

THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ CAREFULLY. IF YOU ARE IN ANY DOUBT ABOUT ITS CONTENTS OR THE ACTION TO TAKE, PLEASE CONSULT YOUR STOCKBROKER, ACCOUNTANT, BANKER, SOLICITOR OR ANY OTHER PROFESSIONAL ADVISER FOR GUIDANCE IMMEDIATELY.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY SHAREHOLDERS, PLEASE SEE "RISK FACTORS" ON PAGES [24 AND 25].



...quality feeds nationwide

LIVESTOCK FEEDS PLC

RC 3315

**RIGHTS ISSUE
OF
1,000,000,000
ORDINARY SHARES OF 50 KOBO EACH
AT
₦0.75 PER SHARE**

ON THE BASIS OF ONE (1) NEW ORDINARY SHARE FOR EVERY TWO (2) ORDINARY SHARES OF 50 KOBO EACH HELD AS AT THE CLOSE OF BUSINESS ON TUESDAY, FEBRUARY 28, 2017 FOR THOSE SHAREHOLDERS WHOSE NAMES APPEAR IN THE REGISTER OF MEMBERS AND TRANSFER BOOKS OF THE COMPANY

THE RIGHTS BEING OFFERED IN THIS DOCUMENT ARE TRADABLE ON THE FLOOR OF THE NIGERIAN STOCK EXCHANGE FOR THE DURATION OF THE ISSUE

PAYABLE IN FULL ON ACCEPTANCE

| | |
|-------------------------------|--------------------------------|
| ACCEPTANCE LIST OPENS | TUESDAY, APRIL 18, 2017 |
| ACCEPTANCE LIST CLOSES | THURSDAY, MAY 25, 2017 |

ISSUING HOUSE:



LeadCapital Plc

RC 116443

THIS RIGHTS CIRCULAR AND THE SECURITIES WHICH IT OFFERS HAVE BEEN CLEARED AND REGISTERED BY THE SECURITIES & EXCHANGE COMMISSION. IT IS A CIVIL WRONG AND A CRIMINAL OFFENCE UNDER THE INVESTMENTS AND SECURITIES ACT NO. 29 2007 (THE "ACT") TO ISSUE A RIGHTS CIRCULAR WHICH CONTAINS FALSE OR MISLEADING INFORMATION. CLEARANCE AND REGISTRATION OF THIS RIGHTS CIRCULAR AND THE SECURITIES WHICH IT OFFERS DO NOT RELIEVE THE PARTIES FROM ANY LIABILITY ARISING UNDER THE ACT FOR FALSE AND MISLEADING STATEMENTS CONTAINED HEREIN OR FOR ANY OMISSION OF A MATERIAL FACT.

This Rights Circular is dated Tuesday, March 28, 2017

TABLE OF CONTENTS

| | |
|---|-----------|
| TABLE OF CONTENTS..... | 2 |
| DEFINITIONS..... | 3 |
| CORPORATE DIRECTORY..... | 4 |
| ABRIDGED INDICATIVE TIMETABLE..... | 5 |
| SUMMARY OF THE RIGHTS ISSUE..... | 6 |
| THE RIGHTS ISSUE..... | 9 |
| DIRECTORS, COMPANY SECRETARY AND PARTIES TO THE ISSUE..... | 10 |
| THE CHAIRMAN’S LETTER..... | 12 |
| 1. INTRODUCTION..... | 12 |
| 2. INDUSTRY REVIEW..... | 13 |
| 3. HISTORY AND BUSINESS OF THE COMPANY..... | 15 |
| 4. PRODUCTS OF THE COMPANY..... | 16 |
| 5. PROFILE OF BOARD OF DIRECTORS..... | 19 |
| 6. PROFILE OF MANAGEMENT TEAM..... | 21 |
| 7. PURPOSE OF THE ISSUE AND USE OF PROCEEDS..... | 23 |
| 8. STATEMENT OF WORKING CAPITAL..... | 24 |
| 9. RISK FACTORS..... | 24 |
| 10. GENERAL RISK DISCLOSURE..... | 25 |
| 11. FUTURE PLANS..... | 25 |
| 12. SUMMARY OF THE PROJECTS..... | 26 |
| 13. CONCLUSION..... | 26 |
| LETTER FROM THE DIRECTORS ON THE GOING CONCERN STATUS..... | 27 |
| LETTER FROM THE AUDITORS ON THE GOING CONCERN STATUS..... | 28 |
| HISTORICAL FINANCIAL INFORMATION..... | 29 |
| 1. STATEMENT OF FINANCIAL POSITION..... | 29 |
| 2. STATEMENT OF COMPREHENSIVE INCOME..... | 30 |
| 3. STATEMENTS OF CASH FLOWS..... | 31 |
| STATUTORY AND GENERAL INFORMATION..... | 32 |
| 1. INCORPORATION AND SHARE CAPITAL HISTORY..... | 32 |
| 2. SHAREHOLDING STRUCTURE..... | 32 |
| 3. DIRECTORS’ BENEFICIAL INTERESTS..... | 33 |
| 4. STATUS OF UNCLAIMED DIVIDENDS..... | 33 |
| 5. STATEMENT OF INDEBTEDNESS..... | 33 |
| 6. SUBSIDIARIES AND ASSOCIATED COMPANIES..... | 33 |
| 7. OFF BALANCE SHEET ITEMS..... | 34 |
| 8. CLAIMS AND LITIGATION..... | 34 |
| 9. PURPOSE OF ISSUE AND USE OF PROCEEDS..... | 34 |
| 10. COSTS AND EXPENSES..... | 34 |
| 11. MATERIAL CONTRACTS..... | 35 |
| 12. COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE..... | 35 |
| 13. RESEARCH AND DEVELOPMENT..... | 37 |
| 14. MERGERS AND ACQUISITION..... | 37 |
| 15. RELATIONSHIP BETWEEN THE ISSUER AND ITS ADVISERS..... | 37 |
| 16. RELATED PARTY TRANSACTIONS..... | 38 |
| 17. DECLARATIONS..... | 38 |
| 18. CONSENTS..... | 39 |
| 19. DOCUMENTS AVAILABLE FOR INSPECTION..... | 40 |
| PROVISIONAL ALLOTMENT LETTER..... | 41 |
| RECEIVING AGENTS..... | 44 |
| ACCEPTANCE / RENUNCIATION FORM | 45 |

DEFINITIONS

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

| Abbreviation | Name / Explanation |
|---------------------------------|---|
| “AGM” | Annual General Meeting |
| “CAMA” | Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004 |
| “Company” or “Livestock Feeds” | Livestock Feeds Plc |
| “Council” | Council of The Nigerian Stock Exchange |
| “CSCS” | Central Securities Clearing System Plc |
| “Daily Official List” | Daily Official List of The Nigerian Stock Exchange |
| “Directors” | The members of the Board of Directors of Livestock Feeds Plc who as at the date of this document are those persons whose names are set out on page [10] of this Rights Circular |
| “FGN” | Federal Government of Nigeria |
| “GDP” | Gross Domestic Product |
| “IFRS” | International Financial Reporting Standards |
| “Issuing House” | LeadCapital Plc |
| “NBS” | National Bureau of Statistics |
| “NEFT” | Nigeria Electronic Funds Transfer |
| “NIBOR” | Nigerian Inter-Bank Offered Rate |
| “Pari Passu” | Equally |
| “PAT” | Profit After Tax |
| “PBT” | Profit Before Tax |
| “Qualification Date” | Tuesday, February 28, 2017 |
| “Receiving Agents” | Any of the institutions listed on page 44 of this Rights Circular to whom shareholders may return their duly completed Acceptance / Renunciation Forms together with payment |
| “Receiving Bank” | Stanbic IBTC Bank Plc |
| “Registrars” | CardinalStone (Registrars) Limited |
| “Rights Circular” | This document which is issued in accordance with the Rules and Regulations of the Commission |
| “Rights Issue” or “Issue” | Issue by way of Rights of 1,000,000,000 ordinary shares of 50 kobo each at ₦0.75 per share to existing shareholders on the basis of one (1) new ordinary share for every two (2) ordinary shares of 50 kobo each held |
| “SEC” or “the Commission” | Securities and Exchange Commission |
| “Shareholders” | Existing shareholders of the Company as at the Qualification Date (as defined in the Rights Circular) |
| “Stockbrokers” | Cashcraft Securities Limited and Fortress Capital Limited |
| “The NSE” or “The Exchange” | The Nigerian Stock Exchange |
| “UACN” | UAC of Nigeria Plc |
| “Working Day” or “Business Day” | Any day other than a Saturday, Sunday or official public holiday declared by the Federal Government of Nigeria |

CORPORATE DIRECTORY

| | |
|---------------------------------------|---|
| REGISTERED OFFICE / IKEJA MILL | <p>1, Henry Carr Street Ikeja Lagos</p> <p>PMB 21097, Ikeja Lagos Nigeria</p> <p>Tel: +234-8077281600 www.livestockfeedsplc.com E-mail: info@livestockfeedsplc.com</p> |
| ABA MILL | <p>12, Industrial Layout Aba</p> <p>PMB 7119, Aba Abia State Nigeria</p> <p>Tel: 08077281492</p> |
| ONITSHA OPERATIONS | <p>No. 15A , Pokobros Avenue Off Atani Road Onitsha Anambra State Nigeria</p> <p>Tel: 08077257575</p> |
| NORTHERN OPERATIONS | <p>KM 17, Zawan Round About Zawan, Jos Plateau state</p> <p>Tel: 08077281465</p> |

ABRIDGED INDICATIVE TIMETABLE

The dates given below are indicative only. The timetable has been prepared on the assumption that certain key events for the Issue will be achieved as stated. If not, then the dates surrounding key events in the timetable may be subject to adjustments.

| TENTATIVE DATES | ACTIVITY | RESPONSIBILITY |
|------------------------|--|----------------------------------|
| April 18, 2017 | Acceptance List opens / Trading in Rights begins | Issuing House / Stockbrokers |
| May 25, 2017 | Acceptance List closes / Trading in Rights closes | Issuing House / Stockbrokers |
| June 8, 2017 | Receiving Agents make returns | Issuing House / Receiving Agents |
| June 20, 2017 | Forward allotment proposal and draft newspaper announcement to SEC | Issuing House |
| June 27, 2017 | Obtain SEC's clearance of allotment proposal | Issuing House |
| June 28, 2017 | Disburse net Issue proceeds to Livestock Feeds | Receiving Bank |
| June 28, 2017 | Publish allotment announcement in national daily newspapers | Issuing House |
| June 30, 2017 | Return surplus / rejected application monies | Registrars |
| July 17, 2017 | Dispatch share certificates / credit CSCS accounts | Registrars |
| July 19, 2017 | Forward Declaration of Compliance to The Nigerian Stock Exchange | Stockbrokers |
| July 24, 2017 | Listing of new Issue shares on The NSE / trading commences | Stockbrokers |
| July 26, 2017 | Forward report on completion of Issue to the SEC | Issuing House |

SUMMARY OF THE RIGHTS ISSUE

This summary draws attention to information contained elsewhere in this Rights Circular; it does not contain all the information you should consider in making your investment decision. You should therefore read this summary together with the more detailed information, including the financial statements elsewhere in this Rights Circular.

| 1 | ISSUER | Livestock Feeds Plc | | | | | | | | | | | | | | | | |
|---|---|--|-----------------------------|------------|---|-----------------------------|---|----------------|----|-----------|-----------------|----------------|----|------------|--------------|-----------------------|------------|--|
| 2 | ISSUING HOUSE | LeadCapital Plc | | | | | | | | | | | | | | | | |
| 3 | SHARE CAPITAL | | | | | | | | | | | | | | | | | |
| | Authorised | ₦2,000,000,000 comprising 4,000,000,000 ordinary shares of 50 kobo each | | | | | | | | | | | | | | | | |
| | Issued & fully paid | ₦1,000,000,000 comprising 2,000,000,000 ordinary shares of 50 kobo each | | | | | | | | | | | | | | | | |
| | Now being issued | 1,000,000,000 ordinary shares of 50 kobo each | | | | | | | | | | | | | | | | |
| 4 | PURPOSE OF ISSUE | The Issue is being undertaken to enable the Company develop a new site for business expansion and further enhance its working capital. | | | | | | | | | | | | | | | | |
| 5 | USE OF PROCEEDS | <p>The net proceeds of the Rights Issue, estimated at ₦726,208,537.50 after deducting the estimated Issue costs and expenses, estimated at ₦23,791,462.50 (representing 3.17% of the Issue), will be applied as follows:</p> <table border="1"> <thead> <tr> <th>Utilization</th> <th>Amount (₦)</th> <th>%</th> <th>Estimated Completion Period</th> </tr> </thead> <tbody> <tr> <td>Development of New Site at Flower Gate Industrial Area, Sagamu, Ogun State*</td> <td>290,483,415.00</td> <td>40</td> <td>24 Months</td> </tr> <tr> <td>Working Capital</td> <td>435,725,122.50</td> <td>60</td> <td>Continuous</td> </tr> <tr> <td>Total</td> <td>726,208,537.50</td> <td>100</td> <td></td> </tr> </tbody> </table> <p><i>* Further details on the project are provided on page 26 of this Rights Circular</i></p> | Utilization | Amount (₦) | % | Estimated Completion Period | Development of New Site at Flower Gate Industrial Area, Sagamu, Ogun State* | 290,483,415.00 | 40 | 24 Months | Working Capital | 435,725,122.50 | 60 | Continuous | Total | 726,208,537.50 | 100 | |
| Utilization | Amount (₦) | % | Estimated Completion Period | | | | | | | | | | | | | | | |
| Development of New Site at Flower Gate Industrial Area, Sagamu, Ogun State* | 290,483,415.00 | 40 | 24 Months | | | | | | | | | | | | | | | |
| Working Capital | 435,725,122.50 | 60 | Continuous | | | | | | | | | | | | | | | |
| Total | 726,208,537.50 | 100 | | | | | | | | | | | | | | | | |
| 6 | METHOD OF OFFER | By way of rights to existing shareholders of the Company | | | | | | | | | | | | | | | | |
| 7 | PROVISIONAL ALLOTMENT | One (1) new ordinary share for every two (2) ordinary shares held as at the close of business on Tuesday, February 28, 2017 for those shareholders whose names appear on the register of members and transfer books of the Company. | | | | | | | | | | | | | | | | |
| 8 | ISSUE PRICE | ₦0.75 per share | | | | | | | | | | | | | | | | |
| 9 | MARKET CAPITALISATION AT ISSUE PRICE (Pre-Issue) | ₦1,500,000,000.00 | | | | | | | | | | | | | | | | |

SUMMARY OF THE RIGHTS ISSUE

| | | |
|-----------|--|--|
| 10 | MARKET CAPITALISATION AT ISSUE PRICE (Post-Issue) | Assuming all provisionally allotted ordinary shares are fully taken up on completion of the Rights Issue, the Company will have a market capitalization of ₦2,250,000,000.00 |
| 11 | PAYMENT | In full on Acceptance |
| 12 | OPENING DATE | Tuesday, April 18, 2017 |
| 13 | CLOSING DATE | Thursday, May 25, 2017 |
| 14 | QUALIFICATION DATE | Tuesday, February 28, 2017 |
| 15 | APPLICATION FOR ADDITIONAL SHARES | Ordinary shares which are not taken up by Thursday, May 25, 2017 will be allotted on a pro-rata (equal) basis to existing shareholders who apply and pay for additional shares over and above their provisional allotment. Shareholders who do not accept their provisional allotment in full may have their shareholding in the Company diluted. |
| 16 | UNDERWRITING | At the instance of the Issuer, the Issue will not be underwritten. |
| 17 | STATUS | The ordinary shares being issued shall rank <i>pari passu</i> in all respects with the existing issued ordinary shares of the Company. |
| 18 | QUOTATION | The 2,000,000,000 ordinary shares of 50 kobo each in the Company's issued share capital are quoted on the Daily Official List of The NSE. An application has been made to the Council of The NSE for the admission to its Daily Official List of the 1,000,000,000 ordinary shares of 50 kobo each now being issued by way of the Rights Issue. |
| 19 | E-ALLOTMENT / SHARE CERTIFICATES | The CSCS accounts of shareholders will be credited not later than 15 working days from the date of allotment. Shareholders are hereby advised to state the name of their respective stockbrokers and their Clearing House Numbers in the relevant spaces on the Acceptance Form. Share certificates of shareholders that do not provide their CSCS account details will be dispatched by registered post not later than 15 working days from the date the allotment is cleared. |
| 20 | CLAIMS AND LITIGATION | As at the date of this Rights Circular, the Directors of the Company confirm that they are not aware of any pending and / or threatened claim or litigation matter against the Company which would have any material adverse effect on the Issue. |
| 21 | INDEBTEDNESS | As at the date of this Rights Circular, the Company had no outstanding debentures, mortgages, loans, charges or similar indebtedness or material contingent liabilities or other similar indebtedness, other than in the ordinary course of business. |
| 22 | TRADING IN RIGHTS | The Rights are tradable on The Exchange between Tuesday, April 18, 2017 and Thursday, May 25, 2017. |

SUMMARY OF THE RIGHTS ISSUE

| 23 | SHAREHOLDING STRUCTURE | <p>As at 30, September, 2016, the 2,000,000,000 ordinary shares of 50 kobo each in the issued ordinary share capital of the Company were beneficially held as follows:</p> <table border="1"> <thead> <tr> <th>S/N</th> <th>SHAREHOLDER</th> <th>NO. OF ORDINARY SHARES</th> <th>% HOLDING</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>UAC of Nigeria Plc</td> <td>1,020,100,500</td> <td>51.01</td> </tr> <tr> <td>2</td> <td>First Capital Trust Limited</td> <td>144,709,386</td> <td>7.24</td> </tr> <tr> <td>3</td> <td>Cashcraft Securities Limited</td> <td>103,017,333</td> <td>5.15</td> </tr> <tr> <td>4</td> <td>Other Shareholders</td> <td>732,172,781</td> <td>36.61</td> </tr> <tr> <td></td> <td>Total</td> <td>2,000,000,000</td> <td>100.00</td> </tr> </tbody> </table> <p><i>Except as stated above, no other shareholder held more than 5% of the issued share capital of the Company as at 30, September, 2016.</i></p> | S/N | SHAREHOLDER | NO. OF ORDINARY SHARES | % HOLDING | 1 | UAC of Nigeria Plc | 1,020,100,500 | 51.01 | 2 | First Capital Trust Limited | 144,709,386 | 7.24 | 3 | Cashcraft Securities Limited | 103,017,333 | 5.15 | 4 | Other Shareholders | 732,172,781 | 36.61 | | Total | 2,000,000,000 | 100.00 |
|-----------|-------------------------------|--|---------------|-------------|------------------------|-----------|---|--------------------|---------------|-------|---|-----------------------------|-------------|------|---|------------------------------|-------------|------|---|--------------------|-------------|-------|--|--------------|----------------------|---------------|
| S/N | SHAREHOLDER | NO. OF ORDINARY SHARES | % HOLDING | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | UAC of Nigeria Plc | 1,020,100,500 | 51.01 | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | First Capital Trust Limited | 144,709,386 | 7.24 | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Cashcraft Securities Limited | 103,017,333 | 5.15 | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Other Shareholders | 732,172,781 | 36.61 | | | | | | | | | | | | | | | | | | | | | | | |
| | Total | 2,000,000,000 | 100.00 | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | |
|--|-----------------------------------|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 24 | FINANCIAL SUMMARY | | | | | |
| | | Year Ended 31 December | | | | |
| | September 2016 (₦'000) | 2015 (₦'000) | 2014 (₦'000) | 2013 (₦'000) | 2012 (₦'000) | 2011 (₦'000) |
| Revenue | 7,633,808 | 8,963,293 | 7,914,488 | 6,113,864 | 5,433,057 | 3,623,939 |
| Profit before taxation | 157,858 | 300,115 | 402,151 | 282,798 | 216,204 | 150,894 |
| Profit after taxation | 107,344 | 187,917 | 254,170 | 210,746 | 139,085 | 97,682 |
| Share Capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 600,000 | 600,000 |
| Total Assets | 4,402,003 | 4,569,513 | 5,752,787 | 3,670,604 | 2,056,957 | 1,559,245 |
| Net Assets | 2,040,665 | 1,948,799 | 1,983,900 | 1,729,730 | 657,395 | 519,846 |
| Earnings per share (kobo) | 5.37 | 9.40 | 12.71 | 17.56 | 11.59 | 8.14 |
| Diluted Earnings per share (kobo) | 5.37 | 9.40 | 12.71 | 11.71 | 0.00 | 0.00 |

THE RIGHTS ISSUE

Copies of this Rights Circular and the documents specified herein have been delivered to the Securities & Exchange Commission for clearance and registration.

This Rights Circular is being issued in compliance with the provisions of the Investments and Securities Act No. 29 2007, the Rules and Regulations of the Commission and the Listings Requirements of The Exchange and contains particulars in compliance with the requirements of the SEC and The Exchange, for the purpose of giving information to shareholders and the public with regards to the Rights Issue of 1,000,000,000 ordinary shares of 50 kobo each in Livestock Feeds by LeadCapital Plc. An application has been made to the Council of The NSE for the admission to its Daily Official Lists of the 1,000,000,000 ordinary shares of 50 Kobo each being offered via this Rights Issue.

The Directors of Livestock Feeds individually and collectively accept full responsibility for the accuracy of the information contained in this Rights Circular. The Directors have taken reasonable care to ensure that the facts contained herein are true and accurate in all respects and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no material facts, the omission of which make any statement herein misleading or untrue.



LeadCapital Plc

RC 116443

On behalf of



...quality feeds nationwide

LIVESTOCK FEEDS PLC

RC 3315

is authorised to receive acceptances for the
Rights Issue of 1,000,000,000 ordinary shares of 50 kobo each at ~~₦0.75~~ per share
On the basis of one (1) new ordinary share for every two (2) ordinary shares of 50 kobo each held as at
the close of business on Tuesday, February 28, 2017 for those shareholders whose names appear on
the Register of Members and transfer books of the Company.

The Acceptance List for the new shares now being issued will open on Tuesday, April 18, 2017 and close on Thursday, May 25, 2017.

SHARE CAPITAL AND RESERVE OF THE COMPANY AS AT 30 SEPTEMBER, 2016

(Extracted from the September 30, 2016 unaudited interim financial statements)

| | | ₦'000 |
|---------------------------------|--|---------------------|
| Authorized Share Capital | 4,000,000,000 ordinary shares of 50 kobo each | 2,000,000.00 |
| Issued and Fully Paid | 2,000,000,000 ordinary shares of 50 kobo each | 1,000,000.00 |
| Equity: | Share Capital | 1,000,000.00 |
| | Share Premium | 455,207.00 |
| | Retained Earnings | 585,459.00 |
| | TOTAL EQUITY | 2,040,666.00 |



DIRECTORS, COMPANY SECRETARY AND PARTIES TO THE ISSUE

| BOARD OF DIRECTORS | |
|--|--|
| CHAIRMAN | Mr. Larry Ephraim Ettah 1, Henry Carr Street Ikeja Lagos |
| MANAGING DIRECTOR / CEO | Mrs. Modupe Omolola Asanmo 1, Henry Carr Street Ikeja Lagos |
| EXECUTIVE DIRECTOR (OPERATIONS) | Mr. Babajide Adegbite 1, Henry Carr Street Ikeja Lagos |
| NON-EXECUTIVE DIRECTOR | Mr. Biodun Musibau Ajao Oyapero 1, Henry Carr Street Ikeja Lagos |
| NON-EXECUTIVE DIRECTOR | Mr. Anthony Ikpea 1, Henry Carr Street Ikeja Lagos |
| NON-EXECUTIVE DIRECTOR | Mr. Godwin Abimbola Samuel 1, Henry Carr Street Ikeja Lagos |
| NON-EXECUTIVE DIRECTOR | Mr. Joseph Ibrahim Dada 1, Henry Carr Street Ikeja Lagos |
| NON-EXECUTIVE DIRECTOR | Mrs. Omolara Elemide 1, Henry Carr Street Ikeja Lagos |
| COMPANY SECRETARY | Mr. Adeleke Yusuff 1, Henry Carr Street Ikeja Lagos |

DIRECTORS, COMPANY SECRETARY AND PARTIES TO THE ISSUE

| PROFESSIONAL PARTIES | |
|----------------------------------|--|
| ISSUING HOUSE | LeadCapital Plc Plot 281, Ajose Adeogun Street Victoria Island Lagos |
| AUDITORS | BDO Professional Services (Chartered Accountants) ADOL House Central Business District Alausa, Ikeja Lagos |
| SOLICITORS | Udo Udoma & Belo-Osagie St Nicholas House (10 th & 13 th Floors) Catholic Mission Street Lagos |
| STOCKBROKERS TO THE ISSUE | Cashcraft Securities Limited Foreshore Towers 2A, Osborne Road Ikoyi Lagos Fortress Capital Limited 2 nd Floor, Ensure Tower 95, Broad Street Lagos |
| REGISTRARS | CardinalStone (Registrars) Limited 358, Herbert Macaulay Way Yaba Lagos |
| RECEIVING BANK | Stanbic IBTC Bank Plc IBTC Place Walter Carrington Crescent Victoria Island Lagos |

THE CHAIRMAN'S LETTER

The following is the text of a letter received by LeadCapital Plc from Mr. Larry Ephraim Ettah, Chairman, Board of Directors of Livestock Feeds Plc:



...quality feeds nationwide

1, Henry Carr Street
Ikeja
Lagos

January 9, 2017

To: All Shareholders,

RIGHTS ISSUE OF 1,000,000,000 ORDINARY SHARES OF 50 KOBO EACH AT ₦0.75 PER SHARE IN LIVESTOCK FEEDS PLC ON THE BASIS OF ONE (1) NEW ORDINARY SHARE FOR EVERY TWO (2) ORDINARY SHARES OF 50 KOBO EACH

1. INTRODUCTION

You would recall that at our Company's Annual General Meeting which was held on 17 June, 2015, you authorized the Company amongst other things to raise additional capital by issuing 1,000,000,000 new ordinary shares of 50 kobo each out of the un-issued share capital of the Company by way of a Rights Issue in the proportion of one (1) new ordinary share of 50 kobo each for every two (2) ordinary shares of 50 kobo each held; at a price, terms and date to be determined by the Directors, subject to obtaining regulatory approvals.

On behalf of the Board of Directors, I am pleased to inform you that at its meeting on 13 December, 2016, in line with the aforementioned shareholders' resolution, the Board of Directors of Livestock Feeds has resolved to issue by way of Rights 1,000,000,000 ordinary shares of 50 kobo each on the basis of one (1) new ordinary share for every two (2) ordinary shares of 50 kobo each held to the shareholders whose names appears on the Company's register of members as at Tuesday, February 28, 2017.

All necessary arrangements regarding the Rights Issue have been made. The requisite approvals have been received from the SEC and The Exchange for the registration and subsequent listing of the shares now being issued. It is important to note that the shares now being issued will rank *pari passu* in all respects with the existing issued ordinary shares of the Company.

Instructions for participating in the Rights Issue, including acceptance, payment and renunciation of your provisional rights are contained in the provisional allotment letter from the Company Secretary as set out on page 41 of this Rights Circular. Shareholders who wish to renounce their rights partially or in full may trade such rights on The Exchange.

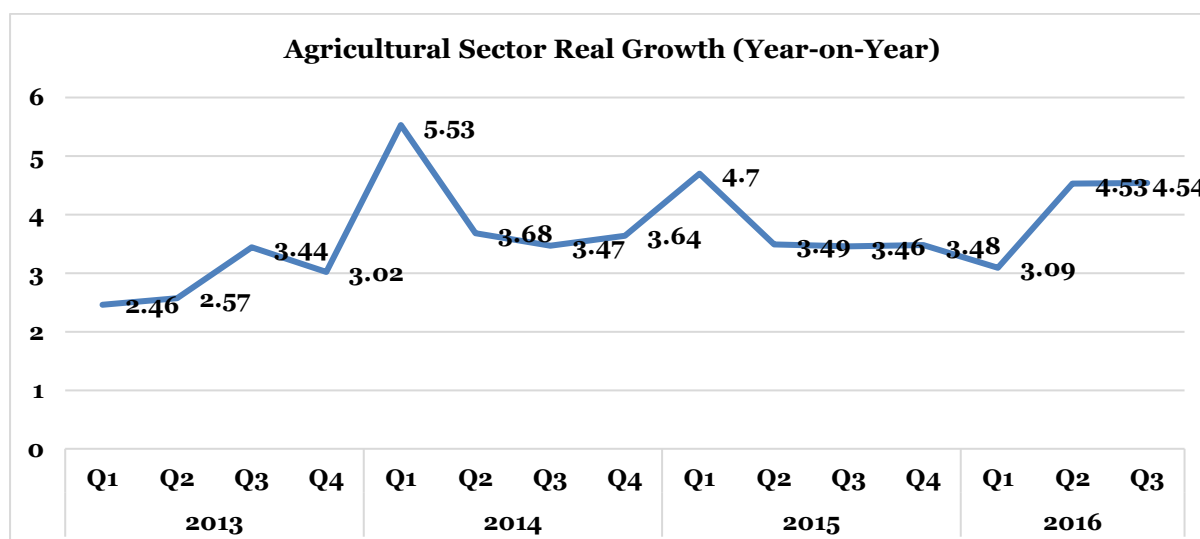
I hope that you would endeavour to take up your Rights to ensure that you maintain your level of participation and partake in future benefits in the Company. However, shareholders are free to renounce their rights partially or in full. Rights that are renounced would be available to the other existing shareholders.

THE CHAIRMAN'S LETTER

2. INDUSTRY REVIEW

Livestock is one of the four sub-sectors of the agricultural sector in Nigeria along with crop production, forestry and fishing. According to the NBS, the agricultural sector grew by 7.37% in the third quarter of 2016 (on a nominal basis), slightly lower from growth rates recorded in the corresponding quarter of 2015 and in preceding quarter of 2016 by 1.97% and 5.87% respectively. Growth in the sector was driven by output in crop production which accounted for 95% of overall growth of the sector. In real terms, agricultural output increased by 4.54% in the third quarter of 2016, an increase of 1.07% from the corresponding quarter of 2015. Growth essentially dawdled the same when compared with the previous quarter which was recorded at 4.53%.

Agriculture contributed 24.09% to nominal GDP in the third quarter of 2016, a little lower than the corresponding quarter in 2015 and but higher than the quarter before at 24.51% and 19.71% respectively. The contribution of agriculture to the overall GDP in real terms was 28.65% in the third quarter of 2016, marginally higher from its contribution in the corresponding quarter of 2015 and higher also from the previous quarter of 2016 by 1.86% and 6.10% respectively.



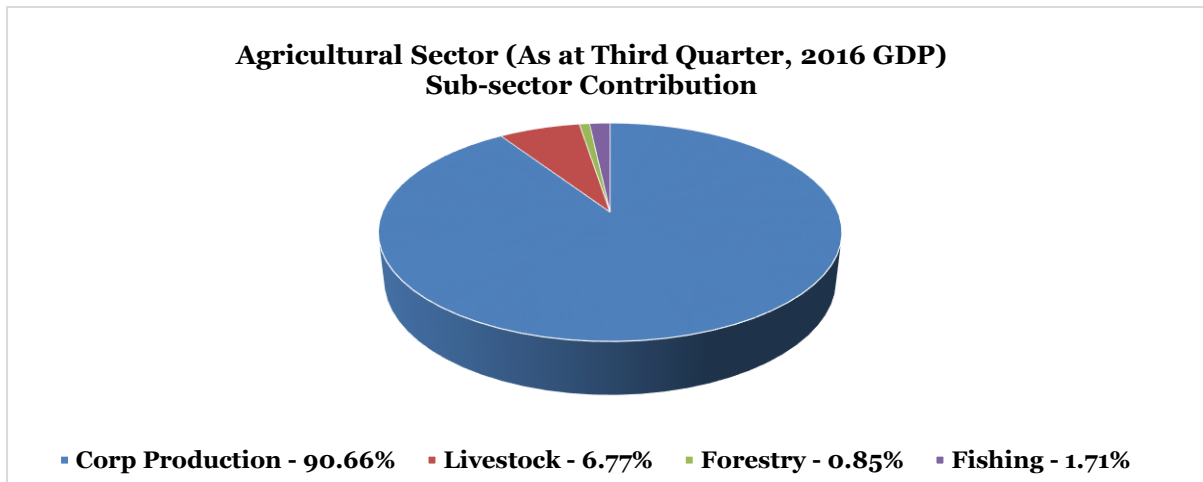
Source: National Bureau of Statistics

Setting the nation's economy on the path of recovery requires diversification of the economy. The dwindling oil revenue has dealt a devastating blow on the economy and this further intensifies the need for a shift of focus back to the agricultural sector as one of the bail-outs for the economy. With improved interest of the new Government in agriculture, it is expected that policies to support the sector going forward would be put in place as the Country continues its drive towards sustainable food security. The government should foster an environment that would pave way for a competitive, diversified and self-reliant economy. Such an economy must have agriculture as its main thrust. There is a need to amend the Land-Use Act to enable easier access to land for agricultural purposes. Government needs to monitor and regulate price for food crops in order to stabilize prices.

To truly return to the agricultural days, the government must as a matter of necessity put in place incentives to engage and capture the interest of the teeming unemployed youths to seeing farming as a lucrative and highly rewarding business. To promote domestic production, there is a need to increase tariffs or place outright ban on any commodity that Nigeria can produce (Rice, Sugar, Starch etc). This, of course, should be followed closely by zero tariffs (Customs, Excise and Value added) for the importation of agricultural equipment and agro-processing equipment.

THE CHAIRMAN'S LETTER

The Livestock industry accounts for about 10% of the agricultural GDP in Nigeria. It provides income, employment, food, farm energy, manure, fuel and transport. It is also a major source of government revenue. Traditional livestock production in Nigeria is varied and complex. Livestock, especially ruminants, are the most efficient users of uncultivated land and can contribute substantially to crop production.



Source: National Bureau of Statistics

Nigeria's feed production output has risen on the back of the Federal Government's Policy on ban of importation of frozen chicken, which stimulated increased local production with corresponding higher demand for feeds.

Fortunes of the feed milling industry in recent years have been inconsistent. A positive development was the availability of energy source materials at reasonable price range in 2014 against the background of scarcity witnessed in previous years. The scarcity of wheat offal which started in the last quarter of 2013 also subsided during the first quarter of 2014. On a negative note, there was acute scarcity of vegetable protein materials such as soya beans, groundnuts and its derivatives, which led to an industry crisis in the last quarter of 2014. The scarcity resulted in challenges for the operations of many commercial feed millers while many toll millers closed down. The poultry industry too experienced persistent egg glut, weak prices of chicken products such as eggs and chicken meat, poor quality day old chicks and intermittent Avian Flu Influenza (Bird Flu) which is now an endemic disease. These incidences coupled with the high cost of feeds arising from the vegetable protein scarcity rendered the poultry business unattractive and highly risky. The predicted 10% growth for the industry was not realised as there were closures of many small sized farms while many big ones scaled down business operations.

The advent of Bird-flu epidemic in February 2006 led to the decimation of the poultry population in the areas affected. Due to the fear of transmission of the deadly infection to humans, this development led to the near collapse of the poultry industry. However, the bird flu episode was abated and numerous sustained media enlightenment programmes (on the true position of the disease) assisted in the gradual and steady resuscitation of the market. A clear indication of market rebound is the prevalent rush for acquisition of good quality day-old chicks. However, there has been recent outbreak of bird flu in some states across the country in the last one year. The Company has the necessary monitoring systems in place to identify opportunities and deal with threats to its business operations. The Company is also competitively positioned to take advantage of the developments and challenges within the animal Feed Milling industry.

THE CHAIRMAN'S LETTER

3. HISTORY AND BUSINESS OF THE COMPANY

Livestock Feeds was established in 1963 by Pfizer as a subsidiary to the pharmaceutical business which had been introduced to Nigeria few years earlier. Following importation of exotic milking cows and hybrid chickens into the country by the Germans, Dutch and later Americans, the need to provide health and nutritional products led to the creation of the Animal Health Division and then the Feed Division. Pfizer held 80% equity shareholding while a few Nigerians had the balance of 20%. The first Mill with a capacity of 5MT/hr was installed at Ikeja in 1963, followed by Aba in 1964 and Kaduna in 1965 with 4MT and 3.5MT per hour capacity respectively. Accelerated growth in urban and sub-urban population as well as increased demand for poultry and eggs impacted positively on the feed business, leading to the Company's phenomenal growth. With installed capacity of 40MT/hr single shift and network of 12 franchise millers, Livestock Feeds was the dominant brand and benchmark in the industry. At the peak of its growth, the Company had 55% of the market share.

On introduction of the Indigenization decree, Pfizer was compelled to divest 20% of its shareholding to Nigerians, thus reducing its stake to 60%. The Company's shares were subsequently listed on The Exchange in 1973. Between 1996 and 1997, Pfizer divested its interest in Livestock Feeds which was acquired by Adset Limited through a Management Buy-Out. Faced with significant financing needs, the new owners resorted to high cost short-term borrowings to fund both working and capital expenditure. This resulted in a funding mismatch that impaired the Company's cash flows and debt service capabilities. The Company subsequently saw its market share down to less than 5% in 2005. With debt of over ₦1.3 billion owed to banks and other creditors and accumulated losses in excess of ₦1 billion, the Company was essentially insolvent.

After many previous unsuccessful attempts to get a core investor revamp the Company, First Capital Trust Plc was engaged as turn-around managers in 2005. With a bridge finance facility of ₦300 million and the dexterity of the turn-around managers, the Company was able to negotiate a debt relief in excess of ₦800 million, which paved way for Livestock Feeds eventual restructuring. Thereafter, a successful Rights Issue of ₦300 million was floated in 2007 resulting in change of ownership structure as First Capital Trust Plc replaced Adset Limited as the core investor in the newly invigorated Company. The proceeds of the Issue were used to pay off the bridge finance as well as provide working capital for the Company.

The intention of the management was to put the Company on a sound footing to enhance access to more funds from the capital market to rehabilitate aged machines and other critical infrastructures. This plan was however truncated due to the global economic meltdown of 2008 and its attendant negative effect on the Nigerian capital market. Management was thus forced to suspend most of the plans for aggressive growth and expansion of the Company and concentrate on steadily regaining the lost market share with the limited funding the Company was able to obtain from banks. In order to achieve this objective, some minor capacity expansion programs were carried out. A second manual Mill was fabricated for the Ikeja Mill while the mothballed Kaduna Mill was rehabilitated and reopened. Funding from the commercial banks was however expensive and led to reduced margins until the introduction of the Commercial Agriculture Credit Scheme by the Federal Government in 2010.

At the Company's 2008 Annual General Meeting, the Board was authorized by its shareholders to raise additional capital from the capital market in order to further improve cash flow and liquidity position as well as continue with the replacement of our ageing plants and machinery. The prevailing loss of investors' confidence following the 2008 stock market crash prevented the Company from approaching the primary market to raise the much needed funds.

THE CHAIRMAN’S LETTER

The Board however considered the urgent need to inject additional capital into the Company and thus explored multiple options for raising the required capital. UACN was identified as a potential investor, and expressed its intention to acquire 51% of the Company’s issued and fully paid up shares. A special placing of 800,000,000 ordinary shares of 50 kobo each at an Issue price of ₦1.13 was approved and issued to UACN on July 27, 2012 which was paid for by UACN; representing 40% of the Company’s authorized share capital. UACN then acquired additional shares from other shareholders to bring its total shareholding to 51%. The acquisition by UACN provided funding for working capital, technical, managerial and financial support to the Company. The flagship Mill, the Ikeja Mill, which was aged, was replaced in 2014 with a new 12MT/hr Mill to provide more production capacity.




4. PRODUCTS OF THE COMPANY

Livestock Feeds is engaged in the business of Feeds Milling and it has been an excellent caterer for all species of animals; providing nutritious and balanced portions for animal production since 1963. The flagship brand of the Company is Livestock Feeds while its nascent brand is Aquamax Fish Feed.




The Company has two broad product categories of Livestock Feeds: Poultry (Finished Feeds and Concentrates) and Fish.

a) Poultry

i) Finished Feeds

| Chick Mash | <ul style="list-style-type: none"> Positioned as balanced ration for pullets and chicks intended for breeding stock from 0 to 8 weeks old. High in energy for quick development and growth of chicks. Fortified with essential feed additives for further strengthening of chicks and prevention of immuno-suppressions. |   |
|--------------------|---|---|
| Grower Mash | <ul style="list-style-type: none"> Balanced ration for young birds between 9 and 18 weeks old. Formulated to support gradual / proper endocrinal and physiological development of growing birds. Designed for proper maturation of Growers thus preparing them for assiduous task of egg-laying. |  |

THE CHAIRMAN'S LETTER

| | | |
|-------------------------------------|--|---|
| | | |
| <p>Layer Mash</p> | <ul style="list-style-type: none"> Balanced ration for your laying birds of all ages. Formulated with the choicest natural quality and wholesome materials. For healthy and active layers. Reduced mortality and improved egg production. Quality Egg size, colour, shell & shelf Life. |  |
| <p>Broiler Mash Starter</p> | <ul style="list-style-type: none"> Contains balanced amino acid profile of Lysine, Methionine & Cystine needed to support the dynamic turn-over & growth of structural & protective tissues in young chicks. Elevated Choline which aids fat metabolism, cognitive function and serves as anti-inflammatory agent. Formulated to be fed as sole ration to growing chicks until age of 3 weeks. No other grains or supplements are necessary. Impressive, accelerated start-up weight gain and improved feed conversion. |  |
| <p>Broiler Mash Finisher</p> | <ul style="list-style-type: none"> A wonderful feed for finishing Broilers till market time. Formulated to meet the energy demand of Broilers at this age. Excellent feed conversion ratio. Strong, healthy bones – No paralysis. Fortified for improved immunity for Broilers. Early cropping due to optimum weight gain in short period. Quality carcass yield. |  |


THE CHAIRMAN'S LETTER

- ii) **Concentrates** – Livestock Feeds has developed a wide range of protein based concentrates with proper mixing instructions to yield an equivalent of its finished feeds at a lower cost. Such concentrates that have been developed and perfected over the years include:

| CONCENTRATES | MIXING COMBINATION | | |
|---------------------------------|--------------------|-------|---------|
| | CONCEN | MAIZE | W/OFFAL |
| 30% Layer Concentrate | 300KG | 450KG | 250KG |
| 40% Layer Concentrate | 400KG | 600KG | - |
| 40% Chick Concentrate | 400KG | 400KG | 200KG |
| 30% Grower Concentrate | 300KG | 350KG | 350KG |
| 40% Broiler Starter concentrate | 400KG | 500KG | 100KG |

b) Fish - Aquamax

Livestock Feeds is set to grow its revenue base substantially by consolidating the marketing presence of its Fish Feed brand; Aquamax which was officially introduced to the market by the end of 2014. The Company is positioned to leverage on opportunities that exist in the aquaculture sub-sector of the economy.

| Aquamax Fish Feeds | |
|--|--|
| <ul style="list-style-type: none"> • Freshness • Excellent aroma • Adequate oil content • Longer floating period • Reduced water pollution • Excellent feed conversion ratio • Healthy fish • Affordable • World class • Available in many sizes • Excellent packaging • Excellent performance attested to by fish farmers |  |

THE CHAIRMAN'S LETTER

5. PROFILE OF BOARD OF DIRECTORS

The general policies and strategic direction of the Company are determined by the Board of Directors which comprises of highly experienced professionals who have distinguished themselves in various fields of endeavour of which I am the Chairman.

I started my career as a management trainee in UACN in 1988. I held several senior management positions in UACN and was appointed Executive Director in 2004. I became the Group Managing Director / Chief Executive Officer on 1st January, 2007. I am also the Non-Executive Chairman of UACN Property Development Company Plc, UAC Foods Limited, Warm Spring Waters Nigeria Limited, Portland Paints and Products Nigeria Plc and Grand Cereals Limited.

I was appointed to the Board of Livestock Feeds on February 2013. I hold a B.Sc degree in Industrial Chemistry (1985) and an MBA in Finance & Marketing (1988) both from University of Benin. I have attended several local and international courses amongst which are Unilever Regional Sales Programme, Bombay, India, Unilever International Management Seminar, UK and Unilever Advanced Marketing Programme, UK. I am also a graduate of the renowned Executive Program of Michigan School of Business, University of Michigan, Ann Arbor, United States of America. I am a Vice-President of the Manufacturers Association of Nigeria (MAN) and also the Vice-President of Nigerian Employers Consultative Association (NECA).

Mrs. Modupe Omolola Asanmo (Managing Director / CEO)

Mrs. Modupe Asanmo worked at Nigerian Export Promotion Council as a Trade Promotion Officer before joining First City Monument Bank Plc in 1992 as a Management Trainee where she rose to become the Head, Structured Finance Unit – Corporate Banking Group. She obtained a B.Sc. (Business Administration) from University of Ilorin in 1986. She is an Associate member of the Institute of Chartered Accountants of Nigeria (1991). She was appointed to the Board of Livestock Feeds on July 1, 2007. Upon the retirement of Mr. Y. Suleiman Oba, she was appointed the Acting Managing Director / CEO of the Company in April 2009 and confirmed on December 1, 2009.

Mr. Babajide Adegbite (Executive Director, Operations)

Mr. Babajide Adegbite was appointed to the Board of Livestock Feeds on March 1, 2012. He is currently the Executive Director, Operations, where he oversees engineering, logistics, raw materials, manufacturing activities and finished goods inventory in four regional Mills. He joined Livestock Feeds in 2007, leading the sales functions as a General Manager, Sales and Marketing and worked in that capacity until his recent move to head the Operations Department. He joined Mobil Oil Nigeria in 1999 in the sales function, holding various positions in lubes, distributor business and asset management. He left Mobil Oil in 2007. He is a Mechanical Engineering graduate of the University of Lagos (1994).

Mr. Biodun Musibau Oyapero (Non-Executive Director)

Mr. Oyapero is currently the Chief Executive Officer of First Capital Trust Plc. Before then, he worked for various banks in Nigeria including Citibank Nigeria (1987-88), Ecobank Nigeria (1988-89) and FSB International Bank (now Fidelity Bank) (1990-93). In July 1993, he joined First City Monument Bank Plc as Treasurer. Subsequently, he managed several groups of the bank before becoming an Executive Director in 2003; a position he held till 2005 when he resigned to start First Capital Trust Plc; an Investment Management Company from July 1993 to August 2005. He was appointed to the Board of Livestock Feeds in January 5, 2006. He obtained a B.Sc. Accounting from University of Benin in 1986. He has attended several management programmes including Advanced Treasury Management at Euromoney and Advanced Management Programme at Harvard Business School. He is an Associate member of the Institute of Chartered Accountants of Nigeria (2005).

THE CHAIRMAN'S LETTER

Mr. Anthony Ikpea (Non-Executive Director)

Mr. Ikpea's work experience spans 20 years in the financial industry. He started his banking career with Ecobank Plc in 1990 where he was among the Bank's pioneer Inspectorate Group. He was at Commercial Trust Bank Limited, where he was the Branch Head of the Port Harcourt Business office. He also worked with Oceanic Bank Plc in the Corporate Finance Group. He is presently an Executive Director with Cashcraft Asset Management Limited. He has held this position since 1995 and manages assets for some high networth clients and institutions in excess of ₦10 billion as of present valuation. He sits on the Boards of several companies including Vono Products Plc, McNichols Plc, Elim Microfinance Bank and Owen & Gent Limited. He was appointed to the Board of Livestock Feeds on July 1, 2007. He attended Ozolua Grammar School Benin City and graduated in Division One. He holds a B.Sc degree in Accounting from the University of Ife (1986) and an MBA in Financial Management from the Lagos State University (1996). He is an Alumnus of the Prestigious Wharton Business School of the University of Pennsylvania. He qualified as a Chartered Stockbroker (ACS) in 1996. He is a Fellow of the Institute, and a Council Member of the Chartered Institute of Stockbrokers.

Mr. Godwin Abimbola Samuel (Non-Executive Director)

Mr. Samuel worked as a Senior Counsel with Messrs Deji Sasegbon & Co., and had a brief stint as a Law Lecturer with the Lagos State University, Ojo before joining UACN in October 1997 where he worked as a Deputy Manager, Legal Services Manager and National Customer Service Manager, UAC Foods Snacks Category. On November 15, 2006, he was appointed Company Secretary / Legal Adviser of UACN, a position he holds till date. He is also the Company Secretary of UACN Property Development Company Plc and UAC Foods Limited, among others within the UACN group. He was a Non-Executive Director of UAC Registrars Limited. He was appointed to the Board of Livestock Feeds on February 2013.

Mr. Samuel holds a LL.B (Hons) Second class (Upper Division) from Lagos State University, Ojo (1990). He was called to the Bar in 1991 with a Second class (Upper Division) in the Nigerian Law School Bar examinations. He also holds an LL.M degree from the University of Lagos, Akoka (1994). He has attended several Legal, Secretarial and Management courses locally and internationally among which are Developing General Management Potential Course of Cranfield School of Management, Cranfield University, UK and Haggai Institute Advanced Leadership Seminar, Singapore. He is also a member of the Nigerian Bar Association and the International Bar Association.

Mr. Joseph Ibrahim Dada (Non-Executive Director)

Mr. Dada graduated from Ahmadu Bello University, Zaria with a B.Sc (Hons) in Economics (1981). He also holds a Master of Science Degree in Marketing Management from the University of Lagos (1992). He is a member of Advertising Practitioners Council of Nigeria (APCON) and a Fellow of the National Institute of Marketing of Nigeria (NIMN). He is an alumnus of the famous Kellogg School of Management, North Western University, Illinois, USA. He joined UACN as a Management Trainee in September 1983. He worked variously as Factory Planning Manager, Brand/Export Manager and Market Research/Media Manager with the then A J Seward Division of UACN. He later worked with UAC Export as Export Business Manager and subsequently with UAC Foods as Product Group Manager and Fast Foods/Marketing Services Manager.

Also at UAC Foods, he worked as Divisional Ice Cream Director, Divisional Frozen Foods Director and Acting Divisional Fast Foods Director respectively. In December 1999, Mr Dada was appointed as the Managing Director of Grand Cereals Limited, a subsidiary of UACN, a position he held until his elevation to the Board in January 2010 as Executive Director (Corporate Services) with responsibility for Human Resource, Marketing and Strategy. He was appointed to the Board of Livestock Feeds in February 2013.

THE CHAIRMAN'S LETTER

Mrs. Omolara Elemide (Non-Executive Director)

Mrs. Omolara Elemide joined UAC of Nigeria Plc on October 4, 1983. She obtained a Higher National Diploma in Accountancy in 1981 from Kwara State Polytechnic. She qualified and became an Associate of The Institute of Chartered Accountants of Nigeria in 1986. Now a Fellow of ICAN, she had worked in various capacities within the UACN Group. She had a six-month attachment exposure with the Unilever International Audit Departments in Germany, United States of America and United Kingdom in 1991, after which she became the Senior Group Manager, Unilever International Audit, Lagos in 1992. At the divestment of Unilever from UACN in 1994, she assumed the position of the Audit Manager of the Group. She headed the Finance departments of G B Ollivant/MDS Division in 1997 and UACN Property Development Company Plc from January 1998 to February 2005.

Mrs. Elemide joined the Board of CAP Plc as the Finance Director/Company Secretary in February 2005, a position she held until May 4, 2009 when she was appointed the Managing Director of the company. She has attended various local and international courses amongst which are the Bullet-Proof Manager Training Series by Crestcom International Colorado, USA, International Management Seminar at the Four Acres, UK, Unilever International Audit Seminar, USA, Strategy & Finance at the Ashridge Business School, UK.

Mr. Adeleke Yusuff (Company Secretary)

Mr. Yusuff is currently the Legal Services Manager and Company Secretary of Portland Paints and Products Nigeria Plc. He joined UAC of Nigeria Plc in October, 2011. He obtained his law Degree (LL.B. (Hons) from Obafemi Awolowo University, Ile-Ife in 1991 and called to the Nigerian Bar in 1992. He also obtained a Master's Degree (LL.M) from Lagos State University, Ojo, in 2009. After call to Bar, he practiced law in the Chambers of Eyimofe Atake, SAN & Co, with particular specialization in Maritime law and Oil & Gas until August, 2000. He worked at African International Bank Limited as Regional Legal Officer, East (2002), Reliance Bank Limited, as an Assistant Manager, Legal (2004), Intercontinental Bank Plc, (Regional Legal Adviser, North West/North East (2007), Regional Legal Adviser – South West & Benin (2009) and Regional Legal Adviser, Lagos Mainland (2010). He is an Associate of Chartered Institute of Arbitrators Nigeria (ACIARB), 2007 and a merit award winner on Mediation and Conciliation (Dr. Atoki award on Conciliation in 2007). He is also an Associate of Chartered Institute of Arbitrators (UK), (ACIARB), 2009 and a member of Society for Corporate Governance Nigeria.

6. PROFILE OF MANAGEMENT TEAM

The Management team of Livestock Feeds is made up of eleven (11) seasoned professionals, excluding the Managing Director / CEO and the Executive Director. The Management team is responsible for taking decisions on the day-to-day management of the Company. Besides the Managing Director / CEO and the Executive Director, other members are:

Mr. Adegboyega W. Adedeji (General Manager, Sales & Marketing)

Mr. Adedeji is the head of Sales & Marketing and responsible for all sales activities and the strategic development of the Company's markets, along with new products, portfolio generation and development. He was the regional Sales Manager in Grand Cereals Limited in January 2001 and later became procurement manager in October 2002 before he was transferred to UACN in July 2007 as the Training and Services Manager. He was the Franchise Sales Manager at UAC Restaurant between October 2009 & November 2010. He was the National Sales & Marketing Manager UAC Diaries and Sales Operations Manager, UAC Foods and later became Regional Sales Manager in January 2013 to March 2014. He was appointed the General Manager (Sales and Marketing) in Livestock Feeds in March 2014. He holds a B.Sc. degree in Geography (1996) from Obafemi Awolowo University, Ile-Ife.

THE CHAIRMAN'S LETTER

Mr. Gideon Femi Ogudu (Finance Manager)

Mr. Ogudu joined the Company as Finance Controller from UACN following the acquisition of controlling shares of the Company by UACN with effect from August 1, 2013. He held various positions within the UACN Group when he joined on 2nd May 2002; Auditor (Group Internal Audit), Management/Financial Accountant (Warm Spring Waters Nigeria Limited), Financial / Management Accountant and Finance Manager (GM Nigeria Limited), Special Project Manager (UPDC Plc) and Finance Manager (Group Corporate Centre). Before joining UACN, he worked with the Nigerian Postal Service as Investigation Officer (1992-1998) and Senior Finance Officer (1998-2002). He obtained B.Sc. (Ed) (Chemistry), from University of Lagos in 1991, a Fellow of Institute of Chartered Accountants of Nigeria (2011) and Associate Chartered Institute of Taxation (2015).

Mrs. Foluso. A. Akanji (Quality & Nutrition Manager)

Mrs. Akanji is responsible for quality assurance of the Company's products. She joined Livestock Feeds in 2005 as a Nutritionist and was appointed as the Head of Quality Assurance Department in 2009. She obtained B.Sc. and M.Sc. degrees in Animal Science and Nutrition from University of Ibadan in 2001 and 2004 respectively. She is a member of the Nigerian Institute of Animal Science (NIAS) and Animal Science Association of Nigeria (ASAN).

Mr. Olufemi Omogoye (Supply Chain Manager)

Mr. Omogoye was employed as a Sales Representative in Grand Cereals Limited in 2000 and was later transferred to UAC Foods in 2005 on the same position. In 2006, he was moved to Grand Cereals Limited as Regional Manager, Lagos West & North, a position he held till 2009 when he was made Sales Operation Manager between 2009 and 2010. He was the Customer Service Manager of MDS Logistics GCL Operation in Jos before he was appointed as the Supply Chain Manager in Livestock Feeds in September 2014. He holds a B. Agric (Agric. Economics) (1994) from University of Agriculture, Abeokuta and is an Associate member of Nigerian Institute of Marketing (1995).

Mr. Chris Ubah (Mill Manager, Aba)

Chris joined Pfizer as an Assistant Accountant in March 1993 and became Mill Accountant in an Acting capacity in September 1998. He became the Mill Accountant in April 1999. He was appointed Technical Manager, Benin Mill in October 1999, transferred to Aba Mill in 2007 and Ikeja Mill in 2009 as Mill Manager. He was transferred again to Benin Mill in 2011 and Aba Mill in 2015. He obtained a B.Sc. degree (Accounting) from the University of Nigeria in 1990 and an MBA degree from the University of Benin in 1998.

Mr. Adepoju S. Adepoju (Financial Accountant)

Mr. Adepoju joined the Company in March 2007 as Management Accountant. He was promoted to his present position in April 2012. He graduated from the University of Ilorin in 1996 with B.Sc. Agric and MBA from Obafemi Awolowo University, Ile-Ife in 2012. He became an Associate member of the Institute of Chartered Accountant (ICAN) in 2006. He is a graduate member of Chartered Institute of Stockbroker (2010).

Mr. Gbenga B. Odeyemi (Engineering Services Manager)

Mr. Odeyemi is responsible for all engineering services in all the Mill locations. He joined the Company in November 1997 as Engineering Superintendent and left the Company in March 2004. He worked as a Mechanical Engineer with Star Paper Mill between 2004 and 2006 before re-joining the Company in July 2006 as the Engineering Services Manager. He was designated as Senior Engineering Services Manager in September 2007. He holds a B.Sc. degree (Mechanical Engineering) from University of Ilorin in 1993.

THE CHAIRMAN’S LETTER

Mr. Adedamola Adeyeye (Mill Manager, Ikeja)

Mr. Adeyeye joined Livestock Feeds in 2005 as an Area Sales Representative in Benin Mill and moved to Ibadan in 2009. He was transferred to Ikeja Mill as the Mill Manager/Area Sales Manager in acting capacity in October 2011. He was confirmed as Mill Manager in 2012. He obtained B. Agric degree (Animal Nutrition) from the University of Agriculture, Abeokuta in 2002 and an MBA degree from the Federal University of Technology, Akure in 2009.

Mr. Babatunde F. Adegbola (Manager, Onitsha Operations)

Mr. Adegbola joined the Company in September 2014 as Mill Manager from Grand Cereals Limited, a subsidiary of UACN. Since joining Grand Cereals Limited in 1998, he has worked in various capacities as Quality Assurance Officer, Raw materials & Packaging Manager, Offsite Operation, Research and Extension Manager. He obtained Higher National Diploma in Applied Chemistry from Federal Polytechnic Ado Ekiti (1996) and Post graduate Diploma Industrial Chemistry from Abubakar Tafawa Balewa University, Bauchi (2005).

Mr. Olabode O. Jegede (Manager, Northern Operations)

Mr. Jegede was appointed as the Acting Mill Manager, Kaduna in October 2012. Prior to his present position, he was the Quality Assurance Officer. Olabode joined the company in 2008 as a Quality Assurance Officer, Kaduna. He obtained B. Agric from Federal University of Technology, Akure in 2003.

Mrs. Busayo R. Bankole (Risk & Compliance Manager)

Mrs. Bankole started her career with UACN on January 19, 1998 when she joined UPDC Plc as Internal Check Supervisor in Internal Check Department now Risk and Compliance Department. In 2000, she was redeployed to UACN Internal Audit Department (Group Audit) as Assistant Auditor. She acted as Team Lead to 3 subsidiaries of UACN namely Grand Cereals Limited, Spring Waters Nigeria Limited and Warm Spring Waters Nigeria Limited between 2005 and 2008. She was transferred to UAC Restaurants as Operations Accountant in Lagos/West region and became the Treasury Manager of UAC Restaurants in January 2010. She was later redeployed to Compliance Department (Internal Check) as Compliance Auditor and in 2012 transferred to UPDC Plc as Compliance Auditor before she was moved to Livestock Feeds in 2014 as the Risk and Compliance Manager. She holds a Higher National Diploma (HND) Certificate (1994) in Accounting from Federal Polytechnic, Ilaro, Ogun state and she is a qualified Chartered Accountant (2009).

7. PURPOSE OF THE ISSUE AND USE OF PROCEEDS

The Rights Issue represents an important step for Livestock Feeds as it will use the net Issue proceeds to develop a new site for business expansion and enhance its working capital. The Rights Issue is a key step in the overall plan of the Company to raise new capital through equity injection that will enable it boost its long-term capital base. The net proceeds of the Rights Issue, estimated at ₦726,208,537.50 after deducting the estimated Issue costs and expenses, estimated at ₦23,791,462.50 (representing 3.17% of the Issue), will be applied as follows:

| Utilization | Amount (₦) | % | Estimated Completion Period |
|---|-----------------------|------------|--|
| Development of New Site at Flower Gate Industrial Area, Sagamu, Ogun State* | 290,483,415.00 | 40 | 24 Months |
| Working Capital | 435,725,122.50 | 60 | Continuous |
| Total | 726,208,537.50 | 100 | |

* Further details on the project are provided on page 26 of this Rights Circular

THE CHAIRMAN'S LETTER

8. STATEMENT OF WORKING CAPITAL

The Directors of the Company, having regard to the Company's present financial position and the anticipated proceeds from the Issue, are of the opinion that the Company will have adequate working capital and sufficient liquidity for its immediate and foreseeable funding requirements. The Company plans to utilize part of the Rights Issue proceeds to augment its working capital needs. The Directors are of the opinion that post Rights Issue, the working capital position of the Company will be improved.

9. RISK FACTORS

The business activities of the Company are subject to risks which may impact on the performance of the Company and the industry in which it operates. Some of these risks can be minimised or even overcome by appropriate systems and actions. Others are outside the control of the Company and its Directors. Investors should carefully consider, amongst other things, the risks described below and reach their own views before making an investment decision.

Business / Company Specific Risks

These are risks that are unique to Livestock Feeds which may hamper the achievement of its business objectives. These risks include operational failure, accounting and internal control processes, inadequate human resources, inadequate cash flow etc.

Livestock Feeds periodically reviews its strategies, policies and procedures to determine their suitability for the operating environment. Changes are made if management deems it necessary. Furthermore, the Company's management and senior staff are trained professionals with the necessary knowledge to implement recommended practices.

Livestock Feeds is recovering from a negative networth position. However, through a combination of substantial reduction of the Company's debt by its major creditors and the proposed Rights Issue, it is expected that the Company's financial position will become much stronger.

Sector Risks

The Company's businesses are largely dependent on raw materials from the agricultural sector, which are quite susceptible to natural occurrences such as floods, drought and erosion, which may affect output. While the Company may be unable to hedge against this problem in the short-term, it is hoped that as the Company's financial strength increases, it may be able to purchase its raw material well ahead of time of need.

The advent of Bird-flu epidemic in February 2006 led to the decimation of the poultry population in the areas affected. Due to the fear of transmission of the deadly infection to humans, this development led to the near collapse of the poultry industry. However, the bird flu episode was abated and numerous sustained media enlightenment programmes (on the true position of the disease) assisted in the gradual and steady resuscitation of the market. A clear indication of market rebound is the prevalent rush for acquisition of good quality day-old chicks. However, there has been recent outbreak of bird flu in some states across the country in the last one year.

The Company has the necessary monitoring systems in place to identify opportunities and deal with threats to its business operations. The Company is also competitively positioned to take advantage of the developments and challenges within the animal Feed Milling industry.

THE CHAIRMAN'S LETTER

Safety / Environmental Risks

These are losses that arise due to natural occurrences in the environment such as earthquakes. Also, as a manufacturing company, there exists the possibility of industrial accidents involving the Company's facilities thereby resulting in damages that might significantly affect its operations. However, the Company's facilities are fully insured and it has laid-down policies to ensure the safety and security of its facilities, operations and personnel.

In addition to this, the Company ensures that during projects and operations planning, the requisite environmental risk assessments are done to identify relevant risks and ensure that equipment, processes and / or systems are well protected.

Political Risks

The Company's business activities and its operating revenues are currently located and derived from Nigeria respectively. The recent escalation in civil unrest including kidnappings, terrorist attacks carried out by Boko Haram, and clashes between different ethnic groups may also pose a threat to the operations of the Company. The new administration has instituted various reforms creating a suitable environment for the real sector growth.

Foreign Exchange Risks

Livestock Feeds imports about 8% of its raw materials and may also need to import some equipments and machinery over time. In such cases, the exchange rate risk will be covered by pre-funding the purchase through inter-bank foreign exchange market.

10. GENERAL RISK DISCLOSURE

Shareholders should consult their advisers if in any doubt as to the nature of this investment and its suitability in the light of their particular circumstances. The value of any securities traded (whether listed or not) are subject to investment risks, can and do fluctuate, and any individual security may experience upward or downward movements. There is an inherent risk that losses may be incurred rather than a profit made as a result of buying and selling securities. Past performances is not a guide to future performance. Certain types of investments may not be suitable for all investors. However, Livestock Feeds takes all these risks seriously and has put in place strategic and operational plans that will aid in adequately responding to the outlook of the market environment in a timely manner in order to mitigate these risks as much as possible.

11. FUTURE PLANS

Livestock Feeds plans to install a new Feed Mill to replace the aged Mill in Aba, Abia State, develop a new site at Flower Gate Industrial Area in Ogun State which will provide Ikeja Mill with enough space for efficient business operations and storage capacity for both raw materials and finished goods for more market share in the industry. Also the Company is set to consolidate the marketing presence of its fish feed brand – Aquamax which was officially launched in the last quarter of 2014. Livestock Feeds will leverage on opportunities that exist in the aquaculture sub-sector of the economy.

The Company also plans to utilize part of the Rights Issue proceeds to augment its working capital needs.

THE CHAIRMAN'S LETTER

12. SUMMARY OF THE PROJECTS

Development of a New Site in Flower Gate Industrial Area, Sagamu, Ogun State

The Head Office of the Company is located on about 1.99 Acres of land size. The location accommodates the Head Office block, Ikeja Mill Office, Factory and Warehouse. However, due to growth in activities of the Mill, space constraint has become an impediment which the Company is struggling to cope with. This resulted to leasing of warehouses at different locations for storage of raw materials, particularly during annual stockpile activities.

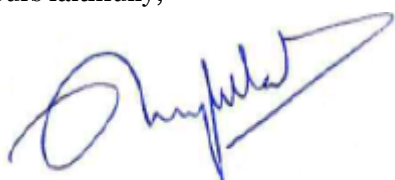
Your Company has however acquired 10.066 acres of land at Flower Gate Industrial Area at Sagamu Interchange in Ogun State, which will provide solution to this space constraint. The first phase of the development which includes landscaping of the site and building of warehouses, are proposed to be executed with funds from the proceeds of the Rights Issue.

13. CONCLUSION

The Rights Circular contains a summary of our company's financial information for the five years ended December 31, 2015, nine months unaudited accounts as at September 30, 2016 and some general information related to the Company. It also contains the provisional allotment letter detailing full instructions for acceptance, payment and renunciation of your Rights. The Board and Management of your Company are committed to ensuring that your Company continues to improve on its financial performance despite the challenging environment in which we operate. We shall also continue to improve on our operational performances and maintain our leadership position in the manufacturing of animal feeds in Nigeria.

I encourage all shareholders to take up their rights in order to ensure that they continue to be relevant in the ownership of our Company and also to enjoy undiluted benefits of the ownership thereof. This would also be a demonstration of your confidence in the prospects of the Company.

Yours faithfully;



Mr. Larry Ephraim Ettah
Chairman

LETTER FROM THE DIRECTORS ON THE GOING CONCERN STATUS

LIVESTOCK FEEDS PLC

(a subsidiary of UOC of Nigeria Plc)

1, Henry Carr Street,
P.M.B. 21097, Ikeja, Lagos State, Nigeria
Telephone: +234-8077281600
E-mail: info@livestockfeedsplc.com
website: www.livestockfeedsplc.com
Regd. Number - RC. 3315

April 13, 2016

The Managing Director / CEO
LeadCapital Plc
Plot 281, Ajose Adeogun Street
Victoria Island
Lagos

Dear Sir,

CONFIRMATION OF THE GOING CONCERN STATUS OF LIVESTOCK FEEDS PLC ("LIVESTOCK FEEDS PLC" / "THE COMPANY")


The Directors of Livestock Feeds Plc are required to prepare financial statements at the end of each financial period, which give a true and fair view of the state of affairs, and of the profit or loss of the Company. They are also responsible for maintaining proper accounting records, for taking reasonable steps to prevent and detect fraud and other irregularities. The Directors of Livestock Feeds Plc are also responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgments and estimates that are prudent and reasonable.

We hereby confirm that applicable International Financial Standards have been followed and Livestock Feeds Plc financial statements are prepared using accounting policies which comply with generally accepted accounting standards in Nigeria, the Companies and Allied Matters Act, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

The Directors of the Company, having made appropriate enquiries, reviewed budgets, projected cashflows and other relevant information, consider that adequate resources exist for the business to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the financial statements.

Yours faithfully,
LIVESTOCK FEEDS PLC

Adeleke Yusuff
Company Secretary


Modupe Asanmo
Managing Director

BRANCHES:

IKEJA MILL

1, Henry Carr Street,
P.M.B. 21097, Ikeja.
Tel: 08077281527

ABA MILL

12, Industrial Layout
P.M.B. 7119, Aba.
Tel: 08077281492

NORTHERN OPERATIONS

Km 17, Zawan Roundabout
Zawan, Jos South
Plateau State.
Tel: 08077281465

ONITSHA OPERATIONS

No. 15a Pokobros Avenue
Off Atani Road, Onitsha
Anambra State
Tel: 08077257575

Board of Directors:

Larry Ettah (Chairman), Modupe O. Asanmo (Managing Director/CEO), Biodun Oyapero
Omolara Elemide, A. Ikpea, Jide Adegbite, Joseph I. D. Dada, Godwin A. Samuel

LETTER FROM THE AUDITORS ON THE GOING CONCERN STATUS



Tel: +234 1 4483050, 7941667
www.bdo-ng.com

ADOL House
15 CIPM Avenue
Central Business District
Alausa, Ikeja
P.O.Box 4929, GPO, Marina
Lagos, Nigeria

The Directors
Livestock Feeds Plc
1, Henry Carr Street
Ikeja
Lagos

14 April 2016

Our Ref: BDO/SAD/kap

And

The Directors
LeadCapital Plc
Plot 281, Ajose Adeogun Street
Victoria Island
Lagos


Dear Sirs,

**CONFIRMATION OF THE GOING CONCERN STATUS OF LIVESTOCK FEEDS PLC
("LIVESTOCK FEEDS PLC" / "THE COMPANY")**

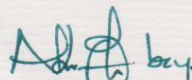
We have audited the financial statements of Livestock Feeds Plc for the year ended 31 December 2015 which were prepared in accordance with International Financial Reporting Standards, Financial Reporting Council of Nigeria Act No 6, 2011 and the provisions of Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

Based on our audit of financial statements of Livestock Feeds Plc for the year ended 31 December 2015 on which we expressed our opinion on 22 March 2016 and the representation received from the Directors of the Company, nothing has come to our notice that makes us believe that the Company will not continue in operation as a going concern.

Yours faithfully,


Sanni A. Dosunmu
Managing Partner




Olugbemiga A. Akibayo
Partner



BDO Professional Services, a firm of Chartered Accountants registered in Nigeria, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

HISTORICAL FINANCIAL INFORMATION

| STATEMENT OF FINANCIAL POSITION | | | | | | |
|---------------------------------------|------------------|------------------------|------------------|------------------|------------------|------------------|
| | 30 Sep | Year Ended 31 December | | | | |
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Assets | | | | | | |
| Non-current assets | | | | | | |
| Property, plant & equipment | 880,738 | 832,575 | 765,098 | 721,660 | 546,943 | 418,727 |
| Intangible assets | 4,473 | 6,519 | 5,652 | - | - | - |
| Financial assets – available for sale | 8,307 | 8,307 | 11,311 | 17,963 | 13,503 | 8,487 |
| Total non-current assets | 893,518 | 847,401 | 782,061 | 739,623 | 560,446 | 427,819 |
| Current assets | | | | | | |
| Inventories | 2,555,170 | 3,354,028 | 4,644,342 | 2,321,762 | 1,273,021 | 796,676 |
| Trade and other receivables | 196,398 | 290,664 | 146,355 | 301,283 | 37,292 | 250,188 |
| Other debtors and prepayments | - | - | - | - | 121,907 | 19,478 |
| Cash and cash equivalents | 756,917 | 77,420 | 159,110 | 307,936 | 64,291 | 65,084 |
| Assets held for sale | - | - | 20,919 | - | - | - |
| Total current assets | 3,508,485 | 3,722,112 | 4,970,726 | 2,930,981 | 1,496,511 | 1,131,426 |
| Total assets | 4,402,003 | 4,569,513 | 5,752,787 | 3,670,604 | 2,056,957 | 1,559,245 |
| Equity and Liabilities | | | | | | |
| Equity | | | | | | |
| Share capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 600,000 | 600,000 |
| Share premium | 455,207 | 470,684 | 493,702 | 493,702 | 8,028 | 8,028 |
| Revaluation reserve | - | - | - | - | 234,364 | 229,346 |
| Retained earnings | 585,459 | 478,115 | 490,198 | 236,028 | (184,997) | (317,528) |
| Total equity | 2,040,666 | 1,948,799 | 1,983,900 | 1,729,730 | 657,395 | 519,846 |
| Non-current liabilities | | | | | | |
| Gratuity | - | - | - | 805 | 35,755 | 26,085 |
| Deferred Tax | 119,753 | 119,753 | 84,801 | 40,341 | 2,571 | 11,370 |
| Total non-current liabilities | 119,753 | 119,753 | 84,801 | 41,146 | 38,326 | 37,455 |
| Current liabilities | | | | | | |
| Trade and other payables | 556,471 | 1,898,285 | 1,688,396 | 923,988 | 352,064 | 357,275 |
| Short-term borrowings | 1,634,498 | 525,329 | 1,926,862 | 869,147 | 929,392 | 580,190 |
| Dividends payable | 101 | 101 | 101 | 101 | 101 | 101 |
| Current tax payable | 50,515 | 77,246 | 68,727 | 106,493 | 79,679 | 64,378 |
| Total current liabilities | 2,241,585 | 2,500,961 | 3,684,086 | 1,899,729 | 1,361,236 | 1,001,944 |
| Total equity and liabilities | 4,402,003 | 4,569,513 | 5,752,787 | 3,670,604 | 2,056,957 | 1,559,245 |

HISTORICAL FINANCIAL INFORMATION

| STATEMENT OF COMPREHENSIVE INCOME | | | | | | |
|--|------------------|------------------------|------------------|------------------|------------------|-----------------|
| | 30 Sep | Year Ended 31 December | | | | |
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Revenue | 7,633,808 | 8,963,293 | 7,914,488 | 6,113,864 | 5,433,057 | 3,623,939 |
| Cost of sales | (6,941,200) | (8,071,641) | (6,924,689) | (5,424,095) | (4,848,116) | (3,241,107) |
| Gross profit | 692,608 | 891,652 | 989,799 | 689,769 | 584,941 | 382,832 |
| Other operating income | 188,493 | 357,608 | 81,208 | 90,865 | 81,053 | - |
| Marketing & distribution expenses | (171,524) | (191,574) | (205,312) | (190,926) | (185,599) | (109,074) |
| Administrative expenses | (223,242) | (280,974) | (255,816) | (146,340) | (124,576) | (95,313) |
| Profit from operations | 486,335 | 776,712 | 609,879 | 443,368 | 355,819 | 178,445 |
| Other income | - | - | - | - | - | 15,684 |
| Finance expenses | (331,353) | (521,949) | (210,517) | (196,136) | (139,615) | (43,235) |
| Finance income | 2,876 | 45,352 | 2,789 | 35,566 | - | - |
| Net finance expenses | (328,477) | (476,597) | (207,728) | (160,570) | (139,615) | (27,551) |
| Profit before taxation | 157,858 | 300,115 | 402,151 | 282,798 | 216,204 | 150,894 |
| Income tax expense | (50,515) | (112,198) | (147,981) | (72,052) | (77,119) | (53,212) |
| Profit for the year after taxation | 107,344 | 187,917 | 254,170 | 210,746 | 139,085 | 97,682 |
| Other comprehensive income | | | | | | |
| Items that will not be reclassified to profit & loss | - | - | - | - | - | - |
| Items that will be or may be reclassified to profit & loss | - | - | - | - | - | - |
| Total other comprehensive Income | - | - | - | - | - | - |
| Total comprehensive Income | 107,344 | 187,917 | 254,170 | 210,746 | 139,085 | 97,682 |
| Earnings per share | | | | | | |
| Basic EPS (Kobo) | 5.37 | 9.40 | 12.71 | 17.56 | 11.59 | 8.14 |
| Diluted EPS (Kobo) | 5.37 | 9.40 | 12.71 | 11.71 | 0.00 | 0.00 |

HISTORICAL FINANCIAL INFORMATION

| STATEMENT OF CASH FLOW | | | | | | |
|--|------------------|------------------------|------------------|------------------|------------------|------------------|
| | 30 Sep | Year Ended 31 December | | | | |
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Cash flows from operating activities | | | | | | |
| Profit for the year | 107,344 | 187,917 | 254,170 | 210,746 | 144,102 | 97,682 |
| Adjustment for: | | | | | | |
| Depreciation of property, plant & equipment | 87,372 | 119,920 | 87,623 | 53,286 | 42,033 | 32,201 |
| Depreciation of leased asset | - | - | - | - | - | 558 |
| Amortisation of intangible asset | 2,613 | 2,971 | - | - | - | - |
| Assets written off | - | - | 182 | 1,265 | - | - |
| Assets transferred | - | - | - | (2,565) | - | - |
| Adjustment in property, plant & equipment | 11,319 | 679 | - | 18,801 | - | - |
| Diminution in financial assets – available for sale | - | 3,004 | 6,652 | (4,461) | (5,016) | - |
| Interest paid | 331,353 | 521,949 | 220,802 | 106,794 | 139,615 | - |
| Interest received | (2,876) | (45,352) | (2,789) | (35,566) | - | - |
| (Profit)/loss on sale of property, plant & equipment | (293) | (129,999) | 992 | (107) | 9 | - |
| | 536,831 | 661,089 | 567,632 | 348,193 | 320,743 | 130,441 |
| Decrease/(Increase) in inventories | 798,858 | 1,290,314 | (2,322,579) | (622,216) | (478,549) | (283,294) |
| (Increase)/decrease in trade and other receivables | 94,266 | (144,309) | 154,928 | (553,245) | 97,307 | (97,272) |
| Increase in trade and other payables | (1,341,814) | 209,889 | 764,410 | 554,794 | 9,354 | 163,282 |
| Increase/(decrease) in income tax payable | (26,731) | 8,519 | (37,766) | 24,495 | 15,302 | 33,822 |
| Increase in deferred taxation recognised in income | - | 34,952 | 44,460 | (17,180) | 9,670 | 3,776 |
| Decrease in provision for gratuity | - | - | (805) | - | (8,001) | (422) |
| Tax paid | - | - | - | - | - | - |
| Net cash inflow/(outflow) from operating activities | 61,410 | 2,060,454 | (829,720) | (265,159) | (34,174) | (49,667) |
| Cash flows from investing activities | | | | | | |
| Purchase of property, plant and equipment | (147,549) | (185,658) | (161,607) | (246,796) | (177,322) | (98,359) |
| Liquidation of long-term investment | - | - | - | - | - | 2,944 |
| Purchase of intangible assets | - | (3,838) | - | - | 1,116 | - |
| Proceeds from disposal of property, plant and equipment | 420 | 148,500 | 2,799 | 1,400 | - | 1,449 |
| Interest received | 2,876 | 45,352 | 2,789 | 35,566 | - | - |
| Net cash inflow / (outflow) from investing activities | (144,253) | 4,356 | (156,019) | (209,830) | (176,206) | (93,966) |
| Cash flows from financing activities | | | | | | |
| Interest on loans and overdraft | (331,353) | (521,949) | (220,802) | (106,794) | (139,615) | - |
| Share capital increase expenses | (15,477) | (23,018) | - | - | - | - |
| Dividend paid | - | (200,000) | - | - | - | - |
| Proceeds from issue of shares | - | - | - | 400,000 | - | - |
| Proceeds from share premium | - | - | - | 485,674 | - | - |
| Proceeds from bank loans | 1,800,000 | 398,467 | 2,670,000 | 1,240,000 | 929,392 | - |
| Repayment of bank loans | (690,831) | (1,800,000) | (1,612,285) | (1,300,245) | - | - |
| Lease repaid | - | - | - | - | - | (776) |
| Net cash (outflow)/inflow from financing activities | 762,339 | (2,146,500) | 836,913 | 718,634 | 789,777 | (776) |
| Net (decrease)/increase in cash and cash equivalents | 679,497 | (81,690) | (148,826) | 243,645 | 579,397 | (144,409) |
| Cash and cash equivalents at beginning of the year | 77,420 | 159,110 | 307,936 | 64,291 | (515,106) | (370,697) |
| Cash and cash equivalents at end of the year | 756,917 | 77,420 | 159,110 | 307,936 | 64,291 | (515,106) |

STATUTORY AND GENERAL INFORMATION

1. INCORPORATION AND SHARE CAPITAL HISTORY

Livestock Feeds Plc was established in 1963 by Pfizer as a subsidiary to the pharmaceutical business which was introduced to Nigeria a few years earlier. Livestock Feeds was incorporated with an authorised share capital of ₦200,000 comprising 100,000 ordinary shares of ₦2.00 each. At present, the authorized share capital of the Company is ₦2,000,000,000 comprising 4,000,000,000 ordinary shares of 50 kobo each; of which ₦1,000,000,000 comprising 2,000,000,000 ordinary shares of 50 kobo each, have been issued and fully paid up. The following changes have taken place in the Company's authorized and issued capital since incorporation:

| DATE | AUTHORIZED (₦) | | ISSUED & FULLY PAID UP (₦) | | CONSIDERATION |
|--------------|-------------------|---------------|-------------------------------|---------------|----------------------------------|
| | INCREASE | CUMMULATIVE | INCREASE | CUMMULATIVE | |
| March, 1963 | 200,000 | 200,000 | 200,000 | 200,000 | Cash |
| April, 1971 | 800,000 | 1,000,000 | 225,000 | 425,000 | Cash |
| March, 1977 | 1,000,000 | 2,000,000 | 1,042,000 | 1,467,000 | Stock Split from ₦2 to 50k |
| April, 1978 | 2,000,000 | 4,000,000 | 1,467,568 | 2,934,568 | Bonus Issue (1 for 1) |
| July, 1980 | 1,000,000 | 5,000,000 | 1,467,284 | 4,401,852 | Bonus Issue (1 for 2) |
| April, 1982 | 3,000,000 | 8,000,000 | 1,100,463 | 5,502,315 | Bonus Issue (1 for 4) |
| March, 1983 | 0 | 8,000,000 | 1,375,578 | 6,877,893 | Bonus Issue (1 for 4) |
| August, 1985 | 4,000,000 | 12,000,000 | 1,719,473 | 8,597,366 | Bonus Issue (1 for 4) |
| April, 1987 | 0 | 12,000,000 | 1,719,473 | 10,316,839 | Bonus Issue (1 for 5) |
| June 1996 | 5,000,000 | 17,000,000 | 2,063,161 | 12,380,000 | Bonus Issue (1 for 5) |
| March, 2007 | 583,000,000 | 600,000,000 | 587,620,000 | 600,000,000 | Rights Issue / Private Placement |
| March, 2013 | 400,000,000 | 1,000,000,000 | 400,000,000 | 1,000,000,000 | Private Placement |
| June, 2015 | 1,000,000,000 | 2,000,000,000 | - | 1,000,000,000 | |

2. SHAREHOLDING STRUCTURE

As at 30, September, 2016, the 2,000,000,000 ordinary shares of 50 kobo each in the issued ordinary share capital of the Company were beneficially held as follows:

| S/N | SHAREHOLDER | NO. OF ORDINARY SHARES | % HOLDING |
|-----|------------------------------|------------------------|---------------|
| 1 | UAC of Nigeria Plc | 1,020,100,500 | 51.01 |
| 2 | First Capital Trust Limited | 144,709,386 | 7.24 |
| 3 | Cashcraft Securities Limited | 103,017,333 | 5.15 |
| 4 | Other Shareholders | 732,172,781 | 36.61 |
| | Total | 2,000,000,000 | 100.00 |

Except as stated above, no other shareholder held more than 5% of the issued share capital of the Company as at 30, September, 2016.

STATUTORY AND GENERAL INFORMATION

3. DIRECTORS' BENEFICIAL INTERESTS

As at 30, September, 2016, the interests of the Directors of Livestock Feeds in the issued share capital of the Company, as disclosed in the Register of Members or as notified by them for the purpose of Section 275 (1) of the Companies and Allied Matters Act, Cap C20, Laws of the Federation of Nigeria 2004, are as follows:

| S/N | NAMES OF DIRECTORS | SHAREHOLDING | | TOTAL | % |
|-----|----------------------------|--------------|---------------|---------------|-------|
| | | DIRECT | INDIRECT | | |
| 1 | Mr. Larry Ettah | - | 1,020,100,500 | 1,020,100,500 | 51.01 |
| 2 | Mrs. Modupe Omolola Asanmo | 3,232,500 | - | 3,232,500 | 0.16 |
| 3 | Mr. Babajide Adegbite | 100,000 | - | 100,000 | 0.01 |
| 4 | Mr. Anthony Ikpea | - | 103,017,333 | 103,017,333 | 5.15 |
| 5 | Mr. Biodun Musibau Oyapero | - | 144,709,386 | 144,709,386 | 7.24 |
| 6 | Mr. Godwin Abimbola Samuel | - | - | - | - |
| 7 | Mr. Joseph Ibrahim Dada | - | - | - | - |
| 8 | Mrs. Omolara Elemide | - | - | - | - |

Save as disclosed, none of the Directors has notified the Company of any disclosable interest in the Company's share capital.

4. STATUS OF UNCLAIMED DIVIDENDS

As at the date of this Right Circular, there were no unclaimed dividends of Livestock Feeds.

5. STATEMENT OF INDEBTEDNESS

As at the date of this Rights Circular, the Company had no outstanding debentures, mortgages, loans, charges or similar indebtedness or material contingent liabilities, other than in the ordinary course of business.

6. SUBSIDIARIES AND ASSOCIATED COMPANIES

As at the date of this Rights Circular, Livestock Feeds had the following sister companies, which are all part of the UACN Group:

| S/N | NAMES |
|-----|---------------------------------------|
| 1 | Chemical and Allied Products Plc |
| 2 | MDS Logistics Limited |
| 3 | UACN Property Development Company Plc |
| 4 | Grand Cereal Limited |
| 5 | UAC Foods Limited |
| 6 | UAC Restaurants Limited |
| 7 | Portland Paints and Products Plc |
| 8 | Warm Spring Waters Nigeria Limited |
| 9 | UNICO CPFA Limited |

STATUTORY AND GENERAL INFORMATION

7. OFF BALANCE SHEET ITEMS

As at the date of this Rights Circular, the Company has no off balance sheet items.

8. CLAIMS AND LITIGATION

As at the date of this Rights Circular, the Directors of the Company confirm that they are not aware of any pending and / or threatened claim or litigation matter against the Company which would have any material adverse effect on the Issue.

9. PURPOSE OF ISSUE AND USE OF PROCEEDS

The Rights Issue represents an important step for Livestock Feeds as the Company will use the net Issue proceeds to develop a new site for business expansion and enhance its working capital. The Rights Issue is a key step in the overall plan of the Company to raise new capital through equity injections that will enable it boost its long-term capital base. The net Issue proceeds, estimated at ₦726,208,537.50 after deducting the estimated Issue costs and expenses, estimated at ₦23,791,462.50 (representing 3.17% of the Issue), will be applied as follows:

| Utilization | Amount (₦) | % | Estimated Completion Period |
|---|-----------------------|------------|--|
| Development of New Site at Flower Gate Industrial Area, Sagamu, Ogun State | 290,483,415.00 | 40 | 24 Months |
| Working Capital | 435,725,122.50 | 60 | Continuous |
| Total | 726,208,537.50 | 100 | |

10. COSTS AND EXPENSES

The costs, charges and expenses of and incidental to the Rights Issue including fees payable to SEC and The NSE, professional parties, brokerage, printing and distribution expenses are estimated at ₦23,791,462.50 representing 3.17% of the gross Issue proceeds and are payable by Livestock Feeds.

STATUTORY AND GENERAL INFORMATION

11. MATERIAL CONTRACTS

The following agreements have been entered into by the Company and are considered material to the Issue:

- a) The Share Subscription Agreement between UAC of Nigeria Plc and the Company dated September, 2012 (“Agreement”) which requires that, for as long as UACN remains a shareholder of the Company, the Company shall consult with UACN prior to any change in the issued and authorized capital (and any rights attached thereto) and all equity/quasi-equity financings including convertibility of debt instruments of the Company.
- b) The Management Service Agreement dated 14th May, 2013 between UACN and the Company which entitles UACN to a certain percentage of the Company’s revenue in consideration for the provision of certain management services on an on-going basis.
- c) The Term Loan Letter dated 31st October, 2013 between the Company and Stanbic IBTC Bank Plc in relation to the provision of a loan facility which imposes a restriction on the change of control of the Company’s ownership and management.
- d) The Offer Letter dated 14th November, 2013 between the Company and Stanbic IBTC Bank Plc in relation to a working capital facility which imposes a restriction on the change of control of the Company’s ownership.
- e) The Vending Agreement dated March 28, 2017 between the Company and LeadCapital Plc in connection with the issuance of shares for this Transaction.

12. COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

Livestock Feeds recognizes the importance of a high standard of corporate governance. The Company complies with the relevant provisions of the SEC Codes of Corporate Governance. The Board consists of the Chairman, with no executive responsibilities. The non-executive Directors have been operating in such a way that their independence has not been impaired. The Board is responsible to the shareholders for creating and delivering sustainable shareholders’ value through its oversight functions. In this wise, the roles and responsibilities of the Chairman and Managing Director / CEO are separate and understood. The Chairman’s main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibility. Non-executive Directors, based on their depth of knowledge and experience, are able to challenge, monitor and approve the strategies and policies recommended by the management.

The Annual General Meeting provides a unique opportunity to communicate with shareholders. Shareholders receive the Annual Report and Financial Statements as required by law and ask questions concerning the Company’s operations at the Annual General Meeting.

Responsibility of the Board of Directors

The Board is responsible for controlling and managing the strategic business of the Company and constantly reviews and presents a balanced and comprehensive assessment of the Company’s performance and future prospects.

STATUTORY AND GENERAL INFORMATION

Composition of the Board

The Board of Directors is made up of eight (8) members comprising the Managing Director / CEO, an Executive Director and six (6) Non-Executive Directors. Board members are professionals and entrepreneurs with vast experience and credible track records. To enhance corporate governance, Board sub-committees are constituted to help the Board properly assess management reports, proposals and oversight functions and make recommendations to the main Board.

Chairman and CEO positions

Responsibilities of the Board are well defined and the Board is not dominated by one individual. The position of the Chairman is separate from that of the Managing Director / CEO. The Chairman is not involved in the day to day operations of the Company.

Proceedings and Frequency of Meetings

The Board meets regularly at least once (or more) in a quarter to deliberate on issues concerning the Company. Sufficient notices with clear agenda / report are given ahead of such meetings. The board met six (6) times in 2015.

Shareholders' Rights and Privileges

The Board ensures that shareholders' statutory and general rights are protected at all times. Shareholders are responsible for electing the Directors at Annual General Meetings for which 21 working days must have been given before the meeting.

Non-Executive Directors

The non-executive directors have an in-depth knowledge of their respective fields and contribute their diverse business experiences in decision making.

Reporting and Control

The Board promotes transparency in its financial and non-financial reporting and ensures that annual accounts are prepared using suitable accounting policies before being verified by the Company's external auditors, BDO Professional Services (Chartered Accountants). The Board also ensures that adequate internal controls are put in place to safeguard the Company's assets and to prevent fraud and other irregularities.

The Board carries out its oversight function through its standing committees each of which has a charter that clearly defines its purpose, composition structure, frequency of meetings, duties, tenure and reporting lines to the Board. The Chairman of the Board does not sit on any of the committees, in line with global best practice. The two standing committees are (i) Risk and Governance Committee and (ii) Statutory Audit Committee. The composition of the committees are as follows:

Risk and Governance Committee

The Committee is chaired by Mr. Joseph I. Dada, a Non-Executive Director and made up of the following members:

Mr. Joseph I. Dada (Chairman)
Mrs. Modupe Omolola Asanmo
Mr. Jide Adegbite
Mrs. Omolara Elemide
Mr. Godwin Abimbola Samuel
Mr. Biodun Musibau Oyapero

STATUTORY AND GENERAL INFORMATION

The Committee met three (3) times during the year.

The following are some of the terms of reference of the Committee:

- i. Assist the Board in its oversight of risk management and monitoring the Company's performance with regards to risk management.
- ii. Recommend for Board approval the risk policy of the Company and review its implementation at all levels to achieve the Company's objectives.
- iii. Review quarterly risk management reports and make recommendations to the Board on appropriate actions.
- iv. Ensure that the Company's risk exposures are within the approved risk control limits.

Statutory Audit Committee

The Committee consists of six (6) members made up of three representatives of the shareholders elected at the previous Annual General Meeting for a tenure of one year and three representatives of the Board. The Chairman of the Committee is Pastor Albert Oluyinka Edun, a shareholders' representative. The Company Secretary is the Secretary of the Committee. The meetings of the Committee were attended by the Company's Finance Manager, Risk and Compliance Manager, representatives of BDO Professional Services, the Independent Auditors, KPMG Professional Services, the Internal Audit Service provider and Head, Risk and Compliance of UACN. The operation and duties of the Committee has been aligned with the provisions of the Code of Corporate Governance for public companies in Nigeria. Members of the Committee include:

Pastor Albert O. Ebum (Chairman)
Alhaji Waheed A. Adegbite
Mr. Biodun Musibau Oyapero
Mrs. Omolara Elemide
Mr. Anthony Ikpea
Prince Manfred Bassey

The Committee met four (4) times during the year.

13. RESEARCH AND DEVELOPMENT

Whilst Livestock Feeds continues to adopt best practices in its operational processes, the Company has not made any research and development capital expenditure over the last three (3) years. It however continues to review and update its quality service processes.

14. MERGERS AND ACQUISITION

As at the date of this Rights Circular, the Company had no merger & acquisition plans.

15. RELATIONSHIP BETWEEN THE COMPANY AND ITS ADVISERS

As at the date of this Rights Circular, there was no relationship between the Company and its advisers except in the ordinary course of business.

STATUTORY AND GENERAL INFORMATION

16. RELATED PARTY TRANSACTIONS

The Company's related parties consist of companies within the UACN Group and the parent company itself, their key management personnel and their close family members. The following transactions were carried out with related parties:

- i. The sum of ₦100,000,000 term loan was received from the parent company, UACN Plc at the rate of 15.5% p.a. in the third quarter of 2016 to boost the Company's working capital, specifically for urgent procurement of maize. The sum of ₦43million relates to other amount due to the parent company.
- ii. The Company had a toll milling agreement with Grand Cereal Limited, which is also a member of the UACN Group, for its Northern and South-South operations. The amount payable as at December 31, 2016 is ₦149.65million.
- iii. The Company is also into an agreement with MDS Logistics, another member of the UACN Group, for the management of its external warehouses located in Zaria and Funtua in the Northern part of the country and Aba. This service agreement was terminated on 31st March, 2016 and amount owed fully settled.

17. DECLARATIONS

Except as otherwise disclosed in this Rights Circular:

- a) No share of Livestock Feeds is under option or agreed conditionally or unconditionally to be put under option;
- b) No commissions, discounts, brokerages or other special terms have been granted by Livestock Feeds to any person in connection with the Rights Issue or sale of any share of the Company;
- c) Save as disclosed herein, the Directors of Livestock Feeds have not been informed of any holding representing 5% or more of the issued share capital of the Company;
- d) There are no material service agreements between Livestock Feeds or any of its Directors and employees other than in the ordinary course of business;
- e) No Director of the Company has had any interest, direct or indirect, in any property purchased or proposed to be purchased by the Company in the three years prior to the date of this Rights Circular;
- f) No Director of the Company is or has been involved in any of the following:
 - i. A petition brought under any bankruptcy or insolvency laws filed (and not struck out), either against his person or against any partnership or company of which he is a partner, director or key personnel;

STATUTORY AND GENERAL INFORMATION

- ii. A conviction in a criminal proceeding or is a named subject of pending criminal proceedings relating to fraud or dishonesty; and
- iii. The subject of any order, judgement or ruling of any court of competent jurisdiction or a regulatory body relating to fraud or dishonesty restraining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

18. CONSENTS

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

| | |
|----------------------------------|---|
| Directors of the Company: | Mr. Larry Ephraim Ettah (<i>Chairman</i>) Mrs. Modupe Omolola Asanmo (<i>Managing Director</i>) Mr. Babajide Adegbite (<i>Executive Director, Operations</i>) Mr. Biodun Musibau Oyapero (<i>Non-Executive Director</i>) Mr. Anthony Ikpea (<i>Non-Executive Director</i>) Mr. Godwin Abimbola Samuel (<i>Non-Executive Director</i>) Mr. Joseph Ibrahim Dada (<i>Non-Executive Director</i>) Mrs. Omolara Elemide (<i>Non-Executive Director</i>) |
| Company Secretary: | Mr. Adeleke Yusuff |
| Issuing House: | LeadCapital Plc |
| Auditors: | BDO Professional Services (Chartered Accountants) |
| Solicitors: | Udo Udoma & Belo-Osagie |
| Stockbrokers: | Cashcraft Securities Limited Fortress Capital Limited |
| Registrars: | CardinalStone (Registrars) Limited |
| Receiving Bank: | Stanbic IBTC Bank Plc |

STATUTORY AND GENERAL INFORMATION

19. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the office of LeadCapital Plc, Plot 281, Ajose Adeogun Street, Victoria Island, Lagos, Nigeria during normal business hours on any weekday (except public holidays), from Tuesday, April 18, 2017 until Thursday, May 25, 2017:

- The Certificate of Incorporation of the Company;
- The Memorandum and Articles of Association of the Company;
- The Rights Circular issued in respect of the Issue;
- The audited accounts of the Company for each of the five years ended December 31, 2011, 2012, 2013, 2014 and 2015 and unaudited interim financial statement of the Company for September 30, 2016;
- The resolution of the shareholders authorising the Issue;
- The resolution of the Board of Directors authorising the Issue;
- The claims and litigation referred to above and the Solicitors' opinion thereon;
- The material contract referred to in (11) above;
- Letter of approval from the SEC with respect to the Issue;
- Letter of approval from The Exchange with respect to the Issue;
- The written consents referred to above.
- The Vending Agreement between Livestock Feeds Plc and LeadCapital Plc.

PROVISIONAL ALLOTMENT LETTER



February 6, 2017

Dear Sir / Madam,

LIVESTOCK FEEDS PLC RIGHTS ISSUE OF 1,000,000,000 ORDINARY SHARES OF 50 KOBO EACH AT ₦0.75 PER SHARE ON THE BASIS OF ONE (1) NEW ORDINARY SHARE FOR EVERY TWO (2) ORDINARY SHARES OF 50 KOBO EACH

1. Provisional Allotment

The letter dated January 9, 2017 from the Chairman, which is on Page 12 of this Rights Circular, contains particulars of the Rights Issue now being made. The Directors of your Company have provisionally allotted to you the number of new ordinary shares set out on the first page of the Acceptance / Renunciation Form, representing one (1) new ordinary share for every two (2) ordinary shares of 50 kobo each that appeared against your name in the Company's Register of Members at the close of business on Tuesday, February 28, 2017. The new ordinary shares will rank *pari passu* in all respects with the existing ordinary shares of the Company.

You may accept all or some of the shares allotted to you or renounce your rights to all or some of them. Shareholders who elect to accept the provisional allotment in full should complete Box A of the Acceptance / Renunciation Form, while those who elect to renounce their rights partially or in full should complete Box B of the Form. You may also apply for additional shares over and above your provisional allotment as described in 2(b) below.

2. Acceptance and Payment

The receipt of any payment with your Acceptance / Renunciation Form will constitute an acceptance of all or part of this Allotment on the terms of this letter, subject to the Memorandum and Articles of Association of the Company and clearance of the SEC. If payment is not received by Thursday, May 25, 2017, the provisional allotment will be deemed to have been declined and will be cancelled.

You may participate in the Issue through any of the following methods:

a) Full Acceptance

If you wish to accept this provisional allotment in full, please complete Box A of the enclosed Acceptance / Renunciation Form. The completed Acceptance / Renunciation Form, together with a cheque or bank draft for the full amount payable, must be submitted to the receiving agents not later than Thursday, May 25, 2017. **The cheque or draft must be made payable to the Receiving Agent in the same town or city in which the receiving agent is located** and crossed "**LIVESTOCK FEEDS RIGHTS ISSUE**" with your name, address and mobile number written on the back of the cheque or draft. All cheques and bank drafts will be presented upon receipt and all Acceptance / Renunciation Forms in respect of which cheques are returned unpaid for any reason will be rejected and returned through the registered post. Any payment made electronically or with a value exceeding ₦10 million should be made via SWIFT, RTGS or NEFT into the designated Issue Proceeds Account stated on the Acceptance / Renunciation Form. Such payment must include the following transfer instruction narrative: "[FULL NAME OF SHAREHOLDER]'s PAYMENT FOR LIVESTOCK FEEDS RIGHTS ISSUE".

PROVISIONAL ALLOTMENT LETTER

b) Partial Acceptance

To accept your provisional allotment partially, please complete item (i) of Box B and submit your Acceptance / Renunciation Form to any of the Receiving Agents listed on page 44, together with a cheque or bank draft for the full amount payable in respect of the number of shares you have decided to accept.

If you wish to renounce your provisional allotment partially please complete box B and submit your Acceptance / Renunciation together with payment for any provisional allotment you are accepting partially. Payment should be made in accordance with the instructions set out above.

c) Applying for Additional Shares

This may be done by **completing item (ii) and (iii) of box A of the Acceptance / Renunciation Form**. Payment should be made in accordance with (a) above. Shareholders who apply for additional shares using the Acceptance / Renunciation Form will be subject to the allotment process and may therefore be allotted less than the number of additional shares applied for (please refer to item 4 below).

3. Trading in Rights

The approval of the NSE has been obtained for trading in the Rights of the Company. The Rights will be tradable between Tuesday, April 18, 2017 and Thursday, May 25, 2017 at the price at which the Rights are quoted on The NSE. If you wish to renounce your Rights partially or in full, you may trade such renounced Rights on the Floor of The NSE between these dates. Please complete item (iii) of box C of the Acceptance/Renunciation Form and contact your stock broker for assistance. If you wish to purchase renounced Rights, please contact your stockbroker who will guide you regarding payment and the procedure for purchasing Livestock Feeds Rights.

4. Allotment of Additional Shares

Ordinary shares which are not taken up by Thursday, May 25, 2017, will be allotted, on a basis to be determined by the Directors and cleared by the SEC to existing shareholders who have applied and paid for additional ordinary shares by completing item (ii) of Box B

5. Subscription Monies

Acceptance / Renunciation Forms must be accompanied with the full amount due on acceptance in accordance with 2(a) above. All subscription monies will be retained in interest yielding bank accounts by Stanbic IBTC Bank Plc.

6. Surplus Subscription Monies

If any subscription for additional shares is not accepted or is accepted for fewer shares than the number applied for, a cheque for the value of the additional shares not accepted including applicable interest will be returned by registered post within 5 (five) working days after the date of allotment. E-payment process would be adopted for amounts exceeding ₦10million.

PROVISIONAL ALLOTMENT LETTER

7. Rounding Principle

The allocation of Rights Issue shares will be such that shareholders will not be allocated a fraction of a Rights Issue share and as such any shareholding giving rise to a fraction of less than one of a Rights Issue share will be rounded down to the nearest whole number.

8. E-Allotment / Share Certificate

At the completion of the Issue, the ordinary shares will be registered and transferable in units of 50 Kobo each. The CSCS accounts of shareholders will be credited not later than 15 working days from the date the basis of allotment is cleared by the SEC. Shareholders are thereby advised to state the name of their respective stockbrokers and their Clearing House Numbers in the relevant spaces on the Acceptance Form. Share Certificates of Shareholders that do not provide their CSCS account details will be dispatched by registered post not later than 15 working days from the date of allotment.

Yours faithfully;



Mr. Adeleke Yusuff
Company Secretary

RECEIVING AGENTS

A copy of the Rights Circular, incorporating the Acceptance / Renunciation form, has been forwarded to each of the shareholders whose names appeared in the Company's Register of Members as at close of business on February 28, 2017. The completed Acceptance Forms may be returned to any of the following Receiving Agents to whom brokerage will be paid at the rate of ₦0.75 per ₦100 worth of shares allotted in respect of Acceptance Forms bearing their official stamp.

The Issuing House cannot accept responsibility for the conduct of any of the institutions listed below. Investors are therefore advised to conduct their own enquiries before choosing an agent to act on their behalf. Evidence of lodgement of funds at any of the Receiving Agents listed below, in the absence of corresponding evidence of receipt by the Issuing House, cannot give rise to a liability on the part of the Issuing House under any circumstances.

Banks

| | | | |
|---|---|---|--|
| Access Bank Plc Citibank Nigeria Limited Diamond Bank Plc Ecobank Nigeria Plc Fidelity Bank Plc | First Bank of Nigeria Limited First City Monument Bank Limited Guaranty Trust Bank Plc Heritage Banking Company Limited Keystone Bank Limited | Skye Bank Plc Stanbic IBTC Bank Plc Standard Chartered Bank Plc Sterling Bank Plc Union Bank of Nigeria Plc | United Bank for Africa Plc Unity Bank Plc Wema Bank Plc Zenith Bank Plc |
|---|---|---|--|

Stockbrokers and Others

| | | | |
|---|--|---|---|
| Adonai Stockbrokers Limited African Alliance Stockbrokers Ltd Afrinvest (West Africa) Limited Alangrage Securities Limited Altrade Securities Limited Amyn Investments Limited Anchorage Securities & Finance Ltd Anchoria Invest & Securities Ltd Apel Asset Limited APT Securities & Funds Limited ARM Securities Limited Associated Asset Managers Ltd Atlass Portfolio Limited Belfry Investments & Securities Ltd Bestworth Assets & Trust Ltd Calyx Securities Limited Camry Securities Limited Capital Asset Limited Capital Bancorp Plc Capital Express Securities Ltd Capital Trust Brokers Limited Cardinal Stone Securities Ltd Cashcraft Securities Limited Cashville Inv & Sec. Limited CDL Capital Markets Limited Centre-Point Inv. Limited Century Securities Limited Chapel Hill Denham Sec. Ltd Chartwell Securities Limited Citi Investment Capital Limited City-Code Trust & Inv Limited Clearview Inv Co. Limited Compass Inv and Sec Limited Cordros Capital Limited Core Trust & Investment Ltd Coronation Securities Limited Cowry Asset Mgt Limited Crane Securities Limited Crossworld Securities Limited Crown Capital Limited CSL Stockbrokers Limited DBSL Securities Limited De-Lords Securities Limited Dependable Securities Limited Diamond Securities Limited Dominion Trust Limited Enterprise Stockbroker Plc Equity Capital Solutions Limited | Fidelity Securities Limited Financial & Analytics Capital Ltd Eurocomm Securities Limited Express Discount Asset Mgt Ltd Express Portfolio Services Ltd FBN Securities Limited FCSL Asset Mgt. Company Ltd Fidelity Finance Company Ltd DSU Brokerage Services Ltd Dunbell Securities Limited Dunn Loren Merrifield Sec. Ltd Dynamic Portfolios Limited ECL Asset Management Limited EDC Securities Limited EFCP Limited Elixir Securities Limited Financial Trust Co. Nigeria Ltd Finmal Finance Services Ltd First Integrated Capital Mgt Ltd First Stockbrokers Limited FIS Securities Ltd Foresight Sec. & Inv Limited Forte Financial Limited Forthright Sec & Investments Ltd Fortress Capital Limited FSDH Securities Limited Funds Matrix & Assets Mgt Ltd Fundvine Capital & Sec. Ltd Future view Securities Limited Gidauniya Inv. & Sec Limited Global Assets Mgt (Nig) Limited GlobalView Capital Limited Golden Securities Limited Greenwich Securities Limited Guene Capital Limited GTI Services Limited Harmony Securities Limited Heartbeat Investments Limited Hedge Sec. & Inv. Co. Limited Heritage Capital Mkt Limited ICMG Securities Limited ICON Stockbroker Limited Imperial Assets Managers Ltd Independent Securities Limited Integrated Trust & Inv. Limited Interstate Securities Limited Investment Centre Limited Investment One Stock Brokers | Investors & Trust Co Limited Mountain Invest. & Sec. Ltd Mutual Alliance Invest. & Sec. Ltd Network Capital Limited Network Sec. & Finance Ltd Newdevo Invest. & Sec. Co Ltd Nigerian Intl Sec Limited Nigerian Stockbrokers Limited Nova Finance & Securities Ltd PAC Securities Limited Partnership Securities Limited Kedari Capital Limited Kinley Securities Limited Kofana Securities & Inv. Limited Kundila Finance Services Ltd Lambeth Trust & Inv. Co. Ltd Lead Securities and Inv. Limited Lighthouse Asset Mgt Limited Long Term Global Capital Ltd Magnartis Fin & Inv Limited Mainstreet Bank Securities Ltd Marimpex Finance & Inv. Co. Ltd Maven Asset Mgt Limited MBC Securities Limited MBL Financial Services Ltd Mega Equities Limited Meristem Securities Limited Meristem Stockbrokers Limited Midas Stockbrokers Limited Mission Securities Limited Molten Trust Limited Morgan Capital Sec Limited Peace Capital Market Limited Phronesis Sec Limited Pilot Securities Limited Pinefields Invest. Services Limited PIPC Securities Limited Pivot Trust and Invest. Co Ltd Planet Capital Limited Portfolio Advisers Limited Primera Africa Securities Prime Wealth Capital Limited Prominent Securities Limited PSI Securities Limited Pyramid Securities Limited Quantum Securities Limited Rainbow Sec. and Invest Co. Ltd Readings Investment Limited | Regency Assets Mgt Limited Rencap Securities (Nig.) Limited Reward Invest and Services Ltd Rostrum Inv& Sec Limited Royal Guaranty & Trust Limited Royal Trust Securities Limited Santrust Securities Limited Securities Africa Financial Ltd Securities & Capital Mgt. Co. Ltd Security Swaps Limited SFC Securities Limited Shelong Investment Limited Sigma Securities Limited Signet Investments & Sec. Ltd Skyview Capital Limited SMADAC Securities Limited Solid-Rock Sec & Invest. Plc Spring Trust & Securities Ltd Springboard Trust & Inv Limited Stanbic IBTC Stockbrokers Ltd Standard Alliance Capital Asset Mgt Ltd Standard Union Securities Ltd TFS Sec. & Investment Ltd The Bridge Securities Limited Tiddo Securities Limited Tomil Trust Limited Topmost Securities Limited Tower Asset Mgt Limited Tower Secs & Invest. Co. Ltd Trade Link Securities Limited Traders Trust & Invest Co. Ltd TransAfrica Fin. Services Ltd Transworld Invest & Sec. Ltd Trust Yields Securities Limited TrustBanc Capital Mgt Limited TrustHouse Investments Ltd TRW Stockbrokers Limited Tyndale Securities Limited UNEX Capital Limited Union Capital Markets Limited United Capital Securities Ltd Valmon Securities Limited Valueline Sec. & Invest. Ltd Vetiva Securities Limited WSTC Financial Services Ltd Zenith Securities Limited |
|---|--|---|---|

ACCEPTANCE / RENUNCIATION FORM

ACCEPTANCE LIST OPENS
TUESDAY, APRIL 18, 2017

ACCEPTANCE LIST CLOSSES
THURSDAY, MAY 25, 2017

LIVESTOCK FEEDS PLC



...quality feeds nationwide

LIVESTOCK FEEDS PLC

RC 3315

RIGHTS ISSUE OF 1,000,000,000 ORDINARY SHARES OF 50K EACH AT ₦0.75 PER SHARE ON THE BASIS OF ONE (1) NEW ORDINARY SHARE FOR EVERY TWO (2) ORDINARY SHARES OF 50 KOBO EACH HELD AS AT CLOSE OF BUSINESS ON TUESDAY, FEBRUARY 28, 2017 FOR THOSE SHAREHOLDERS WHOSE NAMES APPEAR IN THE REGISTER OF MEMBERS AND TRANSFER BOOKS OF THE COMPANY

PAYABLE IN FULL ON ACCEPTANCE

ISSUING HOUSE:



LeadCapital Plc

INSTRUCTIONS FOR COMPLETING THE ACCEPTANCE / RENUNCIATION FORM

- Acceptance and / or renunciation must be made on the prescribed form. Photocopies of the Acceptance / Renunciation Form will be rejected.
- Allottees should complete only ONE of the boxes marked A and B on the reverse of this Form.
- Shareholders accepting the provisional allotment in full should complete box A and submit their Acceptance / Renunciation Forms to any of the Receiving Agents listed on Page 44 of the Rights Circular together with a cheque or bank draft made payable to the Receiving Agent for the full amount payable on acceptance. The cheque or draft must be crossed "LIVESTOCK FEEDS RIGHTS", with the name, address and mobile number of the shareholder written on the back. Any payment made electronically or with a value exceeding ₦10million, should be made via SWIFT, RTGS or NEFT into the designated Issue Proceeds Accounts stated below:

| | |
|-----------------------|---|
| Bank | Stanbic IBTC Bank Plc |
| Account Name | Livestock Feeds Rights Issue |
| Account Number | 0021227148 |
| Sort Code | 221150014 |
| Description | "Full Name of Shareholder" payment for Livestock Feeds Rights Issue |

- Shareholders accepting their provisional allotment partially should complete box B and submit their Acceptance / Renunciation Forms to any of the Receiving Agents listed on Page 44 of the Rights Circular together with the evidence of payment transfer for the partial acceptance.
- Shareholders renouncing the provisional allotment partially or in full, who also wish to trade their rights on the floor of The Exchange should complete item (iii) of box B. They should obtain a Transfer Form from their stockbroker, complete it in accordance with these instructions, and return it to the stockbroker together with the completed Acceptance/Renunciation Form and the amount payable/evidence of transfer for any partial acceptance in accordance with 2 above.
- Shareholders who wish to acquire additional shares over and above their provisional allotment may purchase renounced rights by contacting their stockbroker, and/or apply for additional shares by completing item (ii) and (iii) of box A.
- All cheques or bank drafts for amounts below ₦10 million will be presented for payment on receipt and all acceptances in respect of which cheques are returned unpaid for any reason will be rejected and cancelled. Shareholders are advised to obtain an acknowledgement of the amount paid from the Receiving Agent through which this Acceptance/Renunciation Form is lodged.
- Joint allottees must sign on separate lines in the appropriate section of the Acceptance/Renunciation Form.
- Acceptance/Renunciation Forms of corporate allottees must bear their incorporation numbers and corporate seals and must be completed under the hands of duly authorised officials who should also state their designations.

FOR REGISTRARS USE ONLY

| Number of Ordinary Shares Accepted | Additional Ordinary Shares Accepted For | Additional Ordinary Shares Allotted | Total Amount Payable (₦) | Amount Paid (₦) | Amount to be Returned / Cheque / Bank Draft No (₦) |
|------------------------------------|---|-------------------------------------|--------------------------|-----------------|--|
| | | | | | |

ACCEPTANCE / RENUNCIATION FORM



Care should be taken to comply with the instructions set out at the front of this form. If you are in doubt as to what action to take, you should immediately consult your Bank Manager, Solicitor, Investment Adviser or any other professional adviser for guidance.

Investor's Stockbroker..... CHN Number.....

Stockbrokers Code..... CSCS Number.....

If you wish to trade in rights, please contact your stockbroker who will guide you regarding payment and the procedure for purchasing Livestock Feeds Rights

| A FULL ACCEPTANCE / REQUEST FOR ADDITIONAL ORDINARY SHARES | | | | | | | |
|--|---|--|--|--|---|--|--|
| i | I/We accept in full, the provisional allotment shown at the front of this Acceptance / Renunciation Form. | | | | | | |
| ii | I/We also apply for the following additional shares: <div style="border: 1px solid black; padding: 5px; display: inline-block; margin-bottom: 5px;"> This section should only be completed if you wish to apply for additional shares </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr style="background-color: black; color: white;"> <th style="width: 60%; text-align: center; padding: 2px;">Number of Additional Ordinary Shares Applied for</th> <th style="width: 40%; text-align: center; padding: 2px;">Additional Amount Payable at ₦0.75 per share</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td style="text-align: center;">₦</td> </tr> </tbody> </table> <p style="font-size: small; margin-top: 5px;">I/We agree to accept the same or smaller number of additional shares in respect of which allotment may be made to me/us, in accordance with the Provisional Allotment Letter contained in the Rights Circular.</p> | Number of Additional Ordinary Shares Applied for | Additional Amount Payable at ₦0.75 per share | | ₦ | | |
| Number of Additional Ordinary Shares Applied for | Additional Amount Payable at ₦0.75 per share | | | | | | |
| | ₦ | | | | | | |
| iii | I/We enclose my/our cheque/bank draft for ₦..... being the total of the amount payable as shown on the front of this form, and the additional amount payable as shown in Item (ii) above. Cheque details: Name of Bank / Branch:..... Cheque No..... | | | | | | |
| B PARTIAL ACCEPTANCE OR RENUNCIATION | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse; margin: 0 auto;"> <thead> <tr style="background-color: black; color: white;"> <th style="width: 33%; text-align: center; padding: 2px;">1 Number of Ordinary Shares Accepted</th> <th style="width: 33%; text-align: center; padding: 2px;">2 Amount Payable at ₦0.75 per share</th> <th style="width: 33%; text-align: center; padding: 2px;">3 Number of Ordinary Shares Renounced</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td></td> <td></td> </tr> </tbody> </table> | | 1 Number of Ordinary Shares Accepted | 2 Amount Payable at ₦0.75 per share | 3 Number of Ordinary Shares Renounced | | | |
| 1 Number of Ordinary Shares Accepted | 2 Amount Payable at ₦0.75 per share | 3 Number of Ordinary Shares Renounced | | | | | |
| | | | | | | | |
| i | I/We accept only the number of ordinary shares shown in Column 1 above and enclose my/our cheque/bank draft for the value shown in Column 2 above. Cheque details: Name of Bank/Branch: Cheque No: | | | | | | |
| ii | I/We hereby renounce my/our rights to the ordinary shares shown in Column 3, being the whole/or part of the ordinary shares allotted to me/us. | | | | | | |
| iii | I/We confirm that I/We wish to trade my/our rights of ordinary shares (being my /our renounced shares as shown in Column 3 above on the floor of The Exchange. I/We shall obtain a Transfer Form from my/our stockbroker, complete it in accordance with his instructions and return it to the stockbroker | | | | | | |
| MUST BE FULLY COMPLETED FOR BOTH A AND B | | | | | | | |
| Name(s) (in block letters) | | | | | | | |
| Next of Kin | | | | | | | |
| Daytime Telephone Number | | | | | | | |
| Mobile (GSM) Telephone Number | | | | | | | |
| Email Address | | | | | | | |
| BANK DETAILS (FOR E-DIVIDEND) | | | | | | | |
| Account Name | | | | | | | |
| Bank Name | | | | | | | |
| Branch | | | | | | | |
| Account Number | | | | | | | |
| BVN | | | | | | | |
| Incorporation Number and Seal of Corporate Allottee | | | | | | | |
| Signature | | | | | | | |
| 2 nd Signature (Joint Only) | | | | | | | |
| Name of Authorised Signatory (Corporate Only) | | | | | | | |
| Name of Authorised Signatory (Corporate Only) | | | | | | | |
| Designation (Corporate Only) | | | | | | | |
| Designation (Corporate Only) | | | | | | | |
| C TRADING IN RIGHTS | | | | | | | |
| i | Shareholders who wish to trade in their rights partially or in full may trade such rights on the floor of The Exchange. The rights will be traded actively on the floor of The Exchange | | | | | | |
| ii | Shareholders who wish to acquire additional shares over and above their provisional allotment may purchase traded rights (see iv) and /or apply for additional shares by completing item (ii) of box A above. | | | | | | |
| iii | Shareholders who purchase rights on the floor of The Exchange are guaranteed the number of shares purchased: they will not be subject to allotment process in respect of shares purchased. Those that apply for additional shares by completing item (ii) of box A will be subject to the allotment process ie they may be allotted a smaller number of additional shares than what they applied for. | | | | | | |
| iv | If you wish to purchase renounced rights, please contact your stockbroker who will guide you regarding payment and the procedure for purchasing Livestock Feeds Rights. | | | | | | |

STAMP OF RECEIVING AGENT