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FOR INFORMATION ABOUT CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" ON PAGES 43 TO 46.



PURPLE REAL ESTATE INCOME PLC

RC 1185154

INITIAL PUBLIC OFFERING OF 2,000,000,000 ORDINARY SHARES OF 50 KOBO EACH AT ₦5 PER SHARE

Lead Issuing House



RC: 1517636

Joint Issuing Houses



RC: 1498096



RC: 116443



RC: 642476



RC: 1208597

THIS PROSPECTUS AND THE SECURITIES, WHICH IT OFFERS, HAVE BEEN CLEARED AND REGISTERED BY THE SECURITIES AND EXCHANGE COMMISSION ("THE COMMISSION"). IT IS A CIVIL WRONG AND CRIMINAL OFFENCE UNDER THE INVESTMENTS & SECURITIES ACT (NO. 29 OF 2007) (THE "ACT" OR "ISA") TO ISSUE A PROSPECTUS WHICH CONTAINS FALSE OR MISLEADING INFORMATION. INVESTORS ARE ADVISED TO NOTE THAT LIABILITY FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THE PROSPECTUS IS PROVIDED IN SECTIONS 85 AND 86 OF THE ISA. THE CLEARANCE AND REGISTRATION OF THIS PROSPECTUS AND THE SECURITIES WHICH IT OFFERS DOES 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 IN THIS PROSPECTUS.

INVESTORS MAY CONFIRM THE CLEARANCE OF THIS PROSPECTUS AND REGISTRATION OF THE SECURITIES SOLD THEREUNDER WITH THE COMMISSION BY CONTACTING THE COMMISSION ON sec@sec.gov.ng OR +234(0)94621100 OR +234(0) 94621168.

THIS PROSPECTUS IS DATED THE 15TH DAY OF NOVEMBER 2022

This prospectus will be available on the following websites throughout the Validity Period

www.purple.xyz

www.emergingafricagroup.com

www.sec.gov.ng

Definitions and glossary

Certain terms used in this Prospectus, including all capitalized terms and certain technical and other items, are defined and explained in Part 1 (*Definitions and Glossary*). References to years are to the respective calendar years unless otherwise stated.

Information not contained in this Prospectus

No person has been authorized to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorized. Neither the delivery of this Prospectus nor any purchase or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Purple Real Estate Income PLC (“Purple Real Estate” or “Purple” or “PREIP” or the “Company”) since the date of this Prospectus or that the information in this Prospectus is correct as of any time after the date hereof.

Information regarding forward-looking statements

This Prospectus includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Company’s control and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified using forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “proposes”, “considers”, “predicts”, “continues”, “assumes”, “positioned”, “guidance”, “targets” or “anticipates” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in several places throughout this Prospectus and include statements regarding the intentions, beliefs, or current expectations of the Directors or the Company concerning, among other things, the results of operations, financial condition, prospects, growth, strategies, and dividend policy of the Company and the industry in which it operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts involve predictions. These statements are necessarily based upon several estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties, and contingencies. As such, no assurance can be given that such future results, including guidance provided by the Company, will be achieved; actual events or results may differ materially because of risks and uncertainties facing Purple Real Estate Income PLC. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Such factors include, but are not limited to the risk factors set out in Part 9 (*Risk Factors*) (including changes in economic conditions, Purple’s competitive environment, Purple’s ability to execute its strategies, the legislative or regulatory regimes under which Purple operates or the taxation regime applicable to Purple), as well as other factors within and beyond the Company’s control that may affect its planned strategies and operational initiatives, including actions taken by counterparties, such as the timing of orders.

Such forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. The Company does not undertake to publish updates as to its progress towards achieving any of the above targets, including as it may be impacted by events or circumstances existing or arising after the date of this Prospectus or to reflect the occurrence of unanticipated events or circumstances unless required to do so by applicable law or the SEC. Each of the Company, the Directors, and the Issuing Houses expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law or the SEC.

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PART 1: DEFINITIONS AND GLOSSARY

Unless the context otherwise requires, the following expressions shall have the meanings respectively assigned to them:

“Affiliate(s)”	A person(s) that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
“Allotment”	The process of allotting shares to each investor (following application for shares in the Offer) on the Allotment Date
“Allotment Date”	The date on which the allotment of the Shares is approved/cleared by SEC
“Auditor”	KPMG Professional Services or any successor auditor which may be appointed in future
“Board” or “Board of Directors” or the “Directors”	The members of the Board of Directors of the Issuer who as at the date of this document are those persons whose names are set out on page 11 of this Prospectus
“bpd”	Barrels per day
“CAC”	Corporate Affairs Commission
“CAGR”	Compound Annual Growth Rate
“CAMA”	Companies and Allied Matters Act 2020
“CBN”	Central Bank of Nigeria
“CHN”	Clearing House Number
“CIT”	Companies Income Tax
“CITA”	Companies Income Tax Act Cap C21, LFN, 2004 as amended by the Companies Income Tax (Amendment Act No. 11 of 2007), the Finance Act, 2019 and the Finance Act, 2020
“Company”, “Purple”, “Purple Real Estate” or “PREIP”	Purple Real Estate Income PLC
“CSCS” or the “Clearing System”	Central Securities Clearing System PLC
“EBITDA”	Earnings for the period before interest, taxation, depreciation, and amortization
“Executive Directors”	Executive Directors of the Company
“Exchange”	The Nigerian Exchange or any other securities exchange recognized by

	the Commission
“Federal Government” or “FGN”	Federal Government of Nigeria
“Finance Act”	The Finance Act 2019 and the Finance Act 2020 (as may be amended from time to time)
“GDP”	Gross Domestic Product
“High Net Worth Individuals” or “HNI”	As defined in the SEC Rules
“IASB”	International Accounting Standards Board
“IESE”	Instituto de Estudios Superiores de La Empresa
“IFRS”	International Financial Reporting Standards
“Instrument”	The registered instruments issued under the Offer including but not limited to stocks, bonds or any other type of instruments or securities that will be issued by the Company from time to time in accordance with the terms of the Prospectus
“IPO”	Initial Public Offering
“ISA”	Investments and Securities Act (No 29 of 2007) (as amended)
“Issuer”	Purple Real Estate Income PLC
“Issuing Houses”	Kairos Capital Limited, Emerging Africa Capital Advisory Limited, LeadCapital PLC, Mainstreet Capital Limited, PAC Capital Limited and any other issuing house(s) that may be appointed by the Issuer
“IT”	Information Technology
“Joint Issuing Houses”	Emerging Africa Capital Advisory Limited, LeadCapital PLC, Mainstreet Capital Limited and PAC Capital Limited
“Lead Issuing House”	Kairos Capital Limited
“LED “	Light-Emitting Diode
“LFN”	Laws of the Federation of Nigeria, 2004
“Listing”	means admission of securities to the Nigerian Exchange Limited
“MIT”	Massachusetts Institute of Technology
“Naira”, “NGN” or “₦”	The Nigerian Naira
“NBS”	National Bureau of Statistics
“NGX”	The Nigerian Exchange Limited; the securities exchange subsidiary of The

Nigerian Exchange Group PLC

“Nigeria”	The Federal Republic of Nigeria, and the term “Nigerian” shall be construed accordingly
“Offer”	The Initial Public Offering of 2,000,000,000 Ordinary Shares of 50 Kobo each in Purple at ₦5 per share
“Ordinary Shares”	Ordinary shares of the Company, having the rights set out in the Articles
“PENCOM”	National Pension Commission
“PFA”	Pension Fund Administrator
“PIT”	Personal Income Tax
“PITA”	Personal Income Tax Act Cap, P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No. 20 of 2011) and the Finance Act
“Prospectus”	This prospectus issued by the Company and registered with the SEC
“Qualified Institutional Buyers” or “QIBs”	Qualified Institutional Buyers as defined in Rule 144A under the US Securities Act
“Qualified Institutional Investor”	As defined in the SEC Rules, institutional purchasers of securities, including Fund Managers, Pension Fund Administrators, Insurance Companies, Investment/Unit Trusts, Multilateral and Bilateral Institutions, Registered and/or Verifiable PE funds and Hedge Funds, Market Makers, Staff Schemes, Trustees/Custodians, and Stock Broking Firms
“Real GDP”	Nominal GDP adjusted for inflation
“Receiving Bank”	FirstBank and Stanbic IBTC Bank
“Registrar”	CardinalStone Registrars Limited
“REICO”	Real Estate Investment Company
“REIS”	Real Estate Investment Scheme
“REIT”	Real Estate Investment Trust
“Reporting Accountants”	Deloitte & Touché or any other Reporting Accountant that may be appointed by the Issuer
“RIN”	A number allocated to shareholders who do not have valid CHN and CSCS account numbers to warehouse their units of shareholding in public companies listed on the NGX under the Registrar’s custody at the CSCS
“SEC Rules” or “Rules and Regulations”	The Rules and Regulations of the Securities & Exchange Commission

	issued pursuant to the ISA as may be amended from time to time
“SEC” or the “Commission”	Securities & Exchange Commission
“Shareholders”	Holders of Ordinary Shares in the capital of the Company
“Solicitors to the Issue”	Greychapel Legal
“Solicitors to the Issuer”	Bloomfield LP
“Stockbrokers”	CardinalStone Securities Limited, FBNQuest Securities Limited and Stanbic IBTC Stockbrokers Limited
“Supplementary Prospectus”	The document(s) which may be issued to update any information in this Prospectus as may be required; and which shall be read in conjunction with this Prospectus
“Validity Period”	Period between when Offer opens and closes
“VAT”	Value Added Tax
“Y-o-y”	Year on year

PART 2: IMPORTANT NOTICE

This Prospectus has been registered with the SEC. No person has been authorized to give any information or to make any representation other than those contained in this Prospectus in connection with the Offer and, if given or made, such information or representations must not be relied upon as having been authorized.

Neither this Prospectus nor any other information supplied in connection with the Offer (i) is intended to provide the basis of any subscription, purchase, or other evaluation or (ii) should be considered as a recommendation by the Issuing Houses that any recipient of this Prospectus or any other information supplied in connection with the Offer should purchase the Ordinary Shares. It is the responsibility of a prospective investor to make its own independent investigation of the financial condition and affairs of the Company.

PRESENTATION OF INFORMATION

Third-Party Information

The Company has obtained certain statistical and market information that is presented in this Prospectus from certain government and other third-party sources described herein. The Company has accurately reproduced such information and, so far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution. Prospective investors should note that some of the Company's estimates are based on such third-party information. Neither of the Company nor the Issuing Houses have independently verified the figures, market data or other information on which third parties have based their studies.

Certain statistical information reported herein has been derived from official publications of, and information supplied by, a number of Government agencies and ministries, including the [CBN, and the National Bureau of Statistics ("NBS")]. Official data published by the Nigerian government may be substantially less complete or researched than those of more developed countries. Nigeria has attempted to address some inadequacies in its national statistics through the adoption of the Statistics Act 2007, which established the National Statistical System and created the NBS (which came into existence because of the merger of the Federal Office of Statistics and the National Data Bank) as its coordinator.

Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

PART 3: CORPORATE DIRECTORY OF PURPLE

Office address:

10, DaSilva Street
Off Chris Madueke Drive
Lekki Phase 1
Lagos

Website:

www.purple.xyz

Contact telephone number and email:

(+234) 08170PURPLE
(+234) 0817 078 7753
contact@purple.xyz

PART 4: ABRIDGED TIMETABLE

S/N	Activities	Responsibility	Start Date
1	Application List opens	Issuing Houses	November 21, 2022
2	Application List closes	Issuing Houses	December 23, 2022
3	Receiving Agents forward returns	Receiving Agents	January 9, 2023
4	Forward Allotment proposal and draft newspaper announcement to the SEC	Issuing Houses	January 16, 2023
5	Obtain SEC clearance of Allotment	Issuing Houses	January 30, 2023
6	Disburse net Offer proceeds to Vendors	Receiving Banks	February 6, 2023
7	Publish Allotment announcement	Issuing Houses	February 6, 2023
8	Return excess/rejected monies	Issuing Houses/Registrars	February 13, 2023
9	Credit CSCS accounts of successful applicants	Registrars	February 13, 2023
10	Admission of Shares to The NGX / Listing	Stockbrokers	March 1, 2023
11	File Offer Post Completion/summary report with the SEC	Issuing Houses	March 1, 2023

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



Royalline
purplemoney
eu-phoria

GENESIS CINEMAS

MINI SOS

Harmony

essenza

market square

purplemaryland

LISTEN NOW ON

audiomack

Apple Music

Boomplay

deezer

SOUNDCLOUD

Spotify

YouTube

+MORE

ETERNAL GEMS

SMOKE BOX

purplemaryland
work • shop • eat • play • drink

Directors and Company Secretary of the Issuer

Directors

Mrs. Olajumoke Akinwunmi (Chairman)

10 DaSilva Street
Off Chris Madueke Drive
Lekki, Lagos

Mr. Olayide Agboola (Chief Executive Officer)

10, DaSilva Street
Off Chris Madueke Drive
Lekki 1, Lagos

Mr. Obinna Onunkwo (Deputy Chief Executive Officer)

10, DaSilva Street
Off Chris Madueke Drive
Lekki 1, Lagos

Ms. Oluseyi Sowale (Group Executive Director – Finance, Strategy and Commercial)

10, DaSilva Street
Off Chris Madueke Drive
Lekki 1, Lagos

Mr. Muhtar Bakare (Independent Director)

10, DaSilva Street
Off Chris Madueke Drive
Lekki 1, Lagos

Mrs. Fiona Ahimie (Independent Director)

10, DaSilva Street
Off Chris Madueke Drive

Lekki 1, Lagos

Sir (Pharm) Nnamdi Obi (Non-Executive Director)

10, DaSilva Street

Off Chris Madueke Drive

Lekki 1, Lagos

Prof. Hilary Onyiuke (Non-Executive Director)

10, DaSilva Street

Off Chris Madueke Drive

Lekki 1, Lagos

Mr. Olatunbosun Omoniyi (Non-Executive Director)

10, DaSilva Street

Off Chris Madueke Drive

Lekki 1, Lagos

Mr. Adedoyin Afun (Independent Director)

10, DaSilva Street

Off Chris Madueke Drive

Lekki 1, Lagos

Mrs. Osareme Archibong (Independent Non-Executive Director)

10, DaSilva Street

Off Chris Madueke Drive

Lekki 1, Lagos

Company Secretary

Bloomfield LP

15 Agodogba Avenue

Parkview

Ikoyi, Lagos

Company Registered Office

Purple Real Estate Income PLC

10, DaSilva Street,
Off Chris Madueke Drive Lekki Phase 1
Lagos

Professional Parties to the Offer

Lead Issuing House

Kairos Capital Limited

2nd Foresight House,
163/165, Broad Street,
Marina,
Lagos

Joint Issuing Houses

Emerging Africa Capital Advisory Limited

25a, Bourdillon Road Ikoyi,
Lagos

LeadCapital PLC

Plot 281, Ajose Adeogun Street, Victoria
Island,
Lagos, Nigeria

Mainstreet Capital Limited

Plot 954A, Idejo Street
Off Adeola Odeku Street, Victoria Island Lagos

PAC Capital Limited

Plot 8A, Elsie Femi-Pearse Street
Off Adeola Odeku Street, Victoria Island Lagos

Solicitor to the Issue

Greychapel Legal

Plot 17b, Emmanuel, Abimbola Okulaja Close Lekki

Phase 1, Lagos

Solicitor to the Issuer

Bloomfield LP

15, Agodogba Avenue

Parkview

Ikoyi, Lagos

Receiving Bank

First Bank of Nigeria PLC

35 Marina, Lagos Lagos

State, Nigeria

Stanbic IBTC Bank PLC

IBTC Place, Walter Carrington Crescent

Victoria Island, Lagos

Stockbrokers

CardinalStone Securities Limited

5 Okotie Eboh Street Ikoyi

Lagos

FBNQuest Securities Limited

16 Keffi Street

Off Awolowo Road, Ikoyi

Lagos

Stanbic IBTC Stockbrokers Limited

IBTC Place, Walter Carrington Crescent

Victoria Island, Lagos

Auditor

KPMG Professional Services

KPMG Towers

Bishop Ayoade Cole Street

Victoria Island, Lagos

Reporting Accountant

Deloitte & Touche

Civic Towers

Ozumba Mbadiwe

Victoria Island, Lagos

Registrars

CardinalStone Registrars Limited

335/337 Herbert Macaulay Way

Sabo-Yaba, Lagos

**Members of the Board Audit, Risk and
Compliance Committee**

Shareholder representatives Mr.

Olatunbosun Omoniyi Prof.

Hilary Onyiuke

Mr. Adedoyin Afun

Board representatives

Mrs. Fiona Ahimie

Mr. Mukhtar Bakare

PART 6: THE OFFER

A copy of this Prospectus and the documents specified herein have been delivered to, and subsequently registered with and approved by the SEC.

This Prospectus is being issued in compliance with the provisions of the ISA, the SEC Rules, and the listing requirements of the NGX and contains particulars in compliance with the requirements of the SEC for the purpose of giving information to the public with regards to the Offer.

The Directors have taken all reasonable care to ensure that the information concerning the Company, as contained in this Prospectus, is true and accurate in all material respects on the date of this Prospectus and that as of the date hereof, there are no other material facts in relation to the Company, the omission of which would make misleading any statement herein, whether in fact or opinion.

LEAD ISSUING HOUSE

Kairos Capital Limited

JOINT ISSUING HOUSES

Emerging Africa Capital Advisory Limited

LeadCapital PLC

Mainstreet Capital Limited

PAC Capital Limited

are authorized to distribute this Prospectus in respect of

PURPLE REAL ESTATE INCOME PLC RC 1185154

INITIAL PUBLIC OFFERING OF

2,000,000,000 ORDINARY SHARES OF 50 KOBO EACH AT

₦5 PER SHARE

This Prospectus has been registered with the SEC. The registration of this Prospectus and any pricing memorandum shall not be taken to indicate that the SEC endorses or recommends the Ordinary Shares or assumes responsibility for the correctness of any statements made or opinions or reports included herein.

This Prospectus contains:

1. On page 56, the Reporting Accountant's Report on the Company's historic financial information for the five-year period ended 31 December 2021, prepared by Deloitte & Touche.
2. On pages 73, details of the claims and litigation involving the Company prepared by the Solicitors to the Issue, Greychapel Legal.
3. On pages 43 to 46 details on risk factors to be considered by prospective investors.

SUMMARY OF THE OFFER

This summary does not contain all the information about the Offer. You should therefore read this summary together with all the detailed information, including the financial statements, contained in this Prospectus.

Company	Purple Real Estate Income PLC
Purpose of the Offer	The Company's intention is to make its shares available to the public via a new stock issuance of 2,000,000,000 ordinary shares of 50kobo each at N5 per Share, subject to conducive market conditions.
Offer Description	2,000,000,000 ordinary shares of 50 kobo each in Purple Real Estate Income PLC
Initial Public Offering	Through the sale of New Ordinary Shares pursuant to an IPO, the Company will receive the net proceeds of such IPO after the deduction of the costs of the issuance.
Listing	The New Ordinary Shares will be listed on Nigerian Exchange Limited.
Offer Size	₦10 billion Equity Offer representing an IPO of 2,000,000,000 Ordinary Shares.
Offer Price	₦5 per share
Opening Date	November 21, 2022
Closing Date	December 23, 2022
Availability	The Offer will be available during the Validity Period
Method of Issue	The method of issue of new Ordinary Shares will be via an Initial Public Offer (IPO) approved by the SEC.
Minimum Subscription	Applications must be for a minimum of 4,000 ordinary shares and multiples of 1,000 ordinary shares thereafter. The value for which an application is made should be entered in the boxes provided on the Application Form.

Application Process

Application for, and the allotment of New Ordinary Shares in connection with the IPO will be submitted via the Issuing Houses or Receiving Agents.

For allotments, applicants without CHN and CSCS accounts will be able to open a stockbroking account through any of the stockbroking firms mandated in respect of the relevant Offer. Applicants can also have CSCS accounts opened for them based on the information provided. It is advisable that CHN and CSCS accounts be obtained before completing the application form.

In accordance with the SEC Directive on Dematerialization of Share Certificates, investors and/or subscribers who do not provide valid CHN and CSCS account numbers will have their shares credited at the CSCS using a RIN. A RIN is a number allocated to shareholders who do not have valid CHN and CSCS account numbers to warehouse their units of shareholding in public companies listed on the NGX under the Registrar's custody at the CSCS. The allotted shares will be transferred to the stockbroking account of the shareholder once valid CHN and CSCS account numbers are provided.

Use of Proceeds

The net proceeds of the Offer (N9,728,368,750) will be disbursed to the Company

for the following underlisted. Please refer to page 82 for a detailed breakdown.

Utilization	Amount (N)	% of Proceeds	Estimated Completion Period
Cost of Issue	271,031,250.00	2.716%	Immediately upon completion of IPO
Debt Refinance	8,279,381,250.00	82.79%	Immediately upon completion of IPO
Lekki Retailtainment Limited	1,342,000,000.00	13.42%	Two to four months from completion of the IPO
Working Capital	106,987,500.00	1.06%	Immediately upon completion of IPO
Total	10,000,000,000.00	100.00%	

Oversubscription

Oversubscription will be treated in line with the Rules of the Securities and Exchange Commission (SEC) up to the limit of 15% above the Offer Size of N10 billion.

PENCOM Compliance

Pension Fund Administrators are eligible for Purple IPO. In accordance with PENCOM Directive, PFAs are only eligible to have equity investments in companies which have recorded or have merged with a company which has recorded taxable profits for, at least, three out of the five years preceding the investment; and have paid dividends or issued bonus shares for at least one year within the five years. Purple has successfully met the criteria, and its IPO is eligible to PFAs.

Payment Terms

In full on application

Transaction Documents

- Prospectus;
- Vending Agreement; **and**
- Any other agreement executed in connection with the Offer

Shareholding Structure

In June 2022, Purple had an interim bonus issue increasing the issued and paid-up share capital to 4,122,886,833.00 ordinary shares of ₦0.50 each.

Purple's issued and paid-up share capital are beneficially held as follows:

Shareholders	No of Shares after Bonus Issue	% of Holding
Purple Retail Limited	3,242,666,581.00	79%
Gauthier Investments Limited	422,613,868.00	10%
77 additional shareholders	457,606,384.00	11%

Summary of Financials:

₦ 'Millions (Audited)	FY-21	FY-20	FY-19	FY-18	FY-17
Revenue	1,789	809	1,028	948	981
Profit Before Tax	1,515	(1,865)	(1,172)	(98)	(415)
Profit After Tax	1,314	(1,926)	(1,172)	(105)	(415)
Total Assets	26,418	16,503	13,169	14,291	6,249
Total Liabilities	17,421	9,960	5,285	5,235	5,198
Total Equity	8,997	6,534	7,884	9,056	1,051

PART 7: CHAIRMAN'S LETTER

The following is the text of a letter from Mrs. Olajumoke Akinwunmi, Chairman, Board of Directors of the Company.

May 15, 2022

Dear Investor,

PURPLE REAL ESTATE INCOME PLC - INITIAL PUBLIC OFFER OF 2,000,000,000 ORDINARY SHARES OF ₦0.50 EACH AT ₦5 PER SHARE

On behalf of the Board of Purple Real Estate Income PLC ("Purple" or the "Company"), I am pleased to provide the following information relating to the proposed registration of an Equity Offer of 2,000,000,000 ordinary shares of Purple Real Estate Income PLC, which will be issued by way of an initial public offer.

ABOUT PURPLE REAL ESTATE INCOME PLC

Purple Real Estate Income PLC ("Purple" or the "Company") is a specialist investment firm with businesses in Financial Services, Lifestyle Development and Real Estate. Purple commenced operations in 2014 and is responsible for the development of the Maryland Mall now Purple Maryland, a Grade-A mixed-use centre that also boasts of the largest outdoor LED screen in West Africa.

Purple is creating affordable lifestyle experiences for its consumers through principal investments in superior mixed-use facilities and services. The company's lifestyle services span real estate, retail, e-commerce, media and advertising, entertainment and family fun, and financial services amongst others; all focused on driving our mission to create affordable lifestyle experiences for consumers with convenience. Purple's innovative focus is clear; working with a select range and network of partners to create lasting experiences for people across various income levels by investing in lifestyle infrastructure and value creation.

The Company's principal activities include the purchase, lease, development, and management of properties to generate sale and rental income and income from other services, including advertising and facilities management. Purple is evolving into a tech-driven real estate company deploying Proptech solutions such as PurpleShop and Fractions to eliminate the barriers to world-class retail and real estate ownership.

Purple's five subsidiaries are Maryland Mall Limited, Purple Proptech Limited, Lekki Retailtainment Limited, Purple Asset Managers Limited, and Cible Media Limited.

The Company had total assets of c. ₦26.42 billion (with a CAGR of c.43% over the past 5 years), Revenue of ₦1.79 billion and Profit Before Tax (PBT) of ₦1.52 billion in 2021.

It leverages its market knowledge and expertise as well as its network to deliver positive above-market returns to its investors. The Company focuses on development and growth opportunities, particularly in specialized subsets of residential, retail and commercial real estate. Purple has consistently raised capital and initiated landmark deals, including a recent ₦5 billion Sukuk bond by Purple Urban Limited for the finance of its "Urban" Project.

Purple is looking to build a portfolio of investment-grade small/mid-scaled real estate assets in densely populated areas, starting in Lagos, Nigeria. The concept is to replicate these mixed-use neighbourhood experiences in busy urban hubs. These assets combine elements of retail, entertainment, residential, hospitality, coworking, private offices and advertising amongst others. The company also has a strategic alliance to build up to 30 retail locations for a leading supermarket chain in the country.

Purple is concluding the acquisition of an Asset Management License and immediately pursuing registration as a Real Estate Investment Company (REICO) with the Securities and Exchange Commission (SEC). This will allow the Company continuously access funding to enhance and grow its portfolio of investment-grade real estate assets.

STRUCTURE OF THE REAL ESTATE INCOME SCHEME FOR PURPLE REAL ESTATE INCOME PLC

A Real Estate Income Scheme (REIS) can be structured as a company (REICO – Real Estate Investment Company) or as a trust (REIT – Real Estate Investment Trust). Considering Purple’s Strategic goals, a REICO is the better option for co-owning comparatively heavy real estate assets given its flexibility in terms of the development of new assets and reinvestment of funds. Also, according to the new Finance Act, REICOs are now exempt from taxes. Hence, PREIP will benefit from the tax exemption.

Purple having acquired an Asset Management License under Purple Asset Managers Limited has also made an application as a Property Manager under Purple Real Estate Income PLC to the Securities and Exchange Commission (SEC) and will upon completion of the IPO conclude its ongoing application with the SEC for a REICO status.

	REIT		REICO
Description	<ul style="list-style-type: none"> REITs operate under the regulation of a Trust Deed and have Trustees who carry out fiduciary duties or act as administrators (or agents of financial assets) of the business. Investment instruments are in units of the trust 		<ul style="list-style-type: none"> REICOs are incorporated and the liability is limited by shares. A REICO is controlled by the shareholders and board of directors. Investment instruments are in the shares of the model
Distribution of Net Profit	<ul style="list-style-type: none"> REITs are required to distribute a majority of the net income as dividends to their shareholders. Some REITs may choose to distribute 100% of the revenues, but SEC requires them to distribute at least 75% of the net income as dividends 		<ul style="list-style-type: none"> According to the new SEC rules, REICOs are required to distribute 75% of the net income as a combination of dividend, bonus or script such that it ensures sufficient cash for its cashflow requirements
Listing	<ul style="list-style-type: none"> Publicly listed on the Memorandum Board of the Stock Exchange 		<ul style="list-style-type: none"> Publicly listed on the Main Board providing liquidity for sale of shares based on performance of the REICO
Assets	<ul style="list-style-type: none"> The assets under a REIT are held by the Custodian/Trustee and managed by a fund manager 		<ul style="list-style-type: none"> The assets under a REICO are held by the company and managed by an internal management team
Income sources	<ul style="list-style-type: none"> Leases and rents 		<ul style="list-style-type: none"> Leases, rents and sales
Investment guidelines	<ul style="list-style-type: none"> Own real estate properties 		<ul style="list-style-type: none"> Own real estate properties, develop and acquire new assets

CORE VALUES

The core values of the Company are as stated below:



Persistence



Audacity



Collaboration



Transparency

CURRENT PORTFOLIO

Purple has a growing portfolio of real estate projects. Prices offered to clients for all projects, though denominated in Naira, are benchmarked to the current exchange rate. All projects in Purple's current portfolio includes:

COMPLETED PROJECTS

1. Purple Maryland

Figure 1: Purple Maryland

Type

Mixed Use



Location	350-360 Ikorodu Road, Lagos
Age:	5years
Existing Use	Entertainment, Retail, Advertising, Parking, Co-working/Private Offices
Net Lettable Area	6,461.76sqms
Management	PREIP
Last Valuation	22 November 2021
Value	₦11.09 billion
Valuation basis	Market Value Basis
Valuation Method	Discounted Cash Flow (DCF)
EBITDA 2021	₦658.39 million
Forecasted EBITDA 2022	₦785.62 million

Previously known as Maryland Mall, this is a mixed-use development offering retail, coworking and private offices, in addition to entertainment experiences to the large volume of consumers on the mainland region of Lagos State. The property's external space is characterized with a 550sqm LED screen reputed to be the largest in Sub-Saharan Africa. The mixed-use center has been well received by retailers and customers alike playing host to about 1million customers a year at an average occupancy rate of 98.5% consistently.

Purple Maryland is strategically located on Ikorodu Road to conveniently serve the shopping and leisure needs of Maryland, Mende, Ikeja, Anthony and Ilupeju environs. Maryland Mall offers a refreshing shopping and leisure experience on the mainland. The Asset offers proximity to busy residential estates and commercial hubs as well as the International Airport.

Purple Maryland provides a range of key benefits to investors, which includes multiple revenue streams from Rental, Advertising, Parking and Utilities.

Tenant Schedule with top five tenants is shown below:

S/N	Tenant	Previous Term (Years)	Current Term (Years)	Lettable Area (sqm)
1	GENESIS CINEMA	5	5	778.30
2	MARKET SQUARE	N/A	5	1,052.00
3	UBER 1& 2	3	2	330.46
4	MINISO	3	5	677.97
5	STANBIC IBTC	5	1	157.05

ONGOING PROJECTS

2. Purple Lekki



Figure 2: Purple Lekki

Type	Mixed Use (Retail and Residential)
Location	Freedom Way, Lekki 1
Age	Construction commenced in Q2 2020
Intended Use	Will be used for Entertainment, Residential, Retail, Advertisings, Parking, Co-working/Private Offices & Hospitality
Net Lettable Area	10250sqms
Residential Units	116 – Studio Apartments 8 – One Bedroom Apartments 1 – Two Bedroom Apartments 12 – Three Bedroom Apartments

2 – Four Bedroom Apartments

Management	PREIP
Last Valuation Date	22 November 2021
Value as at Last Valuation Date	₦8.35 billion
Valuation basis	Market Value Basis
Valuation Method	Residual Approach
EBITDA 2021	₦588.47 million (Residential Sales)
Forecasted EBITDA 2022	₦1.34 billion

Purple Lekki is an upcoming premium mixed-use Oasis located along Freedom Way Lekki, Lagos. Purple Lekki will incorporate elements of retail, entertainment, residential, hospitality coworking, arts, media, and advertising. Construction has begun to deliver this iconic building in Q3, 2022.

Purple Lekki offers unique combinations of interconnected business lines which have been identified as large footfall drivers such as residential, entertainment (Purple Play), private offices, tech spaces & data center hospitality, and department store/ exhibition outlets providing an immersive lifestyle experience.

The Nanos are professionally managed modular residential units to be operated as short stays, long stays, sitting atop the Purple Lekki Development. The Nanos are broken into Studios, one-, two-, three- and four- Bed units. These units are styled as aparthotels and Purple has signed up with leading Management Group – the Ascott, to deploy its Citadines brand for the Nanos. This alliance with the Ascott Group brings years of experience in high- to low-end management to the short- and long-stay residential space. Investors get to enjoy this professional marketing, management and revenue collection for their assets while also being able to timeshare.

The layout of the building has been configured to ensure proper access control for the residences. Nano apartments are cut off from the activity in the Purple Lekki floors but still close enough to give residents co-working, entertainment, retail and more; all within a walking distance from their homes.

The tenant schedule of the top five tenants is shown below:

S/N	Tenants	Lettable Area (sqm)	Previous Term (years)	Current Term (years)
1	Market square	2,000	N/A	5
2	Genesis	1,554	N/A	5
3	Gates Restaurant at Nano	220	N/A	5
4	MedPlus	100	N/A	5
5	Royal line	50	N/A	3

3. Purple Urban

Figure 3: Purple Urban



Type	Residential
Location	(Behind Purple Lekki) Freedom way, Lekki,
Age	Construction commenced in Q2 2020
Intended Use	Housing/Accommodation
Net Lettable Area	Not Applicable
Residential Units	42 – Two Bedroom Apartments 40 – Three Bedroom Apartments 18 – Four Bedroom Apartments 8 – Semi Detached Masionette Units 4 – Pent Apartment
Management	PREIP
Last Valuation Date	22 November 2021
Value as at Last Valuation Date	₦3.47 billion

Valuation Basis	Market value
Valuation Method	Market Approach
Forecasted Net Income 2022	₦1.49 billion

Urban transports homeowners to a serene haven in metropolitan Lagos. Urban is all about options with about 7 different house types to suit every individual or family. Built in phases on a 3.4-hectare property, this premium gated community shares a wall with Purple Lekki. Thus, Urban features a true taste of all-inclusive living, with a built-in world of entertainment, cuisine, shopping, and workspaces just a stone’s throw away from residents.

To fund the Purple Urban project, Purple Urban Limited successfully issued a ₦5 billion Private Sukuk Al-Ijarah Mawsufah Fi Al-Dhimma in compliance with Shari’ah principles to finance up to 122 units of the planned 300-unit Capacity of the estate. The Private issue was over-subscribed within weeks.

4. (a) Purple Macro (D & E)

Figure 4: Purple Macro



Type	Residential
Location	350-360 Ikorodu Road, Lagos (Opposite Purple Maryland)
Age	Construction commenced in Q4 2021
Intended Use	Housing/Accommodation
Net Lettable Area	Not Applicable
Residential Units	61 - Studio Units 41 - Mini Studios 75 - 2 Bedroom Apartment 17 - 3 Bedroom Apartment
Management	PREIP
Last Valuation	22 November 2021
Value	₦1.85 billion
Valuation basis	Market Value
Valuation Method	Market Approach

The Macro development features studios, 1-, 2- and 3- Bedroom high-rise apartments in the heart of Lagos. Purple Macros are built to stand out; from the colour of the buildings, to the generous sizes of the apartments and the central strategic location. The 15-floor building will be set in a premium estate in Maryland, just bordering the Ikorodu Expressway. Macro Tower consists of 61 - Studio Units, 41 - Mini Studios, 75 - two Bedroom Apartments and 17 - three Bedroom Apartments. The Macro Tower also shares a border with Purple Maryland and all its mixed-use facilities giving homeowners even more convenience.

4. (b) Purple Macro F

Type	Land bank for future development
Location	350-360 Ikorodu Road, Lagos (Opposite Purple Maryland)
Land Size	2,316.594 sqm
Management	PREIP
Last Valuation	22 November 2021
Value	₦1.85 billion
Valuation basis	Market Value
Valuation Method	Market Approach

5. Purple PropTech

Purple is morphing into a tech-powered real estate and financial services business. At the heart of this integration is Purple PropTech, a wholly owned Purple entity deploying tech based solutions, with the ultimate goal being to bring down barriers and access to world-class retail, entertainment, financial services and investments. Purple is leveraging on technology, to create a unique ecosystem of interconnected products in the cloud, and offline.

Purple PropTech Limited manages the tech development, online marketplace, and marketing functions of the Group. Purple PropTech Limited has deployed Ecommerce, PropTech, Entertainment and Fintech Products with a view to making the Purple Product line accessible to a whole new audience online.



**Better Your
Living**



purpleliving

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Purple PropTech's first offerings are:

a. Fractions:

Fractions is the flagship product for Purple PropTech. Purple's Fractions App is being built using a blockchain powered exchange engine robust enough for national stock exchanges and currently in use by three (3) such institutions. It is a real estate investment and exchange application which aims to democratize real estate investment. The Platform will feature Purple's real estate pipeline and acts as a real estate sales mechanism for developers, while providing customers with and access to investment grade real estate returns and the ability to trade.

Fractions will be governed by the recently implemented SEC Rules for Digital Assets; subject to SEC approval. Fractions will focus on digitization and tokenization of assets including real estate.

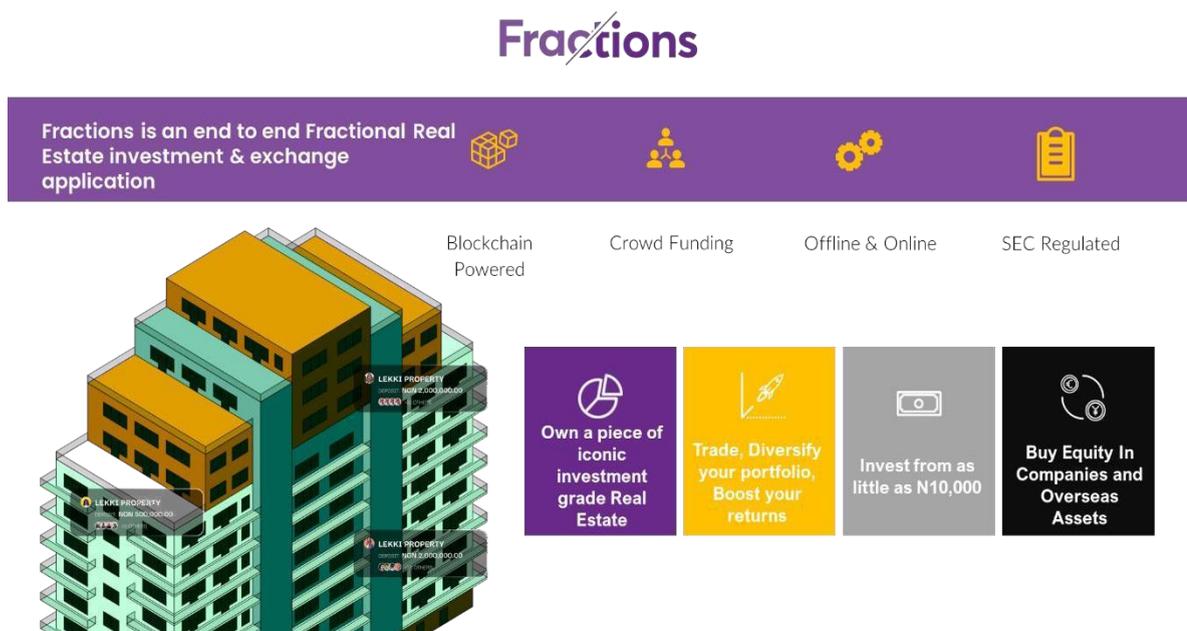


Figure 5: Purple Fractions

The culmination of this exercise will see a section of Purple's real estate assets, valued at over ₦30 billion, as well as another ₦40 billion of real estate assets from its partners launch on Fractions platforms. In the long term, the Fractions platform will also be able to accommodate other product lines beyond real estate and can be white labeled for other institutions use. It aims to democratize property and asset ownership, allowing people to invest from as little as ₦10,000 and providing quicker fundraising / exit mechanics for institutions.

b. PurpleShop:

An eCommerce store which serves as an online extension to Purple's retail locations, selling everything in Purple retail centers and more. PurpleShop aggregates established mall retailers and vibrant online vendors all in one place while also incorporating useful value-added services designed to recreate the best of the physical shopping experience, online. PurpleShop leverages on access to brick, mortar and cloud tech to provide an extra layer of trust and speed to ecommerce.

PurpleShop is optimized to take the burden of the entire e-commerce process from retailers, offering digital and physical marketing, quality control and fulfilment, all the way to managing customer satisfaction and collating feedback;giving vendors more time to deal with what really matters to their businesses.

PurpleShop is focused on growing and optimizing its BuyNow-PayLater service which has received significant interest since introduction, evaluating applications valued at over ₦100 million within 6 months with minimal advertising. PurpleShop offers customers multiple facility providers whilst ensuring financing is never a barrier to customer's needs.



Figure 6: Purple shop

c. Purple TV:

Purple TV is the Company's outlet to document its real estate and tech development journey. Purple TV is a key engine for generating sales and awareness across the Purple Group, educating the public about Purple, its products and various industries.

Purple TV is also an avenue for the Group to continuously invest in the Nigerian Creative and Media industry, with a view to improving standards and creating bankable new assets and long-term intellectual property opportunities. Purple TV has backed international award-winning productions, making appearances at prestigious Film Festivals like Locarno and Sundance.

Purple TV's External focus is to acquire and create world standard assets in the Media industry, with a Pan African outlook. Purple TV will continue its work within the Purple ecosystem while creating new platforms that will benefit the wider African perspective. One of such initiatives is setting up world-class film studios and film villages in creative hubs across Africa, scaled according to the capacity of each country, starting with Nigeria. These studios will serve as hubs to attract and train the next generation of African Talent and provide the infrastructure (sound stages and equipment) and support needed to develop their projects to meet global standards.

d. Purple Play:

Purple's in-house entertainment arm focused on providing immersive lifestyle, entertainment and gaming experiences for Purple Locations and third-party developments. Purple Play aggregates Purple's capacity in identifying, securing, deploying and managing large traffic drivers into Mixed use centers. Purple Play has within its structure the expertise and experience to create memorable experiences like the successful pilot in Purple Maryland which has maintained over 90% occupancy on average from inception till date.

PROPOSED PROJECTS

1. University Students Accommodation

Figure 7: University Students Accommodation



Type	Accommodation
Location	Oyo
Age	Yet to be constructed
Net Lettable Area	Up to 1,500 beds in the first phase
Management	PREIP (Student Accommodation Manger)
Last Valuation date	N/A
Valuation Basis	N/A
Valuation Method	N/A
Projected Income (2024)	₦150 million
Development Cost	₦1.5 billion



2. Mansard Place

Figure 7: Mansard Place

Type	Office
Location	Victoria Island
Age	9 years – Acquisition by Purple is ongoing
Net Lettable Area	6,902.45sqm
Management	PREIP (Reputable Property Manager)
Last Valuation date	March 24, 2022
Valuation Basis	Market value
Valuation Method	Discounted Cash Flow
Projected Income (2023)	₦1.5 billion
Acquisition Cost	₦12 billion

S/N	Tenants	Lettable Area (sqm)	Previous Term (years)	Current Term (years)
1	General Electric	1, 247.00	5	5
2	General Electric	599.82	5	5
3	General Electric	600.18	5	5

4	SAP	430.36	5	5
5	AXA Mansard Investments Ltd	234.00	1	4

3. Hospitality Target C

Type	Hospitality
Location	Benin City
Age	8 years – Acquisition by Purple is ongoing
Net Lettable Area	6,902.45sqm
Management	PREIP (International Hospitality Manger)
Last Valuation date	December 31, 2021
Valuation Basis	Market value
Valuation Method	Discounted Cash Flow
Projected Income (2023)	₦1.5 billion
Acquisition cost	₦7 billion

BOARD COMPOSITION AND COMMITTEES

The Issuer’s Board is led by the Non-Executive Chairman and includes individuals with significant experience in their respective fields. The Board members are professionals and entrepreneurs with credible track records. The Board meets at least four times in each financial year comprising of quarterly board meetings and Annual General Meetings held at the end of the year. These meetings are for the purpose of setting broad policies for the Issuer’s business and operations ensuring that actions are taken on a fully informed basis, in good faith with due diligence and care and in the best interest of the Issuer and its shareholders.

The 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 and the Chairman is not involved in the day-to-day operations of the Issuer. The Non-Executive Directors on the Board will not be involved in the day-to-day operations of the Company, which shall be the primary responsibility of the Chief Executive Officer, Executive Directors and the Executive Management team.

The Board ensures the integrity of the Company’s accounting and financial reporting system, including independent audit and that appropriate systems of control are in place, systems for monitoring all operational and business risks, financial control and compliance with the law. The Board also monitor and manage potential conflicts of interest of senior executive management, board members and shareholders on breaches of integrity, including misuse of corporate assets and abuse in related party transactions.

To enhance corporate governance, Board sub-committees are constituted to discuss broad policies for the Issuer’s business and operations, help the Board properly assess management reports, proposals, carry out oversight functions and make recommendations to the main Board. In line with this the Board of Directors constituted the following committees through which the Board’s oversight functions are performed:

BOARD OF DIRECTORS

Mrs. Olajumoke Akinwunmi (Chairman)

Mrs. Olajumoke Akinwunmi earned her MBA (Project Management) from the University of Dundee, Scotland in 1994, a Bachelor of Environmental Studies (BES) and a Bachelor of Architecture (B.Arch) with Distinction in Portfolio from the University of Lagos in 1989.

She has over 25 years of experience in the real estate sector as an architect, investment, and development manager. She is co-founder of Alitheia Capital, a Nigeria-based investment advisory and management firm. In the past decade, the firm has amongst others, made investments that promote financial inclusion through a financial services fund, encouraged environmental sustainability through a clean energy fund and is currently managing a US\$100m gender-focused SME fund, which provides growth capital to women-owned/led businesses.

Mrs. Akinwunmi was in public service and at different times during this period was interim-Managing Director of the Family Homes Funds, a N500billion Federal Government-backed housing program whose mandate is to stimulate the economy through housing delivery, Ogun State Director General of the Bureau of Lands and Survey, Special Adviser Housing Development and General Manager of Ogun State Housing Corporation. Previously, she practiced architecture in the firms of ACCL and James Cubitt Architects and was pioneer Property Development Manager at the Shell Pension Fund, before joining an indigenous Nigeria energy company, where she set up its real estate subsidiary, an organization she headed until 2007.

She represents the interests of clients as Project Development Manager on large-scale green and brownfield projects and leads interventions in the affordable housing ecosystem.

She is a Non-Executive Director at the Federal Housing Authority (FHA).

Mr. Olayide Agboola (Chief Executive Officer)

Mr. Olayide Agboola holds a Master of Science degree in Finance and a Diploma of Finance from Imperial College Business School, London in 2003 as well as a Master of Engineering degree in Mechanical Engineering from the University of Sheffield in 2001.

He is a Founding Managing Partner and Director of Purple, a specialist investment firm with interest in Principal Investment and real estate. Under his guidance, Purple has developed and financed investments in the real estate and financial services sector, including the groundbreaking retail development, the Maryland Mall as well as the establishment of Purplemoney, a CBN Licensed Microfinance Bank.

He is also the Founding Managing Partner at Alternative Capital Partners Limited and has expertise in corporate finance and asset management from work done at Stanbic IBTC Capital Limited, UBA Capital PLC, BGL PLC and Alitheia Capital Limited.

Mr. Obinna Onunkwo (Deputy Chief Executive Officer)

Mr. Obinna Onunkwo is a seasoned securities specialist with almost 20 years of experience in investment management. His experience spans across investment banking, asset management, agri-commodity exports, equities research and trading. He has over the years played active roles as lead fund manager in various corporate actions.

Currently, Mr. Onunkwo is a Founding Managing Partner and Director at Purple, where he has spearheaded the company's growth in real estate and especially financial services. He is a Co-founder and Managing Director of "Purplemoney", a CBN Licensed retail lending microfinance institution. Obinna is also a chief promoter of the Microfinance Development Company Limited a consortium of leading Microfinance Banks in Nigeria. In addition, he is a member of the Institute of Directors, The Chartered Institute of Bankers of Nigeria and a Certified Microfinance Professional.

A serial entrepreneur, Obinna has been instrumental in the setting up of various financial houses including Guardian Express Trust, Alternative Capital Partners, Spring Capital Markets amongst others.

Obinna has an Executive MBA from Lagos Business School in 2010, a Cum Laude degree in Economics from the University of Port Harcourt in 2001 and has also undertaken courses at the Stanford Graduate School of Business, California, USA.

He has played active governance roles on the boards of other companies including the board of Law Union & Rock PLC, where he headed the Risk Management board committee and the Technical Committee for corporate transformation.

Ms. Seyi Sowale (Group Executive Director – Finance, Strategy and Commercial)

Ms. Seyi Sowale became a graduate of Accounting from Abubakar Tafawa Balewa University, Bauchi, in 2005 and obtained her Master of Business Administration (MBA) from School of Management, Bradford University, UK in 2012.

As an accountant and auditor with Abraaj Group, Ernst & Young and Olayinka Osibodu & co., she gained experience in improving the financial performance of organizations, optimizing productivity and internal control as well as guiding finance teams, developing and implementing financial controls and processes.

She is a Fellow of The Association of Chartered Accountants (ACCA), UK and an Associate Member of the Institute of Chartered Accountants of Nigeria (ICAN) and currently functions as the Finance Director for Purple Group.

Mr. Muhtar Bakare (Independent Director)

Mr. Muhtar Bakare is a graduate of the Senior Executive Programme for Africa from the prestigious Harvard and Wits Business Schools. Mr. Bakare has a B.Sc. and M.Sc. in Architecture, both from Obafemi Awolowo University in 1989 and 1991. He is an ex-Banker and a renowned independent publisher and entrepreneur.

He had 10 years' experience at Citibank Nigeria and was previously an Executive Director at Trust Bank of Africa (now Sterling Bank). He is also the Founder of Kachifo Limited, Publishers of Farafina and assisted in the creation and led the pioneer editorial department of the defunct Nigerian Newspaper NEXT in 2008.

Now, he serves as the Managing Director of Pearson Education Publishing Limited Nigeria, the Nigerian operation of the leading education services provider in the world and is on the Board of Noor Takaful PLC.

Mrs. Fiona Ahimie (Independent Director)

Mrs. Fiona Ahimie is a passionate and astute professional with over 10 years' experience in the Financial Services industry. She is a Fellow of the Chartered Institute of Stockbrokers of Nigeria and an Associate Chartered Accountant. In 2018, she became an alumnus of the Prestigious Lagos Business School where she obtained her Masters in Business Administration (MBA). Mrs. Ahimie completed her Pan African Executive MBA Programme from the IESE Business School, Barcelona in 2017. She holds a B.Sc in Accounting from Lagos State University in 2005. She's also taken leadership, behavioral, managerial, and financial analysis courses both locally and internationally. Some of the courses were taken at IESE Business school and MIT.

Mrs. Ahimie is currently the Managing Director of FBNQuest Securities Limited, a subsidiary of FBNQuest Merchant Bank and a member of the First Bank of Nigeria Holding Group. FBNQuest Securities is one of the leading stockbroking firms in Nigeria. She started her professional career with LeadCapital Limited working in the Asset Management division. After LeadCapital, she proceeded to Stanbic IBTC Stockbrokers Limited, a member of the Standard Bank Group where she was responsible for maintaining the organization's relationships with a focus on Foreign Portfolio Investors.

She progressed from there to African Alliance Stockbrokers Limited, a Pan African Investment Banking boutique firm based in South Africa taking up the role of Managing Director. Fiona serves on the audit committee of the Board of National Association of Securities Dealer of Nigeria (NASD) and is a Council Member of the Chartered Institute of

Stockbrokers of Nigeria. Fiona is a guest Lecturer at Lagos Business school and has recently been appointed a Member of the Curriculum Management and Learning Committee of Lagos Business School.

Sir (Pharm) Nnamdi Obi (Non-Executive Director)

Sir Nnamdi Obi (Pharm) is the Founder, Chairman and Chief Executive Officer of Embassy Pharmaceuticals and Chemicals Limited which he founded in 1986. He serves as the President of APIN (The Association of Pharmaceuticals Importers of Nigeria) a position he has chaired for several years.

Sir Obi is also a Director at Purple Capital Partners Limited. His entrepreneurial values have been highlighted by numerous awards including that for being the Most Compliant Importer.

Sir Obi started his career as an intern in VOM Christian Hospital and continued as a Corp member at Plateau General Hospital Jos, Plateau State between 1982 and 1984. He also had experience at B. Georges Drug Company Limited, Lagos between 1984 and 1986 after which he thought it wise to establish his own pharmaceutical company.

Sir Obi is a graduate of Pharmacy (B.Pharm) from the University of Santo Tomas (The Catholic University of the Philippines Manila - Philippines), one of the oldest universities in the world having been founded in 1611 with Pharmacy programme as the first accredited course in the University. He graduated in the year 1982 and has equally attended several executive management courses in the United Kingdom and United States of America. He hails from Okofia village Osumenyi in Nnewi South L.G.A Anambra State. Sir Obi is a Fellow of Pharmaceutical Society of Nigeria (FPSN) and Nigeria Academy of Pharmacy (NAPharm). He has received several awards which include but not limited to; International Gold Service Award Rotary Club Ogui District, Enugu in 2004, Special Recognition Awards by Association of Community Pharmacists of Nigeria (ACPN), Anambra State IN 2021, Trailblazer Award in Recognition of an excellent career in the Pharmaceutical Industry in 2014, ICON International Committee of Nigeria – New York 2015.

Prof. Hilary Onyiuke (Non-Executive Director)

Professor Hilary Onyiuke has been a Director of Citibank Nigeria Ltd since June 2010. He is also the President and CEO of Gauthier Investment Ltd. He holds an MBBS degree from the College of Medicine, University of Ibadan in 1982. He is a fellow of the Nigeria College of Surgeons, West African College of Surgeons, the Royal College of Surgeons of Canada, and Diplomate of the American College of Surgeons. He had his full Nigerian Medical Registration and Licensure in 1983.

He is a Professor of Neurosurgery, and former Chief of Neurosurgery at the University of Connecticut School of Medicine. Currently he is the Co-Director of the Spine program and Senior Spine Surgeon.

Mr. Olatunbosun Omoniyi (Non-Executive Director)

Mr. Olatunbosun Omoniyi holds an MSc in International Business Management from the University of East London in 2016, MSc Advanced Information Technology from London South Bank University in 2001 and BSc Economics from Ogun State University in 1995. He began his career in 1996 as Complex Manager at Maryland Shopping Complex, which is Maryland Mall today.

He later joined John Holt PLC rising to the level of Regional Sales Manager for Avis- Rent- a Car. He headed the graduate recruitment for Her Majesty's Prison service, England's National Health Service (NHS) the largest and the oldest single-payer healthcare system in the world, as a project manager at monster.co.uk, one of the largest recruitment websites in the world. He later joined Phorm to head their Project Management Office.

In 2009 he returned to Nigeria to take up his current role as Managing Director at Network Hotels Ltd. He is a certified project manager (PRINCE2) and he is a member of the British Computer Society.

Mr. Adedoyin Afun (Independent Director)

Mr. Adedoyin Afun is a Partner at Bloomfield Law Practice, a leading multi-disciplinary firm that provides legal advice on all aspects of corporate and commercial law in Nigeria.

His core areas of practice are Corporate Finance, Maritime, Aviation & International Trade, Banking & Securities, Foreign Investments & Divestments, Insurance and Project Finance.

Mr. Adedoyin holds a Bachelor of law degree from the University of Ibadan in 2004 and a PGD/Master of Law degree in International Commercial and Maritime Law from Swansea University, Wales in 2007. He was admitted into the Nigerian Bar and a solicitor of England and Wales in 2010. He was honoured as part of The Legal 500 for the year 2016.

Mrs. Osareme Archibong (Independent Non-Executive Director)

Mrs. Osareme Archibong is the General Manager, Joint Venture Finance at Aiteo Eastern E & P Co. Ltd, a leading indigenous Oil & Gas Exploration and Production Company which acquired 45% stake in the OML 29 and NCTL assets and operates the assets on behalf of the NNPC/Aiteo joint venture.

She is a Fellow of the Institute of Chartered Accountants of Nigeria with 20 years' experience working in Investment Banking and Oil and Gas sectors. Her roles have cut across project and structured finance, corporate finance, investment management and compliance.

Prior to joining Aiteo E&P Company Ltd in 2014 as a pioneer staff where she was directly responsible for the raising and subsequent restructuring of the \$2bn acquisition finance for Aiteo Eastern for the OML29 and NCTL Assets, she worked in IBTC, Stanbic IBTC Bank, Stanbic IBTC Pensions and Asset Management in the Project Finance department, as an Investment Portfolio Manager and also Compliance Officer after which she was the Acting Head of the Project & Structured finance Department at Access Bank PLC.

She holds a B.Sc. in Accounting from Olabisi Onabanjo University, Ago-Iwoye, Ogun State in 2002 and a M.Sc. in Finance and Management from Cranfield University, Cranfield, United Kingdom in 2013.

EMPLOYEES

As of 31 December 2021, Purple Real Estate Income PLC had 48 employees.

PENSION COMMISSION COMPLIANCE

S/N	Requirements	Status
1	Certified rate of monthly pension contributions (specifying employer and employee rates). The rates relating to the monthly emoluments are: Minimum of: i. ten percent (10%) by the employer ii. minimum of eight percent (8%) by the employee	✓
2	Evidence of the remittance of monthly pension contributions for all employees as follows: i. For the last three fiscal years for organizations that were in existence for that period and have five (5) or more staff for organizations that have not been in existence for the period and have five (5) or more staff ii. For organizations that have not been in existence for the last three fiscal years, from the date of incorporation/registration/licensing to the last fiscal year	✓
3	Evidence of remittance of all outstanding pension contributions and penalties (for late remittances). This is ONLY applicable to organizations whose pension contributions have been reviewed by the commission or its Agent.	✓

4	Evidence of transfer of pension fund and assets prior to the commencement of the Contributory Pension Scheme (CPS) to a licensed pension Fund Operator. This is ONLY applicable to organizations that had pension arrangements or were in Custody of pension assets before June 2004, when the CPS commenced	✓
5	Evidence of a current Group Life Insurance Policy for staff specifying the number of lives and sum assured	✓
6	Recorded taxable profits, or merged with a company that has recorded taxable profits for at least, three out of the five years preceding the investment offer; and have paid dividends or issued bonus shares for at least one year within the five years	✓

The Profitability and Dividend Schedules for PREIP and PREDCO are below:

Profitability 2017-2021

	H1 2022	2021	2020	2019	2018	2017
PREIP (GROUP)						
Profit before tax	938,077,000	1,515,871,000	- 1,864,829,000	- 402,997,000	- 98,278,000	- 415,138,000
Tax	- 193,399,000	- 201,759,000	- 68,926,000	-	- 6,745,000	-
Profit after tax	744,678,000	1,314,112,000	- 1,933,755,000	- 402,997,000	- 105,023,000	- 415,138,000
PREDCO						
Profit before tax		334,473,000	185,458,000	45,978,000	114,860,000	43,225,000
Tax		- 19,666,000	- 66,904,000	- 15,909,000	- 59,647,000	- 3,669,000
Profit after tax		314,807,000	118,554,000	30,069,000	55,213,000	39,556,000

Dividend Schedule

PREIP	Interim	Final	Total
2020	7,600,000.00	1,140,000.00	8,740,000.00
2021	142,336,701.80	284,673,404.00	427,010,105.80
2022	185,529,908.80	-	185,529,908.80
PREDCO			
2020	7,600,000.00	1,140,000.00	8,740,000.00
2021	137,010,105.80	10,000,000.00	147,010,105.80

Bonus Issue

PREIP	
1st Bonus Issue (2021)	606,548,446.00
2nd Bonus Issue (2022)	1,940,955,024.00
3rd Bonus Issue (2022)	1,030,721,691.00
Total	3,578,225,161.00

CORPORATE GOVERNANCE

Purple remains committed to institutionalizing corporate governance principles as part of its corporate structure. It continues to ensure the regulation of the relationship between the investors and all shareholders.

The Board continues to operate in line with its responsibilities as contained in Regulatory Codes of Corporate Governance, the Issuer's Articles of Association and CAMA. Its oversight of the operations and activities of PREIP are carried out transparently without undue influence.

Essentially, fair value corporate governance depends on the quality and integrity of our Directors. Consequently, Purple has undertaken to create the institutional framework conducive for defending the integrity of our Directors and is convinced that on account of this, the Board of the Issuer is functioning in a highly effective manner.

AUDIT, RISK AND COMPLIANCE COMMITTEE

The objectives of the Audit, Risk and Compliance committee include: reviewing the integrity, reliability and accuracy of accounting and financial reporting systems; reviewing with external auditors and management, the adequacy and effectiveness of internal controls, risk, compliance and forensic investigation of management functions in relation to their coverage plans against best practice; keeping under review the scope and results of the audit and its cost- effectiveness and the independence and objectivity of the auditors; and carrying out such other roles and responsibilities as mandated under the Articles of Association of the company.

The committee consists of Mrs. Olajumoke Akinwunmi, Mr. Adedoyin Afun, Mr. Mukhtar Bakare, Mr. Olatunbosun Omoniyi, Mrs. Fiona Ahimie and Prof. Hilary Onyiuke.

FINANCE, STRATEGY AND INVESTMENT COMMITTEE

The Finance, Strategy and Investment Committee is appointed by the Board of Directors to oversee the Board's responsibilities relating to the financial affairs of the Company and to make recommendations to the Board in connection with the Company's investment guidelines, investment asset allocations and financing activities.

The committee consists of Mr. Olayide Agboola, Mr. Obinna Onunkwo, Ms. Seyi Sowale, Mr. Adedoyin Afun, Mr. Mukhtar Bakare, Mr. Olatunbosun Omoniyi, Mrs. Fiona Ahimie and Mrs. Osareme Archibong.

BOARD NOMINATION, GOVERNANCE AND REMUNERATION COMMITTEE

The Nomination, Governance and Remuneration committee shall be responsible for the selection, compensation and performance management of Directors of the Company. This committee shall select, reward and manage the performance of the Directors of the Company in such a manner as to guarantee the level of corporate governance necessary to achieve the Company's corporate vision. The committee consists of Mr. Adedoyin Afun, Mr. Mukhtar Bakare, Sir (Pharm) Nnamdi Obi and Prof. Hilary Onyiuke

CONCLUSION

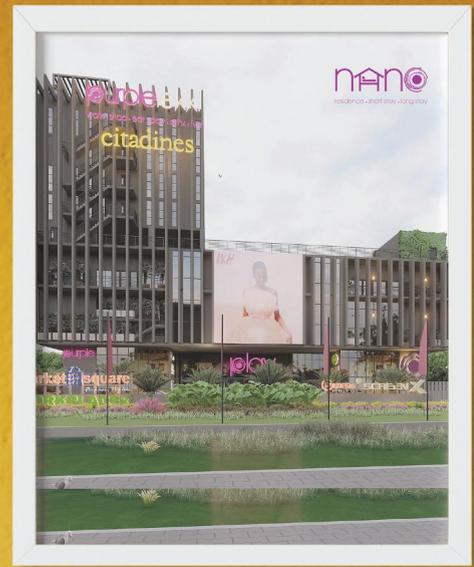
I therefore wish to invite prospective investors to consider participating in the opportunity presented by this Offer.

Thank you.

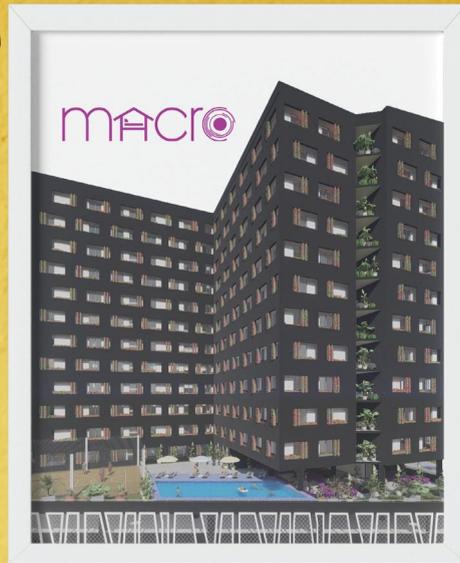
Yours faithfully,



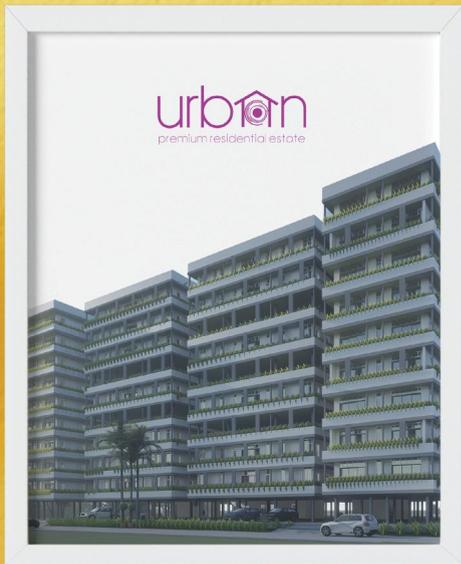
Mrs. Olajumoke Akinwunmi
CHAIRMAN



Freedom way,
Lekki Phase 1, Lagos



Ikorodu Road, Lagos



Freedom way,
Lekki Phase 1, Lagos



PART 8: DESCRIPTION OF THE REAL ESTATE INDUSTRY

The following information relating to Nigeria and the Real Estate industry has been extracted from a variety of sources released by public and private organizations. The information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Investors should read this section in conjunction with the more detailed information contained elsewhere in this Prospectus.

THE REAL ESTATE INDUSTRY IN NIGERIA

The Nigerian real estate sector is one of the key sectors of the economy and a significant driver in the country's non-oil economy. The sector was the 6th largest contributor to GDP, accounting for 5.6% (₦4.1 trillion) of total GDP in 2021. With a population of over 216 million (according to the World Bank), a steadily growing middle class, the real estate sector is only poised to grow.

Growth has been fueled by several factors including foreign and domestic capital being deployed into the market, entry of developers, investors and service firms, increased joint venture arrangements between landowners and financial/strategic partners and development expansion in secondary cities outside the main hubs of Lagos, Abuja and Port Harcourt. Furthermore, growing interest in investment-grade assets within the retail and office segments, as well as an increasingly emerging middle-class driving up demand for residential property development, indirect demand for retail, commercial and industrial real estate development and the huge infrastructure deficit in the country, are growth drivers for the sector.

The rapid growth of Nigeria's economy has resulted in an equivalent increase in real estate demand. However, recent events in the world, including as the Ukraine-Russia war and the pandemic, have had an impact on the Nigerian economy, as well as the real estate market. Before the Pandemic, the Nigerian real estate industry has witnessed tremendous expansion and development in recent years, resulting in greater foreign direct investment, rapid urbanization, and strong corporate demand.

In the wake of the pandemic, the Nigerian real estate sector was one of the worst-hit sectors. Its impact has radically altered the industry's long-term expectations. It was not felt immediately by stakeholders. Different sectors felt the effect of the pandemic on different levels, some more than others. Mobility of workforce and raw materials importation and transportation was nearly impossible due to lockdown by the federal government construction activities and the recent pandemic. The pandemic, in its various iterations (the latest being Omicron as of the time of writing), delivered more blows to the economy, ensuring that the Q3 2021 foreign trade balance recorded a negative ₦3Trn. Weakening non-oil revenues, while slightly recovering by Q4 of 2021 nag the present government. To shore up accounts, the government took to raise record sums in the bond market - ₦2.6Trn by some estimates. The President signed the Petroleum Information Bill in a bid to improve energy governance. Still, the perception of corruption remains a source of concern.

Currently, one of the biggest challenges the sector has faced in recent times is access to funding. With a growing middle-class population, rapid urbanization, and young demographics compared to stronger economies, Nigeria possesses all the key factors for real estate investment. Despite all of this, financing has remained a problem for property developers and prospective homeowners.

The cost of building materials has spiked in the past few months, owing to the devaluation of the naira, the Nigerian currency. This is because the Nigerian construction industry depends heavily on foreign importation for the raw materials and equipment they use for construction. With a devalued naira, the cost of purchasing raw materials and equipment will rise. The devaluation of the naira caused a domino effect that led to inflation, hence making properties

difficult to purchase for the average Nigerian. Currently, the real estate sector is facing a cost overrun. This rests greatly on the shoulders of customers, resulting in an increase in the price of properties and people losing their buying power.

The residential sub-sector is also affected as more people are home due to remote working so there is more demand for rent. Many people can't afford to buy properties and therefore people would rather rent. However, since the inception of remote work, which has led to salaries being cut and people are being laid off, even the payment of rent has become difficult. Irrespective of these setbacks in the sector, the industrial property sub-sector has been a key focus among local developers during this period. A handful of global drug manufacturers and makers of fast-moving consumer goods would need a location to store products, benefitting local property developers thus increasing space demand for warehouses.

Despite a range of pressing challenges, Nigeria's real estate sector is set to continue expanding in the future, albeit at a slower pace than over the past decade. The way forward for investors looking to invest in the market would be through the residential and industrial sub-sector. There will always be a need for shelter, hence residential marketing will still thrive. The industrial aspect will thrive during this period because of warehousing and storage facilities even though there is an ease on the lockdown rule.

Lagos, one of the core real estate markets in Nigeria, experienced rapid real estate development over the previous decades. The wave of development in the less congested new Central Business Districts, specifically in Victoria Island and Ikoyi, has been driven primarily by oil and gas corporations requiring sizeable headquarters for their in-country operations. New retail and residential developments have been concentrated on the Lekki-Ajah area to take advantage of the higher consumer spending power from the surrounding residential areas.

As the Nigerian real estate market presents substantial opportunities, it also presents a number of challenges. These include:

- Existing problems with access to finance such as a lack of long-term debt financing
- An underdeveloped mortgage-market
- Cumbersome processes for land acquisition and ownership documentation
- High costs of construction including building materials and labour costs (due to a reliance on expatriate workers to plug in skills shortages for high-quality property development projects)
- Deplorable state of existing infrastructure, especially roads and highways which stifles real estate markets outside the major economic hubs of Lagos, Abuja, and Port Harcourt

Notwithstanding the challenges, the long-term outlook and investment case for Nigeria's real estate market is favourable as the fundamentals are sound, driven by a large consumer population underpinned by a rising middle class, urbanization trends as well as capital allocations made by the Federal and State Governments to improve infrastructure.

All markets have continued to adjust to the pandemic - but each market has had to adjust in its own way and the real estate market is no exception. Over the next 20 years, analysts expect that the value of the global investable real estate will grow by an average of 5.2% annually to exceed \$85Trn. The investment rationale for owning real estate remains attractive, macroeconomic shocks and political forebodings regardless. The world's largest black population heads to the polls in 2023.

Grand announcements of government-led expenditures on social projects are expected in 2022 as the authorities rediscover the sensitivities of the average citizen. Millennials and Generation-Z now influence spending in excess of \$600Bn globally and are increasingly savvy in real estate investing, a fact not lost on brokers in Nigeria's real estate market. Property agents report growth in tenant requirements for apartments in cities - out with the swimming pool

and in with an income-generating short stay apartment. And this population is on the increase. Data from the United Nations suggest that Abuja will be the fastest growing city in Africa, exceeding 6% growth by 2025.

Lokoja ranks fourth on the list with a projected 5.93% growth. This will make the demand for infrastructure and housing even more apparent Lagos state, the commercial capital, did not make the top five.

Prices in leading cities for land and residential apartments have moved up. Second-tier cities have not been too far behind with developers launching small-sized gated communities. Warehouses have become even more critical to the functioning of the Nigerian economy. Flexible terms and smaller space requirements have come to characterize the Grade A office market.

The migration to e-commerce and remote working is expected to last long after the pandemic has passed, altering the frequency and use of workplaces while enabling digital shopping. We expect demand for warehouses, distribution centers, and other properties that allow ecommerce will continue to rise. In places where white-collar occupations are increasing the quickest, we're also seeing an uptick in the demand for office space.

SWOT ANALYSIS

Strengths

- Nigeria is the second most developed market in Africa after South Africa and the largest consumer market on the continent
- Its large and growing Nigerian consumer base (projected to reach 233 million by FY2025) will sustain the demand for real estate
- A growing middle class and an increase in urbanization is attracting investments into the real estate sector
- Diversified real estate assets pool across residential, hospitality, retail student accommodation, office etc.
- A blend of yielding and developing assets producing a yield over inflation and the scalability of high-quality assets
- Presence of high skilled and diversified labour force
- A strong board committee, commitment to HSE & ESG, good governance structure, and standard operating procedures
- No third-party assets & property management fees
- Naira-US dollar-linked escalations with tenant flexibility based on Naira financing

Weaknesses

- Existing problems with access to finance such as a lack of long-term debt financing
- An underdeveloped mortgage market in Nigeria
- Cumbersome processes for land acquisition and ownership documentation
- High building materials costs, labour costs and other construction costs

Opportunities

- Expected growth in per capita spending due to rising incomes
- Increased efforts by the government to tackle Nigeria's huge housing deficit which will have positive spillovers for the Real Estate industry
- The steady growth of the use of PropTech which creates opportunities for the industry's digital transformation while birthing innovative PropTech start-ups
- Implementation of the AfCFTA Agreement which will drive demand in housing and open new markets for further expansion

Threats

- Security concerns especially in highly populated properties such as busy retail locations, dense offices or residential buildings as security threats can lead to property damage disrupting operational success and growth
- Foreign exchange restrictions on imports of construction and development inputs contributes to the scarcity of these materials, leading to inflation in costs of sourcing them

PART 9: RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks. Prior to investing in the Ordinary Shares, prospective investors should carefully consider the risk factors associated with any investment in the Ordinary Shares, Purple Real Estate's business and the industry in which it operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below. Following the occurrence of any such event, the value of the Ordinary Shares could decline, and investors could lose all or part of their investment.

The risk factors described below are not an exhaustive list or explanation of all risks which may impact the Company's business, results of operations, financial condition and prospects and should be used as guidance only. The factors listed under a single heading may not provide a comprehensive view of all risks relevant to the subject to which the heading relates. Additional risks and uncertainties relating to Purple that are not currently known to the Company, or that the Company currently deems immaterial, may individually or cumulatively also have a material adverse effect on Purple's business, financial condition, results of operations and prospects. If any such risk should occur, the price of the Ordinary Shares may decline and investors could lose all or part of their investment. An investment in the Ordinary Shares involves complex financial risks and is suitable only for investors who (either alone or in conjunction with an appropriate financial or other adviser) can evaluate the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this Prospectus and their personal circumstances and, if they are in any doubt, should consult with an independent financial or other adviser authorized in their jurisdiction who specializes in advising on the acquisition of shares. The risk factors described below are not ordered by reference to materiality or importance to Purple Real Estate's business, financial condition, results of operations and prospects.

The information contained in this Prospectus is based on current legislation and tax practice and any changes in the legislation or in the levels and bases of, and reliefs from, taxation may affect the value of an investment in the Ordinary Shares.

RISKS RELATING TO PURPLE'S BUSINESS OPERATIONS

The following are descriptions of the risk factors which are material in respect of the financial situation of Purple. The sequence in which they are listed is not an indication of their likelihood of occurrence or the extent of their commercial consequences. The following statements are complete but not exhaustive, thus prospective investors must consider all the information provided in this Prospectus.

Management Risk

Purple's board of directors and management determine the company's significant policies, including investment and financing decisions. Any policy changes made could materially affect the operations and financial conditions of the company and the project.

Operational Risk

Operational risk is the risk of doing business. It focuses on how things are accomplished and how overlooked issues, small or large, could potentially affect the Real Estate investment or business operations. It is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people, structure, products and systems, or from external events. Examples of these risks and their associated losses include vacancy and loss of rental income, fraud/forgery, penalties or expenses incurred, structural condition, rentability, key personnel, regulatory infractions, inappropriate sales practices, poor accounting processes, lapses in financial control, and legal settlements involving significant payments for losses alleged to have been caused by Purple.

Reputational Risk

This is the risk that there may be an inability to achieve projected performance due to a negative perception of its property units by the public.

Construction Risk

This is the risk that the pipeline projects may not be completed within the expected timeline or at all due to inherent challenges in projects of this nature. This may be due to an increase in the prices of building and construction materials or unforeseen delays in the competition of construction.

Offtake Risk

This is the risk that available units of finished residential properties may not be sold thus affecting the ability of the Company to generate cash. This may be due to lower consumer discretionary spending.

Regulatory Risk

There are risks that the Company might not have obtained the requisite approvals or have the right title to the land to enable it to develop the project. This may then create a disruption upon commencement of construction.

Credit Risk

Credit risk is managed through the application of credit approvals, limits and monitoring procedures. Purple's maximum exposure to credit risk is represented by the carrying amount of the financial assets that are exposed to credit risk.

Foreign Exchange Risk

Foreign exchange (currency) risk is the risk that changes in foreign exchange rates would affect the value of the financial assets and liabilities as well as off-balance sheet items. Financial instruments that are exposed to this risk include foreign currency denominated securities, and future cash flows in foreign currencies arising from foreign exchange transactions.

Purple is exposed to certain risks in respect of the purchase, lease, development, expansion and maintenance of its real estate projects and other business subsidiaries

Purple's ability to increase its customer base and revenue depends in part upon the success of the expansion and management of its real estate business. The expansion is subject to risks and uncertainties which could delay the completion of projects in some areas and increase the cost of execution. Business expansion and infrastructure projects, including those in the Company's development pipeline, typically require substantial capital expenditure throughout the planning and construction phases and it may take months before the Company can obtain the necessary permits and approvals and for any new sites to be developed.

During the planning and expansion process, Purple is subject to a number of constructions, financing, operating, regulatory and other risks, some of which are beyond the Company's control, including without limitation:

- shortages or unavailability of materials, equipment, and skilled and unskilled labour;
- access to foreign currencies for financing activities;
- increases in capital and/or operating costs, including as a result of foreign exchange rate movements;
- changes in demand for the Company's services;
- labour disputes and disputes with contractors and sub-contractors;
- inadequate engineering, project management, capacity or infrastructure, including as a result of failure by third parties to fulfil their obligations relating to the provision of utilities and equipment that are necessary or desirable for the successful operation of a project;
- electricity and power interruptions due to electricity load-shedding and/or blackouts, and energy shortages;
- difficulties in obtaining and/or meeting project development permission or requisite governmental licenses, permits or approvals;

- adverse weather conditions and natural disasters;
- environmental regulations, including the need to perform feasibility studies and conduct remedial activities;
- political, social and economic conditions, including terrorist incidents;
- fraud, accidents or theft and malfeasance;
- difficulties or delays in site acquisition, which is generally outsourced to third parties; and
- changes in tax law, rules, regulations, governmental priorities, and regulatory regimes.

RISK FACTORS RELATING TO NIGERIA

Economic Risk

The Nigerian economy is largely dependent on crude oil production which has, in the past, been affected by incessant security crisis and political disturbances in the Niger Delta region. Activities in this region have been volatile affecting the entire spectrum of the oil and gas industry.

In addition, a number of manufacturing/trading companies have been impacted by the difficulty in accessing foreign exchange for the purchase of raw materials or finished goods, leading to a significant decline in output. This has hindered the ability of such companies to service their loan facilities, thereby impacting the profitability of some banks and increasing their impairments.

Furthermore, the COVID-19 outbreak has severely impacted economic activity in Nigeria, creating large external and fiscal financing need in 2020. The contraction in global economic activity has also constrained the economic recovery momentum, following the recession experienced in 2016. Given the global nature of the COVID-19 pandemic, there is uncertainty around the severity and duration of the impact across markets, and impact on Nigeria's near-term growth.

Instability in key areas across the globe can adversely affect the movement of trade and foreign exchange in Nigeria. The Ukraine-Russia war has led to several sanctions by the western economies on Russia, halting trade agreements, isolating the economy in various other capacities. However, Russia continues to be a very influential nation in many sectors of the world economy. Despite the distance of Nigeria from the warzone, we are not immune from the effect of the war, owing to the influence of Russia in world economy and Nigeria's dependence on international trade and importation. Investors are also advised to pay attention to key indicators in the global economy that may have an impact on investments in Nigeria.

Political Risk

Political and religious conflicts, terrorism, and social and religious tensions have all impacted Nigeria's political, economic, and social stability, and any or all of these factors could have a serious and negative impact on the country's economic conditions and growth.

Nigeria has suffered significant turmoil, terrorism, political and religious disputes in recent years. Religious disparities, notably between the north, which has a primarily Muslim population, and the south, which has a predominantly Christian population, can exacerbate geographical divisions. These regional attachments have in the past contributed to political and religious tensions, which can lead to social upheaval, and they may continue to do so in the future. Insurgent actions in the country's north-east area have also caused social and economic harm. Despite recent victories in defeating insurgent organizations, there is still a chance of rebels reforming. Insurgent organizations are projected to operate in Nigeria's north-eastern region until the government can address the core causes of the problem (poor, lack of education, religious intolerance, inadequate law and order enforcement, and insecurity).

In recent times, the country has witnessed political tensions including 2023 pre-election tension, calls for restructuring, increasing rifts between the executive and legislative arms of government, and protests around

protecting the principles of the Rule of Law, Constitutionalism, amongst others. Amidst these was the signing of the “Not Too Young to Run Act” by President Muhammadu Buhari on 31st May, 2018.

Security risk

Terrorism, banditry, and militant activities remain problematic in parts of Nigeria, where a range of terrorist, bandits and militant groups with differing goals operate. The Boko Haram sect, a terrorist group based primarily in north- eastern Nigeria, initially became active in 2009 and increasingly received international attention for the number and frequency of attacks against the Nigerian people. These incessant attacks led to the declaration of a state of emergency by the government on May 14, 2013 in the states affected by the Boko Haram conflict and the deployment of troops to those states. However, the state of emergency declared has since lapsed and the Nigerian military has recorded some success in containing the threat of the Boko Haram in recent times.

In addition to the instability caused by Boko Haram, there have also been attacks by Fulani herdsmen across states in the Middle Belt and some Southeastern states resulting in the death of hundreds including women and children. Pockets of bandits have also sprung up across the highways in the country carrying out kidnapping-for-ransom activities.

Unless resolved by the government, these conflicts may adversely affect Nigeria’s political and economic stability which may, in turn, further affect our business, financial condition and results of operations.

Emerging markets risk

Emerging markets such as Nigeria are subject to greater risk than more developed markets and financial turmoil in any emerging market could cause the price of securities to decrease. Generally, investments in emerging markets are only suitable for sophisticated investors who understand the instruments and fully appreciate the significance of the risks involved in investing in emerging markets.

Investors should also note that emerging markets, such as Nigeria, are subject to rapid change and that the information set forth in this Prospectus may become outdated relatively quickly.

Moreover, financial turmoil in any emerging market country tends to adversely affect prices in equity markets of all emerging market countries as investors move their money to more stable, developed markets. Financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Nigeria and adversely affect the Nigerian economy as companies that operate in emerging markets can face severe liquidity constraints as foreign funding sources are withdrawn. Thus, even if the Nigerian economy remains relatively stable, financial turmoil in any emerging market country could adversely affect the Issuer’s business, as well as result in a decrease in the price of the securities. Market risk management seeks to manage and control market risk exposures within acceptable parameters while optimizing the return.

GENERAL RISK DISCLOSURE

Shareholders of the Company should consult their advisers if in any doubt as to the nature of this investment and its suitability in view of their circumstances. The value of any securities traded (whether listed or not) are subject to investment risks, which 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 when buying and selling securities. Past performance is not a guide to future performance. Certain types of investments may not be suitable for some investors.

purplelekki
work · shop · eat · play · drink · live
citadines



purple

play

WORKPLACE

purplelekki

work · shop · eat · play · drink · live

PART 10: OPERATING AND FINANCIAL REVIEW

This Part 10 should be read in conjunction with Part 11 (Historical Financial Information). Prospective investors should read the entire document and not just rely on the summary set out below. The financial information considered in this section is extracted from the financial information set out in Part 11 (Historical Financial Information).

The following discussion of Purple's results of operations and financial condition contains forward-looking statements. Purple's actual results and financial condition could differ materially from those it discusses in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Prospectus.

KEY FACTORS AFFECTING PURPLE'S RESULTS OF OPERATIONS

The Company's performance and results of operations have been and will continue to be affected by several factors, including external factors. Some key factors that have had, or may in the future have, an effect on the results of Purple's operations are set forth below.

MACROECONOMIC AND INFRASTRUCTURE CONDITIONS IN NIGERIA

Purple's revenue is driven by overall market demand for real estate services in Nigeria, which is in turn directly affected by various macroeconomic, industry-related and other trends. In particular, demand for the Company's services depends primarily on several demographic and economic factors in Nigeria which are outside its control, such as population, GDP, inflation etc.

The Federal Republic of Nigeria ("Nigeria" or the "Country") is located in the West African Sub-region occupying a land area of c.923,768 square kilometers. With an estimated population of over 206 million people, Nigeria is the most populous country in Africa and ranks 7th in the world. The country's population is forecast to grow at an average of 2.75% annually with its total population expected to reach 230 million by 2025. The NBS estimates a labour force of 89.51 million with an average life expectancy of 55 years, according to the United Nations Population Fund (UNFPA).

Nigeria's Gross Domestic Product (GDP) grew by 3.11% (year-on-year) in real terms in the first quarter of 2022, indicating the sixth consecutive quarter of positive growth by the Nigerian economy. The growth rate in the first quarter of 2022 was higher than the growth rate in the corresponding period of 2021 by 0.51% due to sustained growth in the non-oil sector of the economy.

Political Overview

Nigeria became an internationally recognized independent nation in 1960, after a period of colonialism under the British government which spanned about a century beginning with the formal annexation of Lagos in 1861. In October 1963, it became a Federal Republic and in May 1999 returned to democratic rule after 33 years of primarily military rule. For four years, between 1979 and 1983, democracy surfaced briefly under the civilian government led by Alhaji Shehu Shagari, until it was ended by a military coup. Nigeria was under the administration of numerous military governments spanning sixteen (16) years from 1983 to 1999. In 1999, Chief Olusegun Obasanjo became the first democratically elected President on the platform of the People's Democratic Party ("PDP"). After serving the constitutionally permitted two terms in office, Chief Olusegun Obasanjo handed over power to Alhaji Umaru Musa Yar'Adua on 29th May, 2007. However, President Yar'Adua's tenure was short lived due to his demise on 5th May, 2010; following which Dr Goodluck Ebele Jonathan ("GEJ") was sworn in as President on 6th May, 2010. GEJ contested and won the 2011 presidential election.

The most recent presidential election was held on 23rd February 2019 and saw the re-election of the incumbent, President Muhammadu Buhari, under the platform of the All Progressives Congress ("APC") thereby ensuring continuity

in governance for the country and enabling the administration of President Buhari to build on policies enacted in his first term.

Beginning in 1963, Nigeria has had four different republics and each republic came with its own constitution. Nigeria is currently running its fourth republic which was inaugurated in May 1999. The present constitution provides for a tripartite structure in which power is divided among the executive, legislative and judicial arms of government to entrench the concept of the separation of powers. It establishes the (a) office of the President, who is Commander-in- Chief of the Armed Forces and it sets out the powers and functions of the President (executive); (b) National Assembly (legislative) with its powers and functions; and (c) judicial system (judiciary) with its powers and functions. The Constitution also prescribes the qualifications and requirements which individuals must possess to hold any of the offices created by the constitution.

Economic Overview

On the back of the worst downturn in recent history in 2020, owing to the COVID-19 pandemic and the subsequent depression of oil prices, the Nigerian economy is expected to grow in 2022 as local and foreign activity picks up. However, the outlook remains fragile, driven by uncertainty regarding the oil price trajectory, rising inflation, elevated unemployment, security challenges and social tensions.

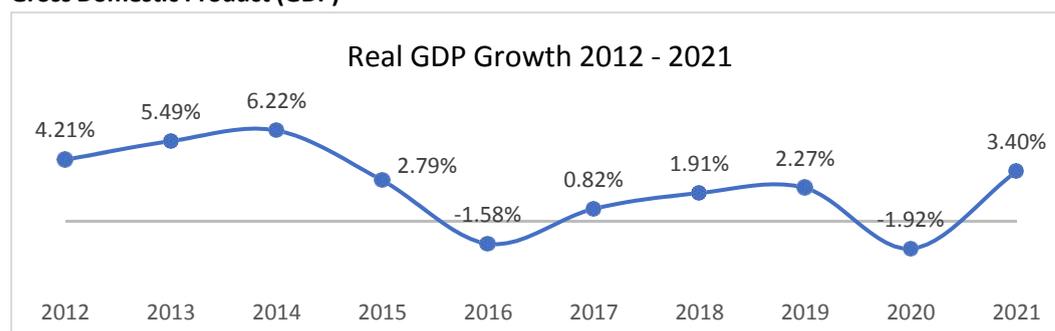
The table below provides a summary of Nigeria’s key economic indicators:

Economic indicators	2016	2017	2018	2019	2020	2021
Nominal GDP (US\$, bn)	405	376	397	448	443	441
Real GDP growth (YoY ¹ , %)	(1.58)	0.82	1.91	2.27	(1.92)	3.65
Population	186	191	196	201	206 ³	211
Inflation (YoY ¹ average)	15.70	16.50	12.10	11.40	13.21	15.6
Oil Production (thousands bpd ²)	1,831	1,890	1,922	2,028	1,670 ³	1,197
Exchange rate (USD/NGN), average	381	398	362	361	380	403

Source: Central Bank of Nigeria (CBN), Nigeria Bureau of Statistics (NBS), International Monetary Fund (IMF), World Bank, Bloomberg, Nigeria National Petroleum Corporation (NNPC), Statista

Figures are based on estimates across the respective indicators

Gross Domestic Product (GDP)



Source: Nigeria Bureau of Statistics (NBS)

Following the 2008-2009 global financial crises, the economy sustained a strong growth path in the early part of the last decade (2010 – 2014) driven by a booming crude oil price and domestic production of crude oil on which the economy is highly dependent.

Between 2010 and 2014, Nigeria's GDP grew at an average rate of 6.14%. Following the oil price collapse in 2014-2016, combined with militant attacks on oil and gas infrastructure in the Niger Delta region, detrimental economic policies, including foreign exchange restrictions, the GDP growth rate dropped to 2.79% in 2015. In 2016, during its first recession in 25 years, the economy contracted by 1.58%.

GDP growth turned positive in 2017 as oil prices recovered and output stabilized. Economic recovery through 2018 and 2019 has been supported by growth in oil exports and the positive impact of increased foreign exchange liquidity on the non-oil sector. In addition, growth has also been buoyed by the development and implementation of the Economic Recovery and Growth Plan (ERGP) which has focused on economic diversification, infrastructure development, amongst others, which are expected to drive more robust growth and sustainable near-term growth. According to the NBS, each quarter in 2019 grew by at least 2.00% compared to the corresponding quarters in 2018. This culminated in a 2.27% GDP growth in 2019, representing the highest economic growth recorded since 2015.

The rapid spread of COVID-19 altered global economic outlook for 2020. The pandemic shut down across economies with knock-on effects that negatively distorted global trade and mobility, economic output and oil prices. In response to the collapse in crude oil prices, OPEC members and some non-OPEC nations including Russia, eventually agreed on an oil production cut agreement in April 2020 after a destructive oil price war sent oil prices to multi-year lows. Nigeria's economy officially slid into a recession after a second negative performance in Q3 2020 largely due to the lingering impact of the pandemic on oil price and international trade.

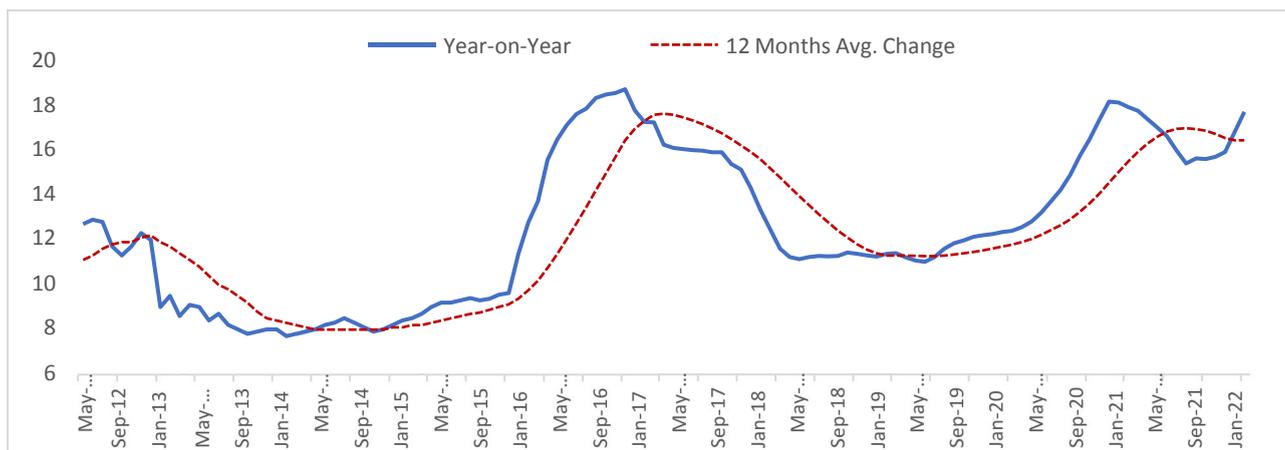
In 2021, there was significant progress made in global purchase and distribution of the COVID-19 vaccines with productions being led by Pfizer/BioNTech (US/Germany), Moderna Inc (US), Oxford University/AstraZeneca (UK/Sweden) and Gamaleya (Russia). There was a gradual recovery in the global economy as businesses reopened, global restrictions were gradually lifted and investors' confidence in the economies restored. A couple of fiscal reforms and policies passed in 2020 helped to improve the 2021 economic environment such as VAT increment to 7.5%. As a result of these reforms, Nigeria's GDP grew by 3.98% (year-on-year) in Q4 2021, showing a sustained growth over the last five quarters since the recession witnessed in Q2 2020. The economic growth may be attributed to the recovery in crude oil prices and production, while incremental changes to the fiscal framework, such as the Finance Act, 2020, enactment of provisions and regulations to capture digital services and leveraging of technology to improve tax and regulator administration have boosted non-oil revenues.

The FGN in a bid to consolidate on the wins in 2021 has designed the 2022 "Budget of Economic Growth and Sustainability" to achieve diversification of the economy with renewed focus on strategies for continued development and growth of the Micro, Small and Medium Enterprises. It is therefore hoped that with the continuous improvements of the regulatory and fiscal laws, Nigeria's economy will witness a sustained growth in 2022. Nigeria's government expects the economy to expand 4.2% this year, the central bank 2.86% and the International Monetary Fund 2.76%.

The 10-year tax exemption period on corporate and state or local government bonds expired on January 2, 2022. Therefore, interest income and proceeds from the disposal of these bonds will no longer enjoy CIT (Company Income Tax). This will help the federal government generate addition revenue in their bid to achieve economic growth.

Inflation

Headline inflation rate in Nigeria was maintained at single digit figures from January 2013 to January 2016. This was supported by tight monetary policy, stable exchange rates and modest wage growth. Within this period, average yearly inflation stood at 8.49% in 2013, 8.05% in 2014 and 9.01% in 2015. However, the devaluation of the Naira in 2016 coupled with significant increase in consumer prices due to increase in power and fuel prices, impact of insurgency and insecurity in North-Eastern Nigeria on food prices amongst others had an adverse effect on the Consumer Price Index (CPI). The CPI spiked to double digits of 11.38% in February 2016 and rose consecutively for 13 months, up to 18.72% in January 2017.



Declining food price inflation, weak consumer demand, a relatively stable exchange rate due to relative stability in the international oil market and tight monetary policy led to a sustained deceleration in CPI for the next 18 months from 17.78% in February 2017 to 11.14% in July 2018, eventually ending the year at 11.44% in December 2018.

In 2019, headline inflation rate averaged 11.40%. This marks a significant improvement compared to 2018 average of 12.10%. Significant increase recorded from October to December was primarily driven by increase in the food index as the effects of border closures weighed on food prices.

In 2020, headline inflation rate averaged 13.21% largely due to the economic impacts of the global pandemic that resulted in global lockdowns, lowered manufacturing, restrictions in the movement of people and goods and increased demands of goods and services. This also reflects the effects of the currency devaluation of the Naira last year.

Headline inflation rose sharply during the pandemic, peaked at 18.2% in March 2021 and subsequently moderated to 15.4% in November 2021. The deceleration was helped by high base effect and land border re-openings. Despite the moderation, Nigeria's inflation remained the 7th highest in Africa. According to the World Bank, this elevated inflation has pushed about 8 million Nigerians into poverty between 2020 and 2021.

Nigeria's annual inflation rate climbed to 15.7% in February of 2022 from 15.6% in the prior month, as fuel shortages drove transport costs higher (15.1%), thereby affecting goods and commodities. Food inflation also remained elevated (17.1%). Nigeria has faced fuel shortages since February after importing substandard fuel, resulting in weeks of severe scarcity and long queues at filling stations. On top of that, a dollar shortage has prompted the government to put restrictions on foreign exchange supplies of certain items, cutting supplies of goods and exerting pressure on prices. The annual core inflation rate, which excludes the prices of agricultural produce, rose to 14.01% in February, the highest since April of 2017, from 13.87% in the prior month. On a monthly basis, consumer prices increased 1.6%, up from a 1.5% rise in the prior month. In May, inflation in Africa's most populous country reached 17.71%, driven by rising fuel prices and increase in food prices, such as bread and cereals.

Interest Rates

Nigeria's monetary policy is carried out by the Central Bank of Nigeria through its Monetary Policy Committee (MPC). The committee is responsible for managing the country's inflation rate by controlling money supply. The MPC achieves its objectives by modifying benchmark interest rates (such as the Monetary Policy Rate (MPR)), conducting money market operations and changing banks' reserve requirements.

Monetary policy has been somewhat consistent over the last few years with MPR kept constant at 14% for the period of 2017-2018 until it was reduced to 13.5% at the start of 2019. As part of its effort to control money supply, ease liquidity in the financial sector especially following the implementation of the loan to deposit ratio (LDR) for commercial banks and generally spur lending activities to the real sector, the MPC at its January 2020 meeting decided to maintain the monetary policy rate (MPR) of 13.5% adjust the corridor around the MPR to +200 basis points (bps) / -500bps from ± 200bps and increase the cash reserve requirement (CRR) to 22.5% from 27.5%.

However, against the backdrop of rising inflation and declining foreign currency reserves, at its second Monetary Policy Committee (MPC) meeting of 2019 held on the 22nd of March, the CBN opted to tighten money supply by reducing the MPR from 13.5% to 12.5%. In addition, the Asymmetric Corridor for Standing Lending and Deposit Facilities were retained at -500 basis points to +200 and -500 basis points. The Cash Reserve Ratio was also kept at 27.5%.

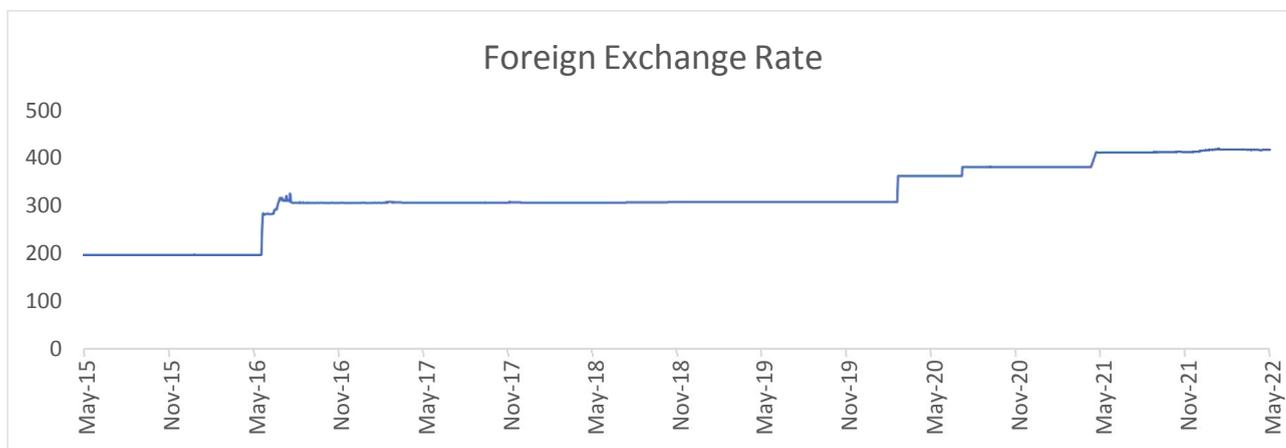
At the MPC meeting held in September 2020, the CBN reduced the MPR from 12.5% to 11.5% and adjusted the Asymmetric Corridor from +200/-500 to +100/-700 basis points around the MPR. Cash Reserve Ratio and Liquidity Ratio were kept constant at 27.5% and 30% respectively.

At the MPC meeting held in November 2021, the CBN retained the MPR at 11.5% and the Asymmetric Corridor at +100/-700 basis points around the MPR. Cash Reserve Ratio and Liquidity Ratio were kept constant at 27.5% and 30% respectively.

Based on the last MPC meeting held on July 19, 2022, the MPR was increased to 14% while the CRR was kept at 27%. According to the Central Bank of Nigeria, the sudden hike of the benchmark interest rate to 13% from 11.5% was an attempt to lessen inflationary pressures and which may also potentially slow the rate of currency depreciation.

Foreign Exchange

Nigeria's exchange rate relative to the US dollar has historically been very sensitive to fluctuations in the price of crude oil. Increasing crude oil prices in the past resulted in current account surpluses and the appreciation of the naira. Following significant decline in oil prices in 2014, pressure on the Naira increased, causing the CBN to adopt a number of defensive/corrective strategies such as devaluation of the Naira, in order to maintain the country's foreign reserves.



Up until the month of March 2020, Nigeria operated a fixed exchange rate regime with the naira fixed at ₦ 305/US\$. Following increased pressure on the naira resulting from reduced Federal Government FX earnings and declining FX reserves, the CBN began a series of unification of exchange rates which resulted in the adjustment in the value of the Naira currency from ₦305/US\$ to ₦360/US\$ by March 2020.

In March 2020, the CBN moved the official rate from ₦305 to ₦360 in an initial adjustment to unify Nigeria's multiple exchange rates. Subsequently, in July 2020, the CBN adjusted the value of the Naira from ₦360 to ₦380 at the Secondary Market Intervention Sales (SMIS), this was following the approval of a US\$3.4bn rapid financial instrument intervention by the IMF to help cope with the economic impacts of the COVID-19 pandemic.

To shore up its foreign exchange reserves, which sat at US\$36 billion as at June 2020, the CBN limited its supply of foreign exchange into the interbank market and imposed several foreign exchange allocation/utilization rules. Furthermore, the CBN retained the restriction on foreign exchange access to 41 import products, with the CBN recently adding maize to the list of items not qualified for FX in July 2020. In July 2020, the NGN/US\$ rate was adjusted from c.₦360 to c.₦385 at the Secondary Market Intervention Sales (SMIS), this was following the approval of a US\$3.4 billion

financial instrument intervention by the IMF to help cope with the economic impacts of the COVID-19 pandemic, the lowered demand in oil and the corresponding decline in global oil prices.

According to the most recent data available, the CBN's foreign exchange reserve currently stood at c.US\$39.8 billion. This figure represents a decline of US\$2 billion from the 2021 year high of US\$41.8 billion recorded in October 2021, owing to the interventions and aggressive measures taken to improve liquidity at the interbank market and narrow the gap between the various market segments.

The CBN is expected to continue to favour maintaining the value of the local currency within a narrow band, with weekly intervention through the wholesale secondary market intervention sales (SMIS) and the small & medium enterprise (SMEs) and autonomous windows.

Indicators of FX valuation suggest that the Naira remains overvalued and could weaken to N440.00/\$ in 2022. While a weaker currency regime could encourage foreign inflows, the issue of dollar demand backlogs would need to be addressed, and the overall FX liquidity framework improved to enhance investors' confidence. In addition, foreign investors may require an enhanced carry trade that reflects Nigeria's risk environment, especially in the pre-election year 2022.

Foreign Reserves

Nigeria's foreign reserve dropped to US\$39.86 billion as of the end of February 2022, representing a 0.44% decline compared to US\$40.04 billion recorded as of January 2022. The recent decline represents the fourth consecutive monthly drop in the country's reserve level despite increasing crude oil prices and the invasion on Ukraine by major crude oil producer, Russia.

Historically, Nigeria's foreign reserves is dependent on crude oil earnings and inflow of foreign investments. Hence, movement in the foreign reserves is largely as a result of corresponding changes in value of oil traded (which is largely dependent on oil price) and changes in foreign investments.

The foreign reserves declined by c.US\$4.5 billion between January and April 2020 corresponding to a significant drop in the oil price which traded at a record low of negative US\$37.63 per barrel in April. However, the next month saw a jump in the foreign reserve in May, as the reserves recorded a c.US\$2.1 billion gain due to oil price reversing upward recording a peak price of US\$36.20 per barrel within the same period. The uptick was not sustained as the reserve recorded marginal decrease from US\$36.6 billion in May to US\$35.4 billion in December as a result of the oil production cut by the OPEC and the non-OPEC member states.

Overall, the foreign reserves declined in 2020 largely due to the twin effects of depressed oil prices and capital outflows at the onset of the global pandemic in March 2020. External reserves reached a low of US\$33.4bn in April, but have rebounded to US\$35.6bn recently, thanks to the US\$3.4bn IMF Rapid Financing Instrument (RFI) disbursement to Nigeria and US\$288.5mn loan from the AfDB. Despite the aforementioned, the CBN continues to support liquidity in the foreign exchange market.

The country's external reserves hit a seven-month low after falling to \$38.57bn as at May 25, 2022. The continuous decline in the country's external reserves which has been used to defend the value of the Naira has made banks tighten access to foreign exchange to travelers and other legitimate users as scarcity continues.

Foreign Direct Investments

Foreign investments into Nigeria are categorized into three according to the NBS namely Foreign Portfolio Investments (FPI), Foreign Direct Investments (FDI) and Other Investments with the FPI consistently accounting for a larger share of foreign investments. The country recorded a drastic decline in FDI from its position as one of the top five host economies in Africa for FDI inflows with a value of US\$2.28 billion in 2014 to a low of US\$0.98 billion in 2017. The decline was as a result of the prolonged insecurity issues, widening infrastructural deficit, weak legal framework and bureaucratic hassles which dampened long-term investment appetite.

The narrative however changed in 2018 as the FDI experienced an upturn with an estimated value of US\$1.19 billion with corresponding improvements in FPI to US\$11.80 billion (highest values since 2016).

Nigeria attracted a sum of \$698.78 million as foreign direct investments (FDIs) in 2021, representing its lowest level on record.

A year-on-year comparison shows that FDIs in Nigeria dipped by 32% in 2021 to \$698.8 million compared to the \$1.03 billion recorded in the previous year. This also represented the fourth time Nigeria has recorded foreign direct investment below \$1 billion in the past 15 years.

The first time was in 2010, following the backdrop of the 2008 global financial crisis, which saw Nigeria's direct investment inflow drop from \$3.33 billion recorded in 2009 to \$728.9 million in 2010. It also fell below the \$1 billion mark in 2017, 2019, and now 2021.

Stagnant per capita despite continued economic recovery

Economic recovery gained momentum in 2021, as the low base in the non-oil sector supported output and secured a growth level of 3.2%. In particular, positive momentum was seen in heavyweight sectors like trade and real estate (21.0% of the economy), both of which recorded their first yearly growth in 6 years. The latter may have fed off prolonged periods of low-interest rates, while the former likely benefited from improved cross-country business activities upon border re-opening and less stringent COVID restrictions. However, Nigeria still lagged SSA peers from a growth perspective, with the oil sector shaving off c.1.0% of real GDP growth due to low crude oil production linked to terminal shut-ins and weaker investment.

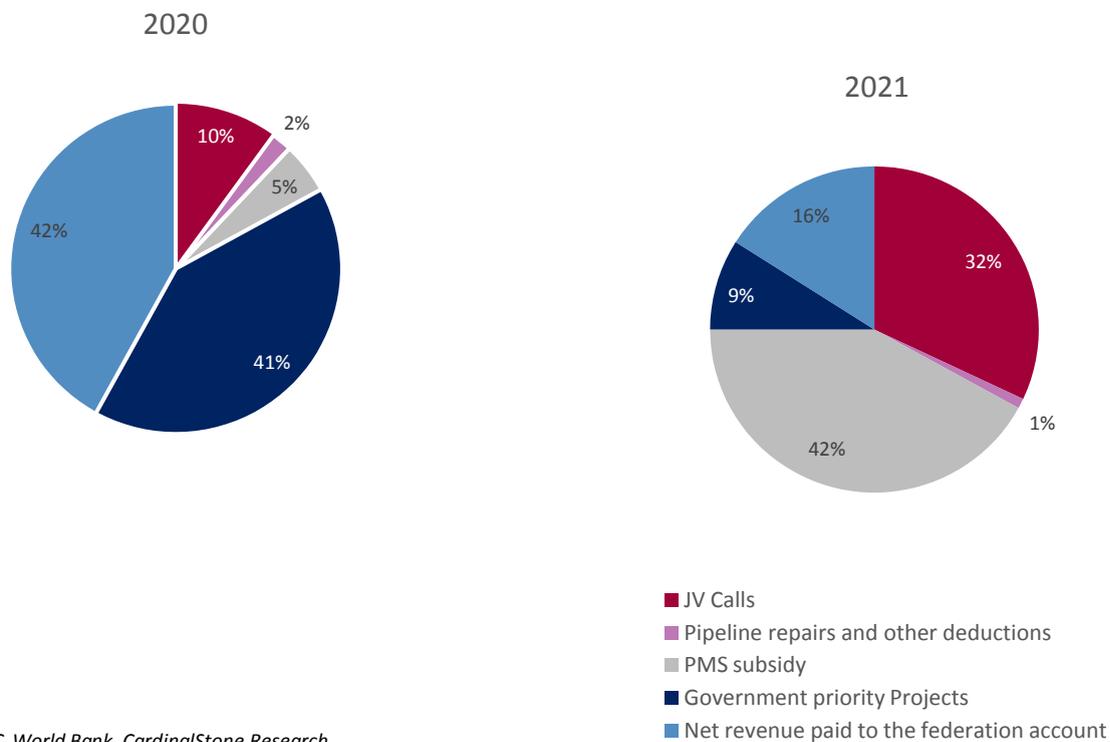
Despite concerns over the crowding-out effect of government borrowings, private sector credit ballooned to a historic high of N33.8 trillion in 2022 helping manufacturing GDP to a 5-year peak of 3.4%. It is expected that the lagged impact of credit allocation to remain supportive in 2022 but we note the risk of a potential slowdown on pre-election year concerns.

Subsidy Pressures Eroding Fiscal Space

Russia's military action on Ukraine and associated sanctions have sent commodity prices soaring, with Brent crude oil price reaching \$139.9/bbl, the highest level since July 2008. Historically, rising crude oil price is usually a bittersweet pie for Nigeria, as an expensive PMS subsidy regime offsets pass-through to FGN's revenue. Initially, the government planned to halt PMS subsidies in H2'22, providing only N443.0 billion in the 2022 budget. But this plan was later upturned, possibly due to fear of potential backlash in a pre-election year. The government was forced to float a supplementary budget of N2.6 trillion to cater to the expected associated expense. Holding other variables constant, it was estimated that a crude oil price of \$100.0/bbl could translate to a subsidy payment of N3.6 trillion, which is notably higher than the N3.0 trillion earmarked for 2022.

From a fiscal standpoint, the net impact of elevated crude oil price is biased to the downside, with limited pass-through to the federation account. For context, while the rebound in crude oil price resulted in a 30.9% YoY increase in Nigeria's gross revenue in 2021, the net amount available for oil and gas revenues transferred to the Federation Account by the NNPC contracted by 51.0% due to expensive subsidy payments.

Breakdown of NNPC's gross revenues shows a decline in transfers to the Federation Account due to higher subsidy payments despite higher oil prices as shown in the graphs below.



Sources: NNPC, World Bank, CardinalStone Research

In the short term, it is likely that inflation will likely tick up due to a prolonged period of fuel scarcity and elevated prices of AGO & aviation fuels. Specifically, the global jet fuel touched a 14-year high, resulting in about 80.0% to 100.0% increase in airline fees. We expect the higher aviation fuels coupled with the 170.0% YoY surge in AGO (diesel) price to N650.0/litre to pressure the core inflation, with a negative pass-through effect on the food basket due to higher logistics costs.

Purple expects its customer to continue to grow as Nigeria's population grows. However, the general economic environment in Nigeria may be materially adversely impacted by the Ukraine-Russia war considering the various sanctions on Russia, being one of the largest exporters of crude products, coupled with its impact in the energy sector, representing one of the biggest producers of natural gas in the world. Russia is also one of the major exporters of commodities. For example, if wheat supply from Russia is distorted for whatever reason, Nigeria could be faced with further surging wheat prices in its local market as a result of the supply gap, which could lead to an increase in the price of some other by-products of wheat, such as bread, wheat meal amongst others. Nigeria being one of the major importers of refined petroleum is currently suffering from fuel scarcity due to adulterated fuel importation, while some vessels were delayed on the sea due to Ukraine-Russia Crisis. This has a negative effect on the real economy and can lead to other challenges if not addressed on time. Consequently, prices are going up and food prices increasing. Despite the distance of Nigeria from the warzone, it is not immune from the effect of the war, owing to the influence of Russia in the world economy and Nigeria's dependence on international trade and importation. Nigeria is bearing the brunt of the surge in the crude oil market, as the price of diesel which is not a subsidized product in the country has skyrocketed to over N600 per litre. The surge in the landing cost of refined products and the increased demand for diesel in the local market, forced by the recent epileptic power supply across the country, has driven the upsurge witnessed in the price of diesel. The increase in diesel prices has become a major bane for businesses operating in the

country as the cost of operation will also record an uptick since most organizations make use of generators for their businesses.

All markets have continued to adjust to the pandemic - but each market has had to adjust in its own way and the real estate market is no exception. Over the next 20 years, analysts expect that the value of the global investable real estate will grow by an average of 5.2% annually to exceed \$85Trn. The investment rationale for owning real estate remains attractive, macroeconomic shocks and political forebodings regardless. The world's largest black population heads to the polls in 2023. Grand announcements of government-led expenditures on social projects are expected in 2022 as the authorities rediscover the income-generating average citizen.

In addition to these macroeconomic drivers, the Board believes there are further cultural trends driving demand for the Company's services in Nigeria that will likely continue in the future and have a positive impact on the Company's customer base. Grand announcements of government-led expenditures on social projects are expected in 2022 as the authorities rediscover the sensitivities of the average citizen. Millennials and Generation Z now influence spending more than \$600Bn globally and are increasingly savvy in real estate investing, a fact not lost on brokers in Nigeria's real estate market.

DIVIDEND POLICY

The dividend policy for PREIP as a REICO going forward will be in line with the SEC rules on REICOs being at least 90% distribution of net income as a combination of dividend, bonus or scrip (corporate action) such that it ensures sufficient cash is retained for its cashflow requirements.

PART 11: FINANCIAL INFORMATION

The tables below set out the Company's selected financial information for the periods indicated, as reported in accordance with IFRS.

The following is a copy of the report of the Reporting Accountant on the Company's historic financial information for the 5-year period ended 31 December 2021:

EXTRACT FROM THE FINAL REPORTING ACCOUNTANTS' REPORT ISSUED BY DELOITTE & TOUCHE

Purple Real Estate Income Plc
Final Reporting Accountants' Report
for the five years ended 31 December 2021

Deloitte.

12 August 2022

The Managing Director
Purple Real Estate Income Plc
10, Da-Silva Street,
Off Chris Madueke Drive,
Lekki,
Lagos State.

Dear Sir,

Reporting Accountants' Report on the Financial Statement of Purple Real Estate Income Plc for the five years ended 31 December 2021 in respect of the proposed debt issuance programme

The financial statements for the five years ended 31 December 2017, 2018, 2019, 2020 and 2021 were audited by KPMG Professional Services. The financial statements comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity, and a summary of significant accounting policies, and other explanatory notes.

We have reviewed the audited financial statements for the years ended 31 December 2017, 2018, 2019, 2020 and 2021 in respect of which, the auditors issued clean audit opinions, and have considered the applicable International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board (IASB).

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards, and for such internal controls as Management determines is necessary to enable the preparation of financial statements that are free from misstatements, whether due to fraud and error.

Our examination of the audited financial statements was conducted in accordance with the "International Standard on Review Engagements (ISRE) 2400 (Revised) – Engagements to Review Historical Financial Statements". This Standard requires that we plan and perform our examination to obtain moderate assurance that the audited financial statements are free from material misstatements. Such moderate assurance provides less assurance than an audit and does not require us to issue an audit opinion. Our examination was based on our review of the auditors' work papers, the evidence obtained, and the analytical procedures applied by the auditors in respect of financial data.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Purple Real Estate Income Plc as at 31 December 2017, 2018, 2019, 2020 and 2021 and its financial performance and cash flows for the years ended, in accordance with the International Financial Reporting Standards.

Please note that the Directors of Purple Real Estate Income Plc are responsible for the contents of the prospectus in which this report is included.

Yours faithfully,
For: Deloitte & Touche



Akinola Akinboboye
Partner
FRC/2017/ICAN/00000016131

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	31 December 2021 N'000	31 December 2020 N'000	31 December 2019 N'000	31 December 2018 N'000	31 December 2017 N'000
Rental income	577,895	420,237	-	-	-
Revenue from services to tenants	360,196	241,469	-	-	-
Other revenue items	245,097	146,902	-	-	-
	1,183,188	808,608	-	-	-
Revenue from sale of trading properties under development	1,352,156	-	-	-	-
Cost of sales - trading properties under development	(745,890)	-	-	-	-
Profit on trading properties	606,266	-	-	-	-
Total revenue	1,789,454	808,608	1,028,628	947,919	981,021
Other income	214,146	135,565	1,029	176,421	108,916
Total operating income	2,003,600	944,173	1,029,657	1,124,340	1,089,937
Fair value gain/(loss) on investment properties	1,009,610	(953,461)	(828,780)	-	-
Finance cost	(711,628)	(1,153,816)	(568,054)	(567,877)	(754,380)
Personnel expenses	(310,612)	(157,756)	-	-	-
Operating expenses	(769,558)	(607,664)	(823,738)	(815,862)	(697,687)
Impairment (charge)/write-back	294,459	63,695	18,576	161,121	(19,431)
Loss on transfer of shares	-	-	-	-	(33,577)
Profit/(loss) before minimum tax and incometax expense	1,515,871	(1,864,829)	(1,172,339)	(98,278)	(415,138)
Minimum tax/ Income tax	(3,061)	-	-	-	-
Profit/(loss) after minimum tax	1,512,810	(1,864,829)	(1,172,339)	(98,278)	(415,138)
Income tax expense	(198,698)	(68,926)	-	(6,745)	-
Profit/(loss) for the year	1,314,112	(1,933,755)	(1,172,339)	(105,023)	(415,138)
Other comprehensive income	-	8,135	-	-	-
Total comprehensive Profit/(loss)for the year	1,314,112	(1,925,620)	(1,172,339)	(105,023)	(415,138)

STATEMENT OF CASH FLOW

	31 December 2021 N'000	31 December 2020 N'000	31 December 2019 N'000	31 December 2018 N'000	31 December 2017 N'000
Cash flows from operating activities					
Profit/loss before tax	1,512,810	(1,864,829)	(1,172,339)	(98,278)	(415,138)
Adjusted for:					
Interest income	-	-	-	-	(104,590)
Fair value changes in Investment property	(1,009,610)	953,461	828,780	-	-
Loan modification gain	-	(131,811)	-	-	-
Interest expense	669,275	760,930	568,054	559,559	89,106
Impairment loss/writeback	(294,459)	(63,695)	(18,576)	(161,121)	19,431
Foreign exchange loss	42,352	392,886	-	54,643	6,093
Depreciation for property and equipment	37,824	103,031	165,023	167,020	177,733
Depreciation charge for investment property	-	-	-	57,871	59,055
Other income	-	-	-	(143,240)	-
Non-cash fees capitalised	-	-	-	22,500	-
Reversals in capitalised costs of PPE/Investment property	-	-	-	31,734	53,998
Loss on transfer of shares	-	-	-	-	33,577
	958,192	149,973	370,942	490,688	(80,735)
Changes in:					
Account receivable	54,048	(63,189)	48,706	(90,906)	(87,554)
Trading properties underdevelopment	(4,990,028)	(1,016,850)	-	-	-
Investment securities	108,135	(142,794)	-	-	-
Other assets	1,808,900	159,349	-	(53)	(7,089)
Other liabilities	(210,603)	1,075,730	82,016	(189,938)	(522,552)
Other receivables			235,442	(3,500)	(2,207,267)
Net cash (used in)/ generated from operating activities	(2,271,356)	162,219	737,106	206,291	(2,905,197)
Cash flows from investing activities					
Acquisition of property and equipment	(83,263)	(32,665)	(67,723)	(7,093)	(6,252)
Acquisition of intangible assets	(61,698)	(21,733)	-	(3,600)	-
Acquisition of investment securities	-	-	-	-	-
Expenditure on investment property under development	(3,343,969)	(1,836,246)	-	-	-
Construction of investment property (Land & Building)	-	-	(124,534)	(58,629)	-
Interest received	-	-	-	-	-
Net cash generated from / (used in) investing activities	(3,488,930)	(1,890,644)	(192,257)	(69,322)	98,338

	31-Dec-21 N'000	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-18 N'000	31-Dec-17 N'000
Cash flows from financing activities					
Proceeds from borrowings	8,653,680	2,667,355	-	-	4,378,887
Proceeds from loan	-	-	-	-	353,872
Proceeds from deposits for shares	624,274	503,603	-	-	-
Share issue costs	(2,499)	-	-	-	-
Repayment of borrowings	(1,593,170)	(382,500)	(307,457)	-	(1,335,953)
Interest paid	(728,041)	(270,182)	(293,251)	(272,248)	(409,146)
Dividend received	-	-	-	-	-
Dividend paid	-	-	-	-	-
Net cash generated from/ (used in) financing activities	6,954,243	2,518,276	(600,708)	(272,248)	2,987,660
Net increase/(decrease) in cash and cash equivalents	1,193,957	789,852	(55,858)	(135,279)	180,801
Cash and cash equivalents at beginning of the period	792,718	2,866	58,724	194,003	13,202
Effects of exchange movements on cash held	-	-	-	249	-
Cash and cash equivalents at 31 December	1,986,675	792,718	2,866	58,724	194,003

STATEMENT OF FINANCIAL POSITION

	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
	N'000	N'000	N'000	N'000	N'000
Non-current assets					
Completed investment property	11,095,300	10,458,000	11,490,000	12,194,246	3,316,309
Investment property under development	5,934,340	2,010,784	-	-	-
Property and equipment	135,766	90,327	155,190	220,097	411,758
Intangible assets and goodwill	127,898	22,380	3,600	3,600	-
Total non-current asset	17,293,304	12,581,491	11,648,790	12,417,943	3,728,067
Current assets					
Trading properties under development	6,843,346	1,192,425	-	-	-
Account receivable	159,681	167,985	149,260	183,610	112,125
Other asset	79,799	1,617,679	1,368,164	1,631,733	2,214,356
Investment securities	77,469	150,929	-	-	-
Cash and cash equivalents	1,964,370	792,718	2,547	58,452	194,003
Total current assets	9,124,665	3,921,736	1,519,971	1,873,795	2,520,484
Total assets	26,417,969	16,503,227	13,168,761	14,291,738	6,248,551
Equity and Liabilities					
Equity					
Share capital	1,293,970	19,000	19,000	19,000	19,000
Share premium	625,628	1,374,993	1,374,993	1,374,993	1,374,993
Retained earnings	5,956,978	4,637,669	6,489,678	7,408,855	(627,266)
Fair value reserves	-	8,135	-	-	-
Prepaid share capital reserves	1,125,378	503,603	-	-	-
Equity attributable to equity holders of the parent company	9,001,954	6,543,400	7,883,671	8,802,848	766,727
Non-controlling interest	(4,687)	10	10	253,172	284,127
Total equity	8,997,267	6,543,410	7,883,681	9,056,020	1,050,854
Liabilities					
Non-current liabilities					
Long term Borrowings	8,284,485	-	4,797,768	4,830,422	4,474,086
Total non-current liabilities	8,284,485	-	4,797,768	4,830,422	4,474,086
Current liabilities					
Current tax liabilities	356,654	154,895	6,745	6,745	-
Other liabilities	1,206,433	998,030	480,567	398,551	723,611
Deferred revenue-deposits from customers	281,865	700,871	-	-	-
Short term borrowings	7,291,265	8,106,021	-	-	-
Total current liabilities	9,136,217	9,959,817	487,312	405,296	723,611
Total liabilities	17,420,702	9,959,817	5,285,080	5,235,718	5,197,697
Total equity and liabilities	26,417,969	16,503,227	13,168,761	14,291,738	6,248,551

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

	Share capital	Share premium	Fair value reserves	Prepaid share capital reserves	Retained earnings	Non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2021	19,000	1,374,993	8,135	503,603	4,637,669	-	6,543,400
Profit for the year	-	-	-	-	1,319,309	(5,197)	1,314,112
Fair value gains on financial assets at FVOCI	-	-	(8,135)	-	-	-	(8,135)
Total comprehensive income	-	-	(8,135)	-	1,319,309	(5,197)	1,305,977
Additional Share capital	1,274,970	(749,365)	-	-	-	-	525,605
Deposit for shares	-	-	-	624,274	-	-	624,274
Share issue cost	-	-	-	(2,499)	-	-	(2,499)
Transfer of non-controlling interest to equity	-	-	-	-	-	510	510
Total contributions and (distributions)	1,274,970	(749,365)	-	621,775	-	510	1,147,890
Balance at 31 December 2021	1,293,970	625,628	-	1,125,378	5,956,978	(4,687)	8,997,267

For the year ended 31 December 2020

	Share capital	Share premium	Fair value reserves	Prepaid share capital reserves	Retained earnings	Non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2020	19,000	1,374,993	-	-	6,489,678	10	7,883,681
Loss for the year	-	-	-	-	(1,933,755)	-	(1,933,755)
Fair value gains on financial assets at FVOCI	-	-	8,135	-	-	-	8,135
Total comprehensive income	-	-	8,135	-	(1,933,755)	-	(1,925,620)
Deposit for shares	-	-	-	503,603	-	-	503,603
Share issue cost	-	-	-	-	(8,740)	-	(8,740)
Transfer of non-controlling interest to equity	-	-	-	-	90,486	-	90,486
Total contributions and (distributions)	-	-	-	503,603	81,746	-	585,349
Balance at 31 December 2020	19,000	1,374,993	8,135	503,603	4,637,669	10	6,543,410

For the year ended 31 December 2019

	Share capital	Share premium	Accumulated deficit	Non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2019	19,000	1,374,993	7,408,855	253,172	9,056,020
Loss for the year	-	-	(1,096,965)	(75,374)	(1,172,339)
Transfer to non-controlling interest to equity	-	-	177,788	(177,788)	-
Total comprehensive income	-	-	(919,177)	(253,162)	(1,172,339)
Balance at 31 December 2019	19,000	1,374,993	6,489,678	10	7,883,681

For the year ended 31 December 2018

	Share capital	Share premium	Accumulated deficit	Non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2018	19,000	1,374,993	(627,266)	284,127	1,050,854
Adjustment on initial application of IFRS 9	-	-	(531,990)	-	(531,990)
Restated balance as at 1 January 2018	19,000	1,374,993	(1,159,256)	284,127	518,864
Loss for the year	-	-	(74,068)	(30,955)	(105,023)
Total comprehensive income	-	-	(74,068)	(30,955)	(105,023)
Balance at 31 December 2018	19,000	1,374,993	(1,233,324)	253,172	413,841

For the year ended 31 December 2017

	Share capital	Share premium	Accumulated deficit	Non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2017	19,000	1,374,993	(335,603)	407,603	1,465,993
Loss for the year	-	-	(291,663)	(123,475)	(415,138)
Total comprehensive income	-	-	(291,663)	(123,475)	(415,138)
Balance at 31 December 2017	19,000	1,374,993	(627,266)	284,127	1,050,854

Consolidated and Separate Interim Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30 June 2022

<i>In thousands of naira</i>	Notes	Group Audited 30 Jun 2022	Group Unaudited 30 Jun 2021	Company Audited 30 Jun 2022	Company Unaudited 30 Jun 2021
Gross earnings		4,710,508	1,829,232	627,227	211,696
Revenue from sale of trading properties under development	5	3,319,715	676,078	179,000	-
Cost of sales - trading properties under development	5	(2,754,602)	(372,945)	(166,914)	-
Profit on trading properties		565,113	303,133	12,086	-
Rental income	5	273,822	288,948	-	-
Revenue from services to tenants	5	337,129	180,098	-	-
Expenses on services to tenants	5	(149,596)	(100,203)	-	-
Other property operating expenses	5	(41,864)	(45,171)	-	-
Net rental income		419,491	323,672	-	-
Net revenue		984,604	626,805	12,086	-
Other income	6(a)	47,611	32,073	154,622	167,063
Fair value gain on investment properties	6(b)	480,088	504,805	53,888	44,633
Impairment write-back	10	252,143	147,230	239,717	-
Total other income		779,842	684,108	448,227	211,696
Net operating income		1,764,446	1,310,913	460,313	211,696
Finance cost	7	(356,585)	(355,814)	-	-
Personnel expenses	8	(257,045)	(155,306)	(256,526)	-
Operating expenses	9	(212,739)	(164,405)	(103,516)	(129,658)
Total expenses		(826,369)	(675,525)	(360,042)	(129,658)
Profit before minimum tax and income tax expense		938,077	635,388	100,271	82,038
Minimum tax	22	(1,569)	(1,531)	(1,569)	-
Profit after minimum tax		936,508	633,857	98,702	82,038
Income tax expense	22	(191,830)	(99,349)	-	-
Profit for the period		744,678	534,508	98,702	82,038
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		744,678	534,508	98,702	82,038
Profit for the period is attributable to:					-
Equity holders of the Company		746,302	537,107	98,702	82,038
Non-controlling interest	20(f)	(1,624)	(2,599)	-	-
Profit for the period		744,678	534,508	98,702	82,038
Total comprehensive income attributable to:					
Equity holders of the Company		746,302	659,654	98,702	82,038
Non-controlling interest	20(f)	(1,624)	(2,599)	-	-
Total comprehensive income for the period		744,678	657,056	98,702	82,038

The accompanying notes and significant accounting policies form an integral part of these consolidated and separate financial statements

Consolidated and Separate Interim Statement of Cash Flows
For the period ended 30 June 2022

<i>In thousands of naira</i>	Notes	Group Audited 30 Jun 2022	Group Unaudited 30 Jun 2021	Company Audited 30 Jun 2022	Company Unaudited 30 Jun 2021
Cash flows from operating activities					
Profit/(loss) for the year		744,678	534,508	98,702	82,038
Income tax expense		193,399	100,880	1,569	-
Profit/(loss) before tax		938,077	635,388	100,271	82,038
<i>Adjustments for:</i>					
Fair value changes in Investment property	6(b)	(480,088)	953,461	-	-
Loan modification gain		34,029	(131,811)	-	-
Interest expense	21(b)	336,038	334,637	223,251	189,901
Impairment loss/writeback	10	(252,143)	(63,695)	(239,717)	-
Foreign exchange loss	21(b)	20,547	21,177	-	-
Depreciation for property and equipment	12	26,184	20,631	5,217	-
Net cash flow from operating activities before changes in operating assets and liabilities		622,644	149,973	89,022	271,939
<i>Changes in:</i>					
Account receivable	33(b)	(564,361)	(63,189)	(47,417)	-
Trading properties under development	33(f)	194,437	(1,016,850)	-	-
Other assets	33(e)	(1,787,465)	159,349	(3,735,968)	(492,855)
Other liabilities	33(d)& 6(a)	(452,577)	1,075,730	281,414	62,371
Net cash (used in)/ generated from operating activities		(1,987,322)	305,013	(3,412,949)	(158,545)
Cash flows from investing activities					
Acquisition of property and equipment	12	(25,040)	(32,665)	(20,049)	-
Acquisition of intangible assets	13	(11,154)	-	(3,034)	-
Acquisition of investment securities	18	(179,874)	(29,781)	(179,874)	(29,781)
Disposal of investment securities	18	-	108,135	-	-
Acquisition of businesses, net of cash acquired	26	-	-	264,378	-
Investments in subsidiaries	14	-	-	(39,404)	-
Expenditure on investment property under development	33(a)	(902,462)	(1,742,610)	-	-
Interest received	6	47,264	-	16,947	-
Net cash generated generated from / (used in) investing activities		(1,071,266)	(1,696,921)	38,964	(29,781)
Cash flows from financing activities					
Proceed from borrowings	21(b)	8,357,393	2,667,355	7,400,000	40,758
Proceeds from deposits for shares	20(e)	358,266	312,137	358,266	312,137
Share issue costs	20(e)	-	(1,250)	-	(1,250)
Repayment of borrowings	21(b)	(4,593,170)	(382,500)	(2,674,700)	-
Interest paid	21(b)	(917,041)	(270,182)	(437,810)	(20,379)
Dividend Paid	33(g)	(185,526)	-	(185,526)	(142,337)
Net cash generated from/ (used in) financing activities		3,019,922	2,325,560	4,460,230	188,929
Net increase/(decrease) in cash and cash equivalents		(38,666)	933,652	1,086,245	603
Cash and cash equivalents at beginning of the period		1,986,675	792,718	8,749	2,679
Cash and cash equivalents at 30 June	19	1,948,009	1,726,370	1,094,994	3,282

The accompanying notes and significant accounting policies form an integral part of these consolidated and separate financial statements

Consolidated and Interim Separate Statement of Financial Position
As at 30 June 2022

<i>In thousands of naira</i>	Notes	Group 30 Jun 2022	Group 31 Dec 2021	Company 30 Jun 2022	Company 31 Dec 2021
ASSETS					
<i>Non-current assets</i>					
Completed investment property	11(a)	11,521,500	11,095,300	-	-
Investment property under development	11(b)	8,279,746	5,934,340	771,300	-
Property and equipment	12	153,132	135,766	63,902	-
Intangible assets and goodwill	13	119,030	127,898	4,261	-
Investment in subsidiary	14	-	-	2,626,279	2,631,871
Total non-current asset		20,073,408	17,293,304	3,465,742	2,631,871
<i>Current assets</i>					
Trading properties under development	15	5,978,745	6,843,346	1,162,021	-
Account receivable	16	695,380	159,681	47,417	-
Other asset	17	1,856,744	79,799	6,018,141	4,011,989
Investment securities	18	263,397	77,469	263,397	77,469
Cash and cash equivalents	19	1,946,009	1,964,370	1,094,575	8,749
Total current assets		10,740,275	9,124,665	8,585,551	4,098,207
Total assets		30,813,683	26,417,969	12,051,293	6,730,078
EQUITY					
Share capital	20	2,061,443	1,293,970	2,061,443	1,293,970
Share premium	20(b)	1,345,281	625,628	1,345,281	625,628
Retained earnings	20(c)	6,517,754	5,956,978	488,661	575,485
Fair value reserves	20(d)	-	-	-	-
Prepaid share capital reserves	20(e)	10,000	1,125,378	10,000	1,125,378
Common control acquisition deficit	20(g)	(94,408)	-	(30,028)	-
Equity attributable to equity holders of the parent company		9,840,070	9,001,954	3,875,357	3,620,461
Non-controlling interest	20(f)	(6,311)	(4,687)	-	-
Total equity		9,833,759	8,997,267	3,875,357	3,620,461
LIABILITIES					
<i>Non-current liabilities</i>					
Long term borrowings	21(c)	10,263,671	8,284,485	5,000,000	3,027,884
Total non current liabilities		10,263,671	8,284,485	5,000,000	3,027,884
<i>Current liabilities</i>					
Current tax liabilities	22(d)	550,053	356,654	210,239	6,860
Other liabilities	23	998,912	1,206,433	356,287	74,873
Deferred revenue-deposits from customers	24	36,809	281,865	-	-
Short term borrowings	21(c)	9,130,478	7,291,265	2,609,410	-
Total current liabilities		10,716,252	9,136,217	3,175,936	81,733
Total liabilities		20,979,924	17,420,702	8,175,936	3,109,617
Total equity and liabilities		30,813,683	26,417,969	12,051,293	6,730,078

FINANCIAL PROJECTIONS FOR PURPLE REAL ESTATE INCOME PLC

Forecast Statement of Comprehensive Income

In millions of Nigerian Naira	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F	FY28F	FY29F	FY30F	FY31F
Revenue	11,161	13,888	18,653	20,891	25,264	31,833	29,220	31,236	33,268	35,535
Cost of sales	(6,737)	(4,132)	(3,663)	(1,801)	(3,500)	(2,320)	-	-	-	-
Gross profit	4,424	9,756	14,989	19,090	21,764	29,513	29,220	31,236	33,268	35,535
Other income	-	986	1,249	1,994	2,308	2,519	2,709	2,832	2,959	3,083
Total operating expenses	4,424	10,742	16,238	21,084	24,072	32,032	31,929	34,068	36,227	38,618
Personnel expenses	(322)	(373)	(381)	(388)	(454)	(463)	(472)	(553)	(564)	(574)
Operating expenses	(1,317)	(4,578)	(7,153)	(9,888)	(11,008)	(13,625)	(14,626)	(15,425)	(16,247)	(17,178)
EBITDA	2,786	5,791	8,704	10,807	12,610	17,944	16,832	18,090	19,416	20,866
Depreciation & amortisation	(40)	(44)	(48)	(52)	(57)	(63)	(70)	(78)	(86)	(96)
EBIT	2,746	5,747	8,656	10,755	12,553	17,881	16,762	18,013	19,329	20,769
Finance cost	(795)	(2,955)	(3,500)	(3,785)	(3,177)	(2,683)	(2,399)	(2,146)	(1,510)	(497)
Profit before tax	1,950	2,792	5,156	6,970	9,375	15,198	14,363	15,867	17,820	20,272
Income tax	-	-	-	-	-	-	-	-	-	-
Profit for the year	1,950	2,792	5,156	6,970	9,375	15,198	14,363	15,867	17,820	20,272

Forecast Statement of Cash Flows

In millions of Nigerian Naira

	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F	FY28F	FY29F	FY30F	FY31F
Cash flows from operating activities										
Profit/(Loss) after tax	1,950	3,023	4,826	6,644	9,047	14,868	14,025	15,533	17,484	19,934
Adjustments for non-cash items	835	3,271	3,962	4,255	3,656	3,171	2,897	2,656	2,032	1,034
	2,786	6,294	8,788	10,899	12,703	18,039	16,922	18,189	19,516	20,968
Working capital changes	(1,114)	3,284	1,149	(515)	1,107	2,027	(319)	(338)	(356)	(375)
Tax paid	-	-	-	-	-	-	-	-	-	-
Net cash generated from (used in) operating activities	1,672	9,578	9,937	10,383	13,810	20,065	16,603	17,851	19,160	20,593
Cash flows from investing activities										
Acquisition of PPE	(39)	(164)	(2,170)	(187)	(195)	(203)	(213)	(224)	(236)	(249)
Acquisition of intangible assets	(4)	(4)	(4)	(4)	(4)	(5)	(5)	(5)	(5)	(5)
Construction of investment property	(1,926)	(2,497)	(11,245)	-	(3,500)	(3,500)	-	-	-	-
Acquisition of AXA Mansard and Protea Benin	-	(15,000)	-	-	-	-	-	-	-	-
Net cash generated from (used in) investing activities	(1,969)	(17,665)	(13,419)	(192)	(3,699)	(3,708)	(218)	(229)	(241)	(255)
Cash flows from financing activities										
Equity injection	11,121	-	-	-	-	-	-	-	-	-
Proceeds from borrowings	4,425	14,600	10,000	-	-	-	-	-	-	-
Vantage preference dividend payment	(2,898)	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(9,014)	(4,189)	(2,852)	(3,657)	(4,812)	(2,371)	(3,956)	(1,562)	(6,683)	(4,937)
Interest paid	(795)	(2,955)	(3,500)	(3,785)	(3,177)	(2,683)	(2,399)	(2,146)	(1,510)	(497)
Dividend paid	(470)	(975)	(1,396)	(2,578)	(3,485)	(4,688)	(7,599)	(7,181)	(7,933)	(8,910)
Net cash generated from (used in) financing activities	2,368	6,481	2,252	(10,020)	(11,475)	(9,741)	(13,954)	(10,890)	(16,126)	(14,344)
Net (decrease)/increase in cash and cash equivalents	2,071	(1,606)	(1,230)	172	(1,364)	6,616	2,431	6,733	2,793	5,995
Cash and cash equivalents at the beginning of the year	1,964	7,642	6,035	4,805	4,977	3,613	10,229	12,660	19,393	22,186
Cash and cash equivalents at end of the period	4,035	6,035	4,805	4,977	3,613	10,229	12,660	19,393	22,186	28,180

Forecast Statement of Financial Position

In millions of Nigerian Naira

	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31
ASSETS										
<i>Non-current assets</i>										
Investment property	35,442	55,893	68,839	68,549	71,757	74,964	74,670	74,374	74,077	73,777
Property and equipment	142	310	325	340	355	372	390	408	428	449
Intangible assets	125	126	122	119	115	112	108	105	101	97
Total non-current assets	35,709	56,329	69,286	69,007	72,228	75,448	75,167	74,886	74,606	74,323
<i>Current assets</i>										
Trading properties under development	3,004	1,536	638	2,337	2,337	18	18	18	18	19
Accounts receivables	5,099	3,762	3,485	2,242	1,064	1,230	1,408	1,597	1,796	2,004
Other assets	93	229	330	470	632	858	1,107	1,375	1,664	1,974
Investment securities	77	169	176	183	191	200	209	219	230	241
Cash and cash equivalents	4,035	6,035	4,805	4,978	3,614	10,230	12,661	19,393	22,186	28,181
Total current assets	12,309	11,731	9,434	10,211	7,838	12,535	15,403	22,603	25,894	32,419
TOTAL ASSETS	48,019	68,060	78,720	79,219	80,067	87,984	90,571	97,490	100,499	106,741
<i>Non-current liabilities</i>										
Borrowings	10,987	21,397	28,545	24,889	20,077	17,706	13,749	12,187	5,504	567
Total non-current liabilities	10,987	21,397	28,545	24,889	20,077	17,706	13,749	12,187	5,504	567
<i>Current liabilities</i>										
Current tax liabilities	357	674	674	674	674	674	674	674	674	674
Other liabilities	1,488	3,621	3,703	3,793	3,891	3,999	4,117	4,247	4,388	4,543
Total current liabilities	1,845	4,295	4,377	4,467	4,567	4,674	4,792	4,921	5,062	5,218
TOTAL LIABILITIES	12,832	25,693	32,923	29,356	24,643	22,379	18,541	17,108	10,566	5,785
EQUITY										
Share capital	16,525	18,783	20,155	21,537	23,915	29,716	31,913	35,701	40,278	45,806
Retained profit	18,662	23,585	25,642	28,326	31,510	35,888	40,118	44,681	49,655	55,152
Total equity	35,187	42,368	45,798	49,863	55,425	65,605	72,031	80,382	89,933	100,957
TOTAL LIABILITIES AND EQUITY	48,019	68,060	78,720	79,219	80,067	87,984	90,571	97,490	100,499	106,741



urb1an

PART 12: STATUTORY AND GENERAL INFORMATION

INCORPORATION AND BUSINESS OVERVIEW

Purple Real Estate Income PLC was incorporated on April 16, 2014 and is responsible for the development of the Maryland Mall, a Grade-A mixed-use center that also boasts the largest outdoor LED screen in West Africa. Purple is morphing into a tech-powered real estate business deploying Proptech solutions like Purpleshop and Fractions, tearing down barriers to homeownership and world-class retail.

Purple leverages its market knowledge and expertise as well as its network to attract, invest and deliver sound positive alpha returns to its investors. The company focuses on development/growth opportunities and has equitable board/project involvement. Purple has consistently raised funds from HNI's and Institutions

Purple is looking is to amass a block of investment-grade real estate assets in a small format across densely populated areas, starting in Lagos, Nigeria. The concept is to replicate their Mixed-use Neighbourhood experiences in busy urban hubs. These assets combine elements of Retail, Entertainment, Residential & Hospitality, Coworking and Advertising amongst others.

SHARE CAPITAL HISTORY

As at September 2022, Purple has an authorized share capital of 4,122,886,833 ordinary shares of ₦0.50 each. The changes in the authorized share capital of Purple since inception on 16th April 2014, are summarized below:

	Dec - 14	Dec - 15	Dec - 16	Dec - 17	Dec - 18	Dec - 19	Dec - 20	Dec - 21	Jun-22
Opening Shares	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000	40,436,563	2,587,940,036
Ordinary Shares	-	-	-	-	-	-	19,000,000	-	-
Private Placement	-	-	-	-	-	-	2,436,563	-	504,225,109
Bonus Shares	-	-	-	-	-	-	-	606,548,446	1,030,721,688
Bonus shares	-	-	-	-	-	-	-	1,940,955,027	-
Closing Shares	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000	40,436,563	2,587,940,036	4,122,886,833

OWNERSHIP STRUCTURE

In June 2022, Purple had an interim bonus issue increasing the issued and paid-up share capital to 4,122,886,833.00 ordinary shares of ₦0.50 each.

Purple's issued and paid-up share capital are beneficially held as follows:

Shareholders	No of Shares after Bonus Issue	% of Holding
Purple Retail Limited	3,242,666,581.00	79%
Gauthier Investments Limited	422,613,868.00	10%
77 additional shareholders	457,606,384.00	11%

DIRECTORS' INTERESTS

The Interest of the Directors in the issued share capital of the Company as recorded in the Register of Directors interest and/or as notified by them for the purpose of section 275 (1) of the Companies and Allied Matters Act CAP C20 LFN 2004 as at September 2022 are as follows:

The Directors' interests (number of shares) are also stated below;

Name	Indirect Shareholding in PREIP	Direct Shareholding in PREIP	Total Shareholding in PREIP
Olayide Agboola	1,123,631,064.15	12,196,852.00	1,135,827,916.15
Obinna Onunkwo	1,110,073,134.85		1,110,073,134.85
Olatunbosun Omoniyi	625,165,164.00		625,165,164.00
Sir Nnamdi Obi	385,236,649.00		385,236,649.00
Prof Hilary Onyiuke	586,189,789.00	355,556.00	586,545,345.00
Seyi Sowale	86,902,098.00		86,902,098.00
Adedoyin Afun	10,914,900.00		10,914,900.00

The beneficiaries of the shares indirectly held by the Directors are stated below;

Name of Shareholder	Beneficiaries	Indirect	Direct	Total Shareholding in PREIP
Olayide Agboola	Olayide Agboola		12,196,852	12,196,852
	Mrs Oluwadamilola Olayide-Agboola	12,196,932		12,196,932
	Olayide-Agboola Monisola Michaela	100,417		100,417
	Olayide-Agboola Morinsola Yanichel	100,417		100,417
	Purple Capital Holdings Limited	79,125,071		79,125,071
	Purple Capital Holdings (Held by Purple Retail Ltd)	1,029,369,279		1,029,369,279
	Olayide-Agboola Morinsola Yanichel (Held by Purple Retail Ltd)	1,369,514		1,369,514
	Olayide-Agboola Monisola Michaela (Held by Purple Retail Ltd)	1,369,514		1,369,514
Total		1,123,631,144	12,196,852	1,135,827,996
Obinna Onunkwo	Purple Capital Holdings Limited	64,738,694		64,738,694
	Mrs. Iniobong Obinna-Onunkwo	6,098,422		6,098,422
	Obinna-Onunkwo Odira Uyime	100,417		100,417
	Obinna-Onunkwo Nwando Mfon	100,417		100,417
	Obinna-Onunkwo Awele Emem	100,417		100,417
	Purple Capital Holdings (Held by Purple Retail Ltd)	842,211,229		842,211,229
	Astra Capital Investments Limited (Held by Purple Retail Ltd)	192,614,997		192,614,997
	Obinna-Onunkwo Odira Uyime (Held by Purple Retail Ltd)	1,369,514		1,369,514
	Obinna-Onunkwo Nwando Mfon (Held by Purple Retail Ltd)	1,369,514		1,369,514
	Obinna-Onunkwo Awele Emem (Held by Purple Retail Ltd)	1,369,514		1,369,514
	Total		1,110,073,135	-

Olatunbosun Omoniyi	Network Hotels Limited	23,837,292		23,837,292
	Network Hotels Limited (Held by Purple Retail Ltd)	601,327,872		601,327,872
Total		625,165,164	-	625,165,164
Sir Nnamdi Obi	Embassy Pharmaceuticals & Chemicals Limited	84,687,444		84,687,444
	Embassy Pharmaceuticals & Chemicals Limited (Held by Purple Retail Ltd)	300,549,205		300,549,205
Total		385,236,649	-	300,549,205
Prof Hilary Onyiuke	Prof Hilary Onyiuke		355,556	355,556
	Gauthier Investments Limited	422,258,312		422,258,312
	Gauthier Investments Limited (Held by Purple Retail Ltd)	163,931,477		163,931,477
Total		586,189,789	355,556	586,545,345
Seyi Sowale	Seyi Sowale (Purple Employee Staff Scheme)	5,835,432		5,835,432
	Purple Employee Staff Scheme (Held by Purple Retail Ltd)	81,066,666		81,066,666
Total		86,902,098	-	86,902,098
Adedoyin Afun	BLP Redboard Limited	3,793,066		3,793,066
	BLP Redboard Limited (Held by Purple Retail Ltd)	7,121,834		7,121,834
Total		10,914,900	-	10,914,900

RELATED PARTY TRANSACTIONS

There is an outstanding indebtedness of ₦254,454,000 payable to Purple Capital Partners Limited and Purple Retail Managers Limited by Lekki Retailtainment Limited. This is in respect of the multi-purpose property under construction in Lekki Retailtainment Limited.

INDEBTEDNESS

The Company has no outstanding debenture, mortgages, charges or similar indebtedness or material contingent liabilities other than in the ordinary course of business.

EXTRACTS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Below are relevant extracts from the Company's Memorandum and Articles of Association:

MEMORANDUM OF ASSOCIATION

The following are the relevant extracts from Purple Real Estate Income PLC Memorandum and Articles of Association.

1. The objectives for which the company is established are:
 - a. To carry on business as an investment company in all its ramifications, carrying on business of acquisition and execution of investment opportunities in all sectors of the economy, including but not limited to oil and gas, power/energy, mining of solid minerals, agriculture, real estate, shipping and maritime, land transportation, hospitality, entertainment, telecommunications and information technology.

- b. To carry on business as general contractors, carrying out turnkey projects for corporate organizations, government agencies, parastatals and individuals, trading and merchandising in all its ramifications, general contracts, importers, exporters and distribution of general goods.
 - c. To carry on business as property developers and to engage in all associated undertakings including the demolition, renovation and refurbishment of buildings. To carry on business, property and facility managers and to provide all associated service including maintenance, repairs and cleaning services.
 - d. To acquire all powers, permits, consents and rights necessary or desirable to carry out the objects of the Company and to deal and dispose of same in any desired.
 - e. To borrow and raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, and to secure the repayment of any money borrowed, raised or owing, by mortgage, charge or lien upon whole or any part of the Company's property or assets (whether present or future) including its uncalled capital and also by similar mortgage, charge, lien to secure the guarantee of the performance by the Company of any obligations or liability it may undertake.
2. The Company is a Public Company
 3. The liability of the members is limited by shares
 4. The Share Capital of the Company is ₦2,061,443,417 divided into 4,122,886,834 ordinary shares of N0.50 each.

OFF-BALANCE SHEET ITEMS

As of December 31, 2021, the Issuer had no Off-Balance Sheet Items other than in the ordinary course of business.

CLAIMS AND LITIGATION

Purple Real Estate Income PLC is not involved in any legal proceedings and there are no legal proceedings pending or threatened against the company, the outcome of which will have material adverse effect on the business or financial position of the company.

ESTIMATED COSTS AND EXPENSES OF ESTABLISHING THE OFFER

The costs and expenses of establishing the Offer including fees payable to the SEC and the other parties to the Offer including filing fees, legal fees and other expenses, are estimated at ₦278,618,750 which represents approximately 2.79% of the total amount to be raised pursuant to the Offer.

MATERIAL CONTRACTS

There is a Vending Agreement between Purple and the Issuing Houses with respect to this IPO. Purple has no other material contracts except in the ordinary course of business.

MERGERS AND ACQUISITIONS

In March 2022, the Company was involved in a merger with one of its subsidiaries, PREDCO, in respect of its securities.

RELATIONSHIP BETWEEN THE COMPANY AND ITS ADVISERS

As at the date of this Prospectus, there was no relationship between the Company and its advisers, except as stated below;

- One of the Joint Issuing Houses, Emerging Africa Capital Advisory Limited, has minority shareholding of less than 1% in Purple
- Adedoyin Afun, who currently serves as a Director to Purple is a Partner of the Solicitor to the Company, Bloomfield LP; but does not serve as the Principal Partner

- Fiona Ahimie, who currently serves as a Director to Purple is also the Managing Director of one of the Stockbrokers, FBNQuest Securities Limited

CONSENTS

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

Directors	Mrs. Olajumoke Akinwunmi (Chairman)
	Mr. Olayide Agboola (Chief Executive Officer)
	Mr. Obinna Onunkwo (Deputy Chief Executive Officer)
	Ms. Seyi Sowale (Executive Director)
	Mr. Muhtar Bakare (Independent Director)
	Mrs. Fiona Ahimie (Independent Director)
	Sir Pharm Nnamdi Obi (Non-Executive Director)
	Prof. Hilary Onyiuke (Non-Executive Director)
	Mr. Olatunbosun Omoniyi (Non-Executive Director)
	Mr. Adedoyin Afun (Non-Executive Director)
	Mrs. Osareme Archibong (Independent Non-Executive Director)
Company Secretary	Bloomfield LP 15 Agodogba Avenue Parkview Ikoyi, Lagos
Lead Issuing House	Kairos Capital Limited
Joint Issuing Houses	Emerging Africa Capital Advisory Limited LeadCapital PLC Mainstreet Capital Limited PAC Capital Limited
Solicitor to the Issue	Greychapel Legal
Solicitor to the Issuer	Bloomfield LP
Receiving Bank	First Bank of Nigeria

	Stanbic IBTC Bank
Stockbrokers	CardinalStone Securities Limited FBNQuest Securities Limited Stanbic IBTC Stockbrokers Limited
Auditor	KPMG Professional Services
Reporting Accountant	Deloitte & Touche
Registrars	CardinalStone Registrars Limited

LETTER ON GOING CONCERN STATUS OF THE COMPANY

This letter on the going concern status of the Company has been provided by KPMG Professional Services in their capacity as the Company’s auditors for the financial year ended 31 December 2021 and for half-year 30 June 2022.



KPMG Professional Services
 KPMG Tower
 Bishop Abiodun Cole Street
 Victoria Island
 PMB 40014, Fakoona
 Lagos

Telephone: 234 (1) 271 8955
 234 (1) 271 8599
 Internet: home.kpmg/ng

27 May 2022

The Managing Director,
 Purple Real Estate Income Limited
 10, DaSilva Street
 Off Chris Madueke Drive
 Lekki 1, Lagos

The Managing Director,
 LeadCapital PLC
 Plot 281, Ajose Adeogun Street,
 Victoria Island,
 Lagos.

and

and

The Managing Director,
 Kairos Capital Limited
 214 Broad Street
 12th floor, Elephant House
 Marina, Lagos

Mainstreet Capital Limited
 Plot 954A, Idejo Street
 Off Adeola Odeku Street,
 Victoria Island
 Lagos

and

and

The Managing Director,
 Emerging Africa Capital Advisory Limited
 25a, Bourdillon Road
 Ikoyi, Lagos

The Managing Director,
 PAC Capital Limited
 Plot 8A, Elsie Femi-Pearse Street
 Off Adeola Odeku Street, Victoria Island

Dear Sir,

PURPLE REAL ESTATE INCOME LIMITED - CONFIRMATION OF GOING CONCERN STATUS

We have audited the financial statements of Purple Real Estate Income Limited ('the Company') for the year ended 31 December 2021 which were prepared in accordance with International Financial Reporting standards, the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, 2011.

Based on our audit of the financial statements of the Company for the year ended 31 December 2021 on which we expressed our opinion on 12 May 2022 and the representation received from the Directors of Purple Real Estate Income Limited, nothing has come to our notice that makes us believe that the Company will not continue in operation as a going concern.

Yours faithfully

Oseme Obalaje
 Partner, Audit Services
 FRC/2013/CAN/0000004803

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Registered in Nigeria No BN 38825

Partners

Adekunle A. Oshere	Adekunle H. Oshere	Joseph O. Taylor	Olufemi I. James	Tayo I. Ogunlana
Adekunle A. Oshere	Boris S. Akintola	Kabi O. Okunola	Olufemi A. Babayo	Temitope A. Oshere
Adekunle F. Adekunle	Chikuzo N. Anyamechi	Lanreoluwa C. Amadi	Dunmade D. Dayinka	Talib A. Oshere
Adekunle K. Akin	Chiechi E. Nwagbo	Martin J. Ayo	Olufemi A. Sowade	Uzoma G. Nwankwo
Adekunle D. Dimeji	Elah D. Oluwalanu	Muhammad M. Adama	Olufemi O. Awolowo	Victor U. Oshere
Adekunle Akindele	Godwin C. Olu	Frank C. Euna	Olufemi A. Oshere	
Adekunle L. Salami	Ikrom M. Adeniji	Olufemi S. Mohi	Olufemi A. Oshere	
Adekunle A. Salami	Ismael T. Eraso-Enjo	Olufemi I. Salami	Olufemi J. Oshere	





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 KPMG Tower
 Bishop Abayode Cole Street
 Victoria Island
 PMB 40014, Fidelity
 Lagos

Telephone 234 (1) 271 8955
 234 (1) 271 8599
 Internet home.kpmg/ng

28 October 2022

The Managing Director,
 Purple Real Estate Income PLC
 10, DaSilva Street
 Off Chris Madueke Drive
 Lekki 1, Lagos

The Managing Director,
 LeadCapital PLC
 Plot 281, Ajose Adeogun Street,
 Victoria Island,
 Lagos.

and

and

The Managing Director,
 Kairos Capital Limited
 214 Broad Street
 12th floor, Elephant House
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Mainstreet Capital Limited
 Plot 954A, Idejo Street
 Off Adeola Odeku Street,
 Victoria Island
 Lagos

and

and

The Managing Director,
 Emerging Africa Capital Advisory Limited
 25a, Bourdillon Road
 Ikoyi, Lagos

The Managing Director,
 PAC Capital Limited
 Plot 8A, Elsie Femi-Pearse Street
 Off Adeola Odeku Street, Victoria Island

Dear Sir,

PURPLE REAL ESTATE INCOME PLC - CONFIRMATION OF GOING CONCERN STATUS

We have audited the financial statements of Purple Real Estate Income PLC ('the Company') for the period ended 30 June 2022 which were prepared in accordance with International Financial Reporting standards, the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, 2011.

Based on our audit of the financial statements of the Company for the period ended 30 June 2022 on which we expressed our opinion on 28 October 2022 and the representation received from the Directors of Purple Real Estate Income PLC, nothing has come to our notice that makes us believe that the Company will not continue in operation as a going concern.

Yours faithfully

Useme Udoioje
 Partner, Audit Services
 FRC/2013/CAN/00000004803

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organization of independent member firms affiliated with KPMG Network Limited, a private English company limited by guarantee. All rights reserved.

Registered in Nigeria No BN 388925

Partners

- | | | | | |
|--------------------|------------------------|-------------------|--------------------|--------------------|
| Adigun A. Dandari | Audolu H. Didiwe | Joseph O. Tega | David I. James | Tayo I. Ogunbayo |
| Adekunle A. Odegun | Bisiri S. Akabi | Kalu O. Okunola | Oyler A. Babani | Temiya A. Odeh |
| Adeola P. Adesim | Chibuzo N. Anyeweli | Lawrence C. Amadi | Oumide D. Daykins | Tolulope A. Odele |
| Adeyemi E. Ajei | Chikena E. Nwagbo | Martins I. Aroge | Ousegho A. Sowemba | Uzochima G. Nwanji |
| Afolabi D. Oloruns | Eljah D. Oshurimye | Muhammad M. Alame | Oyotun I. Ogunlana | Victor U. Onwente |
| Afolayan Akande | Goodluck C. Odi | Inusa C. Euna | Owalemi D. Awotayo | |
| Ayibami I. Tolani | Efemi M. Adego | Olabisi S. Akabi | Owotun A. Olog | |
| Ayinde A. Sojina | Jeanne T. Eneke-Enigbo | Olatunji I. Salau | Oyemi J. Olatun | |



This letter on the going concern status of the Company has been provided by the Directors of the Company.



10 Da-Silva Street,
Off Chris Madueke Drive,
Admiralty Road,
Lekki Phase 1, Lagos

+234 (1) 290 7487
+234 817 078 7753
contact@purple.xyz
www.purple.xyz

This letter on the going concern status of the Company has been provided by the Directors of the Company.

15 March 2022

PURPLE REAL ESTATE INCOME PLC: REGISTRATION OF INITIAL PUBLIC OFFERING ("THE OFFER") – DIRECTORS' CONFIRMATION OF GOING CONCERN STATUS

The Directors of Purple Real Estate Income PLC ("Purple" or the "Company") are accountable and responsible for the performance and operations of the Company. Specifically, and in line with the provisions of the Companies and Allied Matters Act, 2020 ("CAMA"), the Directors owe the Company a duty of care and must, at all times, act in the best interest of the Company's employees and other stakeholders.

At the end of each financial period, the Directors are required to prepare financial statements that provide a true and fair picture of the Company's state of affairs as well as the profit and loss for the relevant accounting period. The Directors are also responsible for ensuring that proper accounting records are maintained, and steps are taken to prevent and detect fraud and other irregularities. The Directors are also responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgements and estimates that are prudent and reasonable.

The applicable International Financial Reporting Standards have been followed and Purple Real Estate Income Limited's financial statements for the twelve (12) months ended 31 December 2021 have been prepared using accounting policies which comply with the International Financial Reporting Standards (IFRS), CAMA and the Financial Reporting Council of Nigeria Act, 2011.

The Directors of Purple Real Estate Income PLC having made appropriate enquiries and reviewing budgets, projecting cash flows and other relevant information, consider that adequate resources will exist for the business to continue in operational existence for the foreseeable future.

This letter has been prepared and issued only for the purposes of complying with the rules and regulations of the Securities and Exchange Commission in relation to the Offer.

Yours faithfully,
For: Purple Real Estate Income PLC

MR. OLAIDE AGBOOLA
CHIEF EXECUTIVE OFFICER

MRS. EBEL FOLORUNSHO
(BLOOMFIELD LP)
COMPANY SECRETARY

Purple Real Estate Income plc RC1185154

A member of the Purple Group

Property Development Company of the Year (Thinkmint) - Commercial 2020
Property Development Company of the Year (Thinkmint) - Retail 2021



Directors: Olajumoke Akinwunmi | Olayide Agboola | Oluseyi Sowale | Obinna Onunkwo | Olatunbosun Omoniyi
Sir (Pharm) Nnamdi Obi | Fiona Ahimie | Muhtar Bakare | Prof Hilary Onyiuke | Adedayin Afun | Osareme Archibong



This Letter Of Declaration of Full Disclosure has also been provided by the Directors of the Company.



10 Da-Silva Street,
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Lekki Phase 1, Lagos

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contact@purple.xyz
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August 15, 2022

The Director-General
Securities and Exchange Commission
SEC Towers
Plot 272 Samuel Adesujo Ademulegun Street
Central Business District
Garki, Abuja

05/10/2022

OLASUBOMI OSINUSI Esq
Notary Public of Nigeria
213, Igboere Road,
Lagos



FOR THE KIND ATTENTION OF MR. LAMIDO YUGUDA

Dear Sir,

PROPOSED UP TO TEN BILLION NAIRA (₦10,000,000,000) INITIAL PUBLIC OFFERING BY PURPLE REAL ESTATE INCOME PLC ("THE OFFER") – DECLARATION BY THE ISSUER

This Prospectus has been prepared by the Issuing House on our behalf with a view of providing a description of Purple Real Estate Income Plc ("Purple" or the "Company") and other material disclosures, in connection with the Offer.

On behalf of the Board of Directors, we hereby make the following declarations pursuant to SEC Rule 280(3):

- 1) We confirm that the information contained in this prospectus, is, to the best of our knowledge, in accordance with the facts and does not omit any information likely to affect its import; and
- 2) The Company is not in breach of any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the 12 (Twelve) months preceding the date of this Prospectus.

Signed for and on behalf of
PURPLE REAL ESTATE INCOME PLC
By its duly authorized representatives


MR. OLAYIDE AGBOOLA
CHIEF EXECUTIVE OFFICER


MS. SEYI SOWALE
CHIEF FINANCE OFFICER


MRS. EBEL FOLORUNSHO
(BLOOMFIELD LP)
COMPANY SECRETARY

Purple Real Estate Income plc RC1185154

A member of the Purple Group

Property Development Company of the Year (Thinkmint) - Commercial 2020
Property Development Company of the Year (Thinkmint) - Retail 2021



Directors: Olajumoke Akinwunmi | Olayide Agboola | Oluseyi Sowale | Obinna Onunkwo | Olatunbosun Omoniyi
Sir (Pharm) Nnamdi Obi | Fiona Ahimie | Muhtar Bakare | Prof Hilary Onyike | Adedoyin Afun | Osareme Archibong


Purple Maryland
AOL • TRICORP • P&G • J&J


Purple Lekki
AOL • TRICORP • P&G • J&J


Purple Living
nana • maco • tuton


Purple Shop


Purple TV


Purple Lay

PLEGGED ASSETS

Except as otherwise disclosed in the Consolidated Audited Financial Statements of the Company for the five years up to the year ended 31 December 2021, the Company had no other outstanding debenture, mortgages, charges or similar indebtedness or contingent liabilities as at the referenced dates therein.

RESEARCH AND DEVELOPMENT

Purple Real Estate Income PLC is solely responsible for its research and development and intends to continue research into ways to improve its service offerings, products, efficiency in operations and market opportunities on an economically sustainable basis, to enhance its profitability and maximize returns and value for its shareholders. The summary of Purple's research and development cost over the last 3 years are as follows;

PREIP Research and Development Cost				
2019	2020	2021	2022 (Jan – Jun)	Total
N6,050,000.00	N220,000.00	N82,592,834.10	N27,555,028.06	N116,417,862.17

DECLARATIONS AND STATEMENT OF DIRECTORS' RESPONSIBILITIES

Except as otherwise disclosed in this Prospectus:

- i) No share of the Company is under option or agreed conditionally or unconditionally to be put under option created or issued by the Company;
- ii) No commissions, discounts, brokerages or other special terms have been granted by the Company to any person in connection with the Offer;
- iii) Save as disclosed herein, the Directors of the Company have not been informed of any holding representing 5% or more of the issued share capital of the Company;
- iv) There are no founder, management or deferred shares or any options outstanding in the Company;
- v) There are no material service agreements between the Company or any of its Directors and employees other than in the ordinary course of business;
- vi) No Director of the Company has had any interest, direct or indirect, in the property purchased or proposed to be purchased by the Company in the five years prior to the date of this Prospectus;
- vii) No Director or key management staff of the Company is or has been involved in any of the following:
 - (a) A petition under any bankruptcy or insolvency laws filed (and not struck out or dismissed) against such person or any partnership in which he or she was a partner or any company of which he or she was a Director or key personnel;
 - (b) A conviction in a criminal proceeding or is named subject of pending criminal proceedings relating to fraud or dishonesty; and
 - (c) The subject of any order, judgment or ruling of any court of competent jurisdiction or 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.

viii) There are no amounts or benefits paid or intended to be paid or given to any promoter within the 2 (two) years preceding the date of the Prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the office of the Company at Purple Real Estate Income PLC at 10, Da-Silva Street, Off Chris Madueke Drive, Lekki Phase 1, Lagos, Nigeria:

1. Certificate of Incorporation of the Company;
2. Memorandum and Articles of Association of the Company;
3. The Company's Form CAC 7A (Notice of Change of Directors, or in the Name, Residential Address or Postal Address of Director);
4. The Company's Form CAC 2A (Return of Allotment (Post-Incorporation));
5. This Prospectus;
6. Board Resolution of the company approving the establishment of the Offer dated June 2, 2022;
7. Shareholder Resolution of the Company approving the establishment of the Offer dated June 3, 2022;
8. The audited accounts of the Company for each of the five years up to the year ended 31 December 2021; as well as the historical financial information of the Group in respect of the five years up to the year ended 31 December 2021, together with the related audit report from the Auditors to the Company;
9. The Reporting Accountant's report on the Group historical financial statements;
10. Audited Half-Year 2022 PREIP Financial Statement;
11. The letter from the SEC approving the establishment of the Offer;
12. The list of Claims and Litigation referred to above;
13. The Material Contracts referred to above; and
14. The written Consent of each of the parties referred to above.



MACRO
residence • short stay • long stay

PART 13: USE OF PROCEEDS

Utilization	Amount (N)	% of Proceeds	Estimated Completion Period
Cost of Issue	271,631,250.00	2.716%	Immediately upon completion of IPO
Debt Refinance	8,279,381,250.00	82.79%	Immediately upon completion of IPO
Lekki Retailtainment Limited	1,342,000,000.00	13.42%	Two - four months from completion of the IPO
Working Capital	106,987,500.00	1.06%	Immediately upon completion of IPO
Total	10,000,000,000.00	100.00%	

Debt Refinance

Upon completion of the IPO, PREIP will repay a \$12,500,000 mezzanine debt facility taken up for the construction of Maryland Mall. The 5-year mezzanine facility agreement was executed in 2017 among Purple Retail Limited (as the Lender), Maryland Mall Limited (as the Borrower) and Vantage Mezzanine III Pan African Sub Fund Partnership, acting through its ultimate general partner, Vantage Mezzanine Fund III USD Proprietary Limited.

Lekki Retailtainment Limited

Lekki Retailtainment Limited is 85% complete and will be 100% complete upon completion of the IPO. In line with Citadines standards the fit out of the apartments are client funded. The amounts being raised will be utilized to complete the residential aspect of this mixed use development pending realization of staggered payments from clients and completion of other capital raise.

PART 14: TAX INFORMATION

The summary below does not purport to be comprehensive and does not constitute advice on tax to any actual or prospective investor in the Ordinary Shares. In particular, it does not constitute a representation by the Company or its advisers on the tax consequences attaching to a purchase of the Ordinary Shares. Tax considerations that may be relevant to a decision to acquire, hold or dispose of the Ordinary Shares and the tax consequences applicable to each actual or prospective subscriber or purchaser of the Ordinary Shares may vary. Any actual or prospective subscriber or purchaser of the Ordinary Shares who intends to ascertain his/her tax position should seek independent professional advice from his/her preferred professional advisers as to the tax consequences arising from subscribing to or purchasing the Ordinary Shares bearing in mind his/her peculiarities. Neither the Company nor its advisers shall be liable to any subscriber or purchaser of the Ordinary Shares in any manner for placing reliance upon the contents of this section.

Except as otherwise indicated, this summary only addresses Nigerian tax legislation, in effect and in force at the date hereof, as interpreted and applied by the Nigerian courts or tax authorities in Nigeria, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect. Prospective investors who are in any doubt about their tax position or who are resident or may otherwise be subject to taxation in a jurisdiction other than Nigeria, should consult their own professional advisers.

Taxation of Capital Gains

The Nigerian Capital Gains Tax Act, Chapter C1, LFN, 2004 (as amended) exempts the gains realized from the sale of shares in Nigeria from capital gains tax. Consequently, no capital gains tax will be payable in Nigeria on any gains which may be realized by the Company from the sale of the new Ordinary Shares.

Taxation of dividends paid on shares

Withholding tax is paid on dividends in Nigeria and the Company is required by virtue of (a) Section 80 of the Companies Income Tax Act, Chapter C21, LFN, 2004 (as amended) to withhold tax at the rate of 10% on the sum to be distributed as dividends to its corporate shareholders (and individual shareholders resident outside Nigeria) and remit same to the FIRS and (b) Section 71 of the Personal Income Tax Act, Chapter P8, LFN, 2004 (as amended), to withhold tax at the rate of 10% on the sum to be distributed as dividends to its individual shareholders and remit same to the relevant State Internal Revenue Service in the state in which each individual shareholder is resident in Nigeria or to the Federal Inland Revenue Service in the case of corporate shareholders. The tax withheld on such dividends and remitted to the appropriate tax authority will be the final tax on that income in Nigeria.

As a result, dividends received by a foreign investor from its investment in the Ordinary Shares will be subject to the withholding of tax under Nigerian law, at the rate of 10%. Where the recipient of such dividend is an individual or a company resident in a country with which Nigeria has a double taxation agreement, the applicable withholding tax rate will be reduced from 10% to 7.5%. Nigeria has entered into effective double taxation treaties with Belgium, Canada, China, Czech Republic, France, Netherlands, Pakistan, Philippines, Romania, Singapore, Slovakia, South Africa, Spain and the United Kingdom. In order to avail themselves of the treaty relief, eligible recipients of dividends have to provide the Company with a document issued by the tax authority of their country of residence confirming their tax residence in a treaty jurisdiction.

Investors resident in a country with whom Nigeria has a double tax treaty are further advised to consult their tax advisers on how to claim the status for purposes of their dividends from the Company. If relevant documents are not made available to the Company (such as the certificate of residence duly endorsed by the relevant tax authority of the contracting state) prior to the date of payment of dividends, then the Company will withhold tax on such dividends at the standard 10% rate and account for the withheld amounts to the relevant authority. Furthermore, the Finance Acts of 2019 and 2020, amend the provisions of the CITA to the effect that dividends paid out of retained earnings of a company where such dividends have been paid out of profits

which have already been subject to tax under CITA, from income exempted from tax under any statute or from franked investment income, shall not be liable to pay further taxes.

Stamp Duty

The Nigerian Stamp Duties Act, Chapter S8, LFN 2004 (as amended) ("**Stamp Duties Act**") requires payment of duties on certain instruments including deeds of assignment, mortgages, conveyance or transfer on sale of any property and powers of attorney. The legal effect of a document which is not duly stamped is that it will not be admissible in evidence in a court of law and will "not be available for any purpose whatsoever in any civil proceedings in Nigeria. In addition, if the document is liable to ad valorem stamp duty, it will be an offence if such document is not stamped. An unstamped or insufficiently stamped document may be stamped after the prescribed period for stamping and the Commissioner for Stamp Duties may impose the applicable penalties for late stamping before the documents are stamped. Whilst instruments for the transfer of shares are exempted from the payment of stamp duties, agreements relating to the sale or purchase of shares attract stamp duty. When shares are traded on the floor of NGX, each of the buyer and the seller is currently liable to pay stamp duties at the rate of 0.08% of the purchase consideration as part of the customary fees and charges payable on such trade. Investors are therefore advised to enquire as to the current level of all such transaction costs before incurring them when trading their Ordinary Shares.

By virtue of the Finance Act, 2019, as relates to the Stamp Duties Act, an "instrument" is now defined to include "electronic documents". Prior to this amendment, the definition of "instrument" was limited to only "written documents". Section 22 of the Stamp Duties Act requires instruments executed in Nigeria to be stamped in order for same to be admissible in evidence before Nigerian courts and to be enforceable by the said courts in civil proceedings. Section 23 provides that the stamping of such instruments should be done within thirty days from the date they were first executed or after they have been received in Nigeria (if executed outside Nigeria). Where an instrument is executed in Nigeria and it does not attract *ad valorem* stamp duty, it is required to be stamped within 40 (forty) days of being so executed. The term "received in Nigeria" is not defined in the Stamp Duties Act or the Finance Act, 2019 and as such, with the extension of the definition of "instrument" to include "*electronic documents*", documents executed outside Nigeria may be deemed to have been received in Nigeria if copies are sent to persons resident in Nigeria via electronic means and thus may be required to be stamped within the prescribed period. The FIRS in 2020, clarified, among other things, that a document or instrument executed outside Nigeria is deemed to be 'received in Nigeria' if it (i) is sent to Nigeria by electronic means (such as through emails), (ii) is retrieved or accessed in or from Nigeria, (iii) is (or an electronic copy of it is) stored on a device and brought into Nigeria or; (iv) (or an electronic copy of it) is stored on a device or computer in Nigeria. Thus, a document liable to stamp duty in Nigeria will need to be stamped when an electronic copy of it is received in Nigeria in any of the above-referenced ways.

Value Added Tax

By the provisions of the Value Added Tax, Chapter V1 LFN 2004 (as amended) ("**VAT Act**"), Value Added Tax ("**VAT**") is payable on the supply of taxable goods and services at a rate of 7.5% except for specifically exempted items or zero-rated items. VAT is an indirect tax and in relation to trading of securities, VAT is currently paid on the commissions paid to NGX, the CSCS, the SEC and the stockbrokers by the investors – i.e., both the sellers and the purchaser. Thus, the investors who participate in the Offer for Sale are required to pay VAT on commissions paid in connection with such trade.

In relation to the consideration payable to the Company for the sale of the Ordinary Shares, such consideration is currently not subjected by the FIRS to VAT in Nigeria. This position has become clearer in view of the Finance Act 2020 which specifically exempts "securities" from the definition of goods and services under the VAT Act. On this basis, any disposal of the Ordinary Shares will be exempt from VAT. Prior to the Finance Act of 2020, the Federal Government did not seek to impose VAT on the consideration for the sale of shares.

If VAT is to be imposed on the consideration payable to the company for the sale of their New Ordinary Shares, the obligation to pay such VAT would be on the Nigerian resident purchasers. As such, foreign resident companies or individuals (i.e., persons not resident in Nigeria) who may invest in the New Ordinary Shares will not be subject to VAT under the VAT Act.

PART 15: RECEIVING AGENTS

Investors can submit applications through the Issuing Houses, as well as any other institution(s) that are duly registered as capital markets operators by the SEC and who have valid SEC clearance to carry out the function of Receiving Agents as at the date of this Prospectus, and to whom brokerage will be paid.

The Company and the Issuing Houses will not accept responsibility for the conduct of any of the Receiving Agents. Investors are therefore advised to conduct their own inquiries before choosing an agent to act on their behalf. Payment for shares can be made into the receiving bank account. An application under this Offer will only be completed when the investor makes a payment for the shares applied for and confirmation is received.

BANKS

Access Bank PLC Citibank Nigeria Limited Coronation Merchant Bank Limited Ecobank Nigeria PLC FBNQuest Merchant Bank Limited Fidelity Bank PLC First Bank of Nigeria Limited	First City Monument Bank Limited FSDH Merchant Bank Limited Guaranty Trust Bank PLC Heritage Bank PLC Jaiz Bank PLC Keystone Bank Limited Nova Merchant Bank Limited	Polaris Bank Limited Providus Bank PLC Rand Merchant Bank Nigeria Limited Stanbic IBTC Bank PLC Standard Chartered Bank Nigeria Limited Sterling Bank PLC Suntrust Bank PLC	Union Bank of Nigeria PLC United Bank for Africa PLC Unity Bank PLC Wema Bank PLC Zenith Bank PLC
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STOCKBROKERS AND OTHERS

Absa Securities Nigeria Limited Afrinvest Securities Limited Anchoria Investment and Securities Limited Apel Asset Limited APT Securities & Funds Limited ARM Securities Limited Arthur Stevens Asset Management Limited Associated Asset Managers Limited Atlas Portfolio Limited Ava Securities Limited Bancorp Securities Limited Bauchi Investment Corp. Securities Limited Belfry Investment & Securities Limited Bestworth Assets & Trust Limited Calyx Securities Limited Camry Securities Limited Capital Assets Limited Capital Express Securities Limited Capital Trust Brokers Limited CardinalStone Securities Limited Cashville Investments & Securities Limited CDL Capital Markets Limited Centre Point Investment Limited Century Securities Limited Chapel Hill Denham Securities Limited Chapel Hill Denham Advisory Limited Chartwell Securities Limited Citi Investment Capital Limited City Code Trust & Invest Company Limited Compass Investments & Securities Limited Cordros Securities Limited Core Securities Limited Coronation Securities Limited Cowry Securities Limited Crossworld Securities Limited Crown Capital Limited CSL Stockbrokers Limited Deep Trust & Investment Limited De-Lords Securities Limited Dominion Trust Limited DSJ Brokerage Services Limited Dunbell Securities Limited Dunn Loren Merrifield Securities Limited Dynamic Portfolio Limited EDC Securities Limited Edgefield Capital Management Limited EFG Hermes Nigeria Limited	El-Elyon Alliance & Securities Limited Elixir Securities Limited Enterprise Stockbrokers Limited Equity Capital Solutions Limited Eurocomm Securities Limited Express Portfolio Services Limited Falcon Securities Limited FBC Trust & Securities Limited FBNQuest Securities Limited FCSL Asset Management Co. Limited Financial Trust Company Nig. Limited Finmal Finance Services Limited First Integrated Capital Mgt. Limited FIS Securities Limited Foresight Securities & Inv. Limited Forthright Securities & Inv. Limited Fortress Capital Limited FSDH Capital Limited FSL Securities Limited Funds Matrix & Asset Mgt. Limited Fundvine Capital & Securities Limited Futureview Securities Limited GDL Stockbrokers Limited Gem Assets Management Limited Gidauniya Invest & Sec. Limited Global Asset Mgt. (Nig) Limited Globalview Capital Limited Golden Securities Limited Greenwich Securities Limited Gruene Capital Limited GTI Securities Limited Harmony Inv. & Securities Limited Heartbeat Investments Limited Hedge Securities & Investment Limited Heritage Capital Markets Limited ICMG Securities Limited Icon Stockbrokers Limited Imperial Assets Managers Limited Integrated Trust & Investments Limited Interstate Securities Limited Investment One Stockbrokers Int'l Ltd Investors & Trust Company Limited Kapital Care Trust & Securities Limited Kedari Capital Limited Kinley Securities Limited Kofana Securities & Investment Limited Lambeth Capital Limited	Lead Securities & Investment Limited Lighthouse Capital Limited Magnartis Finance & Inv. Limited Marimpex Finance & Inv. Co. Limited Maxifund Investment & Securities PLC MBC Securities Limited Mega Equities Limited Meristem Stockbrokers Limited Mission Securities Limited Molten Trust Limited Morgan Capital Securities Limited Mountain Investment & Securities Limited Network Capital Limited Network Securities & Finance Limited Newdevco Investment & Securities Limited Nigerian International Securities Limited Nigerian Stockbrokers Limited Norrenberger Securities Limited Novambl Securities Limited Osbourne Capital Markets Limited PAC Securities Limited Parthian Securities Limited Peace Capital Markets Limited Pilot Securities Limited Pinefields Investment Service Limited PIPC Securities Limited Pivot Capital Limited Planet Capital Limited Portfolio Advisers Limited Premium Capital and Stockbrokers Limited Primewealth Capital Limited Prominent Securities Limited PSI Securities Limited Purple Asset Managers Limited Pyramid Securities Limited Qualinvest Capital Limited Quantum Zenith Securities & Inv. Limited Rainbow Securities Limited Rand Merchant Bank Nigeria Limited Readings Investment Limited Regency Asseets Management Limited Renaissance Securities (Nigeria) Limited Recap Securities (Nig) Limited Resort Securities Limited Reward Investment & Service Limited RMB Nigeria Stockbrokers Limited Rostrum Investment & Securities Limited	Rowet Capital Management Limited Royal Crest Finance Limited Royal Guaranty & Trust Limited Sankore Securities Limited Santrust Securities Limited Securities & Capital Mgt. Co. Limited Securities Africa Financial Limited Security Swap Limited Shalom Inv. & Securities Limited Shelong Investment Limited Sigma Securities Limited Signet Investment & Securities Limited Skyview Capital Limited SMADAC Securities Limited Solid-Rock Securities & Investment PLC Spring Board Trust & Inv. Limited Spring Trust & Securities Limited Stanbic IBTC Capital Limited Stanbic IBTC Stockbrokers Limited Standard Union Securities Limited StoneX Financial Nigeria Limited The Bridge Securities Limited Tiddo Securities Limited Tomil Trust Limited Topmost Securities Limited Tower Securities & Inv. Co. Limited Trade Link Securities Limited Traders Trust & Inv. Co. Limited Transworld Inv. & Securities Limited Trust Yields Securities Limited Trustbanc Capital Mgt. Limited Trusthouse Investment Limited TRW Stockbrokers Limited Tyndale Securities Limited UCML Capital Markets Limited UIDC Securities Limited UNEX Capital Limited United Capital Securities Limited Valmon Securities Limited Valueline Securities & Inv. Limited Vetiva Capital Management Limited Vetiva Securities Limited WCM Capital Limited WSTC Securities Zion Stockbrokers & Securities Ltd
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play



purplemaryland
work • shop • eat • play • drink

purplelekki
work • shop • eat • play • drink • live



PART 16: PROCEDURE FOR APPLICATION AND ALLOTMENT

OFFERING DISCRETION

- a) Your application for the Offer Shares is subject to the matters set out below and any further disclaimers and instructions on the Commitment Form or Application Form or e-Offer Portal. The Company and Issuing Houses reserve the general discretion to relax or deviate from the specific process or procedures set out herein, subject to applicable regulatory approvals.
- b) Further, the Company and the Issuing Houses shall have the right at any time and from time to time to take any action they consider reasonably necessary to correct any errors or omissions in relation with the Offer and is authorized by each Applicant to take such steps
- c) Although the Company and Issuing Houses accept no obligation to do so, this right includes the right to correct payment errors and/to reverse allocations and/or issues of Offer Shares which are allocated and/or issued to an applicant as a result of another applicant using the incorrect details, and to transfer the relevant Offer Shares to the intended applicant. This paragraph applies notwithstanding anything to the contrary in this Prospectus.

PROCESS FOR PARTICIPATING IN THE OFFER:

INVITATION TO PARTICIPATE IN THE OFFER

The general investing public is hereby invited to apply for the Offer Shares through any of the Issuing Houses or Receiving Agents listed on page 85 of this Prospectus.

If you are in doubt as to the action to take, please consult your financial adviser, stockbroker, solicitor, accountant, tax consultant, banker or an independent investment adviser for guidance. Care must be taken to follow these instructions as applications that do not comply with the instructions will not be accepted.

GUIDE TO APPLYING VIA THE APPLICATION FORM

Kindly note that this option is ONLY available to applicants who are applying through an authorized Receiving Agent.

It is important that the Application Form is correctly completed. Applicants in doubt should consult any of the Receiving Agents for assistance. The Offer is open from 8:00 am (WAT) on November 18, 2022 and closes at 5:00 pm (WAT) December 23, 2022. Applications received after the Offer has closed shall not be considered.

Applicants may obtain Application Forms from the Issuing Houses and Receiving Agents.

There are multiple sections of the Application Form for this Offer. Please ensure that you complete the appropriate sections of the Application Form and return the completed and signed form to a Receiving Agent.

COMPLETING THE APPLICATION FORM

- a. Applications for the Offer Shares under the Offer must be made in accordance with the instructions set out in this section
- b. An Applicant may apply to purchase the Offer Shares through an Application Form, as set out in this section, with effect from 8:00 am (WAT) on November 21, 2022 and closes at 5:00 pm (WAT) December 23, 2022.

- c. Care must be taken to follow these instructions, as applications, which do not comply, will be rejected. Specifically, it is mandatory that applicants state their Bank Account Number and Bank Verification Numbers (BVN) otherwise their applications would be rejected.
- d. Applications must be for a minimum of 4,000 ordinary shares and multiples of 1,000 ordinary shares thereafter. The value for which an application is made should be entered in the boxes provided on the Application Form.
- e. The subscription currency for the Offer is the Nigerian Naira (₦).
- f. The applicant should make only one application, whether in his own name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
- g. Individual applicants should sign the declaration and write his/her full names, address, daytime telephone number, and mobile telephone number in the appropriate space on the Application Form. Where the application is being made on behalf of a minor, the full names of the applicant and the minor as well as the date of birth of the minor should be provided. The appropriate space on the Application Form should be used by joint applicants. A corporate applicant should affix its seal in the box provided and state its Incorporation Registration (RC) Number.
- h. Joint applicants must all sign the Application Form.
- i. An application from a group of individuals should be made in the names of those individuals with no mention of the name of the group. An application by a firm which is not registered under the Companies and Allied Matters Act, 2020, should be made either in the name of the proprietor or in the names of the individual partners. In neither case should the name of the firm be mentioned.
- j. An application from a corporate body must bear the corporate body's seal and be completed under the hand of a duly authorized official.
- k. An application from a pension or provident fund must be in the name of each individual trustee unless the trustee is a limited liability company.
- l. An application by someone that cannot read and/or write should bear his right thumbprint on the Application Form and be witnessed by an official of the Receiving Agent at which the application is lodged who must first have explained the meaning and effect of the Application Form to the person in his own language. Above the thumb print of the person, the witness must record in writing that he has given this explanation in a language understandable to him/her and that the person appeared to have understood same before affixing his thumb impression. The witness must also state his name, address and signature.
- m. The applicant should not print his signature. If he is unable to sign in the normal manner, he should be treated for the purpose of this Offer as an illiterate and his right thumbprint should be clearly impressed on the Application Form.
- n. Completed (physical) Application Forms should be forwarded to any of the Issuing Houses or Receiving Agents listed on page 85 of this Prospectus, and payment made to the Issuing House or Receiving Agent on or before 5:00 pm (WAT) on the Offer Close date December 23, 2022. All bank commissions and transfer charges must be prepaid by the applicant. All unfunded applications and applications beyond the deadline will be rejected.
- o. Applicants who choose to post their Application Forms by registered mail to any of the Receiving Agents are advised to use registered mail services. However, all documents mailed to any of the Receiving Agents by the applicants will be at the applicant's own risk.

CSCS DETAILS

- a. The Ordinary Shares are traded compulsorily in dematerialized form. Accordingly, the relevant details of the CSCS and the beneficiary account must be provided in the "CSCS Account Details" section on the e-Offer Portal or in the Commitment Form or Application Form.
- b. Investors must ensure that the sequence of names stated in the Commitment Form or Application Form matches that of the account held by the Investor with the CSCS and are required to indicate in the application the relevant account numbers of the Investor.

- c. Applicants without CSCS accounts are advised to open a stockbroking account through any of the stockbroking firms mandated in respect of the Offer.
- d. Applicants who subscribe through the e-Offer Portal who do not have CHN and CSCS accounts are provided with the option of having a CHN and CSCS account opened for them on the basis of the information provided on the e-Offer Portal.
- e. It is advisable that CHN and CSCS accounts be obtained before completing a Commitment Form or Application Form.
- f. In accordance with the SEC Directive on Dematerialization of Share Certificates, and in the event that a CHN and CSCS account cannot be created prior to or at the point of submitting a Commitment Form or Application Form, (and investors and/or subscribers do not provide valid CHN and CSCS account numbers), such investors and/or subscribers will have their shares credited at the CSCS using a RIN. A RIN is a number allocated to shareholders who do not have valid CHN and CSCS account numbers in order to warehouse their units of shareholding in public companies listed on NGX under the Registrar's custody at the CSCS. The allotted shares will be transferred to the stockbroking account of the shareholder once valid CHN and CSCS account numbers are provided.

ALLOTMENT

- g. The Issuing Houses reserve the right to accept or reject any application in whole or in part for not meeting the conditions of the Offer.
- h. The allotment of units shall be based on the accepted Commitment Forms or Application Forms.
- i. The Offer Shares will be allotted in accordance with the SEC Rules that prescribe that all subscribers receive the minimum application in full, and thereafter the residual balance shall be pro-rated, with subscribers being allotted equal proportions of the amount of the shares applied for.
- j. In the event of an under-subscription of the Retail Offer, successful Qualified Investors from the Institutional Offer will be allotted additional shares from the Retail Offer, which will be pro-rated in equal proportion of the number of shares applied for in the Institutional Offer.
- k. The CSCS accounts of successful applicants will be credited not later than 21 working days from the Allotment Date.
- l. Investors are advised to ensure that the name of their stockbroker, as well as their CHN and CSCS account numbers are provided in the relevant spaces on the e-Offer Portal or Application Form.
- m. All irregular or suspected multiple applications will be rejected.

APPLICATION MONIES

If any application is not accepted or is accepted for fewer Ordinary Shares than the number applied for, the application monies in full or the surplus amounts (as the case may be) will be transferred to the bank account number of the affected applicant as stated on the application, within five (5) Working days of the Allotment Date.

