orders in respect of the Issue through the Issuing Houses and Bookrunners.

- 1.1 The book building process opens on Monday, 28 February 2022 and closes on Tuesday, 08 March 2022. Orders must be for a minimum of ₦10,000,000 and in integral multiples of ₦1,000 thereafter. Bids below the Minimum Acceptable Subscription will be disregarded unless they form part of a cumulative bid from the same investor that is greater than the Minimum Acceptable Subscription. Final allotment to respective bidders may be less than the Minimum Acceptable Subscription if bids must be pro-rated for any reason
- 1.2 Orders should be entered in the space provided in the prescribed commitment form in Appendix IV attached to the Pricing Supplement.
- 1.3 By completing the commitment form, each participant hereby agrees that the order is irrevocable and, to the fullest extent permitted by law, the obligations in respect thereof shall not be capable of rescission or termination by any participant.
- 1.4 Participants may place orders for the Bonds at any price within the price range subject to the minimum participation amount and the terms and conditions stated on the commitment form.
- 1.5 A corporate participant may affix its official seal in the box provided and state its incorporation (RC) Number or, in the case of a corporate foreign subscriber, its appropriate identification/incorporation number in the jurisdiction in which it is constituted.
- 1.6 Upon the completion and submission of the commitment form, the participant is deemed to have authorised the Issuer and the Issuing Houses and Bookrunners to effect the necessary changes in the Pricing Supplement as would be required for the purposes of filing an application for the clearance and registration of the Pricing Supplement with the SEC. The commitment form shall be considered as the application form for the purposes of registration of the Pricing Supplement with the SEC.
- 1.7 Participants may not submit an order on another Commitment Form after the submission of a Commitment Form. Submission of a second or more Commitment Forms will be treated as multiple applications and will be rejected. Participants shall not be entitled to withdraw/modify orders after the book building closing date.
- 1.8 The commitment form presents the participant with the opportunity to indicate up to three optional bid interest rates within the price range and to specify the participation amount applicable to each option. The bid interest rates and the participation amounts submitted by the participant in the commitment form will be treated as optional demands from the participant and will not be aggregated.
- 1.9 After determination of the Interest Rate, the maximum participation amount specified by a participant at or below the clearing price will be considered for allocation and the rest of the order(s), irrespective of the corresponding bid interest rate(s), will become automatically invalid.
- 1.10 The Issuer in consultation with the Issuing Houses and Bookrunners reserves the right not to proceed with the Issue at any time including after the book building opening date but before the allotment date without assigning any reason thereof.

2. Payment instructions

Successful participants should ensure that payment of the participation amounts is received on the day of the Signing Ceremony, via the CBN RTGS or the NEFT or into the following designated issue proceeds accounts domiciled with the Receiving Bank:

Bank Name	Account Name	Account Number
Stanbic IBTC Bank PLC	Presco PLC Series 1 Bond Issue Proceeds Account	0040611007
Zenith Bank PLC	Presco Plc Bond Proceed Account	1221691415

3. Allocation / Allotment

- 3.1 On the pricing date, the Issuing Houses and Bookrunners will analyse the demand generated at various price levels and, in consultation with the Issuer, finalise the Interest Rate and the allocations to each participant. Allocation confirmation notices will be sent to successful participants thereafter.
- 3.2 The Directors of Presco PLC, the Issuing Houses and Bookrunners reserve the right to accept or reject any application in whole or in part for not complying with the terms and conditions of the Issue.
- 3.2 Upon clearance of the Final Pricing Supplement by the SEC, allotment of Bonds shall be effected in a dematerialised (uncertificated) form. Participants are mandatorily required to specify their Depository Account Number, the name of their Stock-broking Firm and the Clearing House Number (**CHN**) in the spaces provided on the Commitment Form. Settlement of Bonds in dematerialised form shall be effected not later than 15 (fifteen) Business Days from the Allotment Date.

4. Bank account details

- 4.1 Participants are required to indicate their bank account details in the space provided on the Commitment Form for the purposes of future payments of Coupon and the Principal Amount.
- 4.2 Participants are advised to ensure that bank account details stated on the Commitment Form are correct as these bank account details shall be used by the Registrar for all payments indicated in 4.1 above in connection with the Bonds.
- 4.3 Failure to provide correct bank account details could result in delays in credit of such payments or the issuance of cheques/warrants which shall be sent by registered post to the specified addresses of the affected investors. The Issuer, the Issuing Houses, the Receiving Bank, the Trustees and the Registrar shall not have any responsibility nor will any of these specified parties undertake any liability for the same.

APPENDIX IX: EXTRACT FROM THE SERIES TRUST DEED

The following is the text of the general terms and conditions which, (save for the italicised text), will apply to the Bonds.

Words and expressions defined in the Series I Trust Deed (as same may be amended, varied or supplemented from time to time with the consent of the Parties thereto) are expressly and specifically incorporated into and shall apply to these Conditions.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Series I Trust Deed unless the context otherwise requires or unless otherwise stated.

1. FORM, DENOMINATION AND TITLE

1.1. Currency, Form and Denomination

The Bonds will be issued in dematerialised form, in denominations of ₦1,000 (one thousand Naira) which shall be registered with a separate securities identification code with the CSD in addition to being registered in the Register.

1.2. Title

Title to the Bonds shall be effected in accordance with the rules governing transfer of title in securities held in the CSD.

In these Conditions, the terms 'Bondholders' and (in relation to a Bond) 'holder' means the person in whose name a Bond is registered in the Register in relation to the Series I Trust Deed.

1.3. Status of the Bonds

The Bonds are direct, unconditional, unsubordinated and unsecured obligations of the Issuer as set out in this Condition, which shall, at all times, rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds and in respect of principal and any Coupon thereon shall at all times rank equally with all other unsubordinated and unsecured obligations of the Issuer, present and future but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

2. REPAYMENT

2.1. Repayment of Principal

Principal repayments in respect of the Series I Bonds shall be amortised evenly as from 05 October 2025, following a 3 (three) year moratorium starting from the Issue Date.

2.2. Coupon

2.2.1. The rate of the Coupon applicable to the Bonds in relation to the Principal Amount shall be a fixed rate of 12.85%.

2.2.2. Coupon shall be payable semi-annually, in arrears on the Coupon Payment Date in each year. The first Coupon Payment Date shall be the date which falls six months after the Issue Date i.e. 05 October 2022.

2.2.3. The Coupon shall be calculated on the basis of the actual number of days elapsed divided by the actual number of days in the year.

2.3. Method of Payment of Principal Money, Coupon and Premium

The provisions of Condition 15 (*Method of Payment of Principal Money, Coupon and Premium*) of the First Schedule to the Programme Trust Deed will apply mutatis mutandis to the Series I Bonds.

2.4. Payment Mechanism

2.4.1. The Trustee shall establish the Payment Account no later than 5 (five) Business Days after

the Issue Date which shall be in the name and under the custody and administration of the Trustee.

2.4.2. For as long as the Series I Bonds remain outstanding, the Issuer shall ensure that the amount to meet any of its payment obligations under this Trust Deed, i.e. Principal Amount and Coupon, shall be paid into the Payment Account at least 5 (five) Business Days before the next Coupon Payment Date or Final Maturity Date as the case may be.

2.4.3. The Trustee shall be responsible for the payment of the amount due in respect of the Principal Amount and Coupon and shall ensure that the equal amount is transferred to the Registrar for payment to the Bondholders on the next Coupon Payment Date.

3. REDEMPTION

3.1. Unless previously repaid (in accordance with Condition 2), the Issuer may redeem the Bonds in accordance with Condition 3.2.

3.2. Early Redemption

On any date after a period of 48 (forty eight) months after the Issue Date up to the Maturity Date (the “**Exercisable Window**”) in respect to the Series I Bonds, the Issuer shall on any one or more occasions be entitled to redeem the whole or any part of the Series I Bonds. The provisions of Condition 3.2 (*Redemption prior to Maturity*) of the First Schedule of the Programme Trust Deed shall apply with respect to mechanism for an early redemption, such redemption shall be made on a pro rata basis at a market determined price or rate.

3.3. Pro rata Redemption

Any redemption of the Bonds required to be made under this Deed, pursuant to Condition 3 (*Redemption*) of the First Schedule to the Programme Trust Deed, shall be on a pro rata basis.

3.4. Premium Redemption

3.4.1. The Issuer shall not be entitled to redeem the whole or any part of the outstanding Series I Bonds on Pro rata rate where the secondary market yield of the Federal Government of Nigeria 26-April-2029 bond (“**Benchmark**”) is trading at single digit, (i.e. less than 10%); in such circumstances the Issuer shall be required to redeem the Series I Bonds at a premium.

3.4.2. The reference date for the secondary market yield of the Benchmark during the Exercisable Window is 2 (two) Business Days prior to communicating the notice to the Bondholders.

3.4.3. The secondary market yield will be obtained from FMDQ Daily Quotation List (“FMDQ DQL”) or any other transparent public source if the FMDQ DQL is no longer published. The premium on the Series I Bonds shall be computed using the values below:

Year 5: 101.25% of par value

Year 6: 100.75% of par value

Year 7: (before final maturity date) 100% of par value

The premium will be applied on the principal amount called on the next Coupon Payment Date.

3.4.4. However, if the secondary market yield of the Benchmark 2 (two) Business Days prior to communicating the notice to the Bondholders is trading above single digit (i.e. 10.00% or above), the Series I Bonds will be called at par on the next Coupon Payment Date.

4. CANCELLATION OF BONDS

Any part of the Bonds redeemed shall be cancelled and the Issuer shall not keep such Bonds valid for the purpose of re-issue.

5. COVENANTS BY THE ISSUER

- 5.1. The provisions of Clause 7 (*Covenants of the Issuer*) of the Programme Trust Deed are hereby incorporated into this Trust Deed and the Issuer agrees to perform same in relation to this Trust Deed.
- 5.2. The provisions of Condition 6 (*Covenants by the Issuer*) of the First Schedule to the Programme Trust Deed are hereby incorporated in relation to this Trust Deed.

6. TRUSTS

The provisions of Condition 12 (*Trusts*) of the First Schedule to the Programme Trust Deed are hereby incorporated in relation to this Trust Deed.

7. FREEDOM FROM EQUITIES

The provisions of Condition 13 (*Freedom from Equities*) of the First Schedule to the Programme Trust Deed are hereby incorporated in relation to this Trust Deed.

8. TRANSFERS

- 8.1. The Bond is transferable in amounts or integral multiples of an amount of ₦1,000 (one thousand Naira). The Bonds shall be transferred on the Exchange in accordance with the rules and regulation of the Exchange. Bondholders who wish to trade the Bonds on the Exchange may do so after the Bonds have been listed on the Exchange.
- 8.2. Closed Periods: No Bondholder may require the transfer of a Bond to be registered during the period of 15 (fifteen) days ending on the due date for any payment of principal or Coupon on that Bond.

9. TRANSMISSION

- 9.1. In the case of the death of a Bondholder, the survivor or survivors where the deceased was a joint holder and the executor or administrator of the deceased where he was a sole or only surviving holder shall be the only person recognised by the Issuer as having any title to such Bond.
- 9.2. Any person becoming entitled to any Bond in consequence of the death, bankruptcy or insolvency of any Bondholder or of any other event giving rise to the transmission of such Bond by operation of law may upon producing such evidence that he sustains the character in respect of which he proposes to act under this condition or of his title as the Registrar shall think sufficient, may be registered as the holder of such Bond or subject to Condition 8 may transfer such Bond without himself being registered as the holder of such Bond.

10. RECEIPTS FOR MONEY PAID

If several persons are entered in the Register as joint holders of any Bond, then the receipt of any of such persons of any Coupon or principal or other money payable on or in respect of such Bond shall be as effective a discharge to the Issuer as if the person signing such receipt were the sole registered holder of such Bond.

11. NOTICES

The provision of Condition 20 (*Notices*) of the First Schedule to the Programme Trust Deed will apply to the notices in connection with the Bonds.

12. MEETINGS OF BONDHOLDERS

The rights and duties of the Bondholders in respect of attendance at meetings of Bondholders are set out in the Second Schedule of the Programme Trust Deed (*Provisions for Meetings of Bondholders*)

13. TERMINATION

This Deed shall remain in full force and effect until the discharge by the Issuer of all of its obligations under this Trust Deed and written confirmation of such discharge received from the Trustee.

APPENDIX X: COMMITMENT FORM

Application List
Opening Date
28 February 2022

Application List
Closing Date
08 March 2022



PRESCO PLC
RC 174370

OFFER FOR SUBSCRIPTION OF ₦34,500,000,000 7 YEAR 12.85% SENIOR UNSECURED FIXED RATE SERIES I BONDS DUE 2029 UNDER THE ₦50,000,000,000 BOND ISSUANCE PROGRAMME

OFFERING BY WAY OF BOOK BUILD

Lead Issuing House/Bookrunner



STANBIC IBTC CAPITAL LIMITED
RC 1031358

Joint Issuing House/Bookrunner



CARDINALSTONE PARTNERS LIMITED
RC 739441



QUANTUM ZENITH CAPITAL AND INVESTMENT LIMITED
RC 639491

Orders must be made in accordance with the instructions set out in this Pricing Supplement. Care must be taken to follow these instructions as applications that do not comply may be rejected. If you are in any doubt, please consult your Stockbroker, Accountant, Banker, Solicitor or any professional adviser for guidance.

DECLARATION

- I/We confirm that I am/we are eligible to participate in this Issue in accordance with the applicable SEC Rules and Regulations.
- I/We confirm that I/we have read the Pricing Supplement dated 05 April 2022 and that my/our order is made on the terms set out therein.
- I/We hereby irrevocably undertake and confirm that my/our order for Notes equivalent to participation amount set out below at the Interest Rate to be discovered through the book building process.
- I/We authorise you to enter my/our name on the register of holders as a holder(s) of the Notes that may be allotted to me/us and to register my/our address as given below.
- I/We authorise the Issuer to amend the Pricing Supplement as may be required for purposes of filing a final version with the SEC without recourse to me/us and I/we use this commitment form as the application for the Bond Issue.
- I/We note that the Issuer and the Issuing House/Bookrunner are entitled in their absolute discretion to accept or reject this order.
- I/We agree to accept the participation amount as may be allocated to me/us subject to the terms of the Pricing Supplement
- I/We confirm that we have conducted all appropriate Know-your-customer identification and verification checks on the subscribers to our fund/investment vehicle, in line with all applicable AML/CFT legislation and regulations

PLEASE COMPLETE ALL RELEVANT SECTIONS OF THIS FORM USING BLOCK LETTERS WHERE APPLICABLE																			
DATE (DD/MM/YYYY)							CONTROL NO. (FOR REGISTRARS' USE ONLY)												
		/			/	2	0	2	0										
PARTICIPANTS CAN INDICATE UP TO THREE (3) OPTIONAL BID MARGINS AND SPECIFY THE PARTICIPATION AMOUNT APPLICABLE TO EACH BID INTEREST RATE. THESE WILL BE TREATED AS OPTIONAL ORDERS AND WILL NOT BE AGGREGATED . PLEASE TICK <input type="checkbox"/> THE APPLICABLE BOX ON THE RIGHT.																			
	PFA																		
	Fund Managers																		
	Bank																		
	Insurance Company																		
PARTICIPANT DETAILS (The Participation Amount(s) and the Bid Coupon Rate(s) must be stated in the boxes below)																			
ORDER 1																			
PARTICIPATION AMOUNT (MINIMUM AMOUNT OF ₦10 MILLION AND IN MULTIPLES OF ₦1,000 THEREAFTER)													BID COUPON RATE						
IN FIGURES	₦																		
IN WORDS																			
ORDER 2																			
PARTICIPATION AMOUNT (MINIMUM AMOUNT OF ₦10 MILLION AND IN MULTIPLES OF ₦1,000 THEREAFTER)													BID COUPON RATE						
IN FIGURES	₦	—																	
IN WORDS																			
ORDER 3																			
PARTICIPATION AMOUNT (MINIMUM AMOUNT OF ₦10 MILLION AND IN MULTIPLES OF ₦1,000 THEREAFTER)													BID COUPON RATE						
IN FIGURES	₦																		
IN WORDS																			

APPENDIX X: COMMITMENT FORM

COMMITMENT FORM (REVERSE SIDE)

PARTICIPANT DETAILS (INDIVIDUAL/CORPORATE/JOINT) (PLEASE USE ONE BOX FOR ONE ALPHABET LEAVING ONE BOX BLANK BETWEEN FIRST WORD AND SECOND)

SURNAME/CORPORATE NAME

FIRST NAME (FOR INDIVIDUALS ONLY)													OTHER NAMES (FOR INDIVIDUALS ONLY)												
JOINT APPLICANT'S FIRST NAME (IF APPLICABLE)													OTHER NAMES (FOR JOINT APPLICANT ONLY)												
CONTACT PERSON (FOR CORPORATE APPLICANT)/ NEXT OF KIN (FOR INDIVIDUAL APPLICANT)																									
ADDRESS IN FULL (PLEASE DO NOT REPEAT APPLICANT(S)' NAME). POST BOX NO. ALONE IS NOT SUFFICIENT																									
TEL																									
CITY							STATE							EMAIL											

ALLOTMENT PREFERENCE:

Please tick in the box to indicate allotment preference – CERTIFICATE / ELECTRONIC (BOOK ENTRY)

E-ALLOTMENT DETAILS (FOR BOOK-ENTRY ALLOTMENTS ONLY)

Please credit my/our CSCS Account as detailed below to the extent of the Bonds allotted:

PARTICIPANT'S CSCS ACCOUNT NO:										CHN (CLEARING HOUSE NUMBER):															
NAME OF STOCKBROKING FIRM																									

E-ALLOTMENT DETAILS (FOR BOOK-ENTRY ALLOTMENTS ONLY)

Please credit my/our FMDQ Depository Account as detailed below to the extent of the Bonds allotted:

FMDQ DEPOSITORY PARTICIPANTS BPID NO:										CLIENT BPID NO:															
NAME OF STOCKBROKING FIRM																									

BANK DETAILS (FOR E-PAYMENTS)

BANK NAME													BRANCH												
ACCOUNT NO:													CITY/STATE												

SIGNATURES

SIGNATURES													2ND SIGNATURE (CORPORATE/JOINT)													OFFICIAL SEAL/RC. NO.									
NAME OF AUTHORISED SIGNATORY (Corporate only)													NAME OF AUTHORISED SIGNATORY (Corporate/Joint):																						
DESIGNATION (Corporate only):													DESIGNATION (Corporate only):																						

STAMP OF RECEIVING AGENT	
(ISSUER/ISSUING HOUSES/STOCKBROKERS TO THE ISSUE/ PLACEMENT AGENTS ONLY)	