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

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



CARDINALSTONE FINANCING SPV PLC

RC: 1697215

Offer for Subscription (By way of a Book Build) of

₹5,000,000,000 Series I: 5-Year 7% Fixed Rate Bonds due 2025 (being offered to Qualified Institutional Investors and High Net Worth Investors)

Under a №10,000,000,000.00 Debt Issuance Programme

Book Build Open: November 20, 2020 Book Build Close: December 3, 2020

This Pricing Supplement has been prepared pursuant to Rule 321 of the Rules and Regulations of the Securities & Exchange Commission ("the Commission" or "SEC") in connection with the issuance of №5,000,000,000 Bonds under the №10,000,000,000 Debt Issuance Programme established by CardinalStone Financing SPV Plc ("the Issuer"). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated December 30, 2020 and any other supplements to the Shelf Prospectus to be issued by the Issuer. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement. A copy of this Pricing Supplement has been delivered to the Commission for registration.

To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall prevail. This Pricing Supplement may be used to offer and sell the Bonds only if accompanied by the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained from any of the Issuing Houses.

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

This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Securities being issued hereunder (the "Series I Bonds" or "Bonds"). An application has been made to the FMDQ for the admission of the Bonds to the Daily Official List of the FMDQ. The Bonds now being issued will upon admission to the Daily Official List qualify as a security in which Trustees may invest under the Trustees Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004.

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

Lead Issuing House/Book Runner











RC 264978

RC 446561

RC 199528

THIS PRICING SUPPLEMENT IS DATED DECEMBER 30, 2020
THIS PRICING SUPPLEMENT WILL BE AVAILABLE ON THE FOLLOWING WEBSITES:

www.cardinalstone.com www.chapelhilldenham.com www.sec.gov.ng

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1. SUMMARY OF THE OFFER

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

1. Issuer: CardinalStone Financing SPV Plc ("CardinalStone

SPV")

2. Sponsor/Co-Obligor/Note Issuer: CardinalStone Partners Limited

3. Description: 5 Year 7% Fixed Rate Bonds due 2025

4. Series Number: I

5. Aggregate Nominal Amount: ₩5,000,000,000

6. i) Issue Price: At par. Nation (One Thousand Naira)

ii) Issue Coupon: 7%

iii) Coupon Basis: Fixed Rate

7. i) Gross Proceeds: \hbar{\text{N5,000,000,000.00}}

ii) Net Proceeds: ₩4,885,911,038.88

8. Subscription: Minimum of ₹10,000,000 (Ten Million Naira) (i.e. 10,000

units at ₹1,000 per unit) and multiples of ₹1,000,000

(One Million Naira) thereafter

9. Denomination: Naira) Naira)

10. i) Issue Date: December 30, 2020

ii) Coupon Commencement Date June 30, 2021

11. Tenor: 5 years

12. Maturity Date: December 30, 2025

13. Principal Redemption/Re-Payment

Basis:

Amortised redemption of the Principal Amount following the expiration of a twenty-four (24) month Principal Moratorium period on the repayment of the

Principal Amount;

14. Principal Moratorium Twenty (24) months from the issue date of the Series I

Bond

15. Status of the Bond: The Bonds are guaranteed and are senior unsecured

instruments and shall constitute direct, unsubordinated obligations of the Issuer and Co-obligor and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer in respect of principal and any interest thereon shall at all times rank at least equally with all other senior unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future; but in the

event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights

16. Guarantee The Bonds are backed by an Undertaking issued by

CardinalStone Partners Limited (the Sponsor) in favour of the Trustees on behalf of Bondholders, supporting all

obligations of the Issuer under the Programme

17. Listing: FMDQ Securities Exchange Limited and/or Nigeria Stock

Exchange (NSE)

18. Method of Distribution: By way of a Book Build to Qualified Institutional

Investors and High Net Worth Investors.

19. Use of Proceeds: The net proceeds of the Bond Issuance will be utilized for

the purchase of the 5 year Fixed Rate Unsecured Notes issued by CardinalStone Partners Limited, under the terms of the Master Notes Issuance Agreement ("MNIA") executed between CardinalStone Financing SPV Plc and

CardinalStone Partners Limited

20. Oversubscription: In the event of an oversubscription, the Issuer reserves the

right to issue up to an additional 15% of the qualifying

Book

21. Source of Repayment: The coupon and principal repayment obligations from the

Series I Bond issuance will be made out of the Debt Service Payment Account ("DSPA"). The DSPA will be

established by the Issuer.

CardinalStone Partners Limited will establish a Debt Service Repayment Account ("DSRA"). The DSRA will be funded 30 days prior to each Coupon Payment Date with the amount due at each Coupon Payment Date, for purposes of servicing the interest and principal

obligations under the MNIA.

The Trustees will fund the DSPA by transferring the requisite amount from the DSRA, prior to each coupon

payment date.

22. Event of Default: Any of the conditions, events or acts that are provided in

Clause 15 (Events of Default) of the Series Trust Deed, being events upon the happening of which the Series 1 Bonds are repayable on demand once the Bond Trustee

demands the repayment.

PROVISIONS RELATING TO COUPON (IF ANY) PAYABLE

23. Fixed Rate Bond Provisions:

> i. Coupon Rate: 7% per annum

Semi-annual coupon payments, payable in arrears on the 6th ii. Coupon Payment Dates(s):

and 12th month of each year from the Issue Date up to and

including the Maturity Date

iii. Coupon Amount (s): Please refer to the Interest and Principal Amortization Payment

Schedule on page 17

Modified Following Business Day: Where a Coupon Payment **Business Convention** iv.

> Date falls on a non-Business Day, such payment shall be postponed to the next day which is a Business Day provided that if such a Business Day falls into the next calendar month, such Coupon Payment Date shall be brought forward to the Business Day immediately preceding the non-Business Day

Actual/365 (actual numbers of days in a month/365 days in the **Day Count Fraction** v.

year)

Other terms relating to method of Not Applicable vi.

calculating interest for Fixed Rate

Bonds:

PROVISIONS RELATING TO REDEMPTION

24. Optional Early Redemption (Call Callable at par, subject to obtaining prior regulatory approval, Option):

at any time, if an Event of Default occurs

25. Optional Early Redemption (Put

Option):

Not Applicable

26. Scheduled Redemption Dates: Not Applicable

27. Final Redemption Amount of each note: № 1,000

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

28. Form of Bonds Electronic registration on the Central Securities Clearing

System (CSCS) and FMDQ Depository (FMDQ-D)

29. Form of Dematerialized Bonds Registered

30. Registrar DataMax Registrars Limited 31. Clearing System CSCS and/or FMDQ-D 32. Joint Trustees United Capital Trustees Limited Vetiva Trustees Limited 33. Record Date: No Bondholder may require the transfer of a Bond to be registered during the period of fifteen (15) days ending on the due date for any payment of principal or Coupon on the Bond 34. **Bonds Settlement** Bonds purchases will be settled by electronic funds transfers through either CBN Inter-Bank Funds Transfer System ("CIBFTS)", National Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS") 35. Payment Agent DataMax Registrars Limited

GENERAL PROVISIONS APPLICABLE TO THE BONDS

36. BBB- (Agusto & Co) **Issuer Rating** BBB- (GCR) A- (DataPro) 37. BBB- (Agusto & Co) **Issue Rating** BBB- (GCR) A- (DataPro) 38. Not Applicable Underwritten 39. The Bonds are exempt from taxation in Nigeria in accordance **Taxation** with the (i) Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2011, (ii) the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011; and (iii) the Personal Income Tax (Amendment) Act 2011. The Companies Income Tax and VAT Order 2011 became effective on January 2, 2012 and are valid for a period of ten (10) years therefrom. The exemption under the Personal Income Tax Act is indefinite. Accordingly, all payments made to Bondholders within the specified waiver periods shall be free and clear of withholding or other deductions, in respect of Federal Government Income taxes as provided by the relevant Orders and Amendments. The exemption orders with respect to VAT and withholding tax are due to expire on January 2, 2022 and it may be the case that upon expiration, withholding tax, or other State or Federal income tax are deducted at source from payments made to the Bondholders. Proceeds from disposal will also be subject to VAT after the expiration 40. The Bonds will be governed by, and construed in accordance Governing Law

with the laws of the Federal Republic of Nigeria

2. PARTIES TO THE ISSUE

Directors and Company Secretary of the Issuer

The Issuer	CardinalStone Financing SPV Plc
	5 Okotie Eboh Street
	Ikoyi, Lagos
Directors	Michael Nzewi
	Director
	5 Okotie Eboh Street
	Ikoyi, Lagos
	Mohammed Garuba
	Director
	5 Okotie Eboh Street
	Ikoyi, Lagos
Company Secretary	Azizah Abiola
	5 Okotie Eboh Street
	Ikoyi, Lagos

Directors and Company Secretary of the Sponsor

The Sponsor	CardinalStone Partners Limited
	5 Okotie Eboh Street
	Ikoyi
	Lagos
Directors	Fola Adeola
	Chairman
	5 Okotie Eboh Street
	Ikoyi
	Lagos
	Michael Nzewi
	Managing Director
	5 Okotie Eboh Street
	Ikoyi
	Lagos
	Mohammed Garuba
	Executive Director
	5 Okotie Eboh Street
	Ikoyi
	Lagos

	Asue Ighodalo			
	Non-Executive Director			
	5 Okotie Eboh Street			
	Ikoyi			
	Lagos			
	Mairo Bashir			
	Non-Executive Director			
	5 Okotie Eboh Street			
	Ikoyi			
	Lagos			
	Femi Ogunjimi			
	Non-Executive Director			
	5 Okotie Eboh Street			
	Ikoyi			
	Lagos			
	Yomi Jemibewon			
	Non-Executive Director			
	5 Okotie Eboh Street			
	Ikoyi, Lagos			
Company Secretary	Azizah Abiola			
	5 Okotie Eboh Street			
	Ikoyi			
	Lagos			

Professional Parties to the Issue

Lead Issuing House/ Book Runner	Chapel Hill Denham Advisory Limited			
	45 Saka Tinubu Street (1st Floor)			
	Victoria Island			
	Lagos			
Joint Issuing Houses/ Book Runners	FBNQuest Merchant Bank Limited			
	10 Keffi Street			
	South-West Ikoyi			
	Lagos			
	FCMB Capital Markets Limited			
	First City Plaza			
	44 Marina Rd			
	Lagos			
	FSDH Capital Limited			
	UAC House			
	1/5 Odunlami Street			
	Lagos			

Solicitor to the Issuer	Udo Udoma & Belo-Osagie				
	St. Nicholas House				
	Catholic Mission Street,				
	Lagos				
Trustees	United Capital Trustees Limited				
	Afriland Towers				
	3 rd & 4 th Floors				
	97/105 Broad Street				
	Lagos				
	Vetiva Trustees Limited				
	266B Kofo Abayomi Street Victoria Island				
	Lagos				
Stockbroker to the Issue	CardinalStone Securities Limited				
	5 Okotie Eboh Street				
	Ikoyi				
	Lagos				
Sponsor's Auditor	PKF Professional Services (Chartered Accountants)				
	PKF House				
	205 Ikorodu Road, Obanikoro				
	Lagos				
Registrars	DataMax Registrars Limited				
-8	2C Gbagada Expressway,				
	Gbagada				
	Lagos				
Rating Agencies	Agusto & Co. Limited				
	UBA House (5th Floor)				
	57 Marina				
	Lagos				
	Global Credit Rating Co. Limited				
	New Africa House (17th Floor)				
	31 Marina				
	Lagos				
	2-655				
	DataPro Limited				
	Ground Floor, Foresight House				
	163-165 Broad Street				
	Lagos				

Reporting Accountant	Ernst & Young Nigeria
	UBA House (10th Floor)
	57 Marina
	Lagos
Receiving Bank	Sterling Bank Plc
	Sterling Towers
	20 Marina
	Lagos

3. INDICATIVE TRANSACTION TIMELINE

Date	Activity	Responsibility
Nov-20-2020	Commence Book Build	Issuing Houses
Dec-3-2020	Conclude Book Building/Determination of Clearing Price and Allocation of Bonds	Issuing Houses
Dec-4-2020	Despatch Allotment Confirmation Letters	Issuing Houses
Dec-7-2020	Update Issue documents and submit to SEC	Issuing Houses
Dec-9-2020	Hold Signing Event/Investors fund allotted Bonds	Issuing Houses
Dec-9-2020	Remit Bond Proceeds to the Issuer	Receiving Bank
Dec-14-2020	File executed Issue documents with SEC	Issuing Houses
Dec-14-2020	Credit CSCS and FMDQ-D accounts of bond holders	Registrars
Dec-16-2020	Obtain SEC Approval to publish Allotment Announcement	Issuing Houses
Dec-17-2020	Publish Allotment Announcement in at least 2 national dailies	Issuing Houses
Dec-28-2020	Listing of Bond on FMDQ/NSE	Issuing Houses/Stockbrokers
Dec-28-2020	File Post Completion Report with SEC	Issuing Houses

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



19 August, 2020

The Managing Director Chapel Hill Denham Advisory Limited 1st Floor, 45 Saka Tinubu Street Victoria Island Lagos

The Managing Director CardinalStone Partners Limited 5 Okotie Eboh Street Ikoyi Lagos

Dear Sir,

SUBMISSION OF MATERIAL ADVERSE CHANGE STATEMENT ON CARDINALSTONE FINANCING SPV PLC – \$10 BILLION DEBT ISSUANCE PROGRAMME

Except as disclosed in this Prospectus, there has been no material adverse change in the financial position or prospects of the Issuer and no significant change in the financial or trading position of the Issuer.

In addition, during the twelve calendar months immediately preceding the date of filing an application with the Securities & Exchange Commission for the registration of this Prospectus, CardinalStone Financing SPV Plc did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies.

The Issuer accepts responsibility for the information contained in this Prospectus which, when read, contains all information that is material in the context of the issue of the Bond.

SIGNED for and on behalf of the Issuer, CardinalStone Financing SPV Plc

Michael Nzewi

Director

Oloruntoba Ayodele
Chief Financial Officer

Directors: Michael Nzewi Mohammed Garuba 5 Okotie Eboh Street Ikoyi Lagos Nigeria
Tel: +1234 1448 9005

Fax: +234 1 448 9905 RC 1697215



CARDINALSTONE FINANCING SPV PLC RC 1697215

DECLARATION OF ISSUER

This Pricing Supplement has been prepared by the Issuing Houses on behalf of CardinalStone Financing SPV Plc (the "Issuer") for the purposes of providing information disclosures to prospective investors on the relevant aspects of the Issuer in connection with the Bond issuance under the Programme as indicated in this Pricing Supplement.

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

- 1. We confirm that the information contained in this Pricing Supplement, is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import;
- 2. There has been no significant change in the financial condition or material adverse change in the prospect of the Company as at the date of this document; and
- 3. The Company or any of its subsidiaries is not in breach of any terms and conditions in respect of borrowed monies which resulted in the occurrence of any event of default and an immediate recall of such borrowed monies during the 12 (twelve) months preceding the date of this Pricing Supplement.

Signed for and on behalf of

CardinalStone Financing SPV Plc

by its duly authorised representatives:

Micheal Nzewi

Director

Oloruntoba Ayodele

Chief Financial Officer

ADEMOLA OBAYOMI LL M NOTARY PUBLIC 200, Igbosere Road,

Lagos, Nigeria.

Company Secretary

Azizah Abjola

Directors: Michael Nzewi

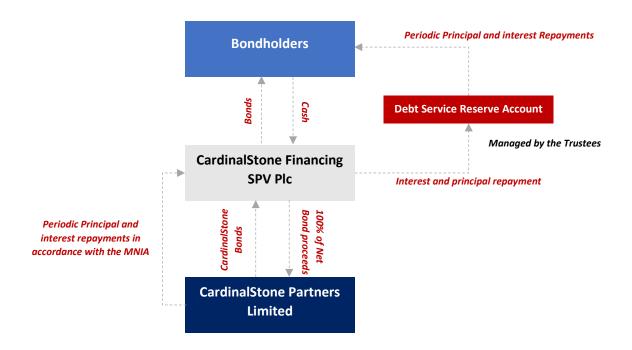
Mohammed Garuba

5 Okotie Eboh Street

Ikoyi Lagos Nigeria

Tel: +234 1 448 9900 Fax: +234 1 448 9905 RC 1697215

6. DESCRIPTION OF THE ISSUE



Key features of the Issuance include:

- ★ The Issuer, CardinalStone Financing SPV Plc, is a special purpose vehicle that will issue Bonds to Qualified Investors
- → CardinalStone SPV will use the net proceeds of the Bonds issued under the Programme to purchase the Notes through a private placement constituted by the Master Notes Issuance Agreement.
- → The coupon and principal repayment obligations from the Series I Bond issuance will be made out of the Debt Service Payment Account ("DSPA"). The DSPA will be established by the Issuer.
 - CardinalStone Partners Limited will establish a Debt Service Repayment Account ("DSRA"). The DSRA will be funded 30 days prior to each Coupon Payment Date with the amount due at each Coupon Payment Date, for purposes of servicing the interest and principal obligations under the MNIA. The Trustees will fund the DSPA by transferring the requisite amount from DSRA, prior to each coupon payment date.
- → The Bonds are backed by an Undertaking issued by CardinalStone Partners Limited in favour of the Trustees on behalf of Bondholders and supporting all the obligations of the Issuer under the Programme

7. SCHEDULE I – USE OF PROCEEDS

CardinalStone Financing SPV Plc

The net proceeds of the Series I Bond issuance will be utilized for the purchase of Notes issued by the Sponsor (Note Issuer) on similar terms through a private placement constituted by the Master Notes Issuance Agreement as follows:

Use of Proceeds*	Amount (N)	%	Estimated Completion Period
Purchase of Notes issued by the Sponsor (Note Issuer)	4,885,911,038.88	97.72%	Immediate
Cost of Issuance	114,088,961.12	2.28%	Immediate
Total	5,000,000,000.00	100.00%	

^{*}The offer costs of \cancel{N} 114,088,961.12 - representing 2.28% of the gross offer proceeds - have been deducted from the gross proceeds

CardinalStone Partners Limited

The proceeds of the Note Issuance by the Sponsor will be utilized as follows:

Use of Proceeds*	Amount (₩'mn)	%	Estimated Completion Period
Investing and underwriting qualified, credible and high return corporate debts	4,000,000,000.00	81.87%	Immediate
Working Capital	885,911,038.88	18.13%	Immediate
Total	4,885,911,038.88	100.00%	

8. SCHEDULE II - COUPON AND PRINCIPAL AMORTISATION SCHEDULE

The following table indicates the semi-annual coupon payments due to Bondholders during the tenor of the issue.

Period	Bond Obligation Repayment Dates	Semi-annual Interest Payment (N'000)	Principal Repayments Payment (N '000)	Total Repayments Payment (N '000)
Payment 1	June 30, 2021	175,000,000.00	-	175,000,000.00
Payment 2	December 30, 2021	175,000,000.00	-	175,000,000.00
Payment 3	June 30, 2022	175,000,000.00	-	175,000,000.00
Payment 4	December 30, 2022	175,000,000.00	-	175,000,000.00
Payment 5	June 30, 2023	175,000,000.00	763,341,043.33	938,341,043.33
Payment 6	December 30, 2023	148,283,063.48	790,057,979.84	938,341,043.33
Payment 7	June 30, 2024	120,631,034.19	817,710,009.14	938,341,043.33
Payment 8	December 30, 2024	92,011,183.87	846,329,859.46	938,341,043.33
Payment 9	June 30, 2025	62,389,638.79	875,951,404.54	938,341,043.33
Payment 10	December 30, 2025	31,731,339.63	906,609,703.70	938,341,043.33



Cardinal Stone Financina SPV Plc's №5 hillion Series 1 Rond

CardinalStone Financing SPV Plc

 ₩5 billion 7% Fixed Rate Series 1 Senior Unsecured Bond issued under the ₩10 billion Debt Issuance

 Programme

Rating: Bbb-*

*This Issue rating is indicative. A final rating will be assigned upon receipt of all duly executed transaction documents.

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

Outlook: Stable

Issue Date: 4 September 2020 Expiry Date: 30 June 2021 The rating is valid throughout the life of the instrument but will be subject to

Bond tenor: 5 years

Industry: Financial Services

periodic monitoring and review.

Analysts:

Chiamaka Ozorjiri chiamakaozorjiri@agusto.com

Adebiyi Olukoya biyiolukoya@agusto.com

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

www.agusto.com

Rating Rationale

Agusto & Co. hereby assigns an indicative 'Bbb-' rating to CardinalStone Financing SPV Plc's ("CSP-SPV" or "the Issuer") Series 1 Five-Year \\$5 billion 7% Fixed Rate Senior Unsecured Bond ("the Issue" or "the Bond") under the \\$10 billion Debt Issuance Programme. CSP-SPV is a special purpose vehicle created to issue bonds and on-lend the net proceeds to CardinalStone Partners Limited ("CSP" or "the Sponsor"). The Bond's proceeds will be used to fund the Sponsor's asset growth and to enhance working capital. The Issue is a direct, unconditional, senior and unsecured obligation of CSP and ranks pari passu with all other unsecured senior creditors of the Sponsor. The rating of the Bond thus mirrors the standalone rating of CSP.

The rating assigned is hinged on the Sponsor's good profitability, adequate capital, good liquidity and funding profile and stable management team. The rating is, however, constrained by high non-performing loan (NPL) ratio in the consumer finance loan book, substantial exposure to unrated related parties and concentration in various portfolios. We have also considered the impact of the COVID-19 pandemic and the attendant global and domestic economic downturns on the Sponsor's businesses.

CSP is a licensed capital market operator in Nigeria with operations spanning asset management, investment banking financial advisory, registrar, securities brokerage and consumer lending services. The Sponsor also makes proprietary investments in listed equity, fixed income and private equity. As at the 2019 FYE, CSP's shareholders' funds stood at N4.3 billion following an equity issuance in 2019, with capitalisation at the subsidiary levels meeting the minimum regulatory requirements for the relevant licences.

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^{*}Related Document: Agusto & Co Limited's 2020 Cardinal Stone Partners Limited's (Group Credit) Rating



CARDINALSTONE FINANCING SPV PLC

This report is provided by DataPro subject to the terms & condition stimulated in our Terms of Engagement

BOND RATING REPORT

References

Abiodun Adeseyoju, FCA. Abimbola Adeseyoju Oladele Adeoye

EVALUATION

VALID TILL: August, 2021

DataPro Rating:

Security Type: Note: Not

Bonds under the #10billion Debt

Issuance Programme

Maturity Profile: 5 years
Maturity Date: Year 2025
Rating Outlook: Evolving
Currency: Naira
Rating Watch: Applicable

• Rating:

SUMMARY



- Report Type: Bond Rating
- Client: CardinalStone Financing SPV Plc
- Date Compiled 21-Aug-2020

EXECUTIVE SUMMARY

EXECUTIVE SOMMAKT						
	2019 N '000	2018 N '000	2017 N '000	2016 N '000	2015 N '000	
Gross Earning	4,297,373	3,057,481	2,865,016	1,883,246	2,393,576	
Profit before Tax	1,293,998	613,715	1,023,139	380,503	429,507	
Total Asset	26,732,292	21,165,138	17,402,892	13,054,470	14,024,440	
Equity	4,322,567	1,669,581	2,036,815	1,365,914	1,395,170	
Total Liabilities	22,409,725	19,495,557	15,366,077	11,688,556	12,629,270	
Fixed Asset	560,582	407,633	155,039	154,933	206,297	

RATING EXPLANATION

The long-term rating of A^- indicates Low Risk. It shows very good financial strength, operating performance and business profile when compared to the standard established by ${\it DataPro}$. This company, in our opinion, has the ability to meet its ongoing obligations.

This report does not represent an offer to trade in securities. It is a reference source and not a substitute for your own judgment. As far as we are aware, this report is based on reliable data and information, but we have not verified this or obtained an independent verification to this effect. We provide no guarantee with respect to accuracy or completeness of the data relied upon, and therefore the conclusions derived from the data. This report has been prepared at the request of, and for the purpose of, our client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person. Finally, Data For and its employees accept to liability whatsoever for any direct or consequential loss of any kind arising from the use of this document in any way whatsoever.

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DataPro @ 2020

CardinalStone Financing SPV Plc



CardinalStone Financing SPV Plc N10bn Debt Issuance Programme (Series 1 Bonds)

Nigeria Bond Analysis					December 2020
Security class	Amount	Rating Scale	Rating#	Outlook#	Expiry date
Senior Fixed Rate Bonds	N5bn	National	BBB-(NG)	Stable	March 2021

Summary of transaction:

Issuer

Cardinal Stone Financing SPV Plc

Sponsor

Cardinal Stone Partners Limited Sponsor's long-term national scale credit rating: BBB-(MG); Stable Outlook

Trustees

United Capital Trustees Limited Vetiva Trustees Limited

Issue Details

Programme limit N10.0bn
Tenor 5 years
Coupon rate amount 7%

Rating History:

Series 1

Initial rating (September 2020)^

Long-term: BBB-(NG)
Outlook: Stable

^Indicative rating

Related Methodologies/Research:

Global Criteria for Rating Banks and Other Financial Institutions, updated March 2017 CardinalStone rating report, 2020 Glossary of Terms/Ratios (February 2016)

GCR Contacts:

Primary analyst:

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Committee Chairman:

Dave King

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Transaction summary

The Series 1 Bonds are being issued under CardinalStone Financing SPV Plc's ("the Issuer") N10bn Debt Issuance Programme ("DIP"). The Issuer is permitted, through a resolution of its Board of Directors ("board"), to issue the Bonds in series and/or ranches up to an amount of N5bn, under different terms and conditions as management may deem fit, subject to the approval of the relevant regulatory authorities. Accordingly, the current Issue (Series 1 Bonds) will constitute direct, senior, unsecured and unconditional obligations of the Issuer, and rank pari-passu without preference with other outstanding senior unsecured obligations of the Issuer (existing and future).

The *indicative* rating accorded to the Series 1 Bonds relates to timely payment of interest and principal. The rating excludes an assessment of the Issuer's ability to pay any (early repayment) penalties.

Rating panel highlights

- While the Issuer is CadinalStone Financing SPV Plc, repayment of the
 obligations under the Issues ultimately depends on the performance of
 CardinalStone Partners Limited ("CardinalStone" or "the Sponsor"), as the
 direct obligor of the Issues. As such, the accorded rating is linked to
 CardinalStone's credit standing and financial position. CardinalStone has been
 accorded a long-term national scale credit rating of BBB-(MG) by Global Credit
 Rating Company Limited ("GCR"), with a Stable outlook.
- CardinalStone reported a pre-tax profit of N1.3bn for FY19, with performance supported by improvement in both net interest income and non-interest income, with rapid advances in growth and securities trading as the key performance drivers. Accordingly, total operating income ("TOI") peaked at N3bn during the year (FY18: N2bn). While operating expenses registered a rise of 15.1%, driven by staff related expenses, rent and maintenance costs. Nevertheless, some level of efficiency was achieved, with the cost ratio moderating to 51.8% from 68% the previous year. Consequently, return on average equity and assets ("ROaE and ROaA") closed at 41.5% and 4.5% in FY19 (FY18: 18.2% and 1.4%) respectively. A pre-tax profit of N469m was recorded for the six- month period to line 2020.
- In accordance with the Deed of Undertaking, the Sponsor undertakes to
 unconditionally and irrevocably make all payments payable by the Issuer in
 respect of the Bonds, which shall be fully discharged through payment of the
 appropriate amount in connection with the CardinalStone Notes.
- A legal opinion from the solicitor to the Trustees confirms that the undertaking provided by the Sponsor is valid and enforceable under Nigerian Law.
- The unsubordinated and unsecured nature of the Notes to be issued to the Issuer
 by the Sponsor, which will rank at par with all senior unsecured indebtedness of
 the Sponsor, was also considered. Consequently, the Series 1 Bonds have been
 accorded an indicative, public national scale long-term rating of BBB-(NG), in
 line with the Sponsor's rating.

Factors that could trigger a rating action may include

Positive change: Given that the ability of the Issuer to meet its obligations under this Issue is dependent on the financial condition of the Sponsor, the accorded rating would be sensitive to a positive rating action on the Sponsor.

Negative change: Non-compliance with the set covenants, as well as a downgrade of the Sponsor's rating could trigger negative rating actions.

"Indicative rating and outlook, to be converted to a final rating and outlook upon the receipt of all final transaction documents.

Nigeria Bond Analysis | Public Credit Rating



APPENDIX II: EXTRACT OF THE SERIES I TRUST DEED

The information in this section is a summary of the certain provisions of the series 1 trust deed. This summary should be read in conjunction with and is qualified in its entirety by reference to all the provisions of the series 1 trust deed. a copy of the series 1 trust deed is available for inspection at the registered office of the bond trustee.

2 FORMS OF THE BONDS

Amount, Tenor and Status

- 2.1 **Series Amount:** The aggregate Principal Amount is №5,000,000 comprising 5,000,000 registered Bonds at the par value of №1,000 each.
 - 2.1.1 **Type of Bonds:** Fixed Rate Bonds.
 - 2.1.2 **Status of Bonds:** The status of the Bonds shall be as described in Condition 3 (*Status of the Series 1 Bonds*).
 - 2.1.3 **Tenor:** 5 years.

2.2 Coupon Payment

The Coupon shall be payable on the Bonds in accordance with Condition 5 (*Coupon*).

2.3 **Principal Repayment**

The aggregate Principal Amount shall be repaid in full at the Maturity Date, where same is not subject to Early Redemption in accordance with Clause 2.4 (*Early Redemption*) and Condition 7 (*Redemption*).

2.4 Early Redemption

The Bonds may be subject to early redemption as stated in Condition 7 (*Redemption*).

2.5 **Utilisation of Proceeds**

- 2.5.1 The Issuer shall apply the net proceeds of the Bonds (after deduction of the statutory fees, applicable taxes and all other SEC approved costs and expenses incurred in connection with the issue) towards the purchase of the Notes under the terms of the Master Notes Issuance Agreement or the Permitted Investments, and in accordance with the Supplementary Shelf Prospectus/Pricing Supplement or as may be amended subject to the approval of SEC.
- 2.5.2 Without prejudice to the generality of the foregoing and the subsequent provisions of this Deed, the Trustees shall be entitled to, but shall neither be bound to enquire as to the application of the proceeds of the Bonds nor shall they be responsible for such application or for the consequence of such application.

3 ESTABLISHMENT AND FUNDING OF THE DSPA

3.1 The Issuer shall, in accordance with Clause 19.1 of the Programme Trust Deed, open the DSPA not later than fifteen (15) Business Days prior to the first Coupon Payment Date, to service its Coupon

and principal repayment obligations, which shall be in name of and under the control of the Trustees.

- 3.2 The Sponsor shall, in accordance with the terms of the Master Notes Issuance Agreement, establish the DSRA in the name of the Issuer, and the Sponsor shall pay or cause to be paid the amount due at each Coupon Payment Date into the DSRA 30 days prior to each Coupon Payment Date for the purpose of servicing its interest and principal repayment obligations to the Issuer under the Master Notes Issuance Agreement, and as specified in the Supplementary Shelf Prospectus/Pricing Supplement.
- 3.3 The Issuer and the Sponsor hereby agree that all funds deposited and received into the DSRA shall be solely applied towards crediting the DSPA, for the purpose of facilitating the performance of the repayment obligations of the Issuer in respect of the Principal Amount and Coupon payable in respect of the Series 1 Bonds. No payments shall be made out of the DSRA except on the terms of this Deed and the Master Notes Issuance Agreement, save for payments made in relation to all expenses specifically incurred in, or incidental to, the repayment of the Notes and the management of the DSRA.
- 3.4 The Trustees shall on each Funding Date, transfer from the DSRA and pay or cause to be paid into the DSPA, such amounts equal to or sufficient to repay the aggregate of the Coupon Amount and prior to the Maturity Date, the Principal Amount, and other monies (if any) due and payable on such Coupon Payment Date and Maturity Date.
- 3.5 The Trustees shall notify the Issuer and the Sponsor:
 - 3.5.1 at least five (5) Business Days before a Funding Date of an impending Funding Date;
 - 3.5.2 if it has not by close of business on the Funding Date received the full amount required for payment to the Holders, that it has not received the said amount and the Issuer shall not more than twenty-four (24) hours after such notice, fund the DSPA accordingly; and
 - 3.3.3 if it has received the full amount of any sum payable in respect of the Series 1 Bonds.

4 REPRESENTATIONS AND WARRANTIES

Each of the Issuer and the Sponsor hereby represents and warrants to the Holders that:

- 4.1 each of the covenants stated in Clause 16 (Covenants of the Issuer) and Clause 17 (Covenants of the Sponsor) of the Programme Trust Deed is valid and of effect as at the date of this Deed;
- 4.2 the representations and warranties stated in Clause 26 (Representations and Warranties of the Issuer and the Sponsor) of the Programme Trust Deed are of full force and in effect as at the date of this Deed;
- 4.3 no event of default as defined in Condition 9 (Events of Default) of the Programme Trust Deed has occurred, or is likely to occur and or is continuing; and

4.4 it shall use all reasonable endeavours to ensure that the Bonds are, upon issue, quoted and or listed on the FMDQ and or The NSE and that such quotation is maintained until the Maturity Date.

5 POWERS, RIGHTS, DUTIES AND RELIEFS OF THE TRUSTEES

- 5.1 The Trustees shall have all the powers, rights, duties and reliefs as set out in Clauses 3 (Appointment of Trustees and Declaration of Trust) and 20 (Powers, Rights, Duties and Reliefs of the Trustees) of the Programme Trust Deed.
- 5.2 In addition to the above, the Trustees shall:
 - (a) comply with the fiduciary duties owed to the Holders in accordance with this Deed and the applicable laws and act in the best interest of the Holders;
 - (b) act impartially and solely in the best interest of all Holders in the management of the trust property;
 - (c) not to let their commercial interests and the duties owed to the Holders in connection with and under this Deed conflict;
 - (d) not commingle their funds with those of the trust;
 - (e) segregate their assets from the trust property;
 - (f) not pledge or charge the trust property except as permitted by the Programme Trust Deed, this Deed, the ISA, SEC Rules or any applicable law; and
 - (g) not delegate their duties except as permitted by this Deed or the Programme Trust Deed.

6 SEVERABILITY

Any term or provision of this Deed or the application thereof to any circumstance that is prohibited or unenforceable (to any extent) in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such illegality, invalidity, prohibition or unenforceability without invalidating or rendering unenforceable, the remaining terms or provisions hereof or the application of such term or provision to circumstances other than those to which it is held invalid or unenforceable. Any such illegality, invalidity, prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable laws, the Parties hereto waive any provision of law that renders any term or provision of this Deed illegal, invalid, prohibited or unenforceable in any respect.

7 INVESTMENTS BY TRUSTEES

The provisions of Clause 13 (*Investment by Trustees*) of the Programme Trust Deed shall apply in respect of the Series 1 Bonds. In addition, the Trustees shall ensure that the provisions of the Trustees Act are complied with, in respect of any Permitted Investment.

8 BENEFIT OF THE TRUST DEED

Nothing in this Trust Deed or in the Bonds, express or implied, shall give to any person, other than the Parties hereto and their successors hereunder and the Bondholders, and where specified herein, the beneficial owners of Bonds, any benefit or any legal or equitable right, remedy or claim under this Deed.

9 ASSIGNMENT

The Issuer and the Sponsor may not assign or transfer any of their respective rights, interests or obligations under or in respect of this Deed to any person, without the prior written consent of the Trustees.

10 COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same instrument; provided that each Party signs at least one (1) counterpart.

11 DISPUTE RESOLUTION

The provisions of Clause 37 (*Dispute Resolution*) of the Programme Trust Deed shall apply *mutatis mutandis* to this Deed.

12 NOTICES

The provisions of Clause 32 (*Notices*) of the Programme Trust Deed will apply *mutatis mutandis* to this Deed.

13 GOVERNING LAW

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

14 STATUS OF THIS DEED

This Deed shall be subject to the provisions of the ISA, the SEC Rules and the Trustees Act.

APPENDIX III: FINANCIAL STATEMENTS

Extract From Reporting Accountant's Report



Ernst & Young UBA House 10th Floor 57 Marina P.O Box 2442, Marina Lagos, Nigeria. Tel: 234 (01) 8449962 Fax: 234 (0) 8449963 ev.com

The Directors
CardinalStone Partners Limited
5, Okotie Eboh Street
Ikoyi
Lagos

Gentlemen.

ACCOUNTANTS' REPORT ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF CARDINALSTONE PARTNERS LIMITED FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 and 2017

We have reviewed the audited consolidated financial statements of CardinalStone Partners Limited (the "Company") and its subsidiaries (collectively, the "Group") that comprise the consolidated statements of financial position as at 31 December 2019, 2018 and 2017 and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years then ended, and a summary of significant accounting policies and other explanatory information, for the proposed N10 billion bond issue ("the Offer"). PKF Professional Services were the auditors of the Group and the Company for the years ended 31 December 2019, 2018 and 2017, and unmodified audit opinions were issued by the auditors for each of the three years.

Management's Responsibility for the Consolidated Financial Statements

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

Accountants' Responsibility

Our responsibility is to express a conclusion on the accompanying consolidated financial statements. We conducted our review in accordance with the International Standard on Review Engagement (ISRE) 2400, Engagements to Review Historical Financial Statements. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated financial statements, taken as a whole, are not prepared in all material respects in accordance with the International Financial Reporting Standards (IFRS) as issued by International Auditing Standards Board (IASB). This Standard also requires us to comply with relevant ethical requirements.

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

A member firm of Ernst & Young Global Limited



Accountants' Responsibility - Continued

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these consolidated financial statements do not give a true and fair view of the financial position of Cardinalstone Partners Limited and its subsidiaries as at 31 December 2019, 2018 and 2017, their financial performance and cash flows for each of the three years then ended, in accordance with the International Financial Reporting Standards (IFRS) as issued by International Auditing Standards Board (IASB).

This report is solely for the use of the Directors of CardinalStone Partners Limited and other relevant parties to the offer. No part of this report may be quoted or circulated outside these parties without the prior written approval of Ernst & Young.

Yours faithfully,

Oluwasayo Elumaro

FRC/2012/ICAN/00000000139

For: Ernst & Young Lagos, Nigeria

Date: 2 September 2020

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019, 2018 and 2017

In thousands of Nigerian Naira	Notes	31 December 2019	31 December 2018	31 December 2017
ASSETS				
Cash and cash equivalents	19	6,397,907	5,557,405	4,824,319
Investment securities:				
-Financial assets at amortised cost	20	10,182,472	10,288,422	
-Financial assets at fair value through profit or loss -Financial assets at fair value through other	21	4,072,215	970,655	7,364,367
comprehensive income	22	32,571	32,139	_
- Held to maturity	23	,	-	2,197,732
- Available for sale	24	(<u>2</u> 2)		32,362
Loans and advances to customers	25	2,362,877	442,715	460,883
Receivable from clients	26	149,724	338,136	154,136
Other receivables and prepayments	27	2,948,815	3,128,034	2,213,910
Property and equipment	29	515,569	385,125	142,764
Intangible assets	30	45,012	22,508	12,275
Right of use assets	31	25,128	-	
TOTAL ASSETS		26,732,291	21,165,139	17,402,748
Bank overdrafts Loans and borrowings Liabilities to clients Trade payables Other liabilities Retirement benefit obligations Current income tax payable	19 32 33 34 35 36 16	113,984 547,404 16,143,549 4,748,373 544,056 4,913 284,702	334,790 274,887 13,524,624 4,503,270 510,040 3,700 330,536	60,795 196,878 9,387,111 4,894,047 392,247 2,828 417,846
Deferred tax liabilities	17	22,744	13,710	14,183
TOTAL LIABILITIES SHAREHOLDERS' FUND		22,409,724	19,495,557	15,365,935
	07	0.17.0.10	050.000	050 000
Share capital	37	317,842	250,000	250,000
Share premium	38	2,183,447	242,500	242,500
Retained earnings	39	1,364,850	794,719	1,116,870
Non-distributable regulatory reserve	40	2,934	- (5.000)	1,268
Fair value reserve	41	(5,174) 3,863,899	(5,606) 1,281,613	(15,383) 1,595,255
Name and a War Indoor	40			
Non-controlling interests	42	458,668	387,969	441,558
Equity		4,322,567	1,669,582	2,036,813
TOTAL LIABILITIES AND SHAREHOLDERS' FUND		26,732,291	21,165,139	17,402,748

In thousands of Nigerian Naira

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Notes

2019

2018

2017

FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 and 2017

Gross earnings		4,297,373	3,057,481	2,865,016
Interest income calculated using effective interest method	6	2,955,747	2,193,699	1,570,383
Interest expense calculated using effective interest method	7	(1,330,940)	(1,094,021)	(709,250)
Net interest income		1,624,807	1,099,678	861,133
Net fee and commission income Net gains/(loss) from financial instruments at	8	620,876	607,114	680,740
fair value through profit or loss	9	546,382	(10,707)	458,777
Other operating income	10	174,368	267,375	155,116
Employee benefit expenses	11	(759,266)	(620, 256)	(537,698)
Depreciation and amortisation	12	(70,921)	(66,612)	(57,705)
Impairment charge	13	(136,343)	(14,799)	(56,370)
Other operating expenses	14	(705,905)	(648,078)	(480,854)
Profit before income tax		1,293,998	613,715	1,023,139
Income tax expense	15	(226,819)	(351,746)	(144,195)
Profit for the year		1,067,179	261,969	878,944
Net fair value gain on investments in equity instruments designated as FVTOCI Items that will subsequently be reclassified to profit or loss in subsequent period (net of tax): Net fair value gain on available for sale financial assets	41 41	432 -	-	- 586
		432	77	586
Total comprehensive income for the year		1,067,611	262,046	879,530
Profit for the year attributable to:				
Owners of the parent		973,080	164,057	769,203
Non-controlling interests	42	94,099	97,912	109,741
		1,067,179	261,969	878,944
Total comprehensive income attributable to:				
Owners of the parent		973,512	164,134	769,789
Non-controlling interests	42	94,099	97,912	109,741
-		1,067,611	262,046	879,530
Basic and diluted earnings per share (kobo)	18	330	66	308
basic and unuted earnings per snare (NODO)	10	330	00	300

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 and 2017

In thousands of Nigerian Naira	Notes	2019	2018	2017
Profit before income tax		1,293,998	613,715	1,023,139
Adjustments for:				
Depreciation of property, plant and equipment	12	59,861	60,471	52,474
Amortization of intangible assets	12	11,060	6,141	5,231
Depreciation expense on right of use assets	31	16,461	•	-
Intangible assets written off		3 	1,230	-
Write off of commision on other receivables not recovered		-	1,099	-
Profit on disposal of property plant and equipment	10	(938)	(7,065)	(723)
Interest income	6	(2,955,747)	(2,193,699)	(1,570,383)
Interest expense	7	1,330,940	1,094,021	709,250
Dividend income from investment in equity securities	10	(57,363)	(38,603)	(54,018)
Trading income on equity securities	9	(449,634)	(4,526)	(508,017)
Fair value (gain)/loss on equity securities	9	(96,867)	15,252	42,966
Trading loss/(income) on foreign exchange	9	119	(19)	6,274
Impairment charge	13	136,343	14,799	56,370
Current post employment charge		35,420	27,785	36,123
Operating loss before changes in operating assets an	na	(070.047)	(400.000)	(004.044)
liabilities		(676,347)	(409,399)	(201,314)
Movement in working capital		(0.014.150)	(50,000)	(404.000)
Loans and advances to customers		(2,044,150)	(52,392)	(464,322)
Receivable from clients		194,158	(167,756)	43,803
Other receivables and prepayments		9,131	(1,261,981)	317,045
Liabilities to clients		2,618,925	4,169,685	3,095,365
Trade payables		245,103	(383,618)	259,950
Other liabilities Cash flows from operations		34,016 380,836	117,653 2,012,192	42,262 3,092,789
Income tax paid	16	(143,619)	(102,509)	(75,416)
Employee benefit paid/remitted	16	(34,207)	(26,913)	(35,513)
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Net cash from operating activities		203,010	1,882,770	2,981,860
Cash flows from investing activities				
Purchase of financial assets classified as FVTPL - Listed				
securities	21	(13,527,928)	(7,649,716)	(10,531,767)
Purchase of financial assets classified as FVTPL - Unlisted				
securities		10.50		(5,000)
Changes in financial assets classified at armotised cost (held				
to maturity investments)		12	(339,539)	-
Changes in Held-to-maturity investment			-	908,002
Purchase of property and equipment	29	(202,349)	(306,231)	(60,455)
Purchase of intangible assets	30	(33,564)	(17,473)	(1,077)
Interest received	6	2,955,747	2,193,699	1,570,383
Dividend received during the year	10	57,363	38,603	54,018
Proceeds from sales of financial assets		10,269,542	7,568,023	10,457,657
Proceeds from sales of property and equipment		3,233	10,464	4,445
Net cash (used in)/from by investing activities		(477,956)	1,497,830	2,396,206
Cash flows from financing activities				
Additions to loans and borrowings	32	272,517	78,009	196,878
Additions to non-controlling interests	42	70,684	(53,589)	-
Proceeds from shares issued in the year net of expenses		2,008,789	-	-
Dividend paid to equity holders	39	(400,000)	(400,000)	(150,000)
Dividend paid to non-controlling interest	42	(23,415)	(148,295)	(58,538)
Interest paid	7	(1,330,940)	(1,094,021)	(709,250)
Net cash from/(used in) financing activities		597,635	(1,617,896)	(720,910)
Net increase in cash and cash equivalents		322,689	1,762,704	4,657,156
Cash and cash equivalents at beginning of the year		13,000,023	11,237,319	6,580,163
	10.0	100		20 30
Cash and cash equivalents at end of the year	19.2	13,322,712	13,000,023	11,237,319

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 and 2017 GROUP

FOR THE YEAR ENDED 31 DECEMBER 2019

In the usende of Nigovien Neive	Share capital	Share premium	Retained earnings	Non-distributable regulatory reserve	Fair value reserve	Non Controling Interests	Total
In thousands of Nigerian Naira	Silare capital	premium	carmings	regulatory reserve	Teserve	interests	Total
1 January 2019	250,000	242,500	794,719	-	(5,606)	387,969	1,669,582
Profit for the year	-	-	973,080	-	-	94,099	1,067,179
Other comprehensive income, net of tax	-	-	2	-	432		432
Total comprehensive income	250,000	242,500	1,767,799	-	(5,174)	482,068	2,737,193
Transaction directly with equity holder:							
Shares issued in the year	67,842	1,964,037	-	-	-	-	2,031,879
Total direct expenses on the issue of shares	-	(23,090)	-	2	-	-	(23,090)
Dividends declared and paid	-	-	(400,000)	-		(23,415)	(423,415)
Transfer between reserves	-		(2,949)	2,934	-	15	
31 DECEMBER 2019	317,842	2,183,447	1,364,850	2,934	(5,174)	458,668	4,322,567
FOR THE YEAR ENDED 31 DECEMBER 2018	250,000	242,500	1,116,870	1,268	(15 202)	441,558	2.026.012
1 January 2018	250,000	242,500	, ,		(15,383)	441,556	2,036,813
Adjustment due CBN additional impairment on CS Advance	-	-	(1,134)				-
Effect of application of IFRS 9			(85,074)	(2,402)	9,700	(3,206)	(80,982)
Restated opening balance as at 1 January 2018	250,000	242,500	1,030,662	-	(5,683)	438,352	1,955,831
Profit for the year	-	-	164,057	-		97,912	261,969
Other comprehensive income, net of tax	¥	-	2	2	77	=	77
Total comprehensive income	-	-	164,057	-	77	97,912	262,046
Transaction directly with equity holder:							
Dividends declared and paid	-	1=0	(400,000)	-		(148,295)	(548,295)
31 DECEMBER 2018	250,000	242,500	794,719	•	(5,606)	387,969	1,669,582

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY - Continued

FOR THE YEARS ENDED 31 DECEMBER 2019, 2018, and 2017 GROUP

FOR THE YEAR ENDED 31 DECEMBER 2017

						Non-controling	
In thousands of Nigerian Naira	Share capital	Share premium	Retained earnings	Statutory reserve	Fair value reserve	Interests	Total
1 January 2017	250,000	242,500	499,077	25	(15,969)	390,281	1,365,914
Profit for the year	-	-	769,203	-	-:	109,741	878,944
Other comprehensive income, net of tax		15		=	586	(67)	519
Total comprehensive income	250,000	242,500	1,268,280	25	(15,383)	499,955	2,245,377
Transaction directly with equity holder:							
Dividends declared and paid	*	-	(150,000)	=	20	(58,538)	(208,538)
Transfer between reserves	1-	-	(1,409)	1,243	-0	141	(25)
31 DECEMBER 2017	250,000	242,500	1,116,871	1,268	(15,383)	441,558	2,036,814

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	Group		Company	
	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
	4 1′000	4 ′000	1000	4 ′000
Continuing operations				
Gross income	3,998,833	2,853,832	2,977,569	1,715,383
		1 100 670	4 007 007	744 500
Interest income	1,965,588	1,492,679	1,087,667	711,583
Interest expense	(1,120,846)	(739,442)	(997,048)	(652,853)
Net interest income	844,742	753,237	90,619	58,730
Loan impairment charges	(146,523)	(23,393)	-	-
	21122	70.5 81.1		F0 700
Net interest income less impairment charges	698,219	729,844	90,619	58,730
Net fee and commission income Net gains/(loss) from financial instruments at fair	787,121	790,032	386,150	540,704
value through profit or loss	1,145,839	421,959	1,132,577	304,581
Other operating income	100,285	149,162	371,174	158,515
Employees expenses	(963,255)	(747,323)	(604,563)	(441,907)
Depreciation and amortisation	(61,380)	(55,789)	(30,682)	(32,083)
Other operating expenses	(401,387)	(432,441)	(263,718)	(230,465)
,			,	
Profit before taxation	1,305,442	855,443	1,081,557	358,075
Tax expense	(164,968)	(180,333)	(40,671)	(90,000)
Profit for the year	1,140,474	675,111	1,040,886	268,075
Other comprehensive income:				
Other comprehensive income/(loss) (net of tax)		=	*	
Total comprehensive income (net of tax)	1,140,474	675,111	1,040,886	268,075
Total comprehensive income (net of tax) attributable to:				
Owners of the parent	1,076,799	598,688	1,040,886	268,075
Non-controlling interests	63,676	76,422	1,040,000	200,073
To Controlling Interests	33,070	, 5,722		
	1,140,474	675,111	1,040,886	268,075
Earnings per share (Basic/Diluted)	386	270	353	79

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2020

	Group		Company	
	30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19
	4 '000	4'000	₩'000	4 ′000
Assets				
Cash and balances with banks	16,980,113	6,397,907	11,896,332	4,380,135
Investment securities:				10/0.010/00.0
- Financial assets at fair value through profit or loss	9,113,025	4,072,215	8,193,749	3,423,076
- Financial assets at armotised cost	6,188,865	10,182,472	4,484,003	8,662,969
- Financial assets at fair value through other				
comprehensive income	32,677	32,571	32,677	32,571
Loans and advances to customers	2,169,833	2,362,877	-	1075
Receivable from clients	32,263	149,724	-	1 <u>0</u> 15
Other receivables and prepayments	183,120	2,423,944	423,012	2,816,540
Investment in subsidiaries	SE,	550,000	3,158,637	3,058,637
Property and equipment	629,664	515,569	62,690	84,236
Intangible assets	23,483	45,013	8,102	10,996
Total assets	35,353,043	26,732,292	28,259,201	22,469,160
Liabilities				
Bank overdraft	-	113,984	_	
Loans and borrowings	5,924,133	547,404	4,754,150	r <u>u</u> na
Liabilities to clients	16,588,129	16,143,549	18,300,923	17,848,078
Trade payables	6,872,002	4,748,373		
Other liabilities	169,723	544,056	389,444	383,921
Retirement benefit obligations	4,913	4,913	3,448	3,448
Current income tax liability	200,523	284,702	15,405	129,786
Deferred tax liability	26,034	22,744	6,781	6,782
Total liabilities	29,785,457	22,409,725	23,470,151	18,372,015
Fundha				
Equity Ordinary shares	317,842	317,842	317,842	317,842
Share premium	2,183,447	2,183,447	2,183,447	2,183,447
Retained earnings	2,491,613	1,364,851	1,315,357	621,775
Non-distributable regulatory reserve	2,934	2,934	1,515,557	021,773
Fair value reserve	(5,174)	(5,174)	972,403	974,081
1 an 1 and 1				
	4,990,663	3,863,900	4,789,050	4,097,145
Non-controlling interest	576,923	458,667		
Total equity	5,567,586	4,322,567	4,789,050	4,097,145
Total liability and equity	35,353,043	26,732,292	28,259,201	22,469,160

Michael Nzewi

Managing Director/Chief Executive Officer

Society

Ayodele Oloruntoba Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2020

		Group		Company		
Profit for the Period						
Adjustment for:		44'000	N'000	000°44	₩'000	
Depreciation and amontisation expense	Profit for the Period	1,140,474	1,067,612	1,040,886	570,321	
Ponts Continges Continge	-					
Interest income		61,380		30,682		
Interest expense		- /\		(s. a.e. a.e.)	(938)	
Dividend income from investment						
Tradingloss/Income on equity securities (143,668) (144,648) (401,808) (425,776) Fair value (loss)/gain on equity securities (730,774) (66,867) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,807) (30,707) (69,907) (69,907) (50,707)<						
Fair value (loss)/gain on equity securities (730,774) (96,807) (730,774) (196,507) (196,50						
Income tax expenses					(69,501)	
Defrate dax labilities 3,291 9,014		1 DOMESTIC TOPOLISM AN	0.0000000000000000000000000000000000000	CONTRACTOR OF THE PROPERTY OF	134,627	
Impairment of doriment bank balances				-		
Impairment of receivable from clients 13,405 12,466 12,036 10,733	Impairment of dormant bank balances		2,450	1.0	-	
Impairment of lother receivable 12,036 12,3389 12,3389 13,420 17,763 19,731 13,431 13,432 1	ECL on financial assets	(1,104)	3,615	(2,922)	3,652	
Impairment of loan and advances 151,032 123,989 17,763 19,737 1	Impairment of receivable from clients	(3,405)	(5,746)	(14)		
Parting profit before changes in operating assets and liabilities C556,144 C692,495 C340,871 C258,951 C340,871 C358,951 C340,871 C358,951 C358,951 C340,871 C358,951 C358,95	Impairment of other receivable				10,731	
Comparing profit before changes in operating assets and liabilities Comparing profit before changes in operating assets and liabilities Comparing profit before changes in operating assets and advances to customers 193,044 (2,044,150)	•		123,989	181	=	
Case	Current post employment charge	19,481	35,420	17,763	19,737	
Changes in: Cleans and advances to customers 193,044 (2,044,150) 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 117,461 194,158 118,245 118,363 1		(========	(500 405)	(0.00.000)	(252.254)	
Loans and advances to customers 193,044 (2,044,150)	liabilities	(556,144)	(692,495)	(340,871)	(258,951)	
Receivable from clients		***	(2.044.450)			
Other receivables and prepayments 2,240,824 695,592 2,393,528 243,565 Liabilities to clients 444,580 2,618,925 452,845 3,193,036 Changes in financial assets classified as FVTOCI (106) (432) (106) 432 Trade payables 2,123,628 245,103 - - 177,342 Cash generated from operation 4,188,953 1,050,717 2,510,920 3,099,886 Income taxes paid (84,177) (263,619) (33,631) (124,977) Income taxes paid (84,177) (263,619) (33,631) (124,902,628) (12,1902,628) (12,1902,628) (12,1902,628) (12,1902,628) (12,1902,628) (12,222,150,628) (12,222,150,628) (12				10.00	=	
Liabilities to clients 444,580 2,618,925 452,845 3,193,036 Changes in financial assets classified as FVTOCI (106) (432) (106) (432) Trade payables 2,123,628 245,103 - Other liabilities (374,333) 34,016 5,523 (77,347 Cas generated from operation 4,188,953 1,050,717 2,510,920 3,099,880 Income taxes paid (84,177) (263,619) (33,631) (12,4,972 Employee benefit paid/remitted (18,129) (34,206) (10,123) (19,100 Net cash from/(used in) operating activities				2 202 520	242 560	
Changes in financial assets classified as FVTOCI (106) (432) (106) 432 Trade payables 2,123,628 245,103 - - Other liabilities (374,333) 34,016 5,523 (77,341) Cash generated from operation 4,188,953 1,050,717 2,510,920 3,099,880 Income taxes paid (84,177) (263,619) (33,631) (124,972) Employee benefit paid/remitted (18,129) (34,206) (10,123) (19,100) Net cash from/(used in) operating activities 4,086,647 752,891 2,467,166 2,955,807 Cash flows from investing activities (16,847,628) (13,527,928) (14,902,628) (12,322,15) Purchase of financial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,15) Purchase of inancial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,15) Purchase of property and equipment (139,049) (20,348) (5,669) (12,788 Additions to investment in subsidiaries 1,965,588 2,95					(CONTROL - CONTROL - C	
Trade payables 2,123,628 245,103 5,523 (77,347) Other liabilities (374,333) 34,016 5,523 (77,347) Cash generated from operation 4,188,953 1,050,717 2,510,920 3,099,887 Income taxes paid (84,177) (263,619) (33,631) (124,977) Employee benefit paid/remitted (18,129) (34,206) (10,123) (19,100 Net cash from/(used in) operating activities 4,086,647 752,891 2,467,166 2,955,807 Purchase of inimacial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,151) Purchase of property and equipment (139,049) (202,348) (5,669) (12,788) Purchase of intangible asset 1 (550,000) (100,000) (550,000) Interest received 1,965,588 2,955,747 1,087,667 1,329,599 Dividend received during the year 101,680 57,363 244,755 127,112 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,9		Transmitted and a second		200000000000000000000000000000000000000		
Other liabilities (374,333) 34,016 5,523 (77,341) Cash generated from operation 4,188,953 1,050,717 2,510,920 3,099,880 Income taxes paid (84,177) (263,619) (33,631) (124,975) Employee benefit paid/remitted (18,129) (34,206) (10,123) (19,100) Net cash from/(used in) operating activities Variance of inancial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,153) Purchase of financial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,153) Purchase of property and equipment (139,049) (200,348) (5,669) (12,788) Purchase of intangible asset 1 (550,000) (100,000) (550,000) Interest received 1,965,588 (35,547) 1,987,667 1,329,599 Dividend received during the year 101,680 57,363 244,755 127,112 Proceeds from sales of property and equipment 2 3,233 2 1,554 Net cash (used in)/ from investing activities				(100)	(432)	
Cash generated from operation 4,188,953 1,050,717 2,510,920 3,099,880 Income taxes paid (84,177) (263,619) (33,631) (124,973 Employee benefit paid/remitted (18,129) (34,206) (10,123) (19,100 Net cash from/(used in) operating activities 4,086,647 752,891 2,467,166 2,955,807 Cash flows from investing activities 8 (13,527,928) (14,902,628) (12,322,153) Purchase of financial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,153) Purchase of property and equipment (139,049) (202,348) (5,669) (12,788) Purchase of intangible asset - (33,564) - (8,487) Purchase of intangible asset - (50,000) (100,000) (550,000) Interest received 1,965,588 2,955,747 1,087,667 1,329,593 Dividend received during the year 101,680 57,363 244,755 127,113 Proceeds from sales of financial assets 14,740,134 4,278,450 12,70,684				5,523	(77,341)	
Employee benefit paid/remitted (18,129) (34,206) (10,123) (19,100) Net cash from/(used in) operating activities 4,086,647 752,891 2,467,166 2,955,807 Cash flows from investing activities Purchase of financial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,151) Purchase of property and equipment (139,049) (202,348) (5,669) (12,788) Purchase of intangible asset - (33,564) - (8,487) Additions to investment in subsidiaries - (550,000) (100,000) (550,000) Interest received 1,965,588 2,955,747 1,087,667 1,329,593 Dividend received during the year 101,680 57,363 244,755 117,113 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 116,329,464 Proceeds from sales of property and equipment - 3,233 - 1,547,713 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Additions					3,099,880	
Net cash from/(used in) operating activities 4,086,647 752,891 2,467,166 2,955,807 Cash flows from investing activities Use of inancial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,151 Purchase of property and equipment (139,049) (202,348) (5,669) (12,788 Purchase of intangible asset - (33,564) - (8,487 Additions to investment in subsidiaries - (550,000) (100,000) (550,000 Interest received 1,965,588 2,955,747 1,087,667 1,329,599 Dividend received during the year 101,680 57,363 244,755 127,132 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 12,170,684 11,632,946 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Ca	Income taxes paid	(84,177)	(263,619)	(33,631)	(124,973)	
Cash flows from investing activities Purchase of financial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,151) Purchase of property and equipment (139,049) (202,348) (5,669) (12,788) Purchase of intangible asset - (33,564) - (8,487) Additions to investment in subsidiaries - (550,000) (100,000) (550,000) Interest received 1,965,888 2,955,747 1,087,667 1,329,595 Dividend received during the year 101,680 57,363 244,755 127,112 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 - 1,544 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities 5,376,730 272,516 4,754,150 4 Additions to loans and borrowings 5,376,730 272,516 4,754,150 4 Additions to loans and borrowings 18,256 70,684 - -	Employee benefit paid/remitted	(18,129)	(34,206)	(10,123)	(19,100)	
Purchase of financial assets classified as FVTPL (16,847,628) (13,527,928) (14,902,628) (12,322,151) Purchase of property and equipment (139,049) (202,348) (5,669) (12,788) Purchase of intangible asset - (33,564) - - (8,487) Additions to investment in subsidiaries - (550,000) (100,000) (550,000) Interest received 1,965,588 2,955,747 1,087,667 1,329,595 Dividend received during the year 101,680 57,363 244,755 127,713 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 - 1,544 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities 5,376,730 272,516 4,754,150 - Additions to loans and borrowings 5,376,730 272,516 4,754,150 - Additions to loans and borrowings (871,224) (42	Net cash from/(used in) operating activities	4,086,647	752,891	2,467,166	2,955,807	
Purchase of property and equipment (139,049) (202,348) (5,669) (12,788 Purchase of intangible asset - (33,564) - (8,487 Additions to investment in subsidiaries - (550,000) (100,000) (550,000 Interest received 1,965,588 2,955,747 1,087,667 1,329,592 Dividend received during the year 101,680 57,363 244,755 127,113 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,532,946 Proceeds from sales of property and equipment - 3,233 - 1,544 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities 5,376,730 272,516 4,754,150 4,754,150 Additions to loans and borrowings 5,376,730 272,516 4,754,150 4,000,000 Additions to incorporate type and experiments (871,224) (423,415) (556,224) (400,000 Interest paid (1,120,846) (1,330,940) (997,048)	Cash flows from investing activities					
Purchase of intangible asset - (33,564) - (8,487) Additions to investment in subsidiaries - (550,000) (100,000) (550,000) Interest received 1,965,588 2,955,747 1,087,667 1,329,595 Dividend received during the year 101,680 57,363 244,755 127,112 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 - 1,544 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities 3,376,730 272,516 4,754,150 - Additions to loans and borrowings 5,376,730 272,516 4,754,150 - Additions to non-controlling interest 118,256 70,684 - - Dividend paid during the year (871,224) (423,415) (556,224) (400,000 Interest paid (1,120,846) (1,330,940) (997,048) (912,831 <tr< td=""><td></td><td></td><td></td><td></td><td>(12,322,151)</td></tr<>					(12,322,151)	
Additions to investment in subsidiaries (550,000) (100,000) (550,000) (100,000) (550,000) (100,000) (550,000) (100,0	AND AND THE STREET OF THE PARTY	(139,049)		(5,669)	(12,788)	
Interest received 1,965,588 2,955,747 1,087,667 1,329,595 Dividend received during the year 101,680 57,363 244,755 127,713 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 - 1,524 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities		-		. 4	(8,487)	
Dividend received during the year 101,680 57,363 244,755 127,112 Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 - 1,544 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities 5,376,730 272,516 4,754,150 4,754,150 Additions to loans and borrowings 5,376,730 272,516 4,754,150 4,754,150 Dividend paid during the year (871,224) (423,415) (556,224) (400,000) Interest paid (1,120,846) (1,330,940) (997,048) (912,831) Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831) Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476						
Proceeds from sales of financial assets 14,740,134 12,278,450 12,170,684 11,632,946 Proceeds from sales of property and equipment - 3,233 - 1,544 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities - - - - Additions to loans and borrowings 5,376,730 272,516 4,754,150 - Additions to non-controlling interest 118,256 70,684 - - Dividend paid during the year (871,242) (423,415) (556,224) (400,000 Interest paid (1,120,846) (1,330,940) (997,048) (912,831) Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831) Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476		Ø				
Proceeds from sales of property and equipment - 3,233 - 1,544 Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,771 Cash flows from financing activities						
Net cash (used in)/ from investing activities (179,275) 980,952 (1,505,190) 197,773 Cash flows from financing activities Additions to loans and borrowings 5,376,730 272,516 4,754,150 4,754,150 Additions to non-controlling interest 118,256 70,684 5,70,684 7,00,000 Dividend paid during the year (871,224) (423,415) (556,224) (400,000 Interest paid (1,120,846) (1,330,940) (997,048) (912,831) Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831) Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476		14,740,134		12,170,004		
Cash flows from financing activities Additions to loans and borrowings 5,376,730 272,516 4,754,150 Additions to non-controlling interest 118,256 70,684 - Dividend paid during the year (871,224) (423,415) (556,224) (400,000 Interest paid (1,120,486) (1,330,940) (997,048) (912,831) Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831) Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476		(179 275)	, i	(1 505 190)		
Additions to loans and borrowings 5,376,730 272,516 4,754,150 Additions to non-controlling interest 118,256 70,684 - Dividend paid during the year (871,224) (423,415) (556,224) (400,000 Interest paid (1,120,846) (1,330,940) (997,048) (912,831 Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831 Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476	1	(175,275)	560,532	(1,505,150)	157,771	
Additions to non-controlling interest 118,256 70,684 -		5.376.730	272.516	4.754.150	2	
Dividend paid during the year (871,224) (423,415) (556,224) (400,000) Interest paid (1,120,846) (1,330,940) (997,048) (912,831) Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831) Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476	Angles grant and the contract of the contract				2	
Interest paid (1,120,846) (1,330,940) (997,048) (912,831) Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831) Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476			52	(556,224)	(400,000)	
Net cash used in financing activities 3,502,916 (1,411,154) 3,200,878 (1,312,831) Net increase/(decrease) in cash and cash equivalents 7,410,289 322,689 4,162,854 1,840,747 Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476					(912,831)	
Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476	The state of the s		The second secon		(1,312,831)	
Cash and cash equivalents at 1 January 13,322,712 13,000,023 11,057,223 9,216,476	Net increase/(decrease) in cash and cash equivalents	7,410,289	322,689	4,162,854	1,840,747	
Cash and cash equivalents at 30 September 20.733.001 13.322.712 15.220.077 11.057.223			10 to		9,216,476	
	Cash and cash equivalents at 30 September	20,733,001	13,322,712	15,220,077	11,057,223	

Extract From CardinalStone Financing SPV PI's Statement of Affairs

CARDINALSTONE FINANCING SPV PLC

STATEMENT OF AFFAIRS AT 31 AUGUST 2020

	Company
	Aug-20
	₩′000
Assets	
Cash and cash equivalent	2 1,000
Pre-incorporation Expense	3 130
Total assets	1,130
Liabilities	
Other Payables	4130
Total liabilities	130
Equity	
Ordinary shares	51,000_
Total equity	1,000
Total liability and equity	1,130
Mogu	Speled
Michael Nzewi	Ayodele Oloruntoba
Director	Chief Financial Officer

CARDINALSTONE FINANCING SPV PLC

NOTES TO THE STATEMENT OF AFFAIRS AT 31 AUGUST 2020

1 Legal form

The principal activities of the company is to raise and borrow money for CardinalStone Partners Limited and its subsidiaries through issuance of bonds, debentures, debenture stock and other securities or perpetual annuities.

The Registered office address of the Company is at 5 Okotie Eboh Road, Off Awolowo Road, South West Ikoyi, Lagos, Nigeria.

2	Cash and cash equivalent	Company Aug-20 N'000 1,000
3	Pre-incorporation expenses	
	Legal fees	130
		130
4	Other Payables	130
5	Share Capital	
5.1	Authorised ordinary shares:	
	1,000,000 ordinary shares of N1.00 each	1,000
5.2	Issued and fully paid ordinary shares of N1.00 each	
	At 31 August	1,000

APPENDIX IV: PROCEDURE FOR APPLICATION AND ALLOTMENT

1. Invitation for Participation

Qualified Investors are hereby invited to participate in the Issue through the Issuer and the Issuing Houses to the Issue ("the Selling Group").

- 1.1. The Book Building Period opens on November 20, 2020 and closes on December 3, 2020. Orders must be for a minimum of ¥10,000,000 (Ten Million Naira) (i.e. 10,000 units at ¥1,000 per unit) and multiples of ¥1,000,000 (One Million Naira) thereafter.
- 1.2. The amount indicated on a Commitment Form by a Participant ("Participation Amount") and the rate within the Price Range indicated in the Commitment Form by a Participant ("Bid Coupon Rate") should be entered in the space provided in the prescribed Commitment Form attached to this Pricing Supplement. Photocopies or scanned copies of the Commitment Form will not be accepted.
- 1.3. By completing the Commitment Form, each Participant hereby agrees that *the Order is irrevocable* and, to the fullest extent permitted by law, the obligations in respect thereof shall not be capable of rescission or termination by any Participant.
- 1.4. Participants may order the Bonds at any price within the Price Range subject to the Minimum Participation Amount and the terms and conditions stated on the Commitment Form.
- 1.5. A corporate Participant is required to affix its official seal in the box provided and state its incorporation (RC) Number; and in the case of a corporate foreign subscriber, its appropriate identification/incorporation number in the jurisdiction in which it is constituted.
- 1.6. Upon the completion and submission of the Commitment Form, the Participant is deemed to have authorised the Issuer and the Issuing Houses/Book Runners to effect the necessary changes in the Prospectus as would be required for the purposes of filing an application for the clearance and registration of the Final Pricing Supplement with the SEC. The Commitment Form shall be considered as the Application Form for the purposes of registration of the Final Pricing Supplement with the SEC.
- 1.7. Participants may not submit an Order on another Commitment Form after the submission of a Commitment Form to a member of the Selling Group (Joint Issuing Houses). Submission of a second or more Form(s) of Commitment to either the same or to another member of the Selling Group (Issuing Houses) will be treated as multiple applications and will be rejected.
- 1.8. Participants shall have the option to make a maximum of three Orders on a single Commitment Form and such options shall not be considered as multiple applications.
- 1.9. The Commitment Form presents the Participant with the choice to bid for up to three (3) optional Bid Coupon Rates within the Price Range and to specify the Participation Amount in each option. The Bid Coupon Rates and the Participation Amounts submitted by the Participant in the Commitment Form will be treated as optional demands from the Participant and will not be cumulated.
- 1.10. After determination of the Coupon Rate, the maximum Participation Amount specified by a Participant at or below the Clearing Price will be considered for allocation and the rest of the order(s), irrespective of the corresponding Bid Coupon Rate(s), will become automatically invalid.
- 1.11. The Issuer, in consultation with the Book Runners, reserves the right not to proceed with the Issue at any time including after the Book Building Opening Date but before the Allotment Date without assigning any reason therefore but after notification to the SEC.

2. Payment Instructions

Successful Participants should ensure that payment of the Participation Amount is received on the Signing Ceremony Date via the Real Time Gross Settlement ("RTGS") into the following designated Issue Proceeds Accounts domiciled with the Receiving Banks:

Bank	Account Name	Account No.
Sterling Bank Plc	CardinalStone Financing SPV Bond Offer Proceeds Account	0080152476

3. Allocation/Allotment

- 3.1. On the Pricing Date, the Issuing Houses/Book Runners will analyze the demand generated at various price levels and, in consultation with the Issuer, finalise the Coupon Rate and the allocations to each Participant. Allocation Confirmation Notices will be sent to successful Participants thereafter.
- 3.2. The Directors of CardinalStone Financing SPV Plc and the Issuing Houses/Book Runners reserve the right to accept or reject any application in whole or in part for not complying with the terms and conditions of the Issue.
- 3.3. Upon clearance of the Final Pricing Supplement by the SEC, allotment of Bonds shall be effected in a dematerialized (uncertificated) form. Participants are mandatorily required to specify their Bank Verification Number (BVN), CSCS or FMDQ-D Account Number, the name of their Stockbroking Firm, CHN or BPID in the spaces provided on the Commitment Form.

4. Bank Account Details

- 4.1. Participants are required to indicate their bank account details in the space provided on the Commitment Form for the purposes of future payments of Coupon and the Principal Amount.
- 4.2. Participants are advised to ensure that bank account details stated on the Commitment Form are correct as these bank account details shall be used by the Registrar for all payments indicated in 4.1 above in connection with the Bonds.
- 4.3. Failure to provide correct bank account details could result in delays in the credit of the payments to 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 be liable for delays in payments due to incorrect bank account details being provided.

FORM OF COMMITMENT

FOR ELIGIBLE INVESTORS ONLY

CardinalStone Financing SPV Plc

N5,000,000,000 7% FIXED RATE BOND SERIES 1 (2025)

Under the CardinalStone Financing SPV Plc №10,000,000,000 Debt Issuance Programme

LEAD ISSUING HOUSE/BOOK RUNNER



CHAPEL HILL DENHAM RC 1381308

JOINT ISSUING HOUSES/BOOK RUNNERS







BOOK BUILD PERIOD

CLOSES

DEC, 3, 2020

OPENS

NOV 20, 2020

RC 446561 RC 264978

RC 199528

OFFERING BY WAY OF BOOK BUILD

Orders must be made in accordance with the instructions set out in this Shelf Prospectus. Investors must carefully follow all instructions as applications which do not comply with the instruction may be rejected. If in any doubt, consult your Stockbroker, Accountant, Banker, Solicitor or any professional adviser for guidance

All Sections of this Form must be comp	le)	PLEASE USE BLOCK LETTERS																		
QUALIFIED INVESTOR (PLEASE TICK ✓)	DA	TE (DE	/мм	I/YYYY	Y)									CONTROL NO. (FOR REGISTRARS' USE ONLY)						
High Net worth Investors			/			/	2	0	2	C)									
Fund Managers																				
Pension Fund Administrators	Declaration 7														.1 7					
Insurance Companies	✓ I/We hereby confirm that persons to participate in						,							I/We note that the Issuer and the Issuing Houses/Book						
Investment/Unit Trusts		accordance with applicable SEC Rules and Regulations.								Runners are entitled in their absolute discretion to accept										
Market Makers	regulations.													or reject this Order.						
Staff Schemes	V	my/our Order(s) for the Bonds equivalent to											V	Parti	cipat	ion A	moun	t as	may	
Trustees/Custodians						tion Amount(s) set out below te to be discovered through the occss.								be allocated to me/us subjecto the terms of this R Herring Prospectus.						
Resident Corporate Investors	✓				ise yo			_	,											
Non-Resident Investors		tha	the Register of Holders as holders of the Bonds that may be allotted to me/us and to register																	
Hedge Funds		my	/oui	addı	ress as	give	n bel	ow.												

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

Participants have the option to make a maximum of three orders on the Commitment Form. Each option shall be regarded as a separate application and will be not be considered as multiple applications. All orders must be for a minimum amount of N10,000,000 and multiples of N1,000,000

ORDER 1

PARTICIPATION AMOUNT (MINIMUM AMOUNT OF ¥10 MILLION AND IN MULTIPLES OF ¥1 MILLION										BID COUPON RATE				
THEREAFTER)														
In Figures	N													
In Words														

ORDER 2

Participation Amount (Minimum Amount of $\maltese10$ million and in multiples of $\maltese1$ million thereafter)												BID COUPON RATE			
In Figures	N														
In Words															

ORDER 1

PARTICIPATION A	PARTICIPATION AMOUNT (MINIMUM AMOUNT OF $\maltese10$ MILLION AND IN MULTIPLES OF $\maltese1$ MILLION HEREAFTER)										BID COUPON RATE					
In Figures		N														
In Words																
	DATAMAY DECICTRADE LTD															

DATAMAX REGISTRARS LTD

FORM OF COMMITMENT (REVERSE SIDE) INVESTOR DETAILS (INDIVIDUAL/CORPORATE/JOINT) (Please use one box for one alphabet leaving one box blank between first word and second) SURNAME/CORPORATE NAME FIRST NAME (FOR INDIVIDUALS ONLY) OTHER NAMES (FOR INDIVIDUALS ONLY) JOINT APPLICANT'S FIRST NAME (IF APPLICABLE) OTHER NAMES (FOR JOINT APPLICANT ONLY) CONTACT PERSON (FOR CORPORATE APPLICANT)/ NEXT OF KIN (FOR INDIVIDUAL APPLICANT) ADDRESS IN FULL (PLEASE DO NOT REPEAT APPLICANT(S)' NAME). POST BOX NO. ALONE IS NOT SUFFICIENT **DEPOSITORY PREFERENCE** Please tick ✓ to indicate a depository preference - CSCS ☐ / FMDQD ☐ E-ALLOTMENT DETAILS (FOR CSCS ALLOTMENTS ONLY) Please credit my/our CSCS Account as detailed below to the extent of the Bonds allotted: PARTICIPANT'S **CHN** (CLEARING **CSCS ACCOUNT NO:** HOUSE NUMBER): E-ALLOTMENT DETAILS (FOR FMDQD ALLOTMENTS ONLY) Please credit my/our CSCS Account as detailed below to the extent of the Bonds allotted: CLIENT BPID NO: PARTICIPANT'S BPID NO: BANK DETAILS (FOR E-PAYMENTS) BANK NAME **BRANCH ACCOUNT NO:** CITY/STATE BANK VERIFICATION NO(S): (Of account Signatories) **SIGNATURES**

SIGNATURE	2ND SIGNATURE (CORPORATE/JOINT)	SEAL & RC. NO.
NAME OF AUTHORISED SIGNATORY	NAME OF AUTHORISED SIGNATORY	
(Corporates only):	(Corporates/Joint):	
DESIGNATION (Corporate only):	DESIGNATION (Corporate only):	
	STAMP OF RECEIVING ACENT	

(ISSUER/ISSUING HOUSES/STOCKBROKERS TO THE ISSUE/ PLACEMENT AGENTS ONLY)