

THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ CAREFULLY.

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS BEFORE SUBSCRIBING, FOR GUIDANCE, PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, BANKER OR INDEPENDENT INVESTMENT ADVISER, REGISTERED BY THE SECURITIES & EXCHANGE COMMISSION (“SEC” OR “THE COMMISSION”). INVESTING IN THIS OFFER INVOLVES RISKS, FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 18



**Offer for the Subscription of
₦900,000,000
5year 16.50% Senior Secured Fixed Rate Bonds Due 2027
Issue Price: ₦1,000 per unit
Payable in full on Application**

Application Opens:
Monday, March 21, 2022

Application Closes:
Friday, April 08, 2022

This prospectus (“**Prospectus**”) together with documents specified herein have been delivered to the Securities and Exchange Commission (the “**Commission**” or “**SEC**”) for registration. This Prospectus has been prepared in compliance with part IX of the Act, the Rules and Regulations of the Commission and the Listing requirements of the Nigerian Exchange Limited (“the Exchange”) and contains particulars which are compliant with the requirements of the Commission for the purpose of giving information with regard to this ₦900,000,000 5-year 16.50% Fixed Rate Bonds due 2027 (“the Issue”) by ABC Transport Plc (“the Company” or “the Issuer”). This offering is made through offer for subscription wherein 100% of the Issue is offered to Qualified Institutional Investors (“QIIs”) and High Net Worth Investors (“HNIs”) as defined under Rule 321 of the Rules and Regulations of the Securities and Exchange Commission (“the SEC” or “the Commission”).

The Investments and Securities Act No. 29 of 2007 (The “ISA” Or the “Act”) provides for civil and criminal liabilities for the issue of a prospectus which contains false or misleading information. The registration of this prospectus and the securities which it offers does not relieve the parties of any liability arising under the act for false or misleading statements or for any omission of a material fact in this prospectus. Investors are advised to note that liability for false or misleading statements or acts made in connection with this prospectus is provided in sections 85 and 86 of the ISA. The registration of the Prospectus 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 Prospectus. This Prospectus 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 Bonds” or “Bonds”). Application will be made to the Nigerian Exchange Limited for the admission of the Bonds to its official daily listing. The Bonds now being issued will be upon listing on The Nigerian Exchange Limited qualify as a security in which Trustees may invest under the Trustee Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004.

The Issuer accepts full responsibility for the accuracy of the information contained in this Prospectus. The directors of the company collectively and individually accept full responsibility for the accuracy of the information given and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no facts, the omission of which would make any statement herein misleading or untrue. The Issuer declares that having taken reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the importance 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 Prospectus has arisen or has been noted, as the case may be, since the publication of this Prospectus. Further, the material facts contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

ISSUING HOUSE/UNDERWRITER



**THIS PROSPECTUS IS DATED
March 07, 2022**

**This Prospectus will be available on the following websites
www.sec.gov.ng; www.abctransportplc.com**

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.

TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
KEY TERMS AND ABBREVIATIONS.....	3
PARTIES TO THE OFFER.....	5-6
MATERIAL ADVERSE CHANGE STATEMENT.....	7
SUMMARY OF THE OFFER.....	8-11
INDICATIVE TIMELINE.....	12
TERMS AND CONDITIONS OF THE BOND.....	14-17
RISK FACTORS.....	18-19
THE SECURITY.....	21
GENERAL OVERVIEW OF NIGERIA.....	23-24
OVERVIEW OF TRANSPORT & LOGISTICS SERVICES.....	25-28
STATUTORY AND GENERAL INFORMATION.....	29-34
FINANCIAL INFORMATION.....	35-37
APPENDIX A: GOING CONCERN STATUS BY DIRECTORS.....	38
APPENDIX B: EXTRACT FROM SHAREHOLDERS RESOLUTION.....	39
APPENDIX C: EXTRACT FROM BOARD RESOLUTION.....	40
APPENDIX D: EXTRACT OF ISSUER'S RATING REPORT.....	41
APPENDIX E: EXTRACT OF ISSUE RATING REPORT.....	42
APPENDIX F: GOING CONCERN STATUS – AUDITOR'S REPORT.....	43
APPENDIX G: REPORTING ACCOUNTANTS REPORT ON HISTORICAL REPORTS.....	44-45
APPENDIX H: DECLARATION BY ISSUER.....	46
APPENDIX I: INCORPORATION BY REFERENCE.....	47
APPENDIX J: PROCEDURES FOR APPLICATION AND ALLOTMENT.....	48
INSTRUCTION FOR COMPLETING THE APPLICATION FORM.....	50
APPLICATION FORMS.....	50-51

KEY TERMS AND ABBREVIATIONS

In this document, unless otherwise stated or clearly indicated by the context, the following words have the meanings stated opposite them.

"ABC"	ABC Transport Plc
"ACT"	Means Investments and Securities Act
"Auditor"	The auditor to ABC Transport, PKF accountants and business advisers, or any successor auditor which may be appointed in future
"Agusto"	Agusto & Co. Limited
"Bonds" or "Debt Securities"	The registered bonds issued by the Issuer under this prospectus with an aggregate value of ₦900,000,000.
"Bondholder" or "Holder"	Any registered owner or beneficial owner of Bond units to be issued under this prospectus.
"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
"CAC"	Corporate Affairs Commission
"CSCS OR THE CDS"	Central Securities Clearing Systems Plc or any other clearing settlement organization subsequently appointed by the parties hereto with the approval of the commission.
"CIT"	Companies Income Tax
"CITA"	Companies Income Tax Act Cap C21, LFN, 2004 (as amended by the Companies Income Tax (Amendment Act No. 11 of 2007) and the Finance Act, 2020
"Coupon Payment Date"	The date on which coupon is to be paid to Bondholders as specified in the Prospectus
"Daily Official List"	The publication of The Nigerian Exchange Limited, published daily, detailing price movements and information on all securities quoted on the Exchange
"DMO"	Debt Management Office
"Event of Default"	All such events of default as are defined under the Trust Deed
"Exchange"	The Nigerian Exchange Limited or any other securities exchange recognised by the Commission
"Fixed Rate Bonds"	Bonds in respect of which interest is to be calculated and paid on a fixed rate basis and will not change during the life of the Bonds
"High Net Worth Individual" or "HNI"	As defined in Rule 321 of the SEC Rules
"IASB"	International Accounting Standards Board
"IFRS"	International Financial Reporting Standards

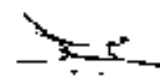
"ISA"	Investments and Securities Act (No 29 of 2007)
"Issue Date"	The date on which a Bond is issued and when accrual of the Coupon on the Bond commences
"Issue Price"	The price at which a Bond is issued as specified in this Prospectus
"Issuer" or the "Company"	ABC TRANSPORT PLC
"Principal Amount"	The nominal amount of each Bond, as specified in this Prospectus
"Professional Parties"	Professionals engaged by the Issuer to advice on this Bond Issue
"Qualified Institutional Investor"	As defined in Rule 321 of SEC Rules, Institutional purchasers of securities, including Fund Managers, Pension Fund Administrators, Insurance Companies, Investment/Unit Trusts, Multilateral and Bilateral Institutions, Registered and/or Verifiable PE funds and Hedge Funds, Market Makers, Staff Schemes, Trustees/Custodians, and Stock Broking Firms.
"Rating Agencies"	Agusto or any other rating agency that may be appointed
"Record Date"	The date on which the list of holders of the Bonds is extracted from the Register for the purposes of making Coupon payments
"Redemption Amount"	The aggregate Principal Amount and any applicable Coupon outstanding in respect of Bonds on the Maturity Date as specified in the prospectus
"Register"	The Bond register kept at the specified office of the Registrar into which shall be entered the names and addresses of each Bondholder and the particulars, transfers and redemption of the Bonds held by each Bondholder.
"SEC Rules" or "Rules and Regulations"	The rules and regulations of the Securities & Exchange Commission (2013) issued pursuant to ISA as may be amended from time to time
"SEC" or "The Commission"	Securities & Exchange Commission
"Trust Deed"	A deed entered into by the Issuer, and the Trustee empowering the Trustee to hold, administer and manage the applicable assets
"Prospectus"	This prospectus that ABC TRANSPORT PLC has filed in accordance with the Rules and Regulations, which contains details of the Bond Issue

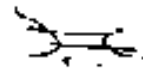
PARTIES TO THE OFFER


ISSUER:


ABC TRANSPORT P.LC
KM 5, MCC ROAD, UMUOBA UBATTA OWERRI, IMO
STATE
Email: info@abctransport.com
Telephone: +2348039600958
Website: www.abctransport.com

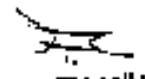
DIRECTORS OF THE ISSUER

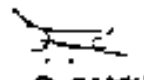
Prince Olumide Obayomi (Chairman)
KM 5, MCC Road Umuoba, Uratta Owerri Imo State 
FRANCIS NNEJI

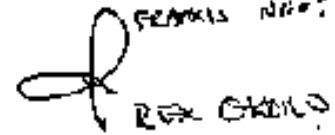
Mr. Francis Nneji (MD/CEO)
KM 5, MCC Road Umuoba, Uratta Owerri
Imo State 
FRANCIS NNEJI

MR Jude Nneji (Deputy Managing Director)
KM 5, MCC Road Umuoba, Uratta Owerri Imo State 
FRANCIS NNEJI

Alhaji Kabiru Yusuf (Non- Executive Director)
KM 5, MCC Road Umuoba, Uratta Owerri Imo State 
FRANCIS NNEJI

Mr. John Amanze Okoro (Non- Executive Director)
KM 5, MCC Road Umuoba, Uratta Owerri Imo State 
FRANCIS NNEJI

Mr. Bamidele Asije (Non- Executive Director)
KM 5, MCC Road Umuoba, Uratta Owerri Imo 
FRANCIS NNEJI

Mr. Rex Chidi Okoro (Executive -Director)
KM 5, MCC Road Umuoba, Uratta Owerri Imo 
REX OKORO

Barrister Oayekachukwu Chukwuenaka Chigbo (Company Secretary)
KM 5, MCC Road Umuoba, Uratta Owerri Imo

AUDIT COMMITTEE MEMBERS

Mr. Chibuzor Eke (Chairman/Shareholder)
KM 5, MCC Road Umuoba, Uratta Owerri Imo

Mr. Jude Okpala (Shareholder member)
KM 5, MCC Road Umuoba, Uratta Owerri Imo

Alhaji Kabiru Yusuf (Director Member)
KM 5, MCC Road Umuoba, Uratta Owerri Imo

Mr. Jude Nneji (Director Member)
KM 5, MCC Road Umuoba, Uratta Owerri Imo

PROFESSIONAL PARTIES

ISSUING HOUSE/UNDERWRITER

FSL SECURITIES LIMITED

Plot 688, Ahmadu Tijani Close, Off Sanusi Fafunwa,
Victoria Island, Lagos, Nigeria.

Handwritten signature in red ink.

TRUSTEES

RADIX TRUSTEES LIMITED

3rd Floor AIICO Plaza
PC 12 Churchgate Street,
Victoria Island, Lagos, Nigeria.

Handwritten signature in black ink: Abiola Kouke.

SOLICITORS TO THE ISSUE

PAC SOLICITORS

Dicon Towers, 16 Kofo Abayomi,
Victoria Island Lagos, Nigeria.

Handwritten signature in blue ink.

SOLICITORS TO THE ISSUER

WIGWE & PARTNERS

2A, Obafemi Anibaba Street,
Lekki Phase 1 Lagos,
Nigeria.

Handwritten signature in blue ink: Mohammed Adelkhalil.

STOCKBROKER

FSL SECURITIES LIMITED

Plot 688, Ahmadu Tijani Close, Off Sanusi Fafunwa,
Lagos, Nigeria.

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AUDITOR

PKF PROFESSIONAL SERVICES

205A Ikorodu Road,
Lagos, Nigeria

Handwritten signature in blue ink: Ayodeji Sonukey.

REPORTING ACCOUNTANT

NGOZI OKONKWO & CO

Duplex 11 Ugochukwu Housing Estate
Sabmiller Crescent off Attani Road
Onitsha, Anambra, Nigeria

Handwritten signature in blue ink: Ngozi Abunna Okonkwo.

REGISTRAR

FIRST REGISTRARS & INVESTOR SERVICES

2, Abebe Village Road
Iganmu, Lagos, Nigeria.

MODUPEOLA AJIGBOTAI

Handwritten signature in blue ink: Modupeola Ajigbotai.

RECEIVING BANK

FIDELITY BANK PLC

2 Kofo Abayomi Street
Victoria Island, Lagos, Nigeria

Handwritten signature in green ink.

RATING AGENCY

AGUSTO & CO.

UBA House (5th Floor)
57th Marina, Lagos-Island

Handwritten signature in blue ink: ADEBITI OLUKAYE.

May 18, 2021

The Director General

Securities and Exchange Commission
SEC Towers
Plot 272 Samuel Adesujo Ademulegun Street
Central Business District
Abuja.

Dear sir

ABC TRANSPORT PLC- N1,000,000,000 5year (•) % Senior Secured Fixed Rate Bonds Due 2026 Comprising of N900,000,000 Straight Bond and N100,000,000 Convertible Bond.

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in the prospectus issued in respect of the above proposed bond issuance there has been no significant change in the financial position of the Issuer since December 31, 2020 and no material adverse change in the financial position or prospects of the Issuer since

RESPONSIBILITY

The Issuer accepts responsibility for the information set forth in the Prospectus as containing all information material to the issuance of the Bonds.

Signed on behalf of the Issuer:


BARR. CHIGBO ONY EKACHUKWU
COMPANY SECRETARY


NNEJI FRANCIS
MANAGING DIRECTOR

Notarized by me: *Williams N. Oparaoke Esq*
No. 7 Mann Street Owerri Imo State
Nigeria
08036701549



SUMMARY OF THE OFFER

Unless otherwise expressly defined herein or a contrary indication appears, terms used in this Prospectus and Trust Deed shall have the same meaning when unless the context otherwise requires:

Issuer:	ABC TRANSPORT PLC
Description:	5 Year 16.50 % Senior Secured Fixed Rate Bonds Due 2027
Specified Currency:	Naira ("₦")
Aggregate Principal:	₦900,000,000
Issue Price:	At par (100%) at ₦1,000 for each
Gross Proceeds:	₦900,000,000
Net Proceeds:	₦858,688,065
Subscription:	Minimum of ₦10,000,000 and in multiples of ₦1,000,000 (i.e. 1000 units thereafter)
Issue opens:	March 21, 2022
Issue closes:	April 08, 2022
Tenor:	5 years
Maturity:	[2027] (being the 5th year anniversary from the date of allotment)
Interest Basis:	Fixed Rate
Coupon:	16.50% (Semi- annual payment)
Repayment/Payment Basis:	Amortizing based for the Bond. See 'Fixed Rate Bond Provisions' and 'Provisions relating to Redemption below.
Purpose of Issue:	As outlined in use of proceeds on page 9 of this prospectus
Status:	The Bonds are irrevocable, direct, secured, senior and unconditional obligations of the Issuer and shall rank pari passu among themselves. In the event of the winding-up of the Issuer, the claims of Claims of the Trustee and the bond holders will be senior to the Subordinated Indebtedness of the Issuer.
Source of repayment:	The Bonds will be redeemed through a Sinking Fund maintained by the Trustees and funded monthly from the Company's cashflows.
Listing(s)/Quotation:	The Nigerian Exchange Limited
Method of Distribution:	By way of Subscription by Qualified Institutional Investors and High Net Worth Individuals as defined under the Rules and Regulations of the Securities and Exchange Commission 2013(as amended).
Offer Period:	As outlined in the Indicative Transaction Timeline on page 12 of this Prospectus

Financial Information Summary:

₹'000	9months ended Sept 30, 2021	2020	2019	2018	2017	2016
Revenue	4,458,185	7,751,099	6,681,010	6,861,004	7,186,797	6,710,047
PBT	102,215	(323,540)	412,895	67,125	766,845	(490,579)
Income Tax	(192,580)	(155,346)	(214,812)	(180,549)	(253,586)	(109,219)
PAT	(90,365)	(478,886)	198,083	(113,424)	513,259	(599,798)
Total Assets	5,954,719	5,875,031	5,134,607	4,566,197	4,470,632	4,325,659
Total Liabilities	4,542,833	4,713,158	3,596,765	3,184,545	2,529,045	2,941,149

Use of Proceed

USE OF PROCEED	AMOUNT	% of proceeds	DURATION
Refinancing existing Bank Loans	535,000,000	59.44%	April 30, 2022
Purchase of Motor Vehicles	323,688,065	35.97%	April 30,2022
Issue Cost	20,617,110	2.29%	April 30,2022
Underwriting cost	20,694,825	2.30%	April 30,2022

FIXED RATE BOND PROVISIONS:

Principal repayment:	According to amortization schedule on Page 22.
Coupon Rate:	16.50 % per annum payable semi-annually in arrears
Interest commencement date:	Coupon shall accrue from payment date being April 04, 2022.
Initial Coupon Payment:	Six(6) months from a allotment date
Coupon Payment Date(s):	The date marking the sixth (6th) month after the allotment date and subsequently every six months thereafter up to and including the Maturity Date on which Coupon and any outstanding principal amount is to be paid
Interest Amount(s):	See 'Coupon Payment Schedule' on Page 22.
Business Day:	Modified Following: Where a 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 the immediately preceding Business Day.
Day Count Fraction:	Actual/Actual (Actual number of days in a month / actual number of days in a year)

PROVISIONS RELATING TO REDEMPTION

Optional Early Redemption

(Call Option): Not Applicable

Scheduled Redemption: The repayment of the principal amount will be made in arrears in accordance with the schedule below.

Bond obligation Repayment Interval	Months	Principal Component paid from date of Issuance (%)	Outstanding obligation (%)
Bond issue date	0	0%	100%
1	1 - 6	7%	93%
2	7 -12	14%	86%
3	13- 18	22%	78%
4	19 - 24	31%	69%
5	25 -30	40%	60%
6	31-36	50%	50%
7	37-42	61%	39%
8	43-48	73%	27%
9	49-54	86%	14%
10	55-60	100%	0%

Event of Default: If any of the listed Events of Default set out in the Trust Deed occurs and is continuing, the Bonds issued pursuant to this Prospectus would be entitled to the remedies specified from page 52 of the Trust Deed.

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

Issuing House: FSL Securities Limited

Selling Restrictions: Strictly to Qualified Institutional Investors and High Net worth Individuals (HNIs) in line with SEC Rule 321.

Form of Bonds: Dematerialized, electronic registration on the Central Securities Clearing System Plc's securities clearing and settlement platform.

Form of Dematerialized Bonds: Registered

Clearing System: Central Securities Clearing System Plc

Delivery: Delivery Payment following clearance by regulators

Registrar: First Registrars & Investor Services

Trustees: Radix Trustees Limited

Record Date: The register shall be closed for a period of fifteen (15) days immediately preceding each Payment Date and no transfer of the Bonds shall be registered during that period.

GENERAL PROVISIONS APPLICABLE TO THE BONDS

Rating:	Issuer:	Bbb- (Agusto & Co.),
	Issue:	Bbb- (Agusto & Co.),
Underwritten:		Underwritten on stand-by basis
Taxation:		<p>Following the expiration of companies' income tax and VAT order 2011 on Jan.1, 2022.The issuer will be required to withhold income tax on coupon payment to bondholders.</p> <p>The finance Act 2020 now excludes Securities from goods and Services for the purpose of value added tax (s.44).</p> <p>Furthermore in addition the Value added tax(Exemption of commissions on Stock exchange Transactions),order 2014 exempts (a)commission earned on traded values of shares and bonds and (b)commission payable to the SEC, the Nigerian Exchange Limited and CSD from VAT for a period of five(5) years from the commencement date of 25th July 2014.In light of the fact that this order expired in 2019 and was not extended, bondholders will Pay VAT on commission payable the SEC,NGX and depository in respect of the Bonds.</p>
Risk Factors:		See Risk Factors on pages 18 of the Prospectus.
Governing Law:		The Bonds Issuance will be governed by, and construed in accordance with the laws of the Federal Republic of Nigeria.
Declarations:		Except as otherwise disclosed in the Prospectus (a) None of the Directors is under any bankruptcy or insolvency proceedings in any court of law within Nigeria or outside Nigeria; (b) None of the Directors has been convicted in any criminal proceedings or is named subject of pending criminal proceedings relating to fraud or dishonesty within or outside Nigeria; (c) None of the Directors is subject of any order, judgement or ruling of any court of competent jurisdiction or regulatory body within Nigeria or outside Nigeria relating to fraud or dishonesty or restraining him from engaging in any type of business practice or activity; (d) The Issuer has not during the twelve calendar months immediately preceding the date of application to the Commission for registration of the Prospectus and during the effective period of the Prospectus, breached any terms and conditions in respect of borrowed monies which has resulted in the occurrence of an event of default and an immediate recall of such borrowed monies.

INDICATIVE TIMELINE

Date	Activity	Responsibility
a. DD MM YY	File Application with the SEC and NGX	Issuing House/Stockbroker
b. DD MM YY (3 weeks after a.)	Obtain the SEC's clearance of the Prospectus	Lead Issuing House
c. DD MM YY (10 days after b.)	Hold completion Board meeting	All Parties
d. DD MM YY (1 day after c.)	File Executed offer documents with SEC	Issuing House
e. DD MM YY (7 days after d.)	Application list opens	Issuing House
f. DD MM YY (21 days after e.)	Application list closes	Issuing House
g. DD MM YY (on day after f.)	Forward Net Issue proceeds to ABC Transport Plc	Issuing House
h. DD MM YY (3 days after g.)	File Allotment proposal & draft newspaper announcement in at least 2 national bodies	Issuing House
i. DD MM YY (6 days after g.)	Receive SEC clearance of allotment proposal	Issuing House
j. DD MM YY (1 days after i.)	Publish Allotment announcement in at least two national bodies	Issuing House
k. DD MM YY (5 days after j.)	Credit central Securities clearing system("CSCS") accounts	Registrar
l. DD MM YY (1 days after k.)	Forward declaration of compliance to the exchange	Issuing House
m. DD MM YY (1 days after l.)	Listing of Bonds	Stockbroker
n. DD MM YY (1 day after m.)	File Post Compliance Report with SEC	Issuing House

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

THE ISSUE

This Prospectus is issued by the issuing house on behalf of ABC Transport Plc in respect of its ₱900,000,000 16.50% Fixed Rate Senior Secured bonds.

A decision to invest in the Bonds should be based on consideration by the prospective investor, of this prospectus in addition to any document incorporated by reference therein as a whole.

This prospectus is issued pursuant to the Rules and Regulations of the commission and contains particulars in compliance with the requirements of SEC for the purpose of giving information to the public with regard to this ₱900,000,000 Bond Issuance by the company. This prospectus for which this Bond is being delivered shall include the specific designation, aggregate principal amount, the currency or currency unit for which the Bonds may be purchased, maturity, interest provisions, authorized denominations, issue price and any other specific terms.

ISSUING HOUSE/UNDERWRITER



On behalf of



ABC TRANSPORT PLC
RC 219970

Offer for Subscription

and authorized to receive application for

₱900,000,000

16.50% FIXED RATE, SENIOR SECURED BONDS DUE 2027

Issued At Par

Application List Opens: March 21, 2022

Application List Closes April 08, 2022

TERMS AND CONDITIONS OF THE BONDS

The following are extract from the Trust Deed.

3. FORM, CURRENCY, DENOMINATION AND TITLE

- 3.1 The Bonds shall be issued through book-entry deposits by crediting the CSCS account of the Bondholders with the Principal Amount of the Bonds purchased by such Bondholder. The Bonds shall be registered with a separate securities identification code with the CSCS.
- 3.2 Statements issued or any other document issued by the CSCS as to the aggregate number of such Bonds standing to the credit of the securities account of any Bondholder shall be conclusive and binding for all purposes save in the case of manifest error and such Bondholder shall be treated by the Issuer, the Trustees and the Registrar as the legal and beneficial owner of such aggregate number of Bonds for all purposes.
- 3.3 The Bonds will be denominated in Nigerian Naira, issued at a par value of ₦1,000, and in minimum subscription amounts of ₦10,000,000 and integral multiples of ₦1,000,000.00 thereafter.

4. STATUS OF THE BONDS

- 4.1 The Bonds constitute secured, direct, unconditional, general and irrevocable obligations of the Issuer. Each of the Bonds shall rank pari-passu with the other Bonds. In the event of default or winding up of the Issuer the claims of Holders of the Bonds will be senior to subordinated indebtedness of the Issuer.
- 4.2 The Bonds qualify as securities in which Trustees may invest under the Trustees Investment Act.

5. REDEMPTION, PURCHASE AND CANCELLATION OF BONDS

- 5.1 **Purchase of Bonds.** All purchases and sales of Bonds may be traded on the Nigerian Exchange Limited or any other duly recognized stock exchange or OTC where the bond are listed.
- 5.2 **Redemption at Maturity.** Unless previously purchased and cancelled as provided below each Bond will be redeemed by the Issuer by amortizing payments consisting of the Principal Amount and Coupon according to the repayment schedule provided herein or in the Prospectus.
- 5.3 **Purchase by the Issuer.** The Issuer may at any time purchase Bonds in the open market or otherwise. Bonds purchased or otherwise acquired by the Issuer may be held, or resold, or cancelled.
- 5.4 **Notice to the Bondholders.** The Registrar shall give to the Bondholders not less than one month's notice in writing of the time and mode for repayment of the Bonds to be redeemed and each such notice shall state the amount of the Bonds for redemption.

7. NEGATIVE PLEDGE

- a. The Issuer shall not create or permit to subsist (without the written consent of the Bond Trustee, such consent not to be unreasonably withheld) any mortgage, charge, pledge, lien or any Encumbrance upon the whole or any part of the Security to secure any indebtedness, unless the Issuer's obligations under the Bonds are secured equally or have the benefit of such other security, guarantee, indemnity or other arrangement as the Bond Trustee in its absolute discretion shall deem not to be materially less beneficial to the Bondholders;
- b. Directly or indirectly secure any other financial indebtedness represented by bonds or any other debt securities which are, or are capable of being, traded or listed on any or over-the-counter or similar securities market without the prior consent of the Bond Trustee.

8. INTEREST

Interest on the Bonds

- 8.1 The Bonds shall accrue interest from and including the Coupon Commencement Date at a rate per annum equal to the Coupon Rate, such interest being payable in arrears on each Coupon Payment Date.
- 8.2 The Bonds will cease to accrue interest from (and including) the Maturity Date unless payment of the Principal Amount in respect of the Bonds is withheld or refused or unless default is otherwise made in respect of payment, in which event interest will continue to accrue as provided in the Trust Deed.

Coupon Payment Dates

- 8.3 All Coupon is payable in arrears on April and October in each year that the Bonds remain outstanding.
- 8.4 The Bonds will bear interest from the Coupon Commencement Date at the coupon rate(s) specified in the prospectus and such coupon will be payable in respect of each Coupon Period on the Coupon Payment Date(s) specified in the Prospectus.

Computation of Coupon Payments

- 8.5 Coupon will be calculated on an "Actual divided by 365" basis ("Day Count Fraction"). Coupon shall be calculated in respect of any period by applying the Coupon Rate to the aggregate outstanding Principal Amount and multiplying such sum by the applicable Day Count Fraction, and rounding up the resultant figure to the nearest sub-unit of the Nigerian Naira, half of any such sub-unit being rounded upward.
- 8.6 If the Coupon is required to be calculated for a period of less than one year (other than a semi-annual period), it will be calculated on the basis of a 365-day year of 12 months consisting of 30 days each and in the case of an incomplete month, the number of days elapsed.

8.7 PRIORITY OF PAYMENT

- (1) On each Coupon Payment Date occurring prior to the delivery of a notice of an Event of Default, monies standing to the credit of the Sinking Fund Account as of the Coupon Payment Date shall be applied by the Trustees in the following order of priority, (in each case only if and to the extent that payments of a higher priority have been made in full):
 - a) To pay any statutory obligations;
 - b) Where applicable, to pay pari-passu and pro rata according to the respective amounts thereof, the interest due and payable on the Bonds on the Coupon Payment Date; and
 - c) Where applicable, to pay pari-passu and pro rata according to the respective amounts thereof, the scheduled principal amounts due and payable on the Bonds on the Coupon Payment Date.

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- (2) Notwithstanding the condition above, on each Coupon Payment Date occurring after the delivery of a notice of an Event of Default, monies standing to the credit of the Sinking Fund Account as of the Coupon Payment Date shall be applied by the Trustees in the following order of priority, (in each case only if and to the extent that payments of a higher priority have been made in full):
- a) To pay any statutory obligations;
 - b) Where applicable, to pay pari-passu and pro rata according to the respective amounts thereof, the interest due and payable on the Bonds;
 - c) Where applicable, to pay pari-passu and pro rata according to the respective amounts thereof, the scheduled principal amounts due and payable on the Bonds; and
 - d) To apply pari-passu and pro rata all available amounts remaining to prepay the outstanding principal (until repaid in full);

10. NOTICES TO THE BONDHOLDERS

10.1 All notices to the Bondholder will be valid if written and mailed to the Bondholders at their respective addresses in the Register 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 Commission and listing rules of the NGX. Any notice shall be deemed to have been given on the seventh weekday (being a day other than a Saturday or Sunday) after the date of mailing or on the date of the publication or, if so published more than once or on different dates, on the date of the first publication.

Notices from the Bondholders

10.2 Notices to be given by any Bondholder shall be in writing and given by lodging the same, with the Trustees.

11. WAIVER OF RIGHT OF SET-OFF

Subject to Applicable Law, no Bondholder may exercise, claim or plead any right of set-off, counter-claim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Bonds and each Bondholder shall, by virtue of being the holder of any Bond, be deemed to have waived all such rights of such set-off, counterclaim or retention.

12. EVENTS OF DEFAULT

If any of the following events ("**Events of Default**") occur and is continuing, the Trustees in their discretion may, and if so requested by any Bondholder(s) holding at least [one-tenth] in Principal Amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall, give written notice to the Issuer at its specified office that the Bonds are immediately repayable; whereupon the Principal Amount of the Bonds together with accrued interest shall become immediately due and payable:

Non-Payment:

- 12.1 Default by the Issuer in the payment of any Principal Amount or interest payable in respect of the Bonds into the Payment Account on the date on which the relevant principal or interest payment falls due; or
- 12.2 failure by the Issuer at any time, to observe or perform its obligations (other than the payment obligation referred to in Condition 12.1 above) as prescribed herein, or where and or if the Issuer, threatens to commit a breach of any covenant, condition or obligation to be performed and observed on its part and such failure or threatening continues for a period not exceeding thirty (30) days;

- 12.3 if any security created by the State shall become enforceable and the Trustees shall certify that the security assurances under this Deed are in its opinion prejudiced thereby;
- 12.4 if any law, governmental regulation or an extraordinary or materially adverse situation shall have arisen, the continuance of which in the opinion of the Trustees shall make it improbable that the Issuer will be able to perform its obligations under this Deed.

PROVIDED that on the occurrence of any event specified in sub-clauses 12.1 – 12.4, the Bonds shall not be declared immediately payable unless and until the Trustees shall have first served on the Issuer a notice requiring the Issuer as the case may be to pay the principal or interest in arrears or to remove, discharge or pay out to the satisfaction of the Trustees or to perform and observe the covenant or provisions the breach whereof has been committed or threatened and the Issuer shall have failed or neglected for a period of fifteen (15) days to comply with such notice.

18. **SINKING FUND ACCOUNT**

- 18.1 Monthly sums required to service the repayment of the Bond will be sourced 100% from the Issuer and accumulated in the Sinking Fund to be managed by the trustees.
- 18.2 The Trustees shall on or before the Issue Date of this Bond issue open the Sinking Fund Account, into which monthly payments for coupon payment and amortization of principal on the Bonds shall be made from the Issuer on or before the last Business Day of each month
- 18.3 The amounts standing to the credit of the Sinking Fund Account from time to time shall be applied to meet the obligations of the Issuer in the following priority:
- a. Coupon payments on each Coupon Payment Date;
 - b. Principal repayments on each Principal Repayment Date according to the Schedule of Repayments;
 - c. Trustees' fees and expenses. The annual fees of the Trustees shall be as set out in the Appointment Letters.
 - d. Any excess left over at the maturity of the Bonds and after due discharge of all the Issuer's obligations aforesaid shall be paid over to the Issuer.
- 18.4 Monthly payments shall be made from the cash flow of the Issuer in an amount not less than ₦22,607,144.28 (Twenty-Two Million, Six Hundred and Seven Thousand, One Hundred and Forty-Four Naira, Twenty-Eight Kobo) monthly, such that on the next Payment Date, the total amount standing to the credit of the Sinking Fund Account shall be equal to the amount required to make Coupon payments and principal repayments on the Bonds.
- 18.5 The Trustees shall notify the Issuer at least Ten (10) Business Days before a Scheduled Payment in the event that the amount in the Sinking Fund is not sufficient to pay the Coupon or the Principal Amount/Redemption Amount due on the Bonds and the Issuer shall not more than Five (5) Business Days after such notice, make the required payment into the Sinking Fund accordingly.
- 18.6 The security interest created under this Trust Deed shall be a continuing security and shall be of full force and effect until the satisfaction, performance and discharge of all of the Issuer's obligations stated herein. The terms "obligations" as used herein, means all of the indebtedness and liabilities of the Issuer to the Bondholders, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due or hereafter arising under or in respect of this Bonds.
- 18.7 Without prejudice to the generality of the foregoing and the provisions for the obligations of the Issuer under this Deed, the security interest created herein shall be a first charge for the discharge of the issuer's outstanding obligations under the prospectus and shall not be subordinated to any present or future indebtedness of the Issuer except as may be preferred.

19. GOVERNING LAW

The Bonds are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria.

RISK FACTORS

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

1. IN RELATION TO NIGERIA

I. Economic Risks

Lack of economic diversification exposes the country to downside risks in oil price and production

The structure of the Nigerian economy remains largely undiversified; import dependent, consumption driven. The country is dependent on oil for economic activities, fiscal revenues and foreign exchange. Oil accounts for about 65% (2019) of exports and foreign exchange earnings while the manufacturing sector accounts for less than one percent of total exports. Dominance of oil as the major source of export receipts, coupled with import dependence heightens Nigeria's vulnerability to volatility in crude oil price

II. Political Risks

Political, economic and social stability in Nigeria have historically been affected by political and religious conflicts, terrorism, and social and religious tensions.

If the Federal Government is unable to address conditions such as poverty, low levels of education, religious intolerance, weak enforcement of law and order, these risks may persist.

2. IN RELATION TO THE ISSUER

ABC is exposed to operational and market risks in its ordinary course of business. Whilst ABC believes that it has implemented appropriate policies, systems and processes to control and mitigate these risks, investors should note that any failure to control these risks adequately could have an adverse effect on the financial condition and/or reputation of ABC. The following is a description of the risk factors which are material in respect of the financial situation of ABC.

I. Business Risks – These are the risks that ABC faces in its operations and include the following:

Regulatory and compliance requirements governing the sector in which ABC operates necessitate the procurement and maintenance of certain licenses, permits and approvals

ABC's operations require it to procure and maintain certain permits, licenses and approvals in relation to the group's business. Some of such licenses, permits and approvals are valid for limited periods, and must be periodically renewed. Furthermore, the official permits, licenses and approvals contain conditions and requirements that ABC and its relevant employees are required to fulfil. If ABC fails to renew such permits, licenses or approvals, or if any of them is suspended or terminated, or if their conditions and requirements are amended, this could result in suspension of some of ABC's operations, causing disruption to services or incurring additional costs. It could also lead to the imposition of penalties by regulatory authorities, such as reprimands, warnings and fines, for non-compliance with the relevant licensing and approval requirements.

High exposure to a limited client base could lead to instability in ABC's revenue streams

While ABC is expected to expand its client base and close on its pipeline contracts, its current revenue stream some of the group's subsidiaries is heavily concentrated on a few major clients. A failure to renew these principal contracts could have a detrimental effect on ABC's financial condition.

Volatility in fuel prices and availability could lead to instabilities in the operational costs of ABC

A significant part of ABC's business is centered on passenger, haulage/freight services via road transportation. ABC is particularly susceptible to fluctuations in fuel prices, changes to the existing national fuel subsidy regime and threats of fuel scarcity. The occurrence of any of these events could have a corresponding impact on ABC's operational expenses. Any increases in operating expenses would reduce ABC's operating margins and may have a material adverse effect on ABC's business, financial condition and results of operations.

ABC may be susceptible to medical and / or health emergencies, which could lead to a slowdown in economic growth in Nigeria and / or materially adversely affect the company's business

Whilst ABC has a substantive medical policy and health insurance for its employees as well as a business continuity plan policy that caters to risks that threaten business operations, ABC may be susceptible to operational challenges as a result of outbreaks of infectious diseases or pandemics in its chosen markets of operation. In Western Africa, incidences of such diseases have included Ebola haemorrhagic fever, Lassa fever and other health epidemics, most recently, the novel coronavirus (COVID-19) pandemic.

The COVID-19 pandemic is having significant adverse effects on the global scene, and negatively impacting national and regional economies, including that of Nigeria. The Federal Government issued a directive restricting movement in Lagos State, Ogun State and the Federal Capital Territory from 30 March – May 3, 2020, thereafter began a gradual easing up with periodic review as part of efforts to curtail the spread of the virus. This had material adverse impact on passenger segment of the group.

ABC's operations may pose certain hazards to the environment, which include but are not limited to release of carbon dioxide into the atmosphere

Stricter enforcement of existing laws and regulations, the introduction of new laws and regulations, the discovery of previously unknown contamination or the imposition of new or increased requirements could require ABC to incur additional costs or become the basis of new or increased liabilities that could reduce earnings and cash available for operations and, as a result, adversely affect financial performance.

2. Currency Risks – These are risks that arise from the change in price of one currency against another:

The input costs of ABC are subject to fluctuation in the exchange rate of the Naira against the United States Dollar and the New Ghanaian Cedi's (GHS). Unfavorable movement in exchange rates may affect ABC's foreign currency transactions and have a negative impact on ABC's financial condition.

3. Country Risks

Political instability, insecurity, terrorism and ethnic, religious and regional differences

National security is one of the major challenges in Nigeria, particularly in the north-eastern part of the country. Despite the huge gains made by the Nigerian military in its fight against the Boko Haram insurgency, the humanitarian situation in the region is still deteriorating. Also, violence, oil theft and civil disturbance in the Niger Delta region by militant groups hampers the Federal Government's ability to generate revenues from oil production.

In spite of the Federal Government's efforts, continued criminal activity, unrest and political and religious conflicts in the country can easily lead to lower oil production, deter investments in the country and lead to increased political instability that could have a significant adverse effect on Nigeria's economy and hamper the Company's operations and profitability

TAX CONSIDERATIONS

Under the current regulation in Nigeria the tax consequences of an investment in this bond could be quite broad, this includes company income tax, and Value added tax and Personal income tax amongst others. Save for the Exemption in the personal income tax (amendment Act) applicable to individuals which will be in force in perpetuity.

Following the expiration of companies' income tax and VAT order 2011 on Jan.1, 2022.The issuer will be required to withhold income tax on coupon payment to bondholders.

Whilst, VAT order has also expired, the finance Act 2020 now excludes Securities from goods and Services for the purpose of value added tax (s.44).

Furthermore in addition the Value added tax(Exemption of commissions on Stock exchange Transactions),order 2014 exempts (a)commission earned on traded values of shares and bonds and (b)commission payable to the SEC, the Nigerian Exchange Limited and CSD from VAT for a period of five(5) years from the commencement date of 25th July 2014.In light of the fact that this order expired in 2019 and was not extended, bondholders will Pay VAT on commission payable the SEC,NGX and depository in respect of the Bonds.

[The foregoing summary is not a comprehensive summary, and does not constitute advice, on tax to any actual or potential purchaser of Bonds issued under this Bond Issue In addition, it does not constitute a representation by the Issuer or its advisers on the tax consequences of a subscription or purchase of Bonds issued in this prospectus. Any tax consideration that may be relevant to a decision of a person to acquire, hold or dispose of Bonds issued under this bond issue and to each actual or potential purchaser of the Bonds may vary. Therefore, any actual or potential purchaser of the Bonds who intends to ascertain its/his/her tax position should seek professional advice from its/his/her preferred professional advisers as to the tax consequences arising from subscribing to or purchasing the Bonds. Neither the Issuer nor its advisers shall be liable to any subscriber or purchaser of the Bonds in any manner for placing reliance upon the contents of the above summary.]

THE SECURITY

The Bonds are secured by a Legal Mortgage (herein described as "the Security") over the Issuer's Property known as Plot 7 or No. 36A Ekukinam Street Cadastral Zone B5, Utako District, Abuja, measuring 4230,85 square metres (described as "The Mortgaged Property"). According to a valuation report dated October 21st, 2019 prepared by Messrs Agu and Associates, (Estate Surveyors, Valuers and Property Development Consultants). The Mortgaged Property has an open market value of ~~N~~1,454,774,263.50 and a forced sale value of N971,851,055.00 This Security and The Terms and Conditions relating thereto are also embedded in a Trust Deed executed between the Issuer and Radix Trustees Limited acting on behalf of the Bond Holders.

By virtue of a Security Sharing Agreement dated the 7th day of March 2022 and executed between the Issuer, Radix Trustees Limited and Fidelity Bank Plc., the Legal Mortgage over the Mortgaged Property created in favour of the Bond Holders, ranks pari passu with a Legal Mortgage created by the Issuer in favour of Fidelity Bank Plc. to secure Banking facilities granted by Fidelity Bank Plc to the Issuer. In accordance with the terms of the Legal Mortgage and the Trust Deed the Issuer is prohibited from creating or permitting to subsist any other security Interest, Mortgage, charge or lien over the Mortgaged Property without the Prior written consent of the Trustees."

**This asset is currently pledged to Fidelity Bank Plc in respect of a facilities with total outstanding balance of ~~N~~403,249,434.52 as at 02/07/2021 is shown in the table below..*

Loan Type	Principal Amount	Outstanding Balance
Overdraft	200,000,000.00	198,455,275.85
Lease	28,200,000.00	2,095,573.28
Lease	182,400,000.00	105,317,597.07
Lease	132,245,581.00	97,380,988.32
<u>TOTAL</u>	542,845,581.00	403,249,434.52

USE OF PROCEEDS

After the deduction of the total costs and expenses of the issue which are estimated at ₦41,311,935.00, the net proceeds amounting to ₦858,688,065.00 will be used as shown in the table below:

S/N	USE OF PROCEED	AMOUNT	% of proceeds	DURATION
1	Refinancing existing Bank loans	535,000,000	59.44%	April 30, 2022
2	Purchase of Motor Vehicles	323,688,065	35.97%	April 30, 2022
4	Issue Cost excluding underwriting cost	20,617,110	2.29%	April 30, 2022
5	Underwriting Cost	20,694,825	2.30%	April 30, 2022

AMORTIZED COUPON AND PRINCIPAL REPAYMENT SCHEDULE ON ₦900,000,000 BOND

Bond Beginning Bal	Period	Coupon on Bond	Payments on Bond	Principal Due on Bond
0	0			900,000,000.00
900,000,000.00	1	74,250,000.00	135,642,865.78	838,607,134.22
838,607,134.22	2	69,185,088.57	135,642,865.78	772,149,357.01
772,149,357.01	3	63,702,321.95	135,642,865.78	700,208,813.17
700,208,813.17	4	57,767,227.09	135,642,865.78	622,333,174.48
622,333,174.48	5	51,342,486.89	135,642,865.78	538,032,795.59
538,032,795.59	6	44,387,705.64	135,642,865.78	446,777,635.44
446,777,635.44	7	36,859,154.92	135,642,865.78	347,993,924.58
347,993,924.58	8	28,709,498.78	135,642,865.78	241,060,557.57
241,060,557.57	9	19,887,496.00	135,642,865.78	125,305,187.79
125,305,187.79	10	10,337,677.99	135,642,865.78	0

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

GENERAL OVERVIEW OF NIGERIA

The Federal Republic of Nigeria is located in West Africa and has a total area of 923,768 km² and is bordered by the Republic of Benin to the west, Niger and Chad to the north, Cameroon to the east and the Gulf of Guinea to the south. Nigeria consists of 36 states and the Federal Capital Territory, Abuja, which is located in central Nigeria. The states and the Federal Capital Territory are grouped into six geopolitical zones: North West, North Central, North East, South East, South South and South West. There are currently 774 constitutionally recognized local government areas and area councils in Nigeria. Nigeria has experienced considerable economic growth since its return to democratic rule in 1999 and subsequent adoption of market friendly economic policies.

Nigeria is currently the most populous country in Africa, with a population of approximately 201 million in 2019 according to the World Bank (growing from 154 million in 2009 and expected to grow by c.110% to 411 million by 2050). There were 5.2 million births in 2018 with annual number of births expected to remain stable in the long term, albeit a slight increase to 6.0 million per annum by 2030. An expanding middle class is expected to contribute to an increase in private consumption per capita from US\$1,576 in 2017 to US\$3,210 by 2027

Nigeria has a relatively young population, with 43% of the population below the age of 15 and a median age of 18 years. Nigeria's population is unevenly distributed across the country with an increased urbanization rate of 51% in 2019. Nigeria's urban population has increased rapidly over the last 50 years. According to the UN World Urbanization Prospects Report, Nigeria is expected - together with India and China - to collectively account for 35% of the growth in the world's urban population between 2018 and 2050; with Nigeria projected to add 189 million urban dwellers over the period. The reported pace of urbanization in Nigeria is unprecedented, with cities such as Lagos reporting average annual urban growth rates of c.4%. According to the United Nations Development Programme, Lagos is the fastest growing city in the world, with an increase of 77 people per hour - over 55,000 people monthly - roughly the equivalent of the entire population of Greenland.

ECONOMIC OVERVIEW

Economic indicators	2016	2017	2018	2019	2020	2021	2022F	2023F
Population (mn)	186	190	195.9	201	206	211.4	216.7	222.2
Nominal GDP (US\$bn)	404.6	375.7	397.3	404.6	379.3	440.0	560.0	660.0
Real GDP growth (%)	-1.60%	0.80%	1.90%	2.30%	-1.92	3.98%	2.30%	2.20%
GDP per capita (US\$)	2,180	1,959	2,033	2,208	1,841	2,403	2,584	2,970
Inflation (%)	16%	15.40%	12.10%	12	15.75%	15.63%	16.10%	14.80%
Exchange rate (NGN/US\$)	253	305.5	306	306	380	413	435	440
FX reserves (US\$bn)	25.8	38.8	42.8	38.7	35.37	35	35.4	41.5

Source: National Bureau of Statistics, Central Bank of Nigeria, FSL Research

The Global economy shrank 3.3% in 2020 after the devastating recession that followed the coronavirus eruption across the globe early last year. The rollout of COVID-19 vaccines, in addition to \$16trillion in global government aid helped sustain consumers and businesses. The global economy according to International Monetary Fund is expected to expand by 4.9% in 2022.

Nigeria's Gross Domestic Product (GDP) grew by 3.98% (year-on-year) in real terms in the fourth quarter of 2021, showing a sustained positive growth over the last five quarters since the recession witnessed in 2020. "Output contracted by -6.10% and -3.62% in Q2 and Q3 of 2020 under the Covid pandemic. The Q4 2021 growth rate of 3.98% was higher than the 0.11% growth rate recorded in Q4 2020 by 3.87% indicative of a continuous recovery.

The Nigerian economy is fairly diversified with services contributing 52.44% to the economy in 2020 (52.60% in 2019). The agricultural sector accounted for 24.45% of GDP in 2020 (25.16% in 2019), while industry contributed 21.36% in 2020 (22.25% in 2019). On a whole, the non-oil sector accounted for 91.84% of GDP in 2020 (91.2% in 2019), while the oil sector contributed 8.16% and 8.78% in 2020 and 2019 respectively. Government revenue is however highly dependent on the oil and gas sector as it contributes over 70% to government revenue, making government spending vulnerable to oil price volatility. Given that government is the largest spender in the economy, the effect of the oil and gas sector on the economy is usually more pronounced than the sector's contribution to GDP.

Nigeria has made significant progress in socio-economic reforms over the last decade, but still faces key developmental challenges, particularly in infrastructure. Nigeria needs to focus on meeting its infrastructural needs including power generation, transportation and social infrastructure, to ensure stable, substantial, sustainable and inclusive economic growth.

FISCAL DEFICIT

Nigeria's budget deficit is N6.25 trillion in 2022, up from N5.60 trillion in 2021, this represents 3.05 per cent of the estimated GDP, which is slightly above the 3 per cent threshold that is spelt out in the Fiscal Responsibility Act 2007(FRA).

The worsening fiscal deficit balance is tied to lower oil prices and production caused by a fall in demand due to the COVID-19 pandemic. Over the past three (3) years, fiscal deficits have significantly missed targets due to ambitious revenue estimates and expenditure pressure. To address the chronic fiscal deficit, the Government has introduced different revenue-enhancing measures including: (1) the Deep Offshore and Inland Basin Production Sharing Contract (PSC) Act which improves the fiscal terms for deep offshore fields, and (2) the Finance Act 2020, amongst other provisions.

INFLATION

Headline inflation resumed a descent in April 2021 at 18.12% yoy; declining to 15.63% yoy as at December 2021. Food and core inflation closed at 17.37% yoy and 13.85% yoy respectively in December 2021. Factors supporting the recent disinflation trend include the dip in specific food prices in the Consumer Price Index basket, the absence of major price shocks and CBN's proactive stance to managing foreign exchange in the economy. The CBN has the firepower of Nigerian Treasury Bills (NTBs), Open Market Operations (OMO) and special bills to control the level of money supply fueling inflation, as well as maintaining the agriculture and manufacturing sector interventions to manage inflation

EXCHANGE RATE

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

INTEREST RATES

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

OVERVIEW OF TRANSPORT AND LOGISTICS SERVICES INDUSTRY

The logistics services Industry in Nigeria is responsible for the facilitation of the movement of goods, resources and services from the point of origin to the point of use. It involves the management of supply chain, covering customer service, warehousing, transport, purchasing, materials handling, strategic planning and a few other services.

In 2019, the Nigeria logistics industry grew by 32% year on year contributing 19% to Nigeria's total GDP. The services industry growth experienced is attributable to increase in global trade activities and the advancement in technology such as biometrics, automated material handling equipment and Global Positioning System.

The growth experienced in the industry is expected to continue over the next few years, although at a slightly decelerated rate, as transport infrastructure in Nigeria is inadequate and has been described as one of the leading impediments to the country's growth. Corruption also serves as a major bedeviling factor, particularly as it relates to the processing of import / export transactions.

Current investment into Nigeria's infrastructure will have a positive impact on all freight modes in the near future, increasing and facilitating trade. The nation's infrastructure deficit has been recognized, with the African Development Bank planning to galvanise private sector funds and other development partners to handle some verified infrastructure projects, along with the Government taking steps to secure funding for the infrastructure deficit.

Like many other industries, logistics services will become increasingly affected by the forces of digitization. In the near future, telematics, complex algorithms, and analytics will help companies to optimize their freight networks and improve efficiency, which will lead to cost-savings. Alongside digitization, the growth of e-commerce is also expected to make scale a more important feature in the industry, as supply-chain requirements become more extensive, which could prove lucrative for large carriers.

The logistics services industry and the Nigeria economy at large rely heavily on oil and gas activities, particularly in relation to exports, as specialist freight transportation has benefited greatly from the nation's external oil trade. It is also expected that the development of a stronger manufacturing sector will increase trade and freight volume numbers, impacting all freight modes.

The Industry adopts various modes of transportation comprising airways, seaways (also referred to as marine), railways and roadways.

ROADWAYS

While advanced countries largely utilize other means of transportation besides roadways, Nigeria focuses primarily on road transport. The country has the largest road network in West Africa and the second largest in Sub-Saharan Africa, behind South Africa. Road freight has always been the most dominant freight mode in Nigeria, due to the nature of the freight mode, accounting for a significant portion of the industry. Growth in the sub-industry is mainly driven by the oil, manufacturing and agricultural segments. As the economy grows, the sector is expected to further develop, on the back of the projected increase in the activities of these strategic segments. Roadways are responsible for the majority of inland freight transport in the country. Recognising this, the government has committed to completing projects that are essential to support economic growth.

Intra and inter-state transportation is also fragmented with several operators ranging from sole –proprietors to organized corporates in the likes of GIGM, Young Shall Grow Transport, ABC Transport Plc, Peace Mass transit, GUO Transport, Chisco Transport, Cross country and Autostar. The Sub-sector Contracted by -22.25% in 2020 from 11.24% in 2019 and 14.47% in 2018. The gradual return of economic activities following the easing of restricted movements, is expected to impact positively on the Sector.

Despite relatively good inland and regional connections, setbacks faced include the lack of adequate highways, poor road quality, traffic congestion, high rate of accidents and security issues, which signals a high risk of supply chain disruption. The rapid growth in urban populations combined with the dearth of adequate mass transit systems means labour and freight mobility is severely inhibited by delays in traffic, raising risk of cargo spoilage and accidents. The Economic Recovery and Growth Plan has however identified c.4,000km of federal highways to be restored.

SUPPLY CHAIN

Nigeria's supply chains are overly reliant on the country's sub-par road network and congested ports, which heighten operational risks due to the high likelihood of disruption caused by congestion, traffic accidents, security issues and energy and fuel shortages.

Businesses have limited alternatives. Prior to the border closure on 20 August 2019, some goods bound for Nigeria were being routed inland through its neighbours, rather than arriving directly on its shores, raising lead times due to frequent congestion.

ABOUT ABC TRANSPORT PLC

ABC Transport Plc commenced operations in road passenger transport in Nigeria in February 13, 1993, with a view to running a modern road transportation service on internationally accepted standards. In July 2004, the Company commenced road transportation business on the West African Coast between Lagos, Nigeria and Accra, Ghana.

ABC passenger services are specifically designed for discerning travelers with operations carried out in modern terminals, with comfortable lounges, courteous crew on ground and on-board. The company is a strong player in Cargo/Haulage Logistics with vast experience, and one of the finest infrastructures in the industry. Our Haulage segment provides dedicated transport service to blue-chip companies in the manufacturing sector and City Transit Inn a support service unit in the company is a 114-room lodging facility next to the ABC Transport's modern terminal at the Federal Capital Territory, Abuja, which offers affordable air-conditioned accommodation with modern amenities. ABC terminals are spread across the country and in Ghana, Togo and Benin Republic.

ABC Transport plc is the only road transport company in Nigeria currently quoted on the Nigeria Stock Exchange and last 28 years for ABC has been characterized by ground breaking innovations, marking ABC Transport as the most outstanding, innovative and safety conscious, in land transportation in Nigeria and West Africa.

ABC Transport Plc owns a 99% equity stake in ABC Transport (Ghana) Limited, a 5% equity stake in ABC Express Courier (ABEX) limited and 50% equity in Transit Support Services limited a company engaged in the assembly and sale of vehicles, after sales services and sundry vehicle spare parts.

ABC Transport is presently seeking additional funding to exploit the huge potentials and opportunities identified in the Cargo and Courier logistics segment of the transport industry, leveraging on a robust rolling-stock, wide geographical spread and vast experience in the line haul. The Company is also working to re-invigorate the passenger business for improved customer experience.

BOARD OF DIRECTORS

The board guides and approves the company's strategic direction taking into consideration the company's risk profile in line with corporate governance by Corporate Affairs Commission, Financial Reporting Council, Securities and Exchange Commission, and Nigerian Exchange Limited. Returns are filed as at when due, below are the profiles of the board and Executive Management team

PRINCE OLUMIDE OBAYOMI (CHAIRMAN)

Prince Obayomi holds a Master's degree in Finance from the University of Lagos. He is a fellow of the Institute of Chartered Accountants of Nigeria. He is presently a Corporate Value Optimization, Entrepreneurship and Investment Consultant. Before his retirement, he had worked with African Capital Alliance for upwards of 17 years. He also serves on the Board of Falcon Corporation Ltd, Business Day Media Ltd, Accion MFB and Royal Funbay Ltd.

MR. FRANCIS NNEJI (MANAGING DIRECTOR/CEO)

Francis Nneji founded the Company in 1993. He has been the Managing Director/Chief Executive Officer since November 2005 when the company went public. Francis Nneji holds a B.Sc in Zoology from the University of Nigeria, Nsukka, and has won many awards for his innovative and successful business initiatives, including the Fate Model Entrepreneur Award from Fate Foundation, and has undergone executive programmes at Wharton Business School, Philadelphia (USA) and Lagos Business School (Nigeria)

MR. JUDE NNEJI (DEPUTY MANAGING DIRECTOR)

Jude Nneji joined the company in 1993 and was appointed an Executive Director in November 2005. He holds a Bachelor's degree in Pharmaceuticals from the University of Nigeria Nsukka. He attended the Advanced Management Programme and the Chief Executive Programme at the Lagos Business School. He is presently the Deputy Managing Director of the company.

ALHAJI KABIRU YUSUF (NON-EXECUTIVE DIRECTOR)

Alhaji Kabiru Yusuf was appointed to the Board as a Non-Executive Director in August 2006. He was a former university lecturer and was editor for Daily Triumph, Today and Citizen Magazine. He holds a

Bachelor of Science and Master of Science in Political Economy from the Ahmadu Bello University, Zaria and University of Toronto, Canada respectively.

MR. JOHN AMANZE OKORO (INDEPENDENT DIRECTOR)

John Okoro holds a B.SC in Agric Economics from the Obafemi Awolowo University. He also holds an MBA in Banking and Finance from the University of Nigeria, Nsukka. He joined First Bank of Nigeria Plc in August 1994 as a Credit Officer and held several re-engineering programmes that transformed the bank before exiting in December 2010 after more than 25 years. Mr. Okoro was first appointed to the Board of Directors of ABC Transport in August 2012 as an Independent Director and has served in different Board Committee functions to date.

MR. BAMIDELE ASIJE (NON-EXECUTIVE DIRECTOR)

Asije holds a B.SC in Accounting from Edo State University, Ekpoma. He is a Chartered Accountant with over 13 years professional experience spanning across Insurance, Forex Market and Agriculture. He served as Managing Director of Zabone BDC Limited between 2012 and 2015 before joining Phronesis Securities Limited as Financial Controller. He is currently the Chief finance Officer of Drolemoc Farms Limited.

MR. REX CHIDI OKORO (EXECUTIVE DIRECTOR)

Rex Okoro was appointed to the Board of Directors of the Company effective 15th July, 2018. He joined the Company in 2008. He became the Chief Financial officer and subsequently promoted to Assistant General Manager in 2010. He was promoted to Deputy General Manager in 2013 and was further promoted to General Manager in 2016. He is a fellow of the Institute of Chartered Accountants of Nigeria. Prior to his appointment to the Board, he was the Chief Financial Officer of the Company.

**BARRISTER ONYEKACHUKWU CHUKWUEMEKA
CHIGBO-COMPANY SECRETARY/HEAD LEGAL
SERVICES**

Barrister Onyekachukwu became the Company Secretary on 29th March, 2020. He holds a Bachelor of Law degree from the University of Nigeria Nsukka obtained in 2003 and was called to the Bar in 2004. He has experience in Litigation and Commercial/Corporate Law practice. Prior to joining the company he was engaged in private law practice and worked in such law firms as Iguh and Co and I.R. Nduka and Co.

STATUTORY AND GENERAL INFORMATION

1. Share Capital History

The Company was incorporated in Nigeria on April 5, 1993, as a Private Limited Liability Company with the name Associated Bus Company Limited to engage in the business of transportation and ancillary services.

The table below details the changes in the share capital of the company since incorporation

Date	Authorized		Issued and fully paid-up capital		
	Additional	Cumulative	Additional	Cumulative	Consideration
	₦	₦	₦	₦	₦
April.1993	1,000,000	1,000,000	1,000,000	1,000,000	Cash
Dec. 1998	19,000,000	20,000,000	19,000,000	20,000,000	Cash
Feb. 2003	10,000,000	30,000,000	10,000,000	30,000,000	Cash
Dec. 2005	400,000,000	430,000,000	180,000,000	210,000,000	Bonus
Feb. 2006	370,000,000	800,000,000	-	210,000,000	-
April.2006	-	800,000,000	210,000,000	420,000,000	-
Sept.2006	-	800,000,000	333,500,000	753,500,000	Cash
Aug.2014	200,000,000	1,000,000,000	75,350,000	828,850,000	Bonus
Nov. 2020	700,000,000	1,700,000,000	-	828,850,000	-

The list of Shareholders with 5% shareholding and above, as at September 30, 2021 is as follows:

S/N	NAME OF SHAREHOLDER	NO. OF SHARES	% HOLDING
1	Mr. Francis Nneji	626,000,000	37.76%
2	Drolemoc Farms Limited	279,835,881	16.88%

In addition, the company's capital structure as at September 30, 2021 consists of both debt and equity funding as summarized below.

S/N	Description	Value (Naira)
1	Cash and cash equivalent	(150,453,438)
2	Short term debt	649,388,144
3	Long term debt	458,131,259
4	Total Shareholder's equity	1,101,787,554

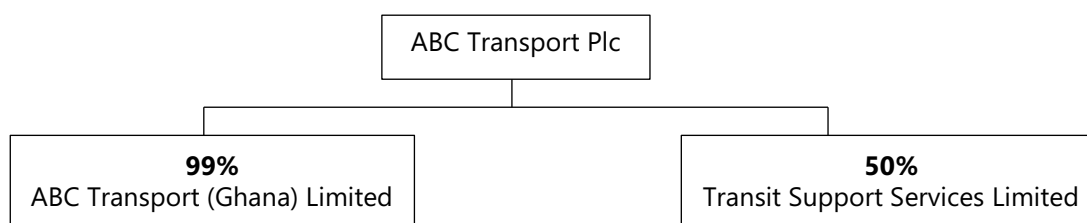
2. Shareholding Structure

SHAREHOLDING STRUCTURE AS AT 30 th September 2021				
RANGE	No of Holders	% Holders	Units	% Units
1 - 1000	1,001	5.41	462,145	0.03
1001 - 5000	7,077	38.22	19,278,242	1.16
5001 - 10000	3,191	17.23	22,329,269	1.35
10001 - 50000	5,566	30.06	110,754,205	6.68
50001 - 100000	806	4.35	54,074,026	3.26
100001 - 500000	726	3.92	124,012,342	7.48
500001 - 1000000	86	0.46	59,372,132	3.58
1000001 - 5000000	45	0.24	77,493,638	4.67
5000001 - 10000000	6	0.03	37,387,506	2.26
10000001 - 50000000	7	0.04	108,818,624	6.56
50000001 - 100000000	2	0.01	146,182,792	8.82
100000001 - 1657700000	2	0.01	897,535,079	54.14
	18,515	100.00	1,657,700,000	100.00

Subsidiaries and Associated Companies

As at the date of this prospectus the company had the following Subsidiaries

S/N	SUBSIDIARIES	HOLDING (%)
1	ABC Transport (Ghana)Limited	99%
2	Transit Support Services Limited	50%



3. Director's Beneficial Interest

The Beneficial Interest of the Directors in the Company's shareholding as at September 30, 2021 is as follows:

S/No	NAME	HOLDINGS		TOTAL
		DIRECT	INDIRECT	
1	PRINCE OLUMIDE OBAYOMI	110,000	5,720,000	5,830,000
2	MR. FRANCIS NNEJI	626,000,000	75,901,087	701,901,087
3	MR. JUDE NNEJI	18,202,508	-	18,202,508
4	MR. JOHN AMANZE OKORO	907,253	-	907,253
5	MR. BAMIDELE AKPOFURE ASIJE	700,000	279,835,881	280,535,881
6	ALHAJI KABIRU	1,100,000	-	1,100,000
7	MR. REX CHIDI OKORO	-	-	0

4. Corporate Governance

ABC Transport Plc is committed to promoting good corporate governance and best practices in accordance with applicable laws and regulations in Nigeria and the requirements of the Nigerian Exchange Limited as well as in compliance with the Code of Corporate Governance in Nigeria, 2011. The Board of directors consists of seven members, chosen based on their professional background and expertise, business experience and integrity, whose skills mix align with the Company's Objectives and strategic goals.

The board members are responsible for the oversight of the business and of the Company's risks while evaluating and directing the implementation of controls and procedures including maintenance of sound internal control system to safeguard shareholders' investments and the Company's assets.

5. Indebtedness

As at September 30, 2021, the company had borrowings totaling ₦1,519,996,555 inclusive of ₦300,000,000.00 bridging facility provided by FSL Securities Limited to ABC Transport Plc.

S/N	LENDER/CREDITOR	NATURE OF TRANSACTION	N'000	% OF TOTAL DEBT
1	FIDELITY BANK PLC	Borrowing	608,256	40%
2	ACCESS BANK PLC	Borrowing	207,940	14%
3	BANK OF INDUSTRY	Borrowing	392,768	26%

DEBTORS CONSTITUTING MORE THAN 5% OF ISSUERS TOTAL CREDIT

S/N	DEBTORS	NATURE OF TRANSACTION	N'000	% OF TOTAL CREDIT
1	AD-Support Ltd	Trade	377,943	28%
2	Changsha Foton Veh. Tech.Co	Trade	132,286	10%

6. Claims and Litigation

Claims instituted against the issuer, arose majorly from accidents involving the Issuers vehicles, loss or damages on shipped items. Whereas that instituted by ABC also involved accidents cases, and as a member of Transport operators operating from their private parks against The Federal capital territory.

The aggregate amount of monetary claims against ABC Transport Plc in respect of pending litigation is \$19,620.00 (Nineteen Thousand Six Hundred and Twenty US Dollars) and N204,100,698.00 (Two Hundred and Four Million, One Hundred Thousand, Six Hundred and Ninety-Eight Naira). As at the date of this prospectus.

The Solicitors to the Issue are of the opinion that most of the claims by the Issuer are likely to succeed. Also, in the unlikely event that the claims against the Issuer, succeed, the portion of the contingent liabilities that realistically may materialize is not likely to economically impact the Issuer significantly or adversely affect the ability of the Issuer to perform its obligations under the Transaction.

7. Material Contracts

The following agreements are considered material to the transaction:

- i. Trust Deed dated March 07, 2022 to be executed between the Issuer and the Trustees- Radix Trustees Limited.
- ii. Vending Agreement dated March 07, 2022 to be executed amongst the Issuer and the Issuing House- FSL Securities Limited.
- iii. Underwriting Agreement dated March 07, 2022 to be executed amongst the Issuer and FSL Securities Limited as the underwriter. The Underwriter has agreed to underwrite the issue on a standby basis. ABC TRANSPORT PLC agrees to sell to the Underwriter and the Underwriter, agrees to take up or purchase any remaining portion of the ₦900,000,000 Bonds offered on the closing date of the prospectus.
- iv. Securities sharing agreement between the Issuer, Fidelity Bank Plc and Radix Trustees Limited dated March 07, 2022

8. Documents Available for Inspection

Copies of the following documents may be inspected at the Issuing House offices between 8.00am and 5.00pm on any Business Day throughout the validity of the offer:

- Certificate of Incorporation of the Issuer, duly certified by the Company Secretary.
- Memorandum and Articles of Association of the Issuer, duly certified by the Corporate Affairs Commission.
- Reporting Accountants' Report on the audited accounts of the Issuer for the years ended December 31, 2016-2020.
- Special Resolution passed by shareholders at its extra-ordinary general meeting held on 27th November 2020.
- Board Resolution of the Issuer dated 23rd of July, 2020, authorizing the bond issuance;
- Letter from the Securities & Exchange Commission dated _____, 2022 approving the registration of the prospectus
- Audited Financial Statement of the Issuer for the years ended 31st December 2016-2020 and unaudited financial statement for 9months ended September 30, 2021.
- Prospectus issued with respect to the Bond issue by ABC Transport Plc.
- The Valuation report by Agu & Associates Estate Surveyors and Valuers;
- Consents of Parties referred to in item 9 below;
- Material contracts referred to in item 7 above.

9. Consents

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

PARTIES	ROLE
Prince Olumide Obayomi	Chairman
Mr. Francis Nneji	Managing Director/CEO
Mr. Jude Nneji	Deputy Managing Director
Alhaji Kabiru Yusuf	Director
Mr. John Amanze Okoro	Director
Mr. Bamidele Asije	Director
Mr. Rex Chidi Okoro	Director
Barrister Onyekachukwu Chukwuemeka Chigbo	Company Secretary
FSL Securities Limited	Issuing House/Underwriter
Radix Trustees Limited	Trustee
Pac Solicitors	Solicitor to the Issue
Wigwe & Partners	Solicitor to the Issuer
FSL Securities Limited	Stockbroker
PKF Professional Service Limited	Auditor
Ngozi Monica Okonkwo & Co	Reporting Accountant
Agusto & co	Rating Agent
First Registrars & investor Services	Registrar
Fidelity Bank Plc	Receiving Bank
Agu & Associates	Estate surveyors and valuers

10. Related Party

S/N	RELATED PARTY	NATURE OF TRANSACTION	BALANCE DUE TO/(FROM) RELATED PARTY N'000	DATE
1	Rapido Ventures Limited	Shared cost, trade and rent of premises	43,985	30/09/2021

The Managing Director of ABC Transport Plc, Francis Nneji is the largest shareholder in both Rapido Ventures Limited and ABC Transport Plc and is equally the Chairman of Rapido Ventures Limited. The nature of the major transactions between the Group and Rapido are the reimbursable costs of operation which include the diesel issued to Rapido, sales of sausage rolls for onboard entertainment, shared cost of administrative and building costs, since they share the same premises. ABC Transport Plc sometimes delivers cargo on behalf of Rapido. Rapido invoices to the Group mainly involves rent of premises to ABC Transport Plc and Transit Support Services Ltd. All transactions are carried out at arm's length.

11. Pledge of Assets

As at the date of this Prospectus, the following assets have been pledged by the Issuer to creditors.

S/N	DESCRIPTION OF ASSET	VALUE OF ASSET	% OF PLEDGED ASSET TO TOTAL ASSET OF THE COMPANY	BENEFICIARIES	TOTAL ASSET OF THE COMPANY
1	ABC Abuja Terminal and City Transit Inn(Hotel)	1,450,000,000	27%	Fidelity Bank Plc	5,412,000,000
2	ABC Cargo Express, Centre Building Fadeyi, Lagos	242,000,000	4.5%	Fidelity Bank Plc	5,412,000,000
3	ABC Bus Terminal, Amuwo-Odofin, Lagos	473,140,000	8.7%	Access Bank Plc	5,412,000,000

**Figures above represent Estimate open market values of the company's property. Plant and equipment and excludes current asset and other non-current assets of the company.*

Director' Emolument as at September 30, 2021

S/N	DIRECTOR'S REMUNERATION	₦'000
1	Fees	2,375
2	Other emoluments	38,883
	Total	41,258

DIRECTORS' RELATIONSHIPS

The Managing Director of ABC Transport Plc Mr. Francis Nneji is a brother to the Deputy Managing Director. whereas Mr. Victor Nneji the Head of Innovations and Strategy, ABC Transport Plc is the son of the Managing Director, ABC Transport Plc.

12. Financial Information:

A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION						
	9 Months ended Sept.30,2021	2020	2019	2018	2017	2016
	=N=000	=N=000	=N=000	=N=000	=N=000	=N=000
Non-current assets						
Property, plant and equipment	3,052,611	3,284,812	3,005,209	2,503,101	2,955,045	2,977,889
Intangible assets	22,996	18,664	20,723	12,923	18,565	18,457
Investment in subsidiaries						
Financial assets - FVOCI	1,845	1,845	1,845	1,845	1,845	1,845
Financial assets - FVPL	16,061	15,509	19,378	17,214	19,792	16,935
Other investments						
Deferred tax asset	59,864	60,543	60,543	60,543	60,543	60,543
Total non-current assets	3,153,377	3,381,373	3,107,698	2,595,626	3,055,790	3,075,669
Current assets						
Inventories	758,002	801,235	877,321	807,170	587,087	552,936
Finance lease receivable	858					
Trade and other receivables	744,437	437,053	263,208	616,120	324,909	248,884
Other assets	1,034,301	746,700	750,303	427,702	329,655	362,535
Cash and bank balances	262,024	506,949	135,700	119,579	173,191	85,635
Current tax assets	1,722	1,722	377			
Total current assets	2,801,342	2,493,658	2,026,909	1,970,571	1,414,842	1,249,990
Total assets	5,954,719	5,875,031	5,134,607	4,566,197	4,470,632	4,325,659
Equity and reserves						
Issued share capital	828,850	828,850	828,850	828,850	828,850	828,850
Share premium	558,916	575,391	575,391	575,391	575,391	575,391
Retained earnings	(190,273)	(617,318)	(39,139)	(96,317)	324,595	142,804
Other comprehensive income reserve	(95,706)	25,108	(76,778)	(35,337)	(1,684)	(45,534)
Shareholder's fund	1,101,787	812,031	1,288,324	1,272,587	1,727,152	1,501,511
Non-controlling interests	310,098	349,842	249,520	109,065	214,435	(117,001)
Total equity and reserves	1,411,885	1,161,873	1,537,844	1,381,652	1,941,587	1,384,510
Non-current liabilities						
Loans and borrowings	458,131	231,179	546,236	278,115	357,653	50,726
Post employment benefits - defined benefits	183,182	225,173	251,138	293,897	268,039	270,436
Provisions	77,134	78,959	71,414	76,739	24861	6,614
Deferred tax liabilities	27,695	27,695	12,098			
Total non-current liabilities	746,142	563,006	880,886	648,751	650,553	327,776
Current liabilities						
Loans and borrowings	1,061,865	561,368	410,028	229,125	453,265	1,029,769
Finance Lease Obligation						45,607
Post employment benefits - defined contribution	283,311	264,843	227,146	180,818	204,419	187,549
Current tax liabilities	322,825	204,846	165,296	223,613	262,329	158,996
Trade and other payables	2,102,168	3,045,336	1,721,809	1,835,559	939,665	1,185,183
Deferred income	26,522	73,760	191,600	66,679	18,814	6,269
Total current liabilities	3,796,691	4,150,152	2,715,879	2,535,794	1,878,492	2,613,373
Total Liabilities	4,542,833	4,713,158	3,596,765	3,184,545	2,529,045	2,941,149
Total equity and liabilities	5,954,718	5,875,032	5,134,609	4,566,197	4,470,632	4,325,659

B. CONSOLIDATED STATEMENT OF PROFIT AND LOSS

ABC TRANSPORT PLC						
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
	9 Months Ended Sept. 30, 2021	2020	2019	2018	2017	2016
	=N=000	=N=000	=N=000	=N=000	=N=000	=N=000
Continuing operations						
Revenue	4,458,185	7,751,099	6,681,010	6,861,004	7,186,797	6,710,047
Direct costs	(3,597,865)	(6,527,831)	(4,969,798)	(5,487,592)	(5,568,814)	(5,498,566)
Gross profit	860,320	1,223,268	1,711,212	1,373,412	1,617,983	1,211,481
Other operating income	63,504	40,393	60,905	44,420	282,211	85,263
Investment income		0				
Interest income	551	55,123	1,841	691	754	1,778
Net fair value gains on financial assets through profit or loss	553	1,131	2,163	2,422	2,285	1,783
Other gains	293,874	235,834	247,696	179,418	100,323	115,829
Impairment losses		(56,907)				(8,184)
Administrative expenses	(986,137)	(1,569,304)	(1,401,033)	(1,360,292)	(1,036,500)	(1,409,015)
Operating profit/(loss)	232,665	(70,462)	622,784	240,071	967,056	(1,065)
Finance costs	(130,450)	(253,079)	(209,889)	(172,946)	(200,211)	(489,514)
Profit/(loss) before income tax	102,215	(323,540)	412,895	67,125	766,845	(490,579)
Income tax expense	(192,580)	(155,346)	(214,812)	(180,549)	(253,586)	(109,219)
Profit/(loss) from continuing operations	(90,365)	(478,886)	198,083	(113,424)	513,259	(599,798)
Attributable to:						
Equity shareholders	(151,134)	(578,179)	57,178	(189,889)	181,791	(481,525)
Non-controlling interests	60,770	99,293	140,904	76,466	331,467	(118,273)
	(90,364)	(478,886)	198,082	(113,423)	513,258	(599,798)
Other Comprehensive income:						
Items that will not be reclassified subsequently to profit or loss:						
Remeasurement of defined benefit obligation				15,310	43,601	27776
Net fair value loss on equity investments designated at FVOCI						
Items that may be reclassified subsequently to profit or loss						
Net exchange differences on translating foreign operations	(11,294)	102,915	(41,441)	(48,964)	249	(3,095)
Other comprehensive (loss)/ income	(11,294)	102,915	(41,441)	(33,654)	43,850	24,681
Total comprehensive income/(loss) for the year	(101,658)	(375,971)	156,641	(147,077)	557,108	(575,117)
Attributable to:						
Equity shareholders	(162,315)	(476,293)	16,186	(223,003)	225,671	(457,082)
Non-controlling interests	60,657	100,322	140,455	75,926	331,436	(118,035)
	(101,658)	(375,971)	156,641	(147,077)	557,107	(575,117)
Basic and diluted earnings/(loss) per share (Kobo)		(29)	12	(7)	31	(36)

C. CONSOLIDATED STATEMENT OF CASH FLOWS

ABC TRANSPORT PLC						
CONSOLIDATED STATEMENT OF CASH FLOWS						
	9 Months ended					
	Sept. 30, 2021	2020	2019	2018	2017	2016
	=N=000	=N=000	=N=000	=N=000	=N=000	=N=000
Cash flows from operating activities						
Profit/(loss) for the year	(90,364)	(478,886)	198,082	(113,423)	513,258	(599,798)
Adjustment for:						
Depreciation and amortisation	611,816	861,144	783,984	856,541	915,883	1,140,631
Adjustment to opening balance and translation difference in PPE		18,707	7,086	(23)		
Other items of property, plant and equipment derecognised		0	18,525			
Write off property, plant and equipment		11,991	13,863	170		
Other movement in non-controlling interest			(449)	(540)	0	65,501
Non-controlling interest translation gain					(31)	
Movement in FVTPL					(2,857)	0
Fair value gain on financial assets - FVTPL	(553)	(1,131)	(2,163)	(2,422)	(3,039)	1,434
Interest income	(551)	(55,123)	(1,841)	(691)		
Interest expense	130,450	253,079	209,889	172,946	200,211	489,514
Net exchange differences on translating foreign operations		102,915	(41,441)	(48,964)		
Pension deducted		59,597	111,472	35,671		
Current service cost				34,171		
Interest cost				35,919		
Write back on defined benefit obligation scheme			(17,583)			
(Over)/under provision of tax		(4,903)	(20,257)	(802)		
Income tax expense	192,580	160,249	235,069	180,549	253,586	109,219
Transfer to WIP		18,443				
Profit on disposal of property, plant and equipment	(315,180)	(60,627)	(79,211)	(94,497)	(23,542)	(38,921)
Impairment on other assets		12,769	26,036		0	8,184
Impairment on other assets written back				(34,961)		
(write back)/impairment on trade receivables		(7,954)	(1,495)	8,421		
Impairment on staff receivables		39,727	(8,696)	32,537		
	528,198	929,996	1,430,870	1,060,602	1,853,470	1,175,764
Changes in:						
Current tax assets		(1,345)	(377)			
Inventories	244,925	76,087	(70,152)	(220,083)	(76,025)	71,366
Trade and other receivables	(307,384)	(202,198)	363,101	(332,169)	32,880	88,544
Other comprehensive income reserve					43,850	0
Other assets	(288,459)	(9,167)	(348,637)	(63,088)	(34,151)	643,954
Provisions	1,825	7,546	(5,325)	51,878	18,247	(3,521)
Trade and other payables	(1,008,479)	1,320,111	(113,750)	885,079	(245,518)	128,922
Deferred income	47,238	(117,840)	124,921	47,866	12,545	275
Cash generated from operating activities	(782,136)	2,003,190	1,380,651	1,430,085	1,605,299	2,105,304
Tax paid using withholding tax certificate	(72,776)		(132,273)	(78,520)	(125,766)	(76,490)
Tax paid through cash		(100,200)	(128,758)	(139,943)	(24,487)	(86,445)
Pension remitted	18,468	(21,900)	(65,144)	(48,455)		
Employee benefit paid	(41,991)	(25,965)	(25,176)	(28,922)	14,474	34,604
Net cash from operating activities	(878,435)	1,855,125	1,029,300	1,134,245	1,469,519	1,976,973
Cash flows from investing activities:						
Investments in financial assets - FVTPL additions					3,039	1,783
Investments in financial assets - FVTPL withdrawals		4,998		5,000		
Purchase of property, plant and equipment	(454,748)	(1,245,986)	(1,318,961)	(398,400)	(890,389)	(402,082)
Purchase of intangible assets	(9,475)	(4,951)	(14,929)	(3,009)	(9,016)	(3,237)
Other movement in property, plant and equipment	(9,738)				4,898	3,991
Proceeds on sale of property plant and equipment	395,390	123,736	79,735	96,802	24,902	66,320
Interest received	1,104	55,123	1,841	691		
Cash received from investment in finance leases					0	21,792
Net cash used in investing activities	(77,466)	(1,067,080)	(1,252,314)	(298,916)	(866,567)	(311,433)
Cash flows from financing activities:						
issue of shares	(16,475)					
Additional loans and borrowings	817,768	314,646	645,600		535,892	0
Repayment of loans and borrowings	(168,011)	(301,954)	(378,179)	(334,822)	(785,959)	(988,618)
Repayment of finance lease obligations					(45,607)	(127,170)
Dividend paid				(412,317)		
Finance costs	(130,450)	(253,079)	(209,889)	(172,946)	(200,211)	(489,514)
Net cash paid/(used) in financing activities	502,833	(240,387)	57,532	(920,085)	(495,885)	(1,605,302)
Net (decrease)/increase in cash and cash equivalents	(453,068)	547,658	(165,482)	(84,756)	107,067	60,238
Cash and cash equivalents at 1 January	302,615	(245,043)	(79,561)	5,197	(101,871)	(162,110)
Cash and cash equivalents at 31 December	(150,453)	302,615	(245,043)	(79,559)	5,196	(101,872)



ABC TRANSPORT PLC
PC No. 219973

Km 5, MCC Road, Umvoto, Urua
P.O. Box 2575, Owerri, Imo State, Nigeria

Tel.: 046660263, 046660750
0805-3002000, 0803-8608950
e-mail: info@abctransport.com
www.abctransport.com

May 18, 2021

The Director General,
Securities Exchange Commission,
SEC Tower,
Plot 272 Samuel Adesuja Ademulegun Street,
Central Business District,
Abuja.

Dear Sir,

STATUS OF ABC TRANSPORT PLC

We the undersigned hereby affirm that ABC Transport Plc (the "Company"), a company duly incorporated and existing under the laws of the Federal Republic of Nigeria, is a going concern and that the company has no pending insolvency proceeding instituted against it.

We also confirm that the company will continue in operations for the foreseeable future and that there are no threats to the operations of the company.

Signed for and on behalf of
ABC Transport Plc
by its duly authorized representatives:

Barr. Onyekachukwu C. Chigbo
Company Secretary

Nneji Francis
Managing Director/CEO

Notarized by me: *William N. Opara, Esq*
150.7 Mann Street Owerri
Imo State - Nigeria





ABC TRANSPORT PLC
RC No. 219970

Km 5, MCC Road, Umuahia, Umuahia
P.O. Box 2573, Owerri, Imo State, Nigeria

Tel: 04640283, 04660750
0805-5002080, 0805-864958
e-mail: info@abctransport.com
www.abctransport.com

THE FEDERAL REPUBLIC OF NIGERIA
COMPANY AND ALLIED MATTERS ACT 2004
COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION
OF

ABC TRANSPORT PLC RC: 219970

At the Annual General Meeting of ABC TRANSPORT PLC held on 27th November, 2020, at the Mayfair Suites & Conference Centre, Plot 40, Egbu Road, Owerri, Imo State, Owerri, Imo State, the following resolutions were proposed and duly passed:

That the Directors are hereby authorized to raise up to N1,400,000,000.00 (One Billion Four Hundred Million Naira) additional capital for the Company through rights issue, placements and bond issuance to existing shareholders and to qualified investors, upon such terms and conditions that the Directors may deem fit in the interest of the Company, subject to obtaining the approvals of relevant regulatory authorities.

Dated this 30th day of November, 2020.



NNEFI FRANCIS
DIRECTOR



OKORO CHIDIRESH
DIRECTOR

*Notarised by me; Williams N. Oparaoke, ESQ
NO. 7 Mann Street Owerri
Imo State.*







ABC TRANSPORT PLC
RC No 219970

Km 5, MCC Road, Umuoba, Urenna
P. O. Box 2575, Owerri, Imo State Nigeria
Tel: 083-300667, 083-300668
0803-3002000, 0803-9600668
e-mail: info@abctransport.com
www.abctransport.com

COMPANY AND ALLIED MATTERS ACT 2004

COMPANY LIMITED BY SHARES

BOARD RESOLUTION

OF


ABC TRANSPORT PLC RC: 219970

At the Extra-Ordinary Meeting of the Board of Directors of ABC TRANSPORT PLC held on 26th September, 2020, at the Head Office of the Company situate at Km 5, MCC Road, Umuoba Urenna, Owerri, Imo State, the following resolutions were proposed and duly passed:

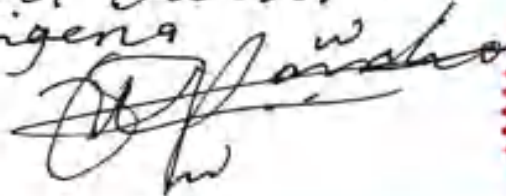
That the Company should raise between N1 Billion and N1.4 Billion additional capital from existing shareholders and through the open market using appropriate financial instruments.

Dated this 28th day of September, 2020.


NNEJI FRANCIS
DIRECTOR


OKORO CHIDI REX
DIRECTOR

*Notarised by me; Williams N. Oparai, Esq.
150-7 Mann Street Owerri
Imo State - Nigeria*





Directors: Prince Okwude Obayomi (Chairman), Kebin Yusuf, Mrs. Uche Chimal-Ehimsighe.



ABC TRANSPORT PLC

₦900 million Five-Year Fixed Rate (Tranche A) Senior Secured Bond Due 2026 under the ₦1 billion Bond Issuance Programme

Issue Rating

Bbb-

Satisfactory quality with moderate credit risk, adequate capacity to pay interest and principal on local currency debt in a timely manner

Outlook: Stable
Issue Date: 22 June 2021
Expiry Date: 30 June 2022

This rating will be subject to annual monitoring and review.

Industry: Road Transport Services (Passenger and Freight)

Issuer Rating: Bbb-
Expiry Date: 30 June 2022

Section	Page
Rating Rationale	1
Overview of Nigeria's Road Transport Services Industry	4
Profile of the Issuer	6
Financial Condition	9
Issuer's Dividend, Mgt & Staff	14
Bond Transaction Structure	15
Financial Forecast & Analysis	18
Outlook	21
Financial Summary	23
Rating Definition	27

Analysts:

Christian Obiesu
 christiano@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 assigns a "Bbb-" rating to ABC Transport Plc's ("ABC Transport", "ABCTRANS", "the Issuer" or "the Company") up to ₦900 million Five-Year Fixed Rate Senior Secured Bond Due 2026 (Tranche A Bond, "the Bond" or "the Issue") under the ₦1 billion Bond Issuance Programme. The rating reflects our opinion on the Issuer's adequate capacity to meet payment obligations on the Tranche A Bond evidenced by its satisfactory cash flow position, which is supported in part by its short operating cycle, as well as the favourable terms of trade it enjoys from both suppliers and customers. However, the rating is constrained by thinning margins across its product portfolio amid loss of revenue on core operations during the coronavirus (COVID-19) induced travel bans. This is in addition to the rising operating costs owing to inflationary pressure and persistent currency devaluations that have continued to depress operating margins.
- ABC Transport Plc intends to issue up to ₦1 billion Bond split into two parts – a ₦900 million Straight Bond (Tranche A) and a ₦100 million Convertible Bond (Tranche B). Agusto & Co did not appraise the issuer's ability to meet payment obligation on the convertible Tranche B given the uncertainty associated with determining the redemption price of Instruments of this nature.
- The Tranche A Bond will attract a fixed coupon rate to be determined through a book-building process payable semi-annually over the five-year term. The principal will be amortised half-yearly until maturity in 2026. The net proceeds of the Bond will be used to fund ABCTRANS' fleet expansion, refinance existing bank loans and meet its working capital needs.
- The Bond is secured by a legal mortgage over two pledged assets – a bus terminal and hotel building both located in Abuja, which are the same assets securing the Company's existing exposure with its principal lender. Agusto & Co. believes that the use of encumbered assets as security for the Bond

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2022 | Transport Services Rating Report

ABC TRANSPORT PLC

₦900 million Five-Year Fixed Rate (Tranche A) Senior Secured Bond Due 2026 under the ₦1 billion Bond Issuance Programme

Issue Rating

Bbb-

Satisfactory quality with moderate credit risk; adequate capacity to pay interest and principal on local currency debt in a timely manner

Outlook: Stable

Issue Date: 22 June 2021

Expiry Date: 30 June 2022

*The rating will be subject to annual monitoring and review.

Industry: Road Transport Services (Expressenger and Freight)

Issuer Rating: Bbb-

Expiry Date: 30 June 2022

Section	Page
Rating Rationale	3
Overview of Nigeria's Road Transport Services Industry	4
Profile of the Issuer	6
Financial Condition	9
Issuer's Ownership, Mgt & Staff	14
Bond Transaction Structure	15
Financial Forecast & Analysis	16
Outlook	22
Financial Summary	23
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Analysts:

Christian Obiezu
christianobiezu@agusto.com

Isaac Babatunde
isaachabatunde@agusto.com

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

RATING RATIONALE

- + Agusto & Co assigns a "Bbb-" rating to ABC Transport Plc's ("ABC Transport", "ABCTRANS", "the Issuer" or "the Company") up to ₦900 million Five-Year Fixed Rate Senior Secured Bond Due 2026 ("Tranche A Bond", "the Bond" or "the Issue") under the ₦1 billion Bond Issuance Programme. The rating reflects our opinion on the Issuer's adequate capacity to meet payment obligations on the Tranche A Bond evidenced by its satisfactory cash flow position, which is supported in part by its short operating cycle, as well as the favourable terms of trade it enjoys from both suppliers and customers. However, the rating is constrained by thinning margins across its product portfolio amid loss of revenue on core operations during the coronavirus (COVID-19) induced travel bans. This is in addition to the rising operating costs owing to inflationary pressure and persistent currency devaluations that have continued to depress operating margins.
- + ABC Transport Plc intends to issue up to ₦1 billion Bond split into two parts – a ₦900 million Straight Bond ("Tranche A") and a ₦100 million Convertible Bond ("Tranche B"). Agusto & Co did not appraise the issuer's ability to meet payment obligation on the convertible Tranche B given the uncertainty associated with determining the redemption price of Instruments of this nature.
- + The Tranche A Bond will attract a fixed coupon rate to be determined through a book-building process payable semi-annually over the five-year term. The principal will be amortised half-yearly until maturity in 2026. The net proceeds of the Bond will be used to fund ABCTRANS' fleet expansion, refinance existing bank loans and meet its working capital needs.
- + The Bond is secured by a legal mortgage over two pledged assets – a bus terminal and hotel building both located in Abuja, which are the same assets securing the Company's existing exposure with its principal lender. Agusto & Co. believes that the use of encumbered assets as security for the Bond

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PKF Professional Services



30 June 2021

The Managing Director
ABC Transport Plc
KM 5 MCC Road
Umuoba Urata
Owerri
Imo State.

and

The Managing Director
FSL Securities Limited
Plot 688 Ahmadu Tijani Close
Off Sanusi Fafunwa
Victoria Island
Lagos.

Dear Sirs,

**CONFIRMATION OF GOING CONCERN
PROPOSED ABC TRANSPORT PLC BOND ISSUE OF ₦1 BILLION 5 YEAR SENIOR SECURED
BONDS COMPRISING ₦900 MILLION STRAIGHT BONDS AND ₦100 MILLION CONVERTIBLE
BONDS.**

ABC Transport Plc seeks to raise ₦1 billion through a Bond Issuance of 5-year senior secured bonds comprising ₦900 million straight bonds and ₦100 million convertible bonds.

The proceeds of the bond issue are to be utilized on refinancing loans, working capital requirements and capital expenditures.

Based on our audit of the financial statements for the year ended 31 December 2020 and review of the financial forecast of ABC Transport Plc (for which the Directors are solely responsible) for the three years ending 31 December 2021, 2022 and 2023, and necessary enquiries from management, we confirm that nothing has come to our notice that indicates that the Company will not continue in operation as a going concern in the foreseeable future.

This letter has been prepared only for the purposes of compliance with the rules and regulations of the Nigerian Securities and Exchange Commission.

Yours faithfully,

Ayodeji Sonukan, FCA
FRC/2013/ICAN/00000002431
For: PKF Professional Services
(Chartered Accountants)
Lagos.



Dated: 30 June 2021

PKF House • 205A Ikoyi Road • Opebi/Koro • Lagos • G.P.O. Box 2041 • Marina • Lagos • Nigeria
Tel: (23410) 813111311 / 905881352 • Email: lagos@pkf-ng.com / info@pkf-ng.com • Web: www.pkf-ng.com

List of Partners and Partner equivalents are available at 205A Ikoyi Road • Opebi/Koro • Lagos.

Offices in Abuja • Jos • Kaduna • Kano • Port Harcourt

PKF Professional Services is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or of any independent firm or firm.





17th May 2021

Independent Assurance Report To:

The Board of Directors
ABC TRANSPORT PLC
Plot 40, Egbu Road
Owerri, Imo State

The Directors
FSL SECURITIES LIMITED
Plot 688, Ahmadu Tijani Street
Victoria Island,
Lagos

Dear Sirs,

We have reviewed the accompanying Statements of Financial Position for each of the financial reporting years ended 31st December 2016, 2017, 2018, 2019 and 2020, the Statement of Profit or Loss and other Comprehensive Income, the Statements of Changes in Equity, the Statements of Cashflows for the years then ended, the Statement of significant Accounting Policies and other explanatory notes (together "the Financial Information"). The Financial Information is based on the Audited Financial Statements of ABC Transport Plc ("The Company") by PKF Professional Services (Chartered Accountants).

Directors' Responsibilities

The Directors of the Company are responsible for the preparation and fair presentation of the Financial Statements on which the Financial Information have been based, in accordance with the basis of accounting described in the Statement of significant Accounting Policies and for such Internal Control as is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for the contents of the Prospectus in which this Report is included.

Our Responsibilities

Our responsibility is to express a conclusion on the accompany Financial Information. We conducted our work in accordance with the International Standard on Review Engagement (ISRE) 2400 (Revised), which requires us to conclude whether anything have come to our attention that causes us to believe that the Financial Information is 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.

Principal Partner: Ngozi Monica Okonkwo (PhD), FCTI, FCIB, CertIFRS, CFE, CFA, FCA (Nigeria)

A review of Financial Information in accordance with ISRE 2400 (Revised) is a limited Assurance Engagement. The review primarily consists of making inquiries of management and others as appropriate, applying analytical procedures and evaluating 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, and accordingly, we do not express an Audit opinion on this Financial Information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Financial Information does not present fairly, in all material respects the State of Affairs of ABC Transport Plc and its Divisions as at the dates stated and of the Profit or Loss and Cashflows for the years then ended, in accordance with the Company's Accounting Policies.

Basis of Accounting

Without modifying our conclusion, we draw attention to the Statement of significant Accounting Policies included in the Financial Information which describes the basis of Accounting. Financial information is prepared for inclusion in the Prospectus to be issued in connection with the proposed capital raising transactions. As a result, the Financial Information may not be suitable for another purpose.

We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

Yours faithfully,



Ngozi Monica Okonkwo, FCA
FRC/ICAN/2013/00000000916
For: NGOZI MONICA OKONKWO & CO
(Chartered Accountants)
ONITSHA-NIGERIA





ABC TRANSPORT PLC
BC No. 219970

Km 5, MCD Road, Umuobi, Urua
P.O. Box 2575, Owerri, Imo State, Nigeria

Tel: 046660283, 046660750
0805-3902000, 0803-9600958
e-mail: info@abctransport.com
www.abctransport.com

May 18, 2021

The Director General,
Securities Exchange Commission,
SEC Tower,
Plot 272 Samuel Adesujo Ademulegun Street,
Central Business District,
Abuja.

Notarized By Me

Makamari, Notary Public

Dear Sir,

DECLARATION BY ABC TRANSPORT PLC

This prospectus has been prepared by the issuing house on behalf of ABC Transport Plc ("ABC" or "the issuer") with the view to providing relevant information as regards this bond issuance Programme.

On behalf of the Board or Directors, we hereby make the following declarations:

1. We confirm that the information contained in this prospectus is to the best of our knowledge, in accordance with the fact in all material respects and contain no omission likely to affect its impact.
2. There has been no significant change in the financial condition or material adverse change in the state of affairs of the issuer, except as contained in this prospectus.
3. The issuer is not in breach of any terms and condition in respect of borrowed funds, which resulted in the occurrence of an event of default and an immediate recall of such borrowed funds during the 12 (twelve) months preceding the date of this prospectus.
4. No prosecution has been commenced against the issuer during the preceding 12 (twelve) calendar months in respect of any breach or contravention of any securities or the Companies and Allied Matters Act 2020 or the listing requirements of a recognized Securities Exchange.

Signed for and on behalf of
ABC Transport Plc
by its duly authorized representatives:

Barr. Onyiahchukwu C. Chigba
Company Secretary

Okoro Chika Rex
Chief Financial Officer

Nneji Francis
Managing Director



Directors: Prince Olanipe Olayomi (Chairman), Kiburu Yusuf, John Okoro, Rex Okoro,
Jude Nneji, Frank Nneji (MD/CEO)



APPENDIX I: INCORPORATION BY REFERENCE

The following documents which have been published, and have been filed with the SEC, shall be incorporated, in form and in part of, this Prospectus:

- a) The Reporting Accountants report prepared by Ngozi Monica Okonkwo & Co on the Issuer's audited financial statements for full year ended 31 December 2020, 2019, 2018, 2017, 2016.
- b) The audited financial statements of the Issuer for the years ended 2016- 2020 and unaudited financial statements for 9-Months ended September 30, 2021.
- c) Prospectus dated March 07, 2022

Copies of the above documents may be inspected at the Issuing House offices between 8.00am and 5.00pm on any Business Day throughout the offer period.

APPENDIX J: PROCEDURES FOR APPLICATION AND ALLOTMENT

1. Application

Persons invited to apply for the Bonds through the Issuing house listed in the Prospectus.

- 1.1. Application for the Bonds now being offered must be made in accordance with the instructions set out on the back of the Application Form. Care must be taken to follow these instructions, as applications which do not comply will be rejected.
- 1.2. The Application List for the Bonds now being offered opens on **Monday, March 21, 2022** and will close on **Friday, April 08, 2022**.
- 1.3. Applications must be for a minimum of 10,000 registered Bonds of ₦1,000 each, representing an aggregate value of ₦10,000,000.00 and in integral multiples of 1,000 registered Bonds thereafter, representing an aggregate value of ₦1,000,000.
- 1.4. The subscription currency for the Issue is the Nigerian Naira (₦). Foreign currency subscriptions will be processed at the applicable foreign exchange rate determined at the auction at the CBN as conducted from time to time.
- 1.5. The applicant should make only one application, whether in his own name, or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
- 1.6. Applicants should complete the Application Form as appropriate. A corporate applicant should affix its seal in the box provided for this purpose and state its incorporation (RC) Number or in the case of a corporate foreign subscriber, its appropriate identification number in the jurisdiction in which it is constituted.
- 1.7. Each duly completed Application should be forwarded ONLY to the Issuing house listed in this Prospectus together with evidence of Bank transfer in an amount equivalent to the aggregate number of bonds applied for. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and bank drafts will be presented upon receipt and all applications in respect of which cheques or bank drafts are returned unpaid will be rejected.

2. Allotment

ABC Transport Plc and the Issuing House 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. All irregular or suspected multiple applications will be rejected. The allotment proposal will be subject to the clearance of the Commission. The Bonds are issued in dematerialized form, an investor is required to specify the details of his/her Stockbroking firm, CHN and CSCS account in the space provided on the Application Form. The CSCS account shall be credited within 7(Seven) business days from the date of obtaining the approval of the Basis of Allotment from the Commission while Certificates in respect of allotted Bonds will be sent by registered post not later than 15(fifteen) Business days from the Allotment date to investors who prefer certificates.

3. Application monies

All application monies will be retained in separate interest-yielding bank accounts with the Receiving Banks pending allotment. If any application is not accepted, or is accepted for fewer Bonds, than the number applied for, a crossed cheque for the full amount or the balance of the amount paid (as the case may be) plus interest will be returned by registered post within 5(five) Business Days of allotment by the Registrar. Where monies are not sent within the stipulated 5 Business Days, accrued interest will be paid to the affected applicants at the prevailing Monetary Policy Rate plus a margin of 5% i.e. MPR+5%.

4. Bank Account Details

- 4.1 Investors are required to indicate their bank account details in the space provided on the application form for the purposes of future payments of Coupon and the Principal Amount.
- 4.2 Investors are advised to ensure that bank account details stated on the application 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 the 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.

INSTRUCTION FOR COMPLETING THE APPLICATION FORM

1. Applications should be made on the Application Form, or photocopies or electronic copies of the Application Form.
2. The Application List for the Bonds will be open to prospective investors for the duration specified in the Prospectus.
3. Application must be for a minimum of 10,000 registered Bonds of ₦1,000 each, representing an aggregate value of ₦10,000,000 and in integral multiples of 1,000 registered Bonds thereafter, representing an aggregate value of ₦1,000,000 each. The number of registered Bonds for which application is made and the value of bank draft or cheque attached should be entered in the space provided.
4. The subscription currency for the Issue is the Nigerian Naira (₦)
5. The applicant should make only one application, whether in his own name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
6. Applicants should complete the Application Form as appropriate. An application from a corporate body must bear the corporate body's common seal and its incorporation (RC) Number and be completed under the hand of a duly authorised official or in the case of a corporate foreign subscriber its appropriate identification number in the jurisdiction in which it is constituted. Joint applications must all sign the Application Form.
7. All applications are required to indicate their bank account details in the space provided on the Application Form to facilitate future e-payment of Coupon and the Principal Amount.
8. Each duly completed Application should be forwarded ONLY to the Issuing House together with evidence of Bank transfer in an amount equivalent to the aggregate number of bonds applied for. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and bank drafts will be presented upon receipt and all applications in respect of which cheques on bank drafts are returned unpaid will be rejected.
9. The Receiving Bank will issue Certificates of Capital Importation ("CCIs") to foreign currency subscribers. CCIs are required to enable subsequent repatriation, in a freely convertible currency, of the Interest from or proceeds of any future sale of the Bonds acquired in this Issue.

APPLICATION FORM

Application Opening
Date: March 21, 2022

Application Closing
Date: April 08, 2022



Offers
₦900,000,000.00
5-Years 16.50% Fixed Rate Senior secured Bond Due 2027
Issued At Par At ₦1,000 Per Unit



ISSUING HOUSE/UNDERWRITER

Orders must be made in accordance with the instructions set out in this Prospectus. 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.

Please complete all relevant sections of this Form USING BLOCK LETTERS WHERE APPLICABLE												
PARTICIPANT STATUS (PLEASE TICK <input checked="" type="checkbox"/>)		DATE (DD/MM/YYYY)					CONTROL NO. (FOR REGISTRARS' USE ONLY)					
<input type="checkbox"/>	High Net Worth Investors			/								
<input type="checkbox"/>	Fund Managers	<p align="center">DECLARATION</p> <p>I/We hereby confirm that I am/we are Qualified persons to participate in this Bond Issue in accordance with applicable SEC Rules and Regulations.</p> <p>I/We confirm that I/we have read the Prospectus dated March 7, 2022 and that my/our Order(s) is/are made on the terms set therein</p> <p>I/we hereby irrevocably undertake and confirm my/our Order(s) for the Bonds equivalent to my/our Participation Amount(s) set out below at the indicated Coupon Rate</p> <p>I/We authorise the Issuer to make the necessary changes in the Prospectus for filing of the Prospectus with the SEC without intimation to me/us.</p> <p>I/We note that the Issuer and the Issuing House 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 in this Prospectus.</p> <p>I/We authorise you to enter my/our name on the Register of Holders as holders of the Bonds that may be allotted to me/us and to register my/our address as given below</p>										
<input type="checkbox"/>	Insurance Companies											
<input type="checkbox"/>	Investment/Unit Trusts											
<input type="checkbox"/>	Multilateral/Bilateral Inst.											
<input type="checkbox"/>	Market Makers											
<input type="checkbox"/>	Staff Schemes											
<input type="checkbox"/>	Trustees/Custodians											
<input type="checkbox"/>	Stock-broking Firms											
<input type="checkbox"/>	Resident Corporate Investors											
<input type="checkbox"/>	Non-Resident Investors											
<input type="checkbox"/>	Hedge Funds											
<input type="checkbox"/>	Banks											

PARTICIPATION DETAILS (The Participation Amount(s) and the Bid Coupon Rate(s) being offered must be set out in the boxes below).

The order must be for a minimum of ₦10,000,000.00 and in multiples of ₦1,000,000.00 thereafter.

APPLICATION												
PARTICIPATION AMOUNT (minimum amount ₦10,000,000.00 and in multiples of ₦1,000,000.00 thereafter)												
AMOUNT IN FIGURES												
AMOUNT IN WORDS												

PLEASE TURN OVER TO COMPLETE THIS FORM



