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## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or any action to be taken, it is recommended that you immediately consult your Stockbroker, Banker, Solicitor, Accountant or any other independent professional adviser duly registered as a capital market operator by the Securities and Exchange Commission.

If you have sold or otherwise transferred all your shares in Pan African Towers Limited and/or SWAP Technologies and Telecomms PLC, please hand over this document together with the accompanying Proxy Forms to the purchaser(s) or transferee(s) or stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or transferee(s). In the alternative, kindly return this document to AK Nominees Management Services Limited and PAC Registrars Limited, the Registrars of Pan African Towers Limited and SWAP Technologies and Telecomms PLC respectively. If you have sold or transferred only a portion of your holdings in Pan African Towers Limited and/or SWAP Technologies and Telecomms PLC, you should retain this document.

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# SCHEME OF MERGER

(Under Section 711 of the Companies and Allied Matters Act, 2020)

BETWEEN



**PAN AFRICAN TOWERS LIMITED** RC 1100167

AND

**SWAP**

**SWAP TECHNOLOGIES AND TELECOMMS PLC** RC 476096

**Incorporating an Explanatory Statement on the Proposed Scheme of Merger**

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Chapel Hill Denham Advisory Limited ("Chapel Hill Denham") is acting as Financial Adviser to Pan African Towers Limited ("PAT") and Greenwich Merchant Bank Limited ("Greenwich") is acting as Financial Adviser to SWAP Technologies and Telecomms PLC ("SWAP"), in respect of the Proposed Scheme of Merger (the "Scheme" or the "Transaction").

Chapel Hill Denham and/or Greenwich will not be responsible to any person, individual or corporate body other than Pan African Towers Limited ("PAT") and SWAP Technologies and Telecomms PLC ("SWAP") respectively for providing advice in relation to the Transaction.

The notices convening the respective Court-Ordered Meetings of the shareholders of PAT and SWAP are set out on pages 58 and 61 of this Scheme Document. Proxy Forms are attached on pages 64 to 66. To be valid, a Proxy Form must be completed, signed and stamped, where applicable (together with Powers of Attorney or other authority, if any, under which it is signed in accordance with the instructions printed thereon). The duly executed Proxy Forms for PAT and SWAP respectively must be returned to the Registrars of both companies, not later than 24 hours before the time scheduled for the respective Court-Ordered Meetings.

**THE PROPOSALS, WHICH ARE THE SUBJECT OF THE SCHEME SET OUT IN THIS DOCUMENT, HAVE BEEN CLEARED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE ACTIONS THAT YOU ARE REQUIRED TO TAKE ARE SET OUT ON PAGE 20**

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Financial Adviser to  
Pan African Towers Limited



**CHAPEL HILL DENHAM**  
Advisory Limited

RC 1381308

Financial Adviser to  
SWAP Technologies and Telecomms PLC



RC 189502

This Scheme Document is dated 15th March, 2022

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## DEFINITIONS

The following definitions apply throughout this document except where otherwise stated:

<b>“Board” or “Board of Directors”</b>	Board of Directors of either PAT or SWAP in the relevant context, comprising those persons whose names appear on pages 7 and 9 of this Scheme Document
<b>“Business Day”</b>	Any day, other than a Saturday, Sunday or public holiday declared by the Federal Government of Nigeria, on which banks are opened for business in Nigeria
<b>“CAC”</b>	Corporate Affairs Commission
<b>“CAMA”</b>	Companies and Allied Matters Act, 2020 (as amended)
<b>“Cash Consideration” or “Merger Consideration”</b>	65 kobo payable by PAT for each share held by the SWAP Shareholders in exchange for such share
<b>“CGT ACT”</b>	Capital Gains Tax Act, Chapter C1, LFN 2004 as amended by the Finance Act, and as may be further amended from time to time.
<b>“Chapel Hill Denham”</b>	Chapel Hill Denham Advisory Limited
<b>“CITA”</b>	Companies Income Tax Act, Chapter C21, LFN 2004 as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007 and the Finance Act
<b>“Consideration” or “Scheme Consideration”</b>	Cash Consideration paid or exchanged for each share of SWAP held by the SWAP Shareholders
<b>“Court”</b>	Federal High Court
<b>“Court Order”</b>	An Order of the Federal High Court of the Republic of Nigeria
<b>“COM” or “Court-Ordered Meeting”</b>	The separate meetings of the Qualifying Shareholders of each of PAT and SWAP convened by order of the Court, notices of which are set out on pages 58 and 61 of this Scheme Document, respectively, including any adjournment thereof
<b>“Court Sanction”</b>	The order made by the Court pursuant to section 711(2) of CAMA, sanctioning the Scheme
<b>“CSCS”</b>	Central Securities Clearing System Plc
<b>“CTC”</b>	Certified True Copy
<b>“Dissenting Shareholders”</b>	Qualifying Shareholders of PAT and/or SWAP who vote against the special resolution proposed at the separate Court- Ordered Meetings
<b>“Effective Date”</b>	The date on which the Court sanctions the Scheme, in accordance with Section 711(2) and (3) of CAMA
<b>“Explanatory Statement”</b>	The statement dated Thursday, 26 August 2021, issued by the Financial Advisers to the Shareholders of PAT and SWAP for the purpose of explaining the terms, conditions and effects of the Scheme which are set out on pages 17 to 22 of this Scheme Document
<b>“FCCPC”</b>	Federal Competition and Consumer Protection Commission
<b>“Finance Act”</b>	The Finance Act, 2019; the Finance Act, 2020 and the Finance Act, 2021
<b>“Financial Advisers”</b>	Chapel Hill Denham, acting as financial adviser to PAT and Greenwich, acting as financial adviser to SWAP
<b>“FIRS”</b>	Federal Inland Revenue Service
<b>“Form of Proxy” or “Proxy Form”</b>	The form for use in connection with the Court-Ordered Meetings of the Qualifying Shareholders which is set out on pages 64 and 66 for PAT and SWAP respectively
<b>“Greenwich”</b>	Greenwich Merchant Bank Limited
<b>“Holders” or “Shareholders”</b>	The registered holders of the shares in each Party as at the date on which the Registrar closes the register for the purposes of dispatching this Scheme document
<b>“IFRS”</b>	International Financial Reporting Standards

DEFINITIONS

<b>“LFN”</b>	Laws of the Federation of Nigeria
<b>“Merger” or the “Proposed Merger”</b>	The merger between PAT and SWAP to be implemented by means of the Scheme of Merger as described in this Scheme Document
<b>“Merging Entities”</b>	PAT and SWAP
<b>“₦” or “Naira”</b>	Currency of the Federal Republic of Nigeria
<b>“NASD” or “The NASD”</b>	NASD Plc, an equities Over The Counter Exchange
<b>“NCC”</b>	Nigerian Communications Commission
<b>“NCDC”</b>	Nigeria Centre for Disease Control
<b>“Parties”</b>	Collectively, PAT and its shareholders, and SWAP and its shareholders; and “Party” means each of them individually
<b>“PAT”</b>	Pan African Towers Limited
<b>“Pre-Merger PAT”</b>	The pre-merger PAT (RC 1100167) with 500,000,000 ordinary shares of ₦1.00 per share
<b>“Pre-Merger SWAP”</b>	The pre-merger SWAP (RC 476096) with 2,705,377,141 ordinary shares of 50 kobo per share
<b>“Post-Merger PAT”</b>	The pre-merger SWAP (RC 476096) re-registered as a private limited company, delisted from NASD and renamed Pan African Towers Limited holding the Nigerian Towers business, the Deferred Tax Assets, the loans from PAT, as well as a fully owned subsidiary, SWAP WA Limited
<b>“Qualification Date”</b>	The date agreed by the Parties, on which the respective Register of Members of PAT and SWAP shall be closed for the purpose of determining the shareholders who will be eligible to attend and vote at the respective Court-Ordered Meetings
<b>“Qualifying Shareholders”</b>	The shareholders whose names appear in the respective Register of Members of PAT and/or SWAP as at the Qualification Date
<b>“Register of Members”</b>	The register of members of PAT and SWAP, required to be maintained by the Registrars pursuant to the provisions of CAMA
<b>“Registrar” or “Registrars”</b>	AK Nominees Management Services Limited for PAT; and PAC Registrars Limited for SWAP
<b>“Scheme” or “Scheme of Merger”</b>	The Scheme of Merger between PAT and SWAP in accordance with the provisions of this Scheme Document and section 711 of CAMA
<b>“Scheme Document”</b>	This document setting out the Scheme, the Explanatory Statement, the respective notices of the Court-Ordered Meetings and the various appendices contained herein
<b>“Scheme Shareholders”</b>	Holders of the fully paid ordinary shares in SWAP whose names appear in the Register of Members of SWAP as at the Terminal Date
<b>“SEC”</b>	Securities and Exchange Commission
<b>“Surviving Entity”</b>	The post-merger entity that will result from the Proposed Merger. This shall be the Post-Merger PAT combined with the assets, undertakings and liabilities of PAT. Upon the Merger becoming effective, PAT shall be dissolved without being wound down and the Surviving Entity shall be the Post-Merger PAT
<b>“SWAP”</b>	SWAP Technologies and Telecomms Plc, RC 476096
<b>“SWAP WA Limited”</b>	A fully owned subsidiary of SWAP which pursuant to the Scheme will hold all of the assets, liabilities and undertakings of SWAP, other than the Nigerian Towers business, Deferred Tax Assets (DTA), and the Secured Loan from PAT.
<b>“Terminal Date”</b>	The Business Day immediately preceding the Effective Date
<b>“Untraceable Shareholders”</b>	The shareholders of PAT and/or SWAP whose whereabouts cannot be ascertained after reasonable efforts have been made to find them

PROPOSED TIMETABLE OF KEY EVENTS

Date	Activity
November 11, 2021	Obtain FCCPC No-Objection
January 11, 2022	Obtain NCC No-Objection
January 20, 2022	Obtain FIRS No Objection
February 25, 2022	Obtain SEC Approval-in-Principle
March 15, 2022	Obtain Court Order to convene the Court-Ordered Meetings
March 18, 2022	Publish the Notices of the Court-Ordered Meetings in national newspapers
April 19, 2022	Last date for lodging Proxy Forms of PAT and SWAP
April 20, 2022	Court-Ordered Meeting of the shareholders of PAT
April 20, 2022	Court-Ordered Meeting of the shareholders of SWAP
April 28, 2022	Obtain SEC Formal Approval of the Scheme
April 29, 2022	File petition for the Court Sanction and obtain Court Sanction of the Scheme
May 9, 2022	Obtain CTCs of Court Sanction of the Scheme and deliver same to CAC
May 12, 2022	Publish copy of Court Sanction in two national newspapers
May 12, 2022	Publish the Court Sanction in the Federal Gazette
May 12, 2022	File CTCs of Court Sanctions with SEC
May 12, 2022	Deposit Cash Consideration into the Cash Consideration Account
May 19, 2022	Payment of Cash Consideration to Scheme Shareholders (as appropriate)
May 30, 2022	File post-merger documentation with the SEC and the CAC

**Important Notice:**

*The dates indicated above are indicative only and are subject to possible changes without prior notice. This timetable has been prepared on the assumption that certain key activities including, but not limited to, obtaining regulatory approval from the SEC for the Transaction will be achieved as stated and the court dates for the Scheme will be available as and when applied for. If this is not the case, then the dates of key events in the timetable may be subject to corresponding adjustments.*

DIRECTORS AND PARTIES TO THE SCHEME

<b>Pan African Towers Limited Directors and Company Secretary</b>	
<b>Registered Address</b>	<b>10A Tokunbo Omisore Street Off Admiralty Way, Lekki Phase 1, Lagos</b>
<b>Chairman</b>	<b>Oluwole Adeleke</b>
<b>Executive Director</b>	<b>Oghenekaro Akaba</b>
<b>Independent Non-Executive Director</b>	<b>Hamzat Atta</b>
<b>Independent Non-Executive Director</b>	<b>Oke Maduewesi</b>
<b>Non-Executive Director</b>	<b>Tunde Titilayo</b>
<b>Non-Executive Director</b>	<b>Mobolaji Balogun</b>
<b>Non-Executive Director</b>	<b>Philip Southwell</b>
<b>Non-Executive Director</b>	<b>Tumi Tiyamiyu</b>
<b>Company Secretary</b>	<b>AK Nominees Management Services Limited</b>

<b>Professional Parties for PAT</b>	
<b>Financial Adviser</b>	<p><b>Chapel Hill Denham Advisory Limited</b>                      10 Bankole Oki Street                      Ikoyi, Lagos</p>
<b>Legal Advisers</b>	<p><b>Aluko &amp; Oyebode</b>                      1 Murtala Muhammed Drive                      Ikoyi, Lagos</p>
	<p><b>Olaniwun Ajayi LP</b>                      Plot L2 401 Cl, Banana Island                      Ikoyi, Lagos</p>
<b>Auditors</b>	<p><b>Ernst &amp; Young</b>                      10th Floor, UBA House                      57 Marina, Lagos</p>
<b>Tax Advisers</b>	<p><b>KPMG Advisory Services</b>                      KPMG Tower                      Bishop Aboyade Cole Street                      Victoria Island, Lagos</p>



**SWAP Technologies and Telecomms Plc  
Directors and Company Secretary**

<b>Registered Address</b>	<b>Plot 1, Block 128B New Creation Street Off Remi Olowude Way Lekki Phase 1, Lagos</b>
<b>Chairman (Acting)</b>	<b>Funso Soyoye</b>
<b>Director</b>	<b>Tunde Titilayo</b>
<b>Director</b>	<b>Ade Ogunlesi</b>
<b>Director</b>	<b>Idris Mohammed</b>
<b>Company Secretary</b>	<b>AK Nominees Management Services Limited</b>

<b>Professional Parties for SWAP</b>	
<b>Financial Adviser</b>	<b>Greenwich Merchant Bank Limited</b> Plot 1698A Oyin Jolayemi Street Victoria Island, Lagos
<b>Legal Advisers</b>	<b>G. Elias &amp; Co</b> 6, Broad Street Lagos
	<b>Adeniji Kazeem &amp; Co</b> 1B Adedoyin Ogungbe Street Lekki Phase 1, Lagos
<b>Registrar</b>	<b>PAC Registrars Limited</b> 122, Bode Thomas Street Surulere, Lagos
<b>Auditors</b>	<b>Yinka Adesanya &amp; Co (Chartered Accountants)</b> NACCIMA Building 8A, Oba Akinjobi Street Ikeja GRA, Lagos
<b>Tax Advisers</b>	<b>KPMG Advisory Services</b> KPMG Tower Bishop Aboyade Cole Street Victoria Island, Lagos
<b>Fairness Opinion Adviser</b>	<b>Deloitte &amp; Touche</b> Civic Towers Plot GA 1 Ozumba Mbadiwe Avenue Victoria Island, Lagos



RC 1100167

**Pan African Towers Limited**

10A Tokunbo Omisore Street  
Off Admiralty Way,  
Lekki Phase 1, Lagos

29 July 2021

**To the shareholders of Pan African Towers Limited**

Dear Sir/Madam,

**PROPOSED MERGER BETWEEN PAN AFRICAN TOWERS LIMITED (“PAT”) AND SWAP TECHNOLOGIES AND TELECOMMS PLC (“SWAP”)**

**Introduction**

On behalf of your Board of Directors, I am pleased to inform you that further to discussions and negotiations, the Boards of Directors of Pan African Towers Limited (“PAT” or the “Company”) and SWAP Technologies and Telecomms PLC (“SWAP”) have agreed to undertake a merger between both entities (the “Proposed Merger”).

PAT is a growing Nigerian Towers business currently owning over 600 towers and is focused on expanding into a digital infrastructure business with operations across Towers and cell sites, data centres and fibre networks. PAT has raised financing to begin developing its own Towers portfolio.

In 2018, PAT founded by a common shareholder in SWAP, entered into a business arrangement with SWAP which resulted in PAT utilizing some of SWAP’s Tower Assets. SWAP was one of Nigeria’s earliest towers businesses, however, over the last 5 years, SWAP has been adversely impacted by large foreign currency debt, and unsteady revenues, with the company being consistently loss-making in the period. SWAP’s operating challenges made it difficult for the company to effectively deliver services to its clients. Consequently, in 2018, SWAP entered into a Managed Services and Colocation Agreement dated July 1, 2018 with PAT which granted PAT the right to use SWAP’s Towers Assets. This arrangement has provided SWAP with some income, although insufficient to service debt repayments.

As part of the strategy to expand further as a digital infrastructure company, PAT raised equity and debt capital in December 2020 and following this capital raise, PAT assisted SWAP in restructuring its debt by offering a secured loan to SWAP to pay off all of SWAP’s secured creditors, comprising an African Export Import Bank (“Afrexim”) led consortium and its unsecured creditors.

PAT recognizes that whilst SWAP is a poorly capitalized business that continues to operate unprofitably, SWAP possesses a useful portfolio of Tower Assets and a merger of PAT with SWAP will create the largest indigenous Towers company operating in Nigeria and a top 3 competitor.

A close review of SWAP’s business following the restructuring of its debt, indicates that SWAP is unable to repay the senior loan owed to PAT in the foreseeable future and a request to settle the debt will cause SWAP to become insolvent and the shareholders of SWAP losing the entire value of their investment given the Company’s negative asset value. PAT is of the view that the only logical resolution of this debt is to merge with SWAP. Any valuation of SWAP indicates negative value, however the Board of PAT is minded to provide SWAP’s shareholders some consideration in return for the surrender of their ordinary shares in SWAP and it is proposed that a cash consideration of 65 kobo (Sixty-Five kobo) per share be offered to the shareholders of SWAP. All of the shareholders of SWAP shall in exchange for the Cash Consideration surrender to PAT all of their 2,705,377,141 ordinary shares of 50 kobo each and 1,705,377,141 shares shall be cancelled, with 1,000,000,000 (one billion) ordinary shares of 50 kobo each being redenominated into 500,000,000 (five hundred million) shares of ₦1.00 each and held by PAT’s shareholders in the same proportion as they held shares in the Pre-merger PAT.

Upon the Proposed Merger becoming effective, the Pre-Merger PAT shall be dissolved without being wound up, and SWAP shall be converted into a private limited company, which shall be the Surviving Entity and be renamed Pan African Towers Limited. The current registration of the ordinary shares of the Surviving Entity with the Securities and Exchange Commission (“SEC”) will be withdrawn. Under the terms agreed, the Surviving Entity will include the Nigerian Towers business, the Deferred Tax Assets and the PAT loans, as well as a fully owned subsidiary, named SWAP WA Limited into which all of the other assets, other liabilities (including the contingent liabilities) and undertakings of SWAP shall be transferred, as part of the Scheme.

The merger of PAT and SWAP will create the 3rd largest Tower Company in Nigeria and the largest Nigerian owned company in the sector, which will be better capitalized with stronger corporate governance. Post-merger, the Surviving Entity primarily because of foreign exchange supply situation will focus on the Nigerian segment of the business. Accordingly, the Board have agreed to the Scheme of Merger and the structure of the Surviving Entity. Mr. Tunde Titilayo, following his disclosure as a director in both PAT and SWAP recused himself from all discussions on the Proposed Merger and he will also not be voting shares held in SWAP Technologies and Telecoms Plc directly by him, and indirectly through Swap Associates Limited, at the COM.

In furtherance of the Proposed Merger, your Board of Directors has engaged Chapel Hill Denham Advisory Limited to act as Financial Adviser and Aluko & Oyebode and Olaniwun Ajayi LP to act as Legal Advisers, to provide requisite guidance to the Company.

The Merger will be executed via a Scheme of Merger (“the Scheme”) in accordance with Section 711 of the Companies and Allied Matters Act 2020 (“CAMA”). The Scheme will involve the combination of all PAT’s assets, liabilities and business undertakings with SWAP, with the surviving entity adopting the new name Pan African Towers Limited. In consideration for the merger, SWAP’s shareholders shall receive a cash consideration of 65 kobo (Sixty-five kobo) for every share held in SWAP as at the date of the Scheme (“the Merger Consideration”) and shall cease to be Shareholders as at the Effective Date and in exchange, Pre-merger PAT’s current shareholders shall become direct shareholders in Post-Merger PAT in the same proportion as they held shares in Pre-Merger PAT. Thus, the only Shareholders in the Surviving Entity will be the pre-Merger Shareholders of PAT. Consequently, the entire issued share capital of pre-Merger PAT shall be cancelled and Pre-Merger PAT will be dissolved without being wound up, and the Surviving Entity will be delisted from NASD.

The Explanatory Statement on pages 17 to 22 of the Scheme Document is intended to provide you with further information on the Merger and to aid your decision on the resolutions to be proposed at the Court-Ordered Meeting of PAT.

Prior to presenting the Scheme for your approval, we had received a “No Objection” from the Federal Competition and Consumer Protection Commission (“FCCPC”), in relation to competition and anti-trust matters, an “Approval-in-Principle” from the SEC and a “No-Objection” from the Nigerian Communications Commission (“NCC”) in respect of the Proposed Merger. Upon receiving your approval, an application will be made to the Federal High Court for the sanctioning of the Scheme and to the SEC for the Formal Approval of the Scheme.

### **Rationale and Benefits of the Proposed Merger**

The Board believes that the Proposed Merger will be attractive and value accretive to shareholders of both companies and provides an extremely compelling opportunity to change the Nigerian Towers landscape. Specific benefits include the following:

#### **1. Diversified Digital Infrastructure Company**

The Surviving Entity will - by virtue of its broader tower network and reach - become the largest indigenous digital telecommunications infrastructure provider as well as the 3rd largest tower company operating in Nigeria; thus positioning the company to be an integral part of delivering more efficient and seamless network and internet connectivity across Nigeria.

#### **2. Stronger Market Share and Enhanced Revenues**

The Proposed Merger should result in increased revenues to the Surviving Entity, given an expansion of earning capacity as the Merger will not result in the cannibalization of clients or the revenue base. Furthermore, revenues should rise as customers, prefer to be served by larger entities, as their scale helps them deliver efficient service while pricing competitively.

**3. Merger Synergies**

The Surviving Entity will provide opportunities for improved operational efficiencies, economies of scale in procurement of items and sizeable cost savings, by optimizing operational processes and streamlining duplicated costs (for example, financial reporting, administrative expenses, etc.), which should improve bottom line performance and ultimately increase shareholder value. The Proposed Merger will also provide a platform where the Surviving Entity benefits from some tax savings.

**4. Access to Capital**

The Surviving Entity will be a bigger and healthier entity capable of attracting significant debt and equity capital investments to rapidly accelerate the business' growth profile.

**5. Brand Enhancement**

The Surviving Entity - formed from combining PAT and SWAP - will have a diversified tower network in Nigeria, with the business being supported by strong corporate governance and an experienced management team.

**Overview of SWAP Technologies and Telecomms Plc**

SWAP Technologies & Telecomms Plc is a diversified company incorporated in June 1996 that commenced operations in 2001 as a public company. SWAP was admitted to trade on NASD OTC Securities Exchange market on September 30, 2013 with security code SDSWAPPLC. SWAP provides passive infrastructure sharing solutions to Mobile Network Operators.

SWAP, also maintains an Engineering and Project division that engages in third party engineering solution services for the Telecoms industry, and its service delivery can be classified as Colocation and Managed Services.

**Attendance at the Court-Ordered Meeting**

PAT being a private limited liability company with 2 shareholders can confirm that its shareholders can attend the Court-Ordered Meeting whilst, remaining compliant with the restrictions on mass gatherings imposed by Lagos State and the Federal Government (as applicable) as well as health and safety measures prescribed by the NCDC with regards to the COVID-19 pandemic

Shareholders of PAT who are unable to attend the Court-Ordered Meeting physically will be able to vote by proxy at the Court-Ordered Meeting. Proxies will physically attend the meeting and will vote on behalf of and in accordance with the instructions of shareholders, who will be required to appoint these persons as proxies.

Details of the procedure to be followed for the proxy voting are contained in the notice on page 58 and Proxy Form on page 64 of the Scheme Document. I encourage you to complete and return the enclosed Proxy Form in accordance with the instructions thereon.

**Recommendation**

Your Board considers the terms of the Proposed Merger fair, reasonable and in the best interest of the shareholders of PAT and has approved the proposal. Therefore, your Board unanimously recommends that you vote in favour of the proposed resolutions at the Court-Ordered Meeting to be held on the 20th day of April, 2022 at 10 Bankole Oki Street, Ikoyi, Lagos.

Yours faithfully,



**Oluwole Adeleke**

Chairman, Board of Directors  
Pan African Towers Limited



RC 476096

**SWAP Technologies and Telecomms Plc**

Plot 1, Block 128B New Creation Street  
Off Remi Olowude Way  
Lekki Phase 1, Lagos

29 July 2021

**To the Shareholders of SWAP Technologies and Telecomms Plc**

Dear Sir/Madam,

**PROPOSED MERGER BETWEEN PAN AFRICAN TOWERS LIMITED ("PAT") AND SWAP TECHNOLOGIES AND TELECOMMS PLC ("SWAP")**

**Introduction**

In 2018, the Board and management of SWAP embarked on a strategic review of the business with the objective of achieving improved performance through a robust turnaround plan. SWAP was one of Nigeria's earliest towers businesses. However, over the last 5 years, SWAP has been adversely impacted by large foreign currency debt, and unsteady revenues, with the company being consistently loss-making in the period. As at the company's financial for the year ended 30 June 2020, the company's outstanding debts to secured and unsecured creditors was ₦96 billion. Over the last 5 years, SWAP has made combined losses of ₦70 billion and is in no position to pay any dividends in the near to medium-term.

SWAP's operating challenges made it difficult for the company to effectively deliver services to clients. Consequently, SWAP entered into a Managed Services and Colocation Agreement dated July 1, 2018 with PAT which granted PAT the right to use SWAP's Towers Assets. This arrangement has provided SWAP with some income, although insufficient to service debt repayments, given the huge leverage on its balance sheet. This is further constrained by a decline in revenues as a number of tower assets have fallen into disrepair from lack of investment.

Having critically reviewed the company's operations, the Board has been working assiduously to find a practical solution to the challenges which resulted in (1) an agreement (procured with the assistance from PAT) with certain secured creditors - led by African Export Import Bank ("Afrexim") - for a full and final settlement of US\$50 million in respect of the sum of the debt of US\$125 million and (2) an arrangement with the unsecured creditors for the full and final payment of the amounts owed to them on or before December 31, 2020. The Company's Board had also embarked on a capital raise to pay off creditors but this was unsuccessful. The Company only succeeded in raising US\$5 million of the US\$50 million agreed as the final settlement to secured creditors.

In December 2020, on the basis of the existing business relationship between PAT and SWAP, PAT advanced a senior secured loan package in the sum of ₦21.29 billion to SWAP to enable SWAP settle both the US\$50 million that had been agreed with the consortium of secured lenders led by Afrexim Bank and its other unsecured creditors. This arrangement resulted in PAT emerging as the only secured creditor to SWAP, with PAT being granted inalienable rights to utilize SWAP's tower assets as part of the security for the debt.

Subsequent to December 2020, SWAP still remains in a dire situation, with no realistic possibility of paying off the PAT loan and an evident weakness in its viability to trade on a stand-alone basis, an inability to raise equity, brand erosion and a severe constraint to continue in operation. SWAP's Board has therefore taken a decision that the only reasonable solution is to combine with PAT and has agreed a Scheme of Merger with PAT and also negotiated notwithstanding the negative value position of the Company to secure some value for shareholders. Mr. Tunde Titilayo, following his disclosure as a director in both PAT and SWAP recused himself from all discussions on the Proposed Merger and he will also not be voting shares held in SWAP Technologies and Telecomms Plc directly by him, and indirectly through Swap Associates Limited, at the COM.

On behalf of the Board of SWAP, I am pleased to inform you that following discussions and negotiations, the Boards of PAT and SWAP have reached an agreement to undertake a merger between both entities (“the Merger” or “the Proposed Merger”). Accordingly, I hereby present to you the terms and benefits of the Proposed Merger for your consideration and seek your support and approval to complete the Proposed Merger. The Proposed Merger presents the only realistic opportunity to realise some residual value for SWAP’s shareholders.

PAT is a private limited company and as part of the merger, has indicated its preference to remain a private entity. In order to ensure that the shareholders of SWAP obtain some residual value for their investment and are not left in a private unlisted entity, PAT has agreed to offer a cash exit to all shareholders of SWAP. The Cash Consideration of 65 kobo (Sixty-Five kobo) per share will be offered to the shareholders of SWAP. All of the shareholders of SWAP shall in exchange for the Cash Consideration surrender to PAT all of their 2,705,377,141 ordinary shares of 50 kobo each and 1,705,377,141 shares shall be cancelled, with 1,000,000,000 (one billion) ordinary shares of 50 kobo each being redenominated into 500,000,000 (five hundred million) shares of ₦1.00 each and held by PAT’s shareholders in the same proportion as they held shares in the Pre-merger PAT

While I recognise that SWAP’s shares are listed on NASD at 88 kobo (eighty-eight kobo) per share, I note that the shares are illiquid as there have been little or no trades in the last 3 years. The Company presently has negative valuation as a result of equity value being eroded, making the cash consideration a reasonable and compelling opportunity for a cash exit.

The Merger will be executed via a Scheme of Merger (“the Scheme”) in accordance with Section 711 of the Companies and Allied Matters Act 2020 (“CAMA”). The Scheme will involve the combination of all PAT’s assets, liabilities and the undertakings with SWAP, and the surviving entity will be converted to a private limited liability company and renamed Pan African Towers Limited. The surviving entity’s current ordinary shares registration with the Securities and Exchange Commission (“SEC”) will be withdrawn and it will cease to trade on NASD. Finally, the entire issued share capital of PAT shall be cancelled and PAT will be dissolved without being wound up.

The Explanatory Statement on pages 17 to 22 of the Scheme Document is intended to provide you with further information on the Merger and to aid your decision on the resolutions to be proposed at the Court-Ordered Meeting of SWAP.

Prior to presenting the Scheme for your approval, SWAP had received a “No Objection” from the Federal Competition and Consumer Protection Commission (“FCCPC”), in relation to competition and anti-trust matters, an “Approval-in-Principle” from the Securities and Exchange Commission (“SEC”) and a “No-Objection” from the Nigerian Communications Commission (“NCC”) in respect of the Proposed Merger. Upon receiving your approval, an application will be made to the Federal High Court for the sanctioning of the Scheme and to the SEC for the Formal Approval of the Scheme. NASD will also be formally notified of the Merger.

#### **Rationale for and Benefits of the Scheme**

The Board believes that the Proposed Merger presents a unique opportunity that will benefit shareholders, employees, customers, suppliers and the broader economy.

Some of the expected benefits to be derived from the Proposed Merger are:

**1. Resolution of SWAP’s debt**

The Proposed Merger will provide opportunity for the full and final settlement of SWAP’s ₦21.29 billion debt to PAT.

**2. Cash exit for SWAP Shareholders**

The Proposed Merger will secure some residual value to SWAP’s shareholders through the cash exit offered by PAT to all shareholders of SWAP.

**3. Improved Financial condition**

The Proposed Merger will improve SWAP’s financial condition as it prevents further losses.

**4. Safeguard from Insolvency**

The Proposed Merger will provide an opportunity for SWAP to avoid being declared insolvent and prevent value destruction as its outstanding debts will be fully settled.

### **Overview of Pan African Towers Limited**

Pan African Towers (“PAT”) is a digital infrastructure and wireless service facilitator incorporated in 2013 and was licensed by the Nigerian Communications Commission (NCC) in 2017 to engage in the business of telecoms colocation and infrastructure sharing services.

In 2018, PAT entered into a “Managed Services and Colocation Services Agreement” (“MSCAs”) with SWAP, an existing TowerCo to manage a portfolio of tower sites in Nigeria. PAT has a total of 961 tenants across its over 600 tower network with a colocation ratio of 1.62x.

The Company seeks to expand the scope of its digital infrastructure assets by acquiring additional mobile telecommunications towers within its operating region.

### **Fairness Opinion**

The Board has engaged the services of Deloitte & Touche (Nigeria) (“Deloitte”) to act as Fairness Opinion Adviser in connection with the Scheme. Deloitte has conducted an independent review and assessment of the Scheme and has issued a fairness opinion dated 03 August, 2021 confirming that the Cash Consideration is fair and reasonable (“the Fairness Opinion”). An extract of the Fairness Opinion is contained in Appendix IV of this Scheme Document on page 52.

### **Attendance at the Court-Ordered Meeting**

Due to the unprecedented effects of the COVID-19 pandemic, restrictions on mass gatherings imposed by Lagos State and the Federal Government (as applicable) as well as health and safety measures prescribed by the NCDC, attendance at the Court-Ordered Meeting shall be limited to a maximum of fifty (50) people. I therefore encourage you to use the alternative virtual or electronic arrangements that will be put in place to ensure that shareholders participate in the Meeting. SWAP will stream the proceedings of the Meeting live, via YouTube or Zoom. The link for the live streaming of the Meeting will be made available on the company’s website at <http://www.swap-ng.com> and on the Registrar’s website [www.pacregistrars.com](http://www.pacregistrars.com).

Shareholders of SWAP who are unable to attend the Court-Ordered Meeting physically will be able to vote by proxy. Selected Proxies will physically attend the meeting and will vote on behalf of and in accordance with the instructions of shareholders; who will be required to appoint these selected persons as proxies.

Details of the procedure to be followed for proxy voting are detailed in the notice convening the Court-Ordered Meeting of SWAP, on page 58 and Proxy Form on page 64 of the Scheme Document. Kindly complete and return the Proxy Form in accordance with the instructions thereon. SWAP has made arrangements at its expense, for the stamping of the duly completed and signed proxy forms submitted to the Registrars within the stipulated time.

### **Recommendation**

The Board considers the Proposed Merger and the terms of the Scheme to be fair and reasonable and therefore recommends that you vote in favour of the resolution(s), which are to be proposed at the Court-Ordered Meeting on the 20th day, of April 2022 at Lekki Peninsula Hotel, Lekki Phase 1, Lagos.

Yours faithfully,



**Funso Soyoye**

Chairman, Board of Directors  
SWAP Technologies and Telecomms PLC





RC 189502

**Thursday, 26 August, 2021**

**To the Shareholders of Pan African Towers Limited and SWAP Technologies and Telecomms PLC**

Dear Sir/Madam,

**PROPOSED MERGER BETWEEN PAN AFRICAN TOWERS LIMITED AND SWAP TECHNOLOGIES AND TELECOMMS PLC**

**Introduction**

You have been informed by the letters from your respective Chairmen, presented on pages 11 and 14 of this Scheme Document, of the proposal to merge Pan African Towers Limited (“PAT”) and SWAP Technologies and Telecomms PLC (“SWAP”) (together the “Merging Entities”) into a single entity (the “Surviving Entity”) (the “Proposed Merger”). The Proposed Merger is to be implemented via a Scheme of Merger to be executed by PAT and SWAP, and their respective shareholders pursuant to Section 711 of the Companies and Allied Matters Act, 2020 (“CAMA”) (the “Scheme”), the terms and conditions of which will be considered by the shareholders of each company at separate Court-Ordered Meetings.

We, Chapel Hill Denham Advisory Limited (the Financial Adviser to PAT) and Greenwich Merchant Bank Limited (the Financial Adviser to SWAP), have been authorised by your respective Boards of Directors to write to you to explain the terms, provisions and effects of the Scheme, and provide you with other relevant information which we now present hereunder.

**The Proposal**

Under the terms of the Scheme, it is proposed that:

- a. PAT and SWAP shall merge, with SWAP being the Surviving Entity;
- b. The Surviving Entity shall subsequently be converted to a private limited company, which shall be renamed Pan African Towers Limited;
- c. The Surviving Entity shall be organised into an entity holding the Nigerian Towers business, the related Deferred Tax Assets and PAT loans, with all of its other assets, all its other liabilities including contingent liabilities and all of its undertakings transferred to a fully owned subsidiary registered as “SWAP WA Limited”;
- d. PAT shall offer as Merger Consideration and a cash exit to SWAP shareholders, 65 kobo per share for all of the 2,705,377,141 ordinary shares of 50 kobo each (Two Billion Seven Hundred and Five Million Three Hundred and Seventy-Seven Thousand One Hundred and Forty One), in exchange for the surrender of their shares to PAT;
- e. 2,705,377,141 ordinary shares of SWAP shall be surrendered, while 1,705,377,141 ordinary shares will be cancelled leaving 1,000,000,000 ordinary shares of 50 kobo each which shall be redenominated into 500,000,000 ordinary shares of ₦1.00 each and held by PAT’s shareholders in the same proportion as they hold shares in Pre-Merger PAT;
- f. All assets, liabilities and undertakings, including real property and intellectual property rights of PAT shall be combined with SWAP without any further act or deed;
- g. The entire issued share capital of PAT comprising 500,000,000 ordinary shares of ₦1 each shall be surrendered and cancelled; and
- h. PAT shall be dissolved without being wound up.

### **Rationale and Benefits of the Transaction**

The Proposed Merger represents a compelling opportunity to create value for all stakeholders of PAT and SWAP. It is anticipated that there will be a number of synergies, which are expected to result in value accretion for the Surviving Entity over and above the value of the sum of the merging companies, including:

**1. Resolution of SWAP's debt and exit for SWAP Shareholders**

The Proposed Merger will provide opportunity for the full and final settlement of SWAP's ₦21.29 billion debt to PAT and secure some residual value to SWAP's shareholders through the cash exit offered by PAT to all shareholders of SWAP.

**2. Diversified Digital Infrastructure Company**

The Surviving Entity will - by virtue of its broader tower network and reach - become the 3rd largest tower company operating in Nigeria as well as the largest indigenous digital telecommunications infrastructure provider, thus positioning the company to be an integral part of delivering more efficient and seamless network and internet connectivity across Nigeria.

**3. Stronger Market Share and Enhanced Revenues**

The Proposed Merger will result in increased revenue to the Surviving Entity following an expansion of its earning capacity because the merger does not result in the cannibalization of the Parties clients or revenue base.

**4. Merger Synergies**

The Surviving Entity will provide opportunities for improved operational efficiencies, efficient allocation of resources, economies of scale in procurement of items and sizeable cost savings, by optimizing operational processes and streamlining duplicated costs (for example, financial reporting, administrative expenses, etc.), which should improve bottom line performance and ultimately increase shareholder value. The Proposed Merger will also provide a platform where the surviving entity benefits from some tax savings.

**5. Access to Capital**

The Surviving Entity will be a bigger and healthier entity with stronger corporate governance and capable of attracting significant debt and equity capital investments at more favourable terms to rapidly accelerate the growth ambition of the business given the larger operating balance sheet of the combined business.

**6. Improved Financial condition**

The Proposed Merger will improve SWAP's financial condition as it prevents further losses.

**7. Safeguard from Insolvency**

The Proposed Merger will provide an opportunity to fully settle the outstanding debts of the Pre-Merger SWAP, prevent further losses and avoid potential insolvency which will lead to value destruction.

### **Consideration**

In consideration for the takeover of all assets, liabilities and business undertakings, including real property and intellectual property rights of SWAP, each shareholder of SWAP as at the Terminal Date shall receive as Scheme Consideration 65 kobo per share for every SWAP share held on the Terminal Date.

### **Settlement of Scheme Consideration**

Payment of the Cash Consideration shall be settled in Nigerian Naira and remitted via e-payment channels to such Shareholders as are entitled to it. PAT will ensure that the Cash Consideration is credited within ten (10) business days after the Court sanctions the Scheme, to the respective accounts mandated by the Scheme Shareholders via wire transfer using the Central Bank of Nigeria's Real Time Gross Settlement System ("RTGS") or the Nigerian Inter-bank System Electronic Funds Transfer ("NEFT").

Provision for Dissenting Shareholders

If the Scheme is approved, all Scheme Shareholders will be entitled to the Cash Consideration *pro rata* their respective shareholding in SWAP. Dissenting Shareholders who do not sell their shares prior to the Terminal Date will receive the Cash Consideration once the Scheme is sanctioned by the Court.

Plans for Encumbered Shares of SWAP

With respect to the settlement of shares held in SWAP which have been pledged as collateral or are subject to a lien or other similar encumbrances, to the knowledge of and with notification to SWAP, PAT, CSCS and/or the Registrar, the Registrar shall receive the Scheme Consideration, pending satisfactory resolution of the underlying indebtedness or evidence that the underlying indebtedness has been settled.

Plans for Untraceable Shareholders

The Cash Consideration will be remitted via e-payment channels to the respective accounts mandated by the shareholders or Untraceable Shareholders. Where there is no record of a mandated account and the Cash Consideration due to any shareholder of SWAP is not claimed by the relevant shareholder within six (6) months after the Effective Date (the "Unclaimed Money Deadline"), such Cash Consideration shall be deemed unclaimed monies.

A Scheme Shareholder shall be deemed untraceable if their whereabouts cannot be ascertained by the Registrar by the end of the eighteenth (18th) month after the Unclaimed Money Deadline.

Where a shareholder of SWAP entitled to unclaimed monies remains untraceable twenty-four (24) months after the Effective Date, the Registrar shall transfer all such unclaimed monies to the National Investors Protection Fund in accordance with the directive of the SEC.

**Conditions Precedent**

The Scheme will become effective and binding on all the shareholders of PAT and SWAP if:

- a) The FCCPC and the NCC grants a No-Objection and SEC grants an Approval-in-principle for PAT and SWAP to undertake the Scheme;
- b) It is approved by a majority representing not less than three-quarters in value of the holders of ordinary shares held by the Qualifying Shareholders of PAT and SWAP present and voting either in person or by proxy at the respective Court-Ordered Meetings of PAT and SWAP to be convened pursuant to the court order;
- c) The SEC approves, with or without modification or amendment, the terms and conditions of the Scheme as approved at the Court-Ordered Meetings of PAT and SWAP;
- d) The Court sanctions the Scheme with orders substantially in the following terms:
  - PAT and SWAP be merged, with SWAP being the Surviving Entity;
  - The Surviving Entity be converted to a private limited company, which shall be renamed Pan African Towers Limited;
  - The Surviving Entity be organised into an entity holding the Nigerian Towers business, the related Deferred Tax Assets and PAT loans, with all of its other assets, all its other liabilities including contingent liabilities and its all of its undertakings transferred to a fully owned subsidiary registered as "SWAP WA Limited";
  - PAT offer as Merger Consideration and a cash exit to SWAP shareholders, 65 kobo per share for all of the 2,705,377,141 ordinary shares of 50 kobo each (Two Billion Seven Hundred and Five Million Three Hundred and Seventy-Seven Thousand One Hundred and Forty One), in exchange for the surrender of their shares;
  - 1,705,377,141 of the surrendered ordinary shares of SWAP be cancelled leaving 1,000,000,000 ordinary shares of 50 kobo each which shall be redenominated into 500,000,000 ordinary shares of ₦1.00 each and held by PAT's shareholders in the same proportion as they hold shares in Pre-Merger PAT;
  - All assets, liabilities and undertakings, including real property and intellectual property rights of PAT be combined with SWAP without any further act or deed;
  - The entire issued share capital of PAT comprising 500,000,000 ordinary shares of ₦1.00 each be surrendered and cancelled; and
  - PAT be dissolved without being wound up

## Shareholder Meetings and Actions

### a. Meetings to Approve the Scheme and Voting Rights

Separate meetings of the shareholders of PAT and SWAP will be convened by the order of the Court for the purpose of considering and if thought fit, approving the Scheme. At the Court-Ordered Meetings, voting will be by poll (and not by show of hands); each shareholder present in person or by proxy will be entitled to one vote for every share held by him/her/it. The statutory majority required to pass the sub-joined resolutions approving the Scheme at the respective Court-Ordered Meetings is a majority representing not less than three-quarters (3/4) in value of the shares of members, present and voting either in person or by proxy.

Thus, for the Scheme to be approved, a majority representing not less than three-quarters (3/4) in value of the shares held by the Qualifying Shareholders of each company, present and voting either in person or by proxy must vote in favour of the Scheme at the separate Court-Ordered Meetings.

The notices of the Court-Ordered Meetings of PAT and SWAP are on pages 57 and 61 of this Scheme Document.

### b. Actions to be taken by shareholders

Due to the unprecedented effects of the COVID-19 pandemic, restrictions on mass gatherings put in place by the Lagos State and Federal Government (as applicable) as well as health and safety measures prescribed by the NCDC, attendance at the Court-Ordered Meeting of SWAP shall be limited to a maximum of fifty (50) people each. Kindly use the virtual or electronic alternative arrangements that will be put in place to participate in the Meeting. The proceedings of SWAP's Court-Ordered Meeting will be streamed live.

Shareholders of SWAP who are unable to attend the respective Court-Ordered Meetings physically - because of the physical distancing directives and the resulting attendance limit - will be able to utilise the alternative methods that will be made available, to facilitate observation of the Court-Ordered Meetings, in lieu of physical attendance and vote will be cast by proxy at the respective Court-Ordered Meetings. The appropriate Proxy Form for each of the Court-Ordered Meetings can be found on pages 64 to 66 of this Scheme Document.

We request that you complete and sign the Proxy Form in accordance with the instructions thereon and ensure the Proxy Form for SWAP is delivered to PAC Registrars Limited physically or via email (info@pacregistrars.com), not later than 24 hours before the time fixed for the relevant meeting. PAT and SWAP have made arrangements at their expense, for the stamping of the duly completed and signed proxy forms submitted to the Registrars within the stipulated time of 24 hours before the date(s) of the meetings.

Any of the following parties ("**Selected Proxies**") can be appointed as proxies for this purpose:

PAT	SWAP
Oluwole Adeleke	Funso Soyoye
	Ade Ogunlesi
	Tolulope Osunsanya
	Kayode Abayomi
	Grace Emokhor

Where a shareholder who has appointed a proxy attends the Meeting physically (and is able to gain access to the meeting), that shareholder's appointed proxy will not be entitled to vote on behalf of such a shareholder.

Please note that if you do not give a specific voting instruction on the resolution to be considered at the Court-Ordered Meeting - by placing a mark in the appropriate box - your proxy will be at liberty to vote or abstain from voting as he or she thinks fit on the resolution, any modifications to the Scheme or any other business that may properly come before the Court-Ordered Meeting.

### Plans for Employees and Directors

The Proposed Merger is not intended to unduly jeopardise the employment of any employee of either PAT or SWAP. Upon the Scheme becoming effective, existing contracts of employment of employees and officers of PAT shall be transferred to the Surviving Entity and such employees and officers shall become the employees

and officers of the Surviving Entity. The Surviving Entity shall ensure that all employees of the two institutions are treated fairly and their continuing employment shall be based on merit. Where any employee does not wish that his/her employment be transferred to the Surviving Entity after the Proposed Merger, such employee will be entitled to obtain his/her terminal benefits based on his/her existing contract of service.

The composition of the Board of Directors of the Surviving Entity shall be in accordance with its Articles of Association.

### **Financial Effects of the Proposed Merger**

#### **a. Capital Value**

Upon the Scheme becoming effective, each shareholder of SWAP will receive 65 kobo per share for every ordinary share of SWAP in issue in exchange for which PAT's shareholders will receive the shares in SWAP in the proportion of their holding in the Pre-Merger PAT. The Cash Consideration was determined on the basis of the various valuation methodologies used for the purpose of the Scheme as advised by the Financial Advisers, and approved by the Boards of both parties.

#### **b. Taxation**

Nigerian tax law provides certain tax benefits to related companies in the event of a merger, reorganisation or restructuring. Such tax benefits include the exemption of the assets transferred from value added tax and the exemption of any gains that may be deemed to have been realised by the entity to be dissolved from capital gains tax. In order for the tax benefits to apply, the Finance Act (which amended relevant sections of the Companies Income Tax Act Chapter C21 LFN 2004 (as amended), the Capital Gains Tax Act, Chapter C1 LFN 2004 (as amended) ("CGT Act") and Value Added Tax Act Chapter V1 LFN 2004 (as amended)), provides that the merging companies will only be entitled to the tax benefits in respect of the transfer of assets in a merger if the companies are related – i.e. where one company has control over the other or both are controlled by some other person or are members of a recognised group of companies) and must have been in that relationship for a consecutive period of at least 365 days prior to the date of the merger.

Furthermore, the assets transferred pursuant to the merger must not be disposed of within 365 days after the date of transfer of such assets. Where such assets are disposed of within 365 days of such transfer, the applicable tax benefits will be withdrawn and the companies will be treated as if they did not qualify for the tax benefits as at the date of the initial reorganisation.

Given that the parties to the Proposed Merger are related and have been so related for more than 365 days, the tax benefits provided under the relevant tax laws will apply provided that the assets transferred are not disposed of within 365 days of such transfer.

With regard to the Shareholders, the implementation of the Scheme as proposed will not give rise to any tax disadvantage with respect to capital gains tax, value added tax and stamp duty. This is because Section 30(1) of the CGT Act specifically exempts' shareholders from tax on any gains accruing to a person from a disposal of Nigerian government securities, stocks and shares. Also, shares are explicitly exempted from VAT as stated in Section 46 of the VAT Act. Furthermore, the Stamp Duties Act Chapter S8 LFN 2004 (as amended) exempts instruments for the transfer of shares from the payment of stamp duty.

The foregoing statement is not intended to be, and should not be construed to be, legal or tax advice. Shareholders who are in any doubt about their taxation position, or who are subject to taxation in a jurisdiction outside Nigeria, are strongly advised to consult their professional advisers.

### **Effectiveness of the Scheme**

The Scheme will become effective on the date on which the Court sanctions the Scheme or such other date as may be declared by the Court and will become binding on all shareholders of PAT and SWAP, irrespective of whether or not they voted at their respective Court-Ordered Meetings.

### Information regarding PAT

PAT is a digital infrastructure and wireless service facilitator incorporated in 2013 as a private limited liability company, and was licensed by the Nigerian Communications Commission (NCC) in 2017 to engage in the business of telecoms colocation and infrastructure sharing services.

In 2018, PAT entered into a "Managed Services and Colocation Agreement" ("MSCAs") with SWAP, an existing TowerCo to manage a portfolio of tower sites in Nigeria. PAT's has a total of 961 tenants across its active 595 tower network with a colocation ratio of 1.62x.

The Company seeks to expand the scope of its digital infrastructure assets by acquiring additional mobile telecommunications towers within its operating region.

### Information regarding SWAP

SWAP is a diversified company incorporated in April 2003 as a private limited liability company but was re-registered as a public company in 2008. SWAP was admitted to trade on NASD OTC Securities Exchange on September 30, 2013 with security code SDSWAPPLC. SWAP provides passive infrastructure sharing solution to Mobile Network Operators.

SWAP, also maintains an Engineering and Project division that engages in third party engineering solution services for the Telecoms industry, and its service delivery can be classified as Colocation and Managed Services.

### Further Information

Your attention is drawn to the following information contained in the appendices to this Scheme Document. Shareholders are encouraged to read the whole of this Scheme Document including documents contained within this document and should not rely solely on the summarised information included in this Explanatory Statement and in other parts of the Document.

Appendix I – Further Information on on pages 31 to 37

Appendix II – Further Information on on pages 38 to 49

Appendix III – Proforma Financial Information of the on pages 50 to 51

Appendix IV – Fairness Opinion on pages 52 to 54

Appendix V – Statutory and General Information on pages 55 to 57

Appendix VI – Notice of Court-Ordered Meeting – on pages 58 to 60

Appendix VII – Notice of Court-Ordered Meeting – on pages 61 to 63.

Appendix IX – Proxy Form for PAT on pages 64 to 65.

Appendix IX – Proxy Form for SWAP on pages 66 to 67.

### Conclusion and Recommendation

The Boards of Directors of PAT and SWAP, having considered the terms and conditions of the Scheme as well as the benefits thereof, recommend that you vote in favour of the resolutions which will be proposed at the respective Court-Ordered Meetings.

Yours faithfully,



**Kemi Awodein**  
Managing Director  
Chapel Hill Denham Advisory Limited



**Bayo Rotimi**  
Managing Director  
Greenwich Merchant Bank Limited

### **Basis and Assumptions**

The main assumptions used for the valuation are as follows:

1. The valuation reference date is 27 April 2021;
2. The forecasts adopted for the valuation were based on estimates obtained from management of the respective Merging Entities;
3. The issued and fully paid share capital of SWAP was ₦1,352,688,570.50 comprised of 2,705,377,141 ordinary shares of 50 kobo each; and
4. The issued and fully paid share capital of PAT was ₦500,000,000.00 comprised of 500,000,000 ordinary shares of ₦1.00 each.

### **Methodologies Considered**

The Financial Advisers employed the use of the following valuation methods as a basis for determining the value of the Scheme:

- Historical Market Price Analysis;
- Net Asset Value
- Comparable Trading Multiples Analysis;
- Comparable Precedent Transaction Multiples Analysis; and
- Discounted Cash Flow Analysis.

#### Historical Market Price Analysis

This approach is based on the analyses of the historical trading share price of SWAP on floor of The NASD. SWAP's trading pattern was analysed over a 52-week period up until June 2021 to identify the low and high of the trading range, and the volume weighted average price ("VWAP") over 30 days, 90 days, 6 months and 1 year was considered in the valuation analysis. A haircut has been applied to the market price given the illiquidity of the shares.

#### Net Asset Value

This approach values a company based on the available assets and liabilities of the company. In this instance, the total value of the liabilities will be deducted from the market value of the assets to ascertain the realisable net asset value. This will be divided with the issued shares to determine the Net Asset Value per Share.

#### Comparable Trading Multiples Analysis

This approach values a company based on multiples at which comparable companies trade on their respective stock exchanges. In determining the valuation, comparable companies operating within the same segment in Nigeria and other emerging markets were considered. The key multiples considered for this valuation methodology are Enterprise Value / EBITDA, Enterprise Value / Sales and Price / Earnings.

#### Comparable Precedent Transaction Multiples Analysis

This approach is a valuation method in which the implied multiples derived from the price paid for similar companies in the past is considered an indicator of a company's value. In determining the valuation, several multiples from similar-type transactions in emerging markets in the last five years were considered. The key multiples considered for this valuation methodology are Enterprise Value / Sales and Price / Earnings.

#### Discounted Cash Flow Analysis

This valuation methodology seeks to capture the intrinsic value of a company based on the projected cashflows and applicable discount rates for the company. In determining the valuation, financial projections for SWAP for the years 2021 to 2026 were provided by SWAP's management team.

**Valuation Summary**

Based on the foregoing, the Financial Advisers have recommended, upon the Scheme coming into effect, a Cash Consideration of 65 kobo for every ordinary share of SWAP held.

The consideration was approved at separate meetings of the Board of Directors of PAT and SWAP.

Value of the Scheme Consideration to Scheme Shareholders, assuming an all-cash consideration, is ₦1,758,495,142.00 (One Billion, Seven Hundred and Fifty Eight Million, Four Hundred and Ninety Five Thousand, One Hundred and Forty Two Naira only).



## SCHEME OF MERGER

(Under Section 711 of the Companies and Allied Matters Act 2020)

Between



**Pan African Towers Limited** RC 1100167

and



**SWAP Technologies and Telecomms Plc** RC 476096

### PRELIMINARY

- A. In this Scheme, as herein defined, the following expressions have the following meanings where the context so admits:

<b>“Board” or “Board of Directors”</b>	Board of Directors of either PAT or SWAP in the relevant context, comprising those persons whose names appear on pages 7 and 9 of this Scheme Document
<b>“Business Day”</b>	Any day, other than a Saturday, Sunday or public holiday declared by the Federal Government of Nigeria, on which banks are open for business in Nigeria
<b>“CAMA”</b>	Companies and Allied Matters Act, 2020 (as amended)
<b>“Cash Consideration” or “Merger Consideration”</b>	65 kobo payable by PAT for each share held by the SWAP Shareholders in exchange for such share
<b>“Consideration” or “Scheme Consideration”</b>	Cash Consideration paid for each ordinary share of SWAP held by the SWAP Shareholders
<b>“Court”</b>	Federal High Court
<b>“Court Order”</b>	An Order of the Federal High Court of Nigeria
<b>“COM” or “Court-Ordered Meeting”</b>	The separate meetings of the Qualifying Shareholders of PAT and SWAP convened by order of the Court, notices of which are set out on pages 58 and 61 of this Scheme Document, respectively, including any adjournment thereof
<b>“Court Sanction”</b>	The order made by the Court pursuant to section 711 (2) of CAMA, sanctioning the Scheme
<b>“CSCS”</b>	Central Securities Clearing System PLC
<b>“Dissenting Shareholders”</b>	Qualifying Shareholders of PAT and/or SWAP who vote against the special resolution proposed at the separate Court- Ordered Meetings
<b>“Effective Date”</b>	The date on which the Court sanctions the Scheme, in accordance with Section 711(2) and (3) of CAMA
<b>“Explanatory Statement”</b>	The statement dated Thursday, 26 August 2021, issued by the Financial Advisers to the Shareholders of PAT and SWAP for the purpose of explaining the terms, conditions and effects of the Scheme which are set out on pages 17 to 22 of this Scheme Document
<b>“FCCPC”</b>	Federal Competition and Consumer Protection Commission

<b>“Finance Act”</b>	The Finance Act, 2019; the Finance Act, 2020 and the Finance Act, 2021
<b>“Financial Advisers”</b>	Chapel Hill Denham Advisory Limited and Greenwich Merchant Bank Limited acting as financial adviser to PAT and SWAP, respectively
<b>“FIRS”</b>	Federal Inland Revenue Service
<b>“Form of Proxy” or “Proxy Form”</b>	The form for use in connection with the Court-Ordered Meetings of the Qualifying Shareholders which is set out on pages 64 and 66 for PAT and SWAP respectively
<b>“Holders” or “Shareholders”</b>	The registered holders of the shares in each Party as at the date on which the Registrar closes the register for the purposes of dispatching the Scheme document
<b>“LFN”</b>	Laws of the Federation of Nigeria
<b>“Merger” or the “Proposed Merger”</b>	The merger between PAT and SWAP to be implemented by means of the Scheme of Merger as described in this Scheme Document
<b>“Merging Entities”</b>	PAT and SWAP
<b>“₦” or “Naira”</b>	Currency of the Federal Republic of Nigeria
<b>“NASD”</b>	NASD Plc, an equities Over The Counter Exchange
<b>“NCC”</b>	Nigeria Communications Commission
<b>“NCDC”</b>	Nigeria Centre for Disease Control
<b>“Parties”</b>	Collectively, PAT and its shareholders, and SWAP and its shareholders; and “Party” means each of them individually
<b>“PAT”</b>	Pan African Towers Limited
<b>“Pre-Merger PAT”</b>	The pre-merger PAT (RC 1100167) with 500,000,000 ordinary shares of ₦1.00 per share
<b>“Pre-Merger SWAP”</b>	The pre-merger SWAP (RC 476096) with 2,705,377,141 ordinary shares of 50 kobo per share
<b>“Post-Merger PAT”</b>	The pre-merger SWAP (RC 476096) re-registered as a private limited company, delisted from NASD and renamed Pan African Towers Limited holding the Nigerian Towers business, the Deferred Tax Assets, the loans from PAT, as well as a fully owned subsidiary, SWAP WA Limited
<b>“Qualification Date”</b>	The date agreed by the Parties, on which the respective Register of Members of PAT and SWAP shall be closed for the purpose of determining the shareholders who will be eligible to attend and vote at the respective Court-Ordered Meetings
<b>“Qualifying Shareholders”</b>	The shareholders whose names appear in the respective Register of Members of PAT and/or SWAP as at the Qualification Date
<b>“Register of Members”</b>	The register of members of PAT and SWAP, required to be maintained by the Registrars pursuant to the provisions of CAMA
<b>“Registrar” or “Registrars”</b>	AK Nominees Management Services Limited for PAT; and PAC Registrars Limited for SWAP
<b>“Scheme” or “Scheme of Merger”</b>	The Scheme of Merger between PAT and SWAP in accordance with the provisions of this Scheme Document and Section 711 of CAMA
<b>“Scheme Document”</b>	This document setting out the Scheme, the Explanatory Statement, the respective notices of the Court-Ordered Meetings and the various appendices contained herein
<b>“Scheme Shareholders”</b>	Holders of the fully paid ordinary shares in SWAP whose names appear in the Register of Members of SWAP as at the Terminal Date
<b>“SEC”</b>	Securities and Exchange Commission
<b>“Surviving Entity”</b>	The post-merger entity that will result from the Proposed Merger. This

	shall be the Post-Merger PAT combined with the assets, undertakings and liabilities of PAT. Upon the Merger becoming effective, PAT shall be dissolved without being wound down and the Surviving Entity shall be the Post Merger PAT
<b>“SWAP”</b>	SWAP Technologies and Telecomms Plc, RC 476096
<b>“SWAP WA Limited”</b>	A fully owned subsidiary of SWAP which pursuant to the Scheme will hold all of the assets, liabilities and undertakings of SWAP, other than the Nigerian Towers business, Deferred Tax Assets (DTA), and the Secured Loan from PAT.
<b>“Terminal Date”</b>	The Business Day immediately preceding the Effective Date
<b>“Untraceable Shareholders”</b>	The shareholders of PAT and/or SWAP whose whereabouts cannot be ascertained after reasonable efforts have been made to find them

- B. The authorised share capital of PAT is ₦500,000,000.00 comprised of 500,000,000 ordinary shares of ₦1.00 each, of which ₦500,000,000.00 comprising of 500,000,000 ordinary shares of ₦1.00 each are issued and fully paid up.
- C. The authorised share capital of SWAP is ₦1,500,000,000.00 comprised of 3,000,000,000 ordinary shares of 50 kobo each, out of which 2,705,377,141 ordinary shares of 50 kobo each are issued and fully paid up.
- D. By a Board resolution dated 29 July 2021, the Directors of PAT resolved to propose to the shareholders of PAT that PAT and SWAP be merged on the terms and conditions hereinafter set forth in this Scheme Document, and to this end, also proposed that the necessary resolutions required by law to give effect to the Scheme be passed by PAT’s Qualifying Shareholders at a Court-Ordered Meeting.
- E. By a Board resolution dated 29 April 2021, the Directors of SWAP resolved to propose to the shareholders of SWAP that PAT and SWAP be consolidated on the terms and conditions hereinafter set forth in this Scheme Document, and to this end, also proposed that the necessary resolutions required by law to give effect to the Scheme be passed by SWAP’s Qualifying Shareholders at a Court-Ordered Meeting.

## THE SCHEME

### Transfer of Assets, Liabilities and Undertakings

Subject to the Scheme of Merger being approved by a majority representing not less than three-quarters (3/4) in value of the ordinary shares of the Qualifying Shareholders of PAT and SWAP present and voting either in person or by proxy at their respective Court-Ordered Meetings, the No-Objection to the Scheme from both FCCPC and NCC, and the Scheme being approved by the SEC and sanctioned by the Court, PAT’s assets (including all tax attributes, unutilized capital allowances, tax losses, withholding tax credits of PAT and any other tax refunds available subject to the approval of the FIRS), liabilities and undertakings, including real property and intellectual property rights, shall be combined with SWAP based on the terms and subject to the conditions set out in this Scheme, without any further act or deed.

### Re-organisation

- Upon the Merger becoming effective, SWAP being the Surviving Entity be converted into a private limited company which shall be renamed Pan African Towers Limited; and
- The Surviving Entity be organised into an entity holding the Nigerian Towers business, the related Deferred Tax Assets and PAT loans, with all of its other assets. All of the Surviving Entity’s other liabilities including contingent liabilities and all of its undertakings shall pursuant to this Scheme be transferred to a fully owned subsidiary known as “SWAP WA Limited”.

### **Cancellation and Redenomination of Share Capital and Dissolution**

- 1,705,377,141 ordinary shares of 50 kobo each of the surrendered shares in the Surviving Entity be cancelled, leaving 1,000,000,000 ordinary shares of 50 kobo each which shall be redenominated into 500,000,000 ordinary shares of ₦1.00 each; and
- Further to the combination of PAT's assets, liabilities and undertakings with the Surviving Entity, the entire issued share capital of PAT comprising 500,000,000 ordinary shares of ₦1.00 each be surrendered and cancelled and Pre-Merger PAT shall be dissolved without being wound up.

### **Consideration**

Upon the Scheme becoming effective, in exchange for the receipt of their 2,705,377,141 (Two Billion Seven Hundred and Five Million Three Hundred and Seventy-Seven Thousand One Hundred and Forty-One) ordinary shares of 50 kobo each, PAT shall offer as Merger Consideration and cash exit to SWAP shareholders, 65 kobo per share for every SWAP share held on the Terminal Date.

### **Settlement of Scheme Consideration**

Payment of the Cash Consideration to Scheme Shareholders shall be settled in Nigerian Naira and remitted through an e-payment system within ten (10) days after the Court sanctions the Scheme, to the respective accounts mandated by the Scheme Shareholders via wire transfer using the Central Bank of Nigeria's Real Time Gross Settlement System ("RTGS") or the Nigerian Inter-bank System Electronic Funds Transfer ("NEFT"). Furthermore, the shareholders of SWAP will be requested - when the notices of the Court-ordered meetings are published - to update their contact details, which will include providing e-payment mandates.

### **Untraceable Shareholders**

Where there is no record of a mandated account and the Cash Consideration due to any shareholder of SWAP is not claimed by the relevant shareholder within six (6) months after the Effective Date (the "Unclaimed Money Deadline"), such Cash Consideration becomes unclaimed monies.

A Scheme Shareholder shall be deemed untraceable if his/her/its whereabouts cannot be ascertained by the Registrar by the end of the eighteenth (18th) month after the Unclaimed Money Deadline.

Where a shareholder of SWAP entitled to unclaimed monies remain untraceable twenty-four (24) months after the Effective Date, the Registrar shall transfer all such unclaimed monies to the National Investors Protection Fund in accordance with the directive of the SEC.

### **Conditions Precedent**

The Scheme is conditional upon:

- a. The receipt of No-Objection from the FCCPC and the NCC, and the receipt of an Approval-in-principle from SEC for PAT and SWAP to undertake the Scheme;
- b. Its ratification by a majority representing not less than three-quarters (3/4) in value of the ordinary shares held by the Qualifying Shareholders in PAT and SWAP present and voting either in person or by proxy, at the separate Court-Ordered Meetings of PAT and SWAP;
- c. SEC approving, with or without modification or amendment, the terms and conditions of the Scheme as approved at the aforesaid Court-Ordered Meetings;
- d. The Court Sanction, with orders to the effect that:
  - i. PAT and SWAP be merged, with SWAP being the Surviving Entity;
  - ii. The Surviving Entity be subsequently converted to a private limited company, and renamed Pan African Towers Limited;
  - iii. The Surviving Entity be organised into an entity holding the Nigerian Towers business, the related Deferred Tax Assets and PAT loans, with all of its other assets, all its other liabilities including

- contingent liabilities and all of its undertakings transferred to a fully owned subsidiary registered as "SWAP WA Limited";
- iv. Merger Consideration and a cash exit of 65 kobo per share be paid by PAT to all SWAP shareholders for all of the 2,705,377,141 ordinary shares of 50 kobo each (Two Billion Seven Hundred and Five Million Three Hundred and Seventy-Seven Thousand One Hundred and Forty-One), in exchange for the surrender of their shares;
  - v. 1,705,377,141 of the surrendered ordinary shares of the Surviving Entity be cancelled leaving 1,000,000,000 ordinary shares of 50 kobo each which shall be redenominated into 500,000,000 ordinary shares of ₦1.00 each and held by PAT's shareholders in the same proportion as they hold shares in the Pre-Merger PAT;
  - vi. All assets, liabilities and undertakings, including real property and intellectual property rights of PAT be combined with SWAP without any further act or deed;
  - vii. The entire issued share capital of PAT comprising 500,000,000 ordinary shares of ₦1.00 each be surrendered and cancelled; and
  - viii. PAT be dissolved without being wound up.

### **Consequences of the Scheme**

As from and including the Effective Date:

- i. The entire assets, liabilities and undertakings of PAT shall be merged with SWAP to form the assets, liabilities and undertakings of the Surviving Entity which shall carry on the business of both entities;
- ii. The Surviving Entity shall be converted to a private limited company, which shall be renamed Pan African Towers Limited and be organised into an entity holding the Nigerian Towers business, the related Deferred Tax Assets and PAT loans, with all of its other assets, all its other liabilities including contingent liabilities and all of its undertakings transferred to a fully owned subsidiary registered as "SWAP WA Limited";
- iii. 2,705,377,141 ordinary shares 50 kobo each in the Surviving Entity will be surrendered while 1,705,377,141 ordinary shares will be cancelled, leaving 1,000,000,000 ordinary shares of 50 kobo each which shall be redenominated into 500,000,000 ordinary shares of ₦1.00 each and held by PAT's shareholders in the same proportion as they hold shares in the Pre-Merger PAT; and
- iv. The entire issued share capital of PAT comprising 500,000,000 ordinary shares of ₦1.00 each be surrendered and cancelled and PAT be dissolved without being wound up.

### **Directors and Employees**

#### Plans for Employees

In order to preserve and maximise value for the Surviving Entity post-merger, the Parties will ensure that all employees of the two institutions would be treated fairly and their continuing employment with the Surviving Entity shall be based on merit. From the Effective Date, the contracts of employment of all employees who are in the employment of the Parties shall be transferred to the Surviving Entity, and such employees shall become employees of the Surviving Entity on terms and conditions applicable to the respective grades of the employees in the Surviving Entity. Where any employee does not wish that his/her employment be transferred to the Surviving Entity after the Merger, such employee will be entitled to obtain his/her terminal benefits based on his/her existing contract of service.

#### Composition of the SWAP's Board of Directors

The composition of the Board of Directors of the Surviving Entity shall be in accordance with its Articles of Association.

**Effectiveness**

- a. The Scheme shall become effective on the day on which the Court Sanctions the Scheme.
- b. The Court Order sanctioning the Scheme shall be deemed to confer title on the Surviving Entity in respect of the transferred assets, liabilities and undertakings of the Parties in accordance with the Scheme without further act or deed.
- c. On the Effective Date, the Scheme shall become binding in accordance with its terms on all shareholders of PAT and SWAP including those who were absent at the Court-Ordered Meeting and those who attended and did not vote, or who voted against the Scheme at the Court-Ordered Meeting.
- d. Not later than ten (10) Business Days after the Effective Date, PAT shall take such procedural steps as are necessary to implement and give full force and effect to the payment of the Cash Consideration, as applicable, to the Scheme Shareholders.

**Modification**

The Board of Directors of PAT and SWAP are authorised to consent, on behalf of all parties concerned, to any modifications of or additions to the Scheme which the SEC, and/or the Court may deem fit to approve or to any condition which the Court may impose.

**Memorandum of Agreement (“MoA”) between PAT and SWAP**

PAT and SWAP have entered into a Memorandum of Agreement (the “MoA”) to outline salient terms and conditions which are binding on PAT and SWAP; and relate to obligations of the aforementioned companies before and during the completion of the Scheme. Provisions contained in the MoA include but are not limited to terms upon which the Parties will combine all their assets, undertakings and liabilities; treatment of employees, conditions precedent to the Scheme, termination, warranties and covenants of PAT and SWAP.

**Share Capital of the Surviving Entity**

Following the Scheme, the issued and fully paid up share capital of the Surviving Entity, shall be as follows:

Share Capital	Number of Issued Shares	Nominal Value	Share Capital (₦)	Percentage (%)
Existing Share Capital of SWAP	2,705,377,141	50 kobo	1,352,688,570.50	100.00
Shares Surrendered (A)	2,705,377,141	50 kobo	1,352,688,570.50	100.00
Shares Cancelled (B)	1,705,377,141	50 kobo	852,688,570.50	63.04
<b>Post Scheme (C) = A - B</b>	<b>1,000,000,000</b>	50 kobo	<b>500,000,000.00</b>	<b>36.96</b>
<b>Redenominated</b>	<b>500,000,000</b>	<b>₦1.00</b>	<b>500,000,000.00</b>	

**Costs**

PAT and SWAP shall each bear their respective costs and expenses relating to the negotiation, preparation, sanctioning and implementation of the Scheme.

**Governing Law**

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

### Background Information

Pan African Towers Limited is a private limited liability company incorporated in Nigeria on the 4th of March, 2013 under the CAMA. It commenced operations July 1, 2018. The Company is involved in the provision of infrastructure sharing (co-location) services in the telecoms industry, building and installation of telecoms infrastructure, providing managed telecoms services and importation of telecommunication infrastructure materials and spare parts.

Pan African Towers is an award-winning new telecommunications infrastructure company and wireless service facilitator in Nigeria aimed at catering to the telecommunication needs ranging from broadband, mobile telephony to other local value-added services in Africa. The Company has deployed about 1300 towers (1000 in Nigeria and 300 in Ghana) and aiming to deploy over 35,000 towers across Africa.

### Share Capital History

As at the date of this Scheme Document the authorised share capital of PAT is ₦500,000,000.00 comprising 500,000,000 ordinary shares of ₦1.00 each, out of which ₦165,000,000.00 comprised of 165,000,000 ordinary shares of ₦1.00 each are issued and fully paid up. The changes to PAT's authorised and issued share capital since incorporation are summarized below:

Year	Authorised (₦'000)		Issued & Fully Paid-up (₦'000)		Consideration
	Increase	Cumulative	Increase	Cumulative	
2018	10,000	10,000	10,000	10,000	
2019	490,000	500,000	490,000	500,000	
2020	0	500,000	(335,000)	165,000	Forfeiture of shares
2021	0	500,000	0	165,000	

### Shareholding Structure

As at December 2020, the 165,000,000 ordinary shares of ₦1.00 each in the issued ordinary share capital of PAT are beneficially held as follows:

Shareholder	No. of Ordinary Shares Held	Percentage (%)
Prime West Africa Infrastructure Limited	164,900,000	99.94
Tokunbo Ogunfodun	100,000	0.06
	<b>165,000,000</b>	<b>100.00</b>

In December 2020, a new investor acquired stake in PAT. On March 23, 2021, the NCC approved the acquisition and PAT is currently awaiting the FCCPC No-Objection. Following the receipt of the FCCPC No-Objection to the acquisition, the issued share capital of PAT will be 500,000,000 ordinary shares of ₦1.00 each and will be held beneficially as follows:

Shareholder	No. of Ordinary Shares Held	Percentage (%)
Chapel Hill Advisory Partners	335,000,000	67.00
Prime West Africa Infrastructure Limited	165,000,000	33.00
	<b>500,000,000</b>	<b>100.00</b>

Except as stated above, no shareholder holds more than 5% of the issued share capital of PAT.

**Directors' Beneficial Interest**

The interests of the PAT Directors in the issued share capital as recorded in the Register of Members as at June 30th 2021, and as notified by them for the purpose of Section 301(1) of CAMA are as follows:

S/N	Name	Direct Holding	Indirect Holding	Total	Percentage (%)
1.	Tunde Titilayo	Nil	132,000,000	132,000,000	80.00

**Subsidiaries and Associated Companies**

As at date of this Scheme Document, PAT has no subsidiaries or associated companies.

**Extract from Memorandum & Articles of Association of PAT****MEMORANDUM OF ASSOCIATION**

3. The objects for which the Company is established are:
- (A) To engage in the business of Telecoms Co-locations and Infrastructure Sharing Services.
  - (B) To engage in the business of Building and Installation of Telecoms Infrastructure
  - (C) To engage in the business of providing Managed Telecoms Services.
  - (D) To engage in the business of importation of Telecommunication Infrastructure materials and spare parts.
  - (E) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

**TRANSMISSION OF SHARES****RESTRICTIONS ON TRANSFER OF SHARES**

- The Directors may in their absolute discretion and without giving any reason, refuse to register any transfer of any share, whether or not it is fully paid share.

**MEETINGS**

- The annual general meeting shall be held at such time and place as the director shall appoint. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the company, or if there is no such chairman, or if he is not present within thirty minutes after the appointed for the holding of the meeting or is unwilling to act, the directors present, shall elect another member to be Chairman of the meeting. If at any meeting no director is willing to act as chairman or if no director is present within thirty minutes after the time appointed for the meeting, the member present shall choose one of their number to be chairman of the meeting.

**VOTING**

- No member shall be entitled to vote at any general meeting unless all calls or other sums payable by him in respect of shares in the company have been paid.

**THE SEAL**

- The directors shall provide for the safe custody of the seal, which shall only be used by the authority of the director or of a committee of directors authorized by the director that behalf and every instrument to which the seal is affixed shall be signed by the director and countersigned by the secretary or by some other person appointed by the directors for the purpose.



**NOTICE**

A notice may be given by the company to any member personally or by sending it by post to him or his registered address, or (if he has no registered address within Nigeria) to the address, if any, within Nigeria supplied by him to the company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected properly addressing, prepaying and posting a letter containing the notice and to have been effected at the expiration of seven days after the letter containing the same is posted.

**Five - Year Financial Summary**Statement of Profit or Loss and other Comprehensive Income

The following is a summary of PAT's Statement of Profit or Loss and other Comprehensive Income for the financial years ended 31 December 2017, 2018, 2019 and 2020.

<i>Income Statement (N '000)</i>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Revenue	8,240,491	6,195,189	2,905,175	-
Cost of Sales	(3,951,943)	(3,529,699)	(2,092,498)	-
<b>Gross profit</b>	<b>4,288,548</b>	<b>2,665,490</b>	<b>812,677</b>	-
Other Income	9,575	9,047	-	-
Administrative expenses	(1,583,706)	(942,288)	(378,333)	(400)
Loss Allowance on Trade Receivable	(184,017)	(52,965)	-	-
<b>Operating profit</b>	<b>2,530,400</b>	<b>1,679,284</b>	<b>434,344</b>	<b>(400)</b>
Finance Cost	(1,241,644)	(329,789)	(19,277)	-
<b>Profit before taxation</b>	<b>1,288,756</b>	<b>1,349,495</b>	<b>415,067</b>	<b>(400)</b>
Taxation	-	-	-	-
<b>Profit after taxation</b>	<b>1,288,756</b>	<b>1,349,495</b>	<b>415,067</b>	<b>(400)</b>
Other Comprehensive Income	-	-	-	-
<b>Total comprehensive Income</b>	<b>1,288,756</b>	<b>1,349,495</b>	<b>415,067</b>	<b>(400)</b>
Earnings per share				
<b>Basic profit per share (Naira)</b>	<b>7.81</b>	<b>135.00</b>	<b>42.00</b>	<b>0.04</b>

Statement of Financial Position

The following is a summary of PAT's Statement of Financial Position for the financial years ended 31 December 2017, 2018, 2019 and 2020.

<i>Balance Sheet (# '000)</i>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Non-current assets</b>				
Property, plant and equipment	4,487,887	3,028,393	952,487	-
Right of Use Asset	2,476,468	1,845,182		-
Intangible Assets	588,707	169,920	82,579	-
Tower Decommissioning Cost	16,489	10,729		-
Investment in subsidiary	800	800	800	-
<b>Total non-current assets</b>	<b>7,570,351</b>	<b>5,055,024</b>	<b>1,035,866</b>	<b>-</b>
<b>Current assets</b>				
Lease Receivables	-	-	480,937	-
Trade and other receivables	2,362,039	1,621,446	990,333	9,650
Advances and other assets	1,442,055	655,731	-	-
Due from related party	19,683,075	-	-	-
Cash and cash equivalents	2,047,956	1,404,614	127,687	-
<b>Total current assets</b>	<b>25,535,125</b>	<b>3,681,791</b>	<b>1,598,957</b>	<b>9,650</b>
<b>Total assets</b>	<b>33,105,476</b>	<b>8,736,815</b>	<b>2,634,823</b>	<b>9,650</b>
<b>Equity</b>				
Share capital	165,000	10,000	10,000	10,000
Deposit for shares	3,615,447	884,447	679,451	-
Retained earnings	3,050,967	1,762,211	412,717	(2,350)
<b>Total equity</b>	<b>6,831,414</b>	<b>2,656,658</b>	<b>1,102,168</b>	<b>7,650</b>
<b>Non-current liabilities</b>				
Lease Liability	1,434,070	1,225,495	12,952	-
Decommissioning provision	22,840	13,053	3,087	-
Interest bearing loan and borrowings	19,838,784	1,120,216	-	-
<b>Total non-current liabilities</b>	<b>21,295,694</b>	<b>2,358,764</b>	<b>16,039</b>	<b>-</b>
<b>Current liabilities</b>				
Accounts and other payables	2,340,117	2,025,034	1,323,317	2,000
Lease Liability	234,181	6,442	5,167	-
Interest bearing loan and borrowings	2,404,070	1,689,916	188,132	-
<b>Total current liabilities</b>	<b>4,978,368</b>	<b>3,721,392</b>	<b>1,516,616</b>	<b>2,000</b>
<b>Total liabilities</b>	<b>26,274,062</b>	<b>6,080,156</b>	<b>1,532,655</b>	<b>2,000</b>
<b>Total equity and liabilities</b>	<b>33,105,476</b>	<b>8,736,814</b>	<b>2,634,823</b>	<b>9,650</b>

Statement of Cash Flows

The following is a summary of PAT's Statement of Cash Flows for the financial years ended 31 December 2017, 2018, 2019 and 2020.

<i>Cash flow Statement (R '000)</i>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Operating activities</b>				
Profit before taxation	1,288,756	1,349,494	415,067	(400)
<b>Adjustments for:</b>				
-Depreciation from PPE	595,985	271,368	61,767	-
-Depreciation from Right of Use Asset	279,559	226,253	-	-
-Amortisation from Intangible Asset	21,371	8,633	2,843	-
-Amortisation from Tower Decommissioning Cost	1,394	466	-	-
-Interest Expense on Lease Liability	212,145	144,820	-	-
-Finance Cost	1,026,866	184,970	-	-
-Receivable impairment	184,017	52,965	104,800	-
-Loss on disposal of PPE	3,190	-	-	-
-Decommissioning provision	2,633	1,158	3,087	-
	<b>3,615,916</b>	<b>2,240,127</b>	<b>587,564</b>	<b>(400)</b>
<b>Changes in Working Capital</b>				
-Increase in trade and other receivables	(924,611)	(880,444)	(585,737)	(9,650)
-Increase in advance and other assets	(786,323)	(645,223)	(980,583)	-
-Increase in due from related party	(19,683,075)	-	-	-
-Increase in trade and other payables	315,083	715,597	1,321,317	400
<b>Cash generated from operating activities</b>	<b>(17,463,010)</b>	<b>1,430,057</b>	<b>342,561</b>	<b>(9,650)</b>
<b>Cash flow from investing activities:</b>				
Purchase of property, plant and equipment	(2,058,669)	(2,375,232)	(1,014,254)	-
Acquisition of Right of Use Asset	(487,696)	(192,685)	-	-
Investment in Subsidiary	-	-	(800)	-
Purchase of Intangible assets	(440,158)	(95,974)	(85,422)	-
<b>Net cash used in investing activities</b>	<b>(2,986,523)</b>	<b>(2,663,891)</b>	<b>(1,100,476)</b>	<b>-</b>
<b>Cash flows from financing activities:</b>				
-Increase in deposit for shares	2,886,000	204,996	679,451	9,650
-Increase in Payment of principal portion of lease liabilities	(191,650)	(124,972)	-	-
-Increase in Finance Lease	-	-	18,119	-
-Increase in Payments of interest portion of lease liabilities	(7,331)	(6,294)	-	-
-Increase in interest bearing loans	19,743,964	2,829,796	188,132	-
-Loan Repayment	(361,726)	(238,468)	-	-
-Interest Paid	(976,382)	(154,297)	-	-
<b>Net cash generated from financing activities</b>	<b>21,092,875</b>	<b>2,510,761</b>	<b>885,702</b>	<b>9,650</b>
<b>Net Increase in cash and cash equivalents</b>	<b>643,342</b>	<b>1,276,927</b>	<b>127,787</b>	<b>-</b>
<b>Cash and cash equivalents at 1 January</b>	<b>1,404,614</b>	<b>127,687</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at 31 December</b>	<b>2,047,956</b>	<b>1,404,614</b>	<b>127,687</b>	<b>-</b>

**Documents available for Inspection**

The following documents shall be available for inspection at the office of Chapel Hill Denham at 10, Bankole Oki Street, Ikoyi, Lagos during the hours of 9.00am and 5.00pm on any Business Day, until the Terminal Date.

- The valuation report prepared for the Transaction;
- Audited Annual Accounts of PAT for the years ended, 31 December 2018, 2019 and 2020 respectively;
- A copy of the Certificate of Incorporation for PAT;
- CTC of the Memorandum and Articles of Association of PAT;
- Details of the Claims and Litigation of PAT referred to on page 56;
- The Material Contracts of PAT referred to on page 56;
- Letters evidencing the consent of the Directors of the Board of PAT;
- Letters evidencing the consent of the professional parties to the Transaction listed above; and
- A signed copy of the Financial Advisers' Explanatory Statement

### Background Information

SWAP Technologies and Telecomms Plc was incorporated as a private limited liability company in Nigeria in 2003 and became a public limited liability company (“Plc”) in 2008. The Company is involved in the provision of infrastructure sharing (co-location) services, turnkey site deployment and cell site management to the telecoms industry.

SWAP Technologies and Telecomms Plc provides engineering & project service, networking sharing & managed service and international operations.

### Share Capital History

As at the date of this Scheme Document the authorised share capital of SWAP is ₦1,500,000,000.00 comprising 3,000,000,000 ordinary shares of 50 kobo each, out of which ₦1,352,689,000.00 comprised of 2,705,377,141 ordinary shares of 50 kobo each are issued and fully paid up. The changes to SWAP’s authorised and issued share capital since incorporation are summarized below:

Year Date	Authorised (₦'000)		Issued & Fully Paid-up (₦'000)		Consideration
	Increase	Cumulative	Increase	Cumulative	
2014	1,500,000	1,500,000	1,352,689	1,352,689	
2015	0	1,500,000	0	1,352,689	
2016	0	1,500,000	0	1,352,689	
2017	0	1,500,000	0	1,352,689	
2018	0	1,500,000	0	1,352,689	
2019	0	1,500,000	0	1,352,689	
2020	0	1,500,000	0	1,352,689	
2021	0	1,500,000	0	1,352,689	

### Shareholding Structure

As at 30 June, 2021, the 2,705,377,141 ordinary shares of 50 kobo each in the issued ordinary share capital of SWAP are beneficially held as follows:

Shareholder	No. of Ordinary Shares Held	Percentage (%)
SWAP Associate Limited	1,377,968,000	50.93
Bank PHB Plc/Future View <sup>1</sup>	230,000,000	8.50
PAC Capital Nominees <sup>2</sup>	201,457,000	7.45
Others	895,952,141	33.12
	<b>2,705,377,141</b>	<b>100.00</b>

<sup>1</sup> The Successor entity holding Bank PHB’s stake in SWAP is the Asset Management Company of Nigeria (AMCON)

<sup>2</sup> PanAfrican Capital Holdings Limited is the beneficial owner of the shares held by PAC Capital Nominees

Except as stated above, no shareholder holds more than 5% of the issued share capital of SWAP.

### Directors' Beneficial Interest

The interests of the Directors of SWAP in the issued share capital of SWAP as recorded in the Register of Members as at 30 June, 2021 and as notified by them for the purpose of Section 301 (1) of CAMA are as follows:

	Name	Direct Holding	Indirect Holding	Total	Percentage (%)
1	Tunde Titilayo	-	1,377,968,000	1,377,968,000	50.93
2	Ade Ogunlesi	5,000,000	-	5,000,000	0.18
3	Funso Soyoye	2,500,000	400,000	2,900,000	0.11
		<b>7,500,000</b>	<b>1,378,368,000</b>	<b>1,385,868,000</b>	<b>51.22</b>

### Subsidiaries and Associated Companies

SWAP is the parent and controlling entity of its Group (as defined below). As at date of this Scheme Document, SWAP has the following subsidiaries and associated companies ("Group"):

Entities	Relationship
Prime Infrastructure & Engineering Services Limited	Subsidiary
Prime Infrastructure & Engineering Services Ghana Limited	Subsidiary
Prime Infrastructure & Services Cote D'Ivoire	Subsidiary
Prime Infrastructure & Engineering Services Benin	Associate
Prime Exim Limited	Associate

### Extract from Memorandum & Articles of Association of SWAP

#### MEMORANDUM OF ASSOCIATION

3. The objects for which the Company is established include:

- (A) To manufacture, supply and deal in technical appliances, equipment, accessories and other related materials;
- (B) To manufacture, supply and deal in electrical and electronic equipment of all kinds together with their accessories;
- (C) To set up, establish, work, manage and maintain telecommunication systems, whether in respect of telephony, telegraph, radio, television or otherwise;
- (D) To maintain, supply and deal in (or manufacture) plant and equipment integral to telecommunications systems; and
- (E) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

#### ARTICLES OF ASSOCIATION

##### TRANSFER OF SHARES

- All shares of the Company shall be transferable by a written instrument of transfer in the common form or any other form allowed by law and recognized by the Directors and in all cases signed by both the transferor and the transferee, and the transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the Register in respect thereof.
- No fee shall be payable to the Company in respect of registration of any transfer.

- The Directors may refuse to recognize any instrument of transfer unless the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors any reasonably require to show the right of the transferor to make the transfer.

#### **TRANSMISSION OF SHARES**

- The personal representatives of a deceased sole holder of a share shall be the only persons recognised by the Company as having any title to the shares. In the case of a share registered in the names of two or more holders, the survivors; or survivor, of the personal representatives of the deceased survivor, shall be the only persons recognised by the Company as having any title to the shares, provided that the estate of a deceased joint holder shall not be released from liability in respect of any share which had been held by him with other persons.
- Any persons becoming entitled to a share in consequence of the death or bankruptcy of a member shall upon such evidence being produced as may from time to time be required by the Directors have the right either to be registered as a member in respect of the share or, instead of being registered himself, to make such transfer of the shares as the deceased or bankrupt person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.
- Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any rights conferred by membership in relation to meetings of the Company.

#### **ALTERATION OF CAPITAL**

- The Company may from time to time by ordinary resolution effect an alteration of its share capital in any of the ways set out in section 100 of the Act.
- Subject to the provisions of the Act on reduction of capital, the Company may, whenever it considers it expedient to do so, by special resolution reduce its share capital, any capital redemption fund or any share premium account.
- Except so far as otherwise provided by the conditions of issue or by the Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, and transmission, forfeiture, lien, surrender and otherwise.

#### **NOTICES**

- A notice may be given by the Company to any member either personally or by sending by post to him or to his registered address, or (if he has no registered address within Nigeria) to the address, if any, within Nigeria supplied by him to the Company for the giving of notice to him, or as may be resolved by the company through publication. Where a notice is sent by post, services of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected at the expiration of 7 days after the letter containing the same is posted.

#### **MEETINGS**

- The annual general meeting shall be held at such time and place as the Directors shall appoint.
- The Chairman of the Board of Directors shall preside as Chairman at every general meeting of the Company or if there is no such Chairman or if he is not present within thirty minutes after the time



appointed for the holding of the meeting or is unwilling to act, the Directors present, shall elect another member to be Chairman of the meeting.

- A General Meeting be called by 21 days' notice in writing at the least. The notice shall be exclusive of the day it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of the meeting and in case of special business, the general nature of that business shall be given in such a manner if any, as may be prescribed by the Company in General Meeting to such persons as are under regulations of the Company entitled to receive such notices from the Company:
- PROVIDED that a general meeting or the Company shall notwithstanding that it is called by a shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed;
- In the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
- In the case of any other meeting by a majority in number of the members having a right to attend and vote at the meeting being a majority together holding not less than ninety-five (95%) in nominal value of the shares giving that right.

#### **PROCEEDING AT GENERAL MEETING**

- All business shall be deemed special that is transacted at an Extraordinary General Meeting (EGM) and also all that is transacted at an Annual General Meeting (AGM) with the exception of declaring a dividend, the consideration of the account, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of and the fixing of the remuneration of the auditors.
- No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and for the purpose thereof, the quorum for the meeting shall be 10% of registered members or holders of 30% of the issued and paid up share capital (whichever is less) present in person or by proxy".
- If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of members shall be dissolved, in any other case it shall be adjourned to the same day in the time and place, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for meeting, the members of whatever class present shall be a quorum.
- At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless poll is (before or on the declaration of the result of a show of hands) demanded by the chairman or at least three members entitled to vote at the meeting or by the holders present in person or by proxy of at least one-tenth part of the total voting rights of all members having the right to vote at the meeting or by a member or members holding shares on which an aggregate sum has been paid up equal right, unless a poll is so demanded, declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the minute book of the company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution. A proxy need not be a member of the Company.
- Any corporation which is a member of this Company may, by resolution of its Directors or other governing body, authorize any person to act as its representatives at any meeting or meetings of this company or any class of members thereof and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder, including power when personally present to vote on a show of hands.
- A proxy may take part in the proceeding meeting as if he were the member whom he represents.

### **VOTES OF MEMBERS**

- On a show of hands every member present in person or by proxy, shall have one vote. On a poll-every member shall have one vote for each share of which he is the holder.

### **DIRECTORS**

- The first Directors of the Company shall be appointed by the subscribers to the Memorandum of Association.
- Unless and otherwise determined by the Company in general meeting the number of Directors of the Company shall not be less than 5 (five) and not more than 20 (twenty).
- The Directors shall have power at any time and from time to time to appoint a person as an additional Director.
- The Company in General Meeting may from time to time direct such sums as may be thought fit to be paid as and by way of remuneration to the Directors and any such sum shall be divided amongst them as they may agree, or failing agreement, equally. The directors shall also be entitled to be repaid all expenses reasonably incurred by them respectively in or about the performance of their duties as Directors.
- It shall not be necessary for any Director of the Company to acquire or hold any share qualification but a Director shall be entitled to receive notice, and to attend all General Meeting.

### **POWERS AND DUTIES OF DIRECTORS**

- The Directors from time to time and at any time provide through Local Boards Attorney or Agencies for the management of the affairs of the Company outside Nigeria and may appoint any persons to be members of such Local Boards or as Attorneys or agents and may remove any person so appointed and appoint others in their place and may fix their remuneration.
- The Directors from time to time and at any time may delegate to any such Local Board, attorney or agents any of the powers' authorities and discretion for time being vested in Directors, other than the power to make calls, forfeiture share, borrow money or issue debentures and any such delegation may be made on such terms and subject to such conditions as the Director may think fit, and may include a power to sub-delegate and the annul or vary such delegation, but no person dealing in good faith and without notice of such annulment or variation shall be affected thereby.
- Any Director may at any time appoint any other Director or appoint any other person approved by a majority of other Director for the time being to be his alternate and may at any time remove any alternate Director appointed by him, and (subject to such approval as aforesaid) appoint another in his place. An alternate Director shall not be entitled to receive any remuneration from the Company or shall it be necessary for him to acquire or hold any qualification share but he shall be entitled (subject to his giving to the Company an address within Nigeria at which notice may be served on him) to receive notice of meeting, of the Directors and to attend and vote as a Director at any such meeting to which the Director appointing him is not present at such meeting to exercise all powers, duties and authorities of the Directors appointing him. A Director who also an alternate Director shall be entitled in addition to his vote, to a separate vote on behalf of the Director, he is representing. An alternate director, if his appointor ceases for any reason to be a Director shall ipso facto cease to be an alternate Director. Every person acting as an alternate Director shall be an officer of the Company and shall not be deemed to be an agent of or for the Director appointing him. All appointments and removal of an alternate Director made by any Director in pursuance of this Article shall be in writing under the hand of the Director making the same and shall be sent to or left at the registered office of the Company.
- The Directors may from time to time appoint one of their number to be managing director for such period at such remuneration and upon such terms as to the duties to be performed the powers to be

exercised and all other matters as they think fit but so that no Managing Director shall be invested with any powers or entrusted with any duties which the Directors themselves could not have exercised or performed and so also that there shall not be more than one Managing Director holding office at any one time. The remuneration of a Managing Director may be by way of salary and or bonus or commission or participation in profits or by any or all of those modes and it may be made a term of his appointment that he be paid a pension or gratuity on retirement from his office.

- With the exclusion of Executive Directors, at the First Annual General Meeting of the Company all shall retire from office and at the annual general in every subsequent year, one-third of the Directors for the time being shall retire from office. The Directors to retire in each year shall be those who have been longest in office since their election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

#### **PROCEEDING OF DIRECTORS**

- The quorum necessary for the transaction of the business of the Director may be fixed by the Directors and unless so fixed shall be two.
- All the decisions of the Board shall be made by a simple majority of voices of all the Directors present at a meeting. In case of equality of voices, the Chairman shall have a second or casting vote.
- A resolution in writing signed by all Directors entitled to notice of a meeting of Directors shall have the same effect and validity as a resolution of the Board duly passed at a meeting of the Board duly convened and held.
- In the event of a vacancy on the Board by reason of death or resignation of a Director, the Board may appoint new Directors. Where a casual vacancy is filled by the Board the person appointed shall be approved by the members at the next Annual General Meeting and if not so approved shall forthwith cease to be a Director. This however, does not affect the validity of prior acts of such Director(s).

#### **APPOINTMENT OF AUDITORS**

- The Company in General Meeting shall appoint Auditors to audit the financial statements of the Company and to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting.
- The Board shall fix the remuneration of the Auditors after authorization by the Company in general meeting.

#### **SECRETARY**

- The Directors shall appoint the secretary for such time, at such remuneration and upon such conditions as they may think fit and they may remove any secretary so appointed. The Directors may, from time to time if there is no secretary or no secretary capable of acting, by resolution appoint an Assistant or Deputy Secretary to exercise the functions of the secretary.

#### **THE SEAL**

- The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the directors of a committee of the Directors authorized by the Directors in that behalf and every instrument to which the seal is affixed shall be signed by a Director and counter signed by the Secretary or by a second Director and or by some other persons appointed by the Directors for the purpose.

**WINDING UP**

- In winding up the liquidator may, with the sanction of an extraordinary resolution, distribute all or any of the assets in specie among the members in such proportion and manner as may be determined by resolution, provided always that if such distribution is determined to be made otherwise than in accordance with the existing rights of the member, every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution.

**Five - Year Financial Summary****Statement of Profit or Loss and other Comprehensive Income**

The following is a summary of SWAP's Statement of Profit or Loss and other Comprehensive Income for the financial years ended 30 June 2016, 2017, 2018, 2019 and 2020.

<i>Income Statement (₦ '000)</i>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Revenue	2,727,285	5,345,667	8,474,277	3,496,595	2,038,934
Cost of sales	(1,821,412)	(3,864,049)	(5,119,037)	(2,064,936)	(1,222,604)
<b>Gross Profit</b>	<b>905,873</b>	<b>1,481,618</b>	<b>3,355,240</b>	<b>1,431,659</b>	<b>816,330</b>
Other operating income	23,960	108,367	48,854	69,147	562,274
Employee benefit expenses	(320,254)	(407,260)	(515,626)	(230,621)	(197,534)
Depreciation & amortisation	(1,116,953)	(1,125,099)	(1,096,951)	(1,093,213)	(1,314,558)
Other operating expenses	(905,693)	(463,000)	(939,616)	(4,567,828)	(550,605)
<b>Operating Profit/(loss)</b>	<b>(1,413,067)</b>	<b>(405,374)</b>	<b>851,901</b>	<b>(4,390,856)</b>	<b>(684,093)</b>
Finance income	139	668	6,381	5,514	702
Finance cost	(7,653,327)	(7,229,183)	(12,556,634)	(14,896,031)	(20,144,082)
<b>Loss before income tax</b>	<b>(9,066,255)</b>	<b>(7,633,889)</b>	<b>(11,698,352)</b>	<b>(19,281,373)</b>	<b>(20,827,473)</b>
Income tax benefit/expense	(32,787)	(61,394)	(73,478)	(130,110)	12,442
<b>Loss after taxation</b>	<b>(9,099,042)</b>	<b>(7,695,283)</b>	<b>(11,771,830)</b>	<b>(19,411,483)</b>	<b>(20,815,031)</b>
Other comprehensive income					
Remeasurement (loss)/gains	(5,203)	15,823	(11,189)	(2,690)	(8,030)
Net gains on equity instruments designated at fair value through other comprehensive income	-	8,900	-	-	-
Exchange differences on translation of foreign operations	(17,349)	(5,783)	(22,289)	2,319	(28,316)
Other comprehensive (loss)/profit, net of tax	(22,552)	18,940	(33,478)	(371)	(36,346)
<b>Total comprehensive income for the year, net of tax</b>	<b>(9,121,594)</b>	<b>(7,676,343)</b>	<b>(11,805,308)</b>	<b>(19,411,854)</b>	<b>(20,851,377)</b>
Basic and Diluted Earnings per share (kobo)	<b>(336)</b>	<b>(284)</b>	<b>(435)</b>	<b>(718)</b>	<b>(769)</b>

Statement of Financial Position

The following is a summary of SWAP's Statement of Financial Position for the financial years ended 30 June 2016, 2017, 2018, 2019 and 2020.

<i>Balance Sheet (# '000)</i>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Non-current assets</b>					
Property, plant and equipment	1,572,877	2,636,186	3,668,253	4,252,751	9,290,787
Investment properties	420,000	397,358	394,000	370,000	350,000
Right-of-use assets	322,593	-	-	-	-
Deferred tax assets	105,152	-	-	-	100,359
Intangible assets	-	-	-	-	-
Investment in Subsidiaries	-	-	-	-	-
Prepayments	-	-	-	-	630,680
Available for sale investment	-	-	162,354	165,576	179,887
Loan receivables	-	-	-	-	-
Equity Instruments designated at fair value through other comprehensive income	155,800	155,800	-	-	-
	<b>2,576,422</b>	<b>3,189,344</b>	<b>4,224,607</b>	<b>4,788,327</b>	<b>10,551,713</b>
<b>Current assets</b>					
Inventories	11,722	457,060	376,906	121,487	194,045
Trade and other receivables	1,581,797	2,063,956	2,328,873	2,309,069	1,201,469
Held to maturity	-	-	-	16,789	14,884
Other current assets	1,742,449	1,577,718	1,652,652	1,335,190	1,158,684
Cash and short-term deposits	369,853	345,311	487,768	285,817	136,248
	<b>3,705,821</b>	<b>4,444,045</b>	<b>4,846,199</b>	<b>4,068,352</b>	<b>2,705,330</b>
<b>Total assets</b>	<b>6,282,243</b>	<b>7,633,389</b>	<b>9,070,806</b>	<b>8,856,679</b>	<b>13,257,043</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Issued capital	1,352,689	1,352,689	1,352,689	1,352,689	1,352,689
Share premium	2,953,228	2,953,228	2,953,228	2,953,228	2,953,228
Retained earnings	(100,723,707)	(91,619,462)	(83,534,553)	(71,751,534)	(52,337,361)
Fair Value reserve	(6,554)	(6,554)	-	-	-
Foreign currency translation reserve	(67,267)	(49,918)	(44,135)	(21,846)	(24,165)
<b>Total equity</b>	<b>(96,491,611)</b>	<b>(87,370,017)</b>	<b>(79,272,771)</b>	<b>(67,467,463)</b>	<b>(48,055,609)</b>
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	0	-	13,206	2,731	5,245,111
Employee benefit liability	60,909	48,182	65,650	53,274	41,786
Decommissioning liabilities	281,143	248,307	219,306	193,692	171,070
Deferred tax liabilities	6,245	1,821	4,298	-	3,320
	<b>348,297</b>	<b>298,310</b>	<b>302,460</b>	<b>249,697</b>	<b>5,461,287</b>
<b>Current liabilities</b>					
Trade and other payables	6,146,495	5,825,915	6,203,024	5,848,928	19,254,801
Interest-bearing loans and borrowings	96,127,619	88,716,624	81,734,873	70,182,637	36,565,502
Finance lease liabilities	1,585	6,904	-	5,410	-

Income tax payable	149,856	155,654	103,219	37,469	31,062
	<b>102,425,555</b>	<b>94,705,097</b>	<b>88,041,116</b>	<b>76,074,444</b>	<b>55,851,365</b>
<b>Total liabilities</b>	<b>102,773,852</b>	<b>95,003,407</b>	<b>88,343,576</b>	<b>76,324,141</b>	<b>61,312,652</b>
<b>Total equity and liabilities</b>	<b>6,282,241</b>	<b>7,633,390</b>	<b>9,070,805</b>	<b>8,856,678</b>	<b>13,257,043</b>

### Statement of Cash Flows

The following is a summary of SWAP's Statement of Cash Flows for the financial years ended 30 June 2016, 2017, 2018, 2019 and 2020.

<i>Cash flow Statement (# '000)</i>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Operating activities</b>					
Loss before tax	(9,066,255)	(7,633,889)	(11,698,352)	(19,281,373)	(20,827,473)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>					
Depreciation & amortization	(1,116,953)	(1,125,099)	(1,096,951)	1,093,213	1,314,558
Employee benefit expense	9,110	13,897	11,289	7,687	16,736
Other long term employee benefit expense	(785)	3,507	(1,645)	1,385	
Finance income	(139)	(668)	(6,381)	(5,514)	(702)
Fair value adjustment of investment properties	(22,642)	(3,358)	(24,000)	(20,000)	50,000
Credit Loss expenses	61,844	(78,706)	-	-	-
Increase in investment in subsidiaries	-	-	-	-	11,668
Impairment of inactive cell sites	-	-	-	4,036,649	-
Impairment of available for sale	-	-	3,222	14,311	-
Impairment of trade receivables	-	-	481,794	18,225	-
Impairment of withholding tax receivables	-	-	-	2,781	-
Increase in available for sale investment	-	-	-	-	-
Transfer of property, plant and equipment	-	-	-	-	315,420
Movement in advance on syndicate loan	-	-	-	-	19,709
Movement in provisions	32,836	29,001	25,614	22,622	7,714,279
Finance cost	4,192,722	6,749,897	6,643,000	8,419,374	44,874
Loss on disposal of property, plant & Equipment	11,165	(630)	(7,784)	(13,780)	11,403,710
Foreign exchange difference on syndicate loan	3,427,769	450,285	5,888,020	5,463,037	-
<b>Working capital adjustments:</b>					
Decrease in inventories	445,338	(80,154)	(255,419)	72,558	33,915
(Increase) /decrease in trade and other receivables	482,159	264,917	(19,804)	(1,128,609)	(20,794)
Decrease in other current assets	(164,731)	74,934	(317,462)	(176,506)	22,895
Increase in trade and other payables	2,647,941	2,791,822	2,674,877	860,677	7,664,898
Changes in held-to-maturity	-	-	-	-	(14,884)
Employee benefit paid	(802)	(19,050)	(7,927)	-	(32,939)
Other long term employee benefit paid	-	-	(529)	(554)	-
Income tax paid	-	-	-	(27,018)	(87)
<b>Net cash flows from operating activities</b>	<b>938,577</b>	<b>1,436,706</b>	<b>2,291,562</b>	<b>(640,835)</b>	<b>7,715,783</b>

<b>Cashflows from investing activities</b>					
Purchase of PPE	(64,350)	(90,675)	(533,648)	(90,250)	(15,863)
Proceed from sale of PPE	2,510	2,510	2,510	16,938	25,885
Movement in held-to-maturity Proceeds from sale of financial instruments	-	-	16,789	(1,905)	-
Interest received	139	668	6,381	5,514	702
Dividend income	-	-	-	-	-
<b>Net cash utilized by investing activities</b>	<b>(61,701)</b>	<b>(87,497)</b>	<b>(507,968)</b>	<b>(69,703)</b>	<b>10,724</b>
<b>Financing activities</b>					
Interest & similar charges on loans	-	-	-	-	(7,714,279)
Loan received	-	-	-	246,728	41,095
Loan repayment	(852,891)	(1,455,818)	(1,455,818)	(23,662)	(124,564)
Finance lease received	-	-	-	11,783	-
Finance lease payment	-	-	-	(3,642)	(4,072)
Movement in Syndicated loans	-	-	-	630,680	-
<b>Net cash flows used in financing activities</b>	<b>(852,891)</b>	<b>(1,455,818)</b>	<b>(1,455,818)</b>	<b>861,887</b>	<b>(7,801,820)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>23,985</b>	<b>(106,609)</b>	<b>327,776</b>	<b>151,349</b>	<b>(75,313)</b>
Net foreign exchange difference	(20,757)	(20,757)	(41,514)	(15,317)	(2,531)
Cash and cash equivalents at 1 July	345,311	472,675	186,411	50,378	128,222
<b>Cash and cash equivalents at 30 June</b>	<b>348,539</b>	<b>345,309</b>	<b>472,673</b>	<b>186,410</b>	<b>50,378</b>



**Documents Available for Inspection**

The following documents shall be available for inspection at the office of Greenwich at Plot 1698A, Oyin Jolayomi Street, Victoria Island, Lagos during the hours of 9.00am and 5.00pm on any Business Day, until the Terminal Date.

- The valuation report prepared for the Transaction;
- Audited Annual Accounts of SWAP, for the years ended, 30 June 2016, 2017, 2018, 2019 and 2020 respectively;
- A copy of the Certificate of Incorporation for SWAP;
- CTC of the Memorandum and Articles of Association of SWAP;
- Details of the Claims and Litigation of SWAP referred to on page 56;
- The Material Contracts of SWAP referred to on page 56;
- Letters evidencing the consent of the Directors of the Board of SWAP; and
- Letters evidencing the consent of the professional parties to the Transaction listed above.

**Key Assumptions**

The proforma Statement of Financial Position have been prepared in accordance with IFRS, as required by the Financial Reporting Council of Nigeria.

*Assumptions used in preparing the proforma Statement of Financial position*

- The proforma Financial Position has been prepared on the assumption that all Scheme Shareholders will receive shares in the Surviving Entity as consideration.
- Following the Merger, and in accordance with IFRS 3, the assets of PAT and SWAP will have been placed at their fair value.

**Proforma Statement of Financial Position**

The proforma Financial Position set out hereunder has been prepared for illustrative purposes only and, given its nature, may not present a true picture of the Surviving Entity's post-merger financial position.

The proforma Financial Position of the post-merger entity has been prepared by combining the historical financial positions of PAT and SWAP as at 30 June 2021, assuming the merger was effective on 01 July 2021.

	PAT Pre-Merger ₦'000	SWAP Pre-Merger ₦'000	Surviving Entity Post-Merger ₦'000
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant & equipment .....	4,433,970	1,188,010	5,621,980
Right of use asset .....	2,337,634	-	2,337,634
Tower decommissioning cost .....	16,489	-	16,489
Investment properties .....	-	280,000	280,000
Intangible assets .....	567,463	-	567,463
Equity instruments fair valued through OCI .....	-	54,635	54,635
Investment .....	212,482	-	212,482
Deferred tax assets .....	-	18,863,406	18,863,406
<b>Total non-current assets .....</b>	<b>7,568,038</b>	<b>20,386,051</b>	<b>27,954,089</b>
<b>Current assets</b>			
Inventories .....	-	13,073	13,073
Trade and other receivables .....	1,051,731	1,761,657	2,813,388
Advances and other assets .....	1,730,161	1,818,718	3,548,879
Due from related party .....	21,168,919	-	-
Prepayment for site acquisition .....	710,303	-	710,303
Cash and cash equivalents .....	44,142	637,086	681,228
<b>Total current assets .....</b>	<b>24,705,256</b>	<b>4,230,534</b>	<b>7,766,871</b>
<b>Total assets .....</b>	<b>32,273,294</b>	<b>24,616,585</b>	<b>35,720,960</b>
<b>Equity</b>			
Ordinary share capital .....	500,000	1,352,689	500,000
Share premium .....	-	2,953,228	-
Other reserves .....	3,280,447	-	3,280,447
Foreign currency translation reserve .....	-	(119,314)	(119,314)
Retained earnings .....	3,609,679	(6,016,904)	140,197
<b>Total equity .....</b>	<b>7,390,126</b>	<b>(1,830,301)</b>	<b>3,801,330</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities .....	1,557,032	-	1,557,032
Decommissioning and restoration .....	22,840	-	22,840

APPENDIX III – PROFORMA FINANCIAL INFORMATION OF THE SURVIVING ENTITY

Interest bearing loans.....	20,525,413	212,064	20,737,477
Employee benefit obligations.....	-	35,442	35,442
Deferred tax liabilities .....	-	235,912	235,912
<b>Total Non-current liabilities .....</b>	<b>22,105,285</b>	<b>483,418</b>	<b>22,588,703</b>
<b>Current liabilities</b>			
Current tax liabilities .....	-	135,208	135,208
Trade and other payables.....	1,804,811	24,778,920	5,414,812
Due to related party .....	-	-	1,758,495
Interest bearing loans.....	973,072	1,049,340	2,022,412
<b>Total current liabilities .....</b>	<b>2,777,883</b>	<b>25,963,468</b>	<b>9,330,927</b>
<b>Total liabilities .....</b>	<b>24,883,168</b>	<b>26,446,886</b>	<b>31,919,630</b>
<b>Total equity and liabilities .....</b>	<b>32,273,294</b>	<b>24,616,585</b>	<b>35,720,960</b>



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**The Board of Directors  
SWAP Technologies and Telecomms Plc**

Plot 1, Block 128B,  
New Creation Street  
Off Remi Olowude Way  
Lekki Phase 1  
Lagos  
Nigeria

03 August 2021

**Attention: Kesavan Madhavarao**

Dear Sir,

**Fairness opinion on the proposed merger between Pan African Towers Limited and SWAP Technologies & Telecomms Plc**

**Introduction and Scope**

The Board of Directors of SWAP Technologies and Telecomms Plc (“SWAP” or the “Target”) and Pan African Towers Limited (“PAT”) are proposing to merge SWAP and PAT (together the “Merging Entities”) into a single entity (the “Surviving Entity”). The proposed merger is to be implemented via a Scheme of Merger to be executed by SWAP and PAT, and their respective shareholders, pursuant to Section 711 of the Companies and Allied Matters Act, 2020 (“CAMA”) (the “Scheme”), the terms and conditions of which will be considered by the shareholders of each company at separate Court-Ordered Meetings.

PAT is offering a cash consideration of NGN0.65 per share to the shareholders of SWAP, for the issued shares of 2,705,377,141 (the “Transaction”). The Securities and Exchange Commission, Nigeria (“SEC”), requires a fairness opinion from an independent professional expert, indicating whether or not the terms and conditions of the Transaction are fair to the shareholders of SWAP.

The Board of Directors of SWAP Technologies & Telecomms Plc (“the Board”) has appointed Deloitte & Touche to act as the independent professional expert to provide the required opinion, indicating whether the terms and conditions of the Transaction are fair to the shareholders of SWAP.

**Company Overview**

Pan African Towers Limited is a Nigeria-domiciled digital infrastructure and wireless service facilitator incorporated in 2013. The Company was licensed by the Nigerian Communications Commission (NCC) in 2017 to provide telecommunication (“Telecomms”) colocation and infrastructure sharing services.

SWAP Technologies and Telecomms Plc was incorporated in 1996 and provides colocation and infrastructure sharing services, turnkey site development, as well as cell site management services to the telecoms industry. SWAP was admitted to trade on NASD OTC Securities Exchange market in 2013.



### Definition of Fairness

Fair market value is defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, wherein the parties had each acted knowledgeably, prudently and without compulsion.

For the purpose of our opinion, our assessment of fairness is primarily based on quantitative issues. The proposed Transaction would be considered fair to the shareholders of SWAP if the purchase consideration payable by the shareholders of PAT is equal to, or greater than the fair market value of SWAP's shares subject to such offer.

### Details and Sources of Information

In arriving at our opinion, we have relied upon the following principal sources of information:

- Explanatory Statement in the Scheme Document from the financial advisers;
- Transaction Structure – Scheme of Merger;
- Audited financial statements for the periods ending 30 June 2017 to 2020;
- Management accounts for the period ended May 2021;
- Financial projections for SWAP from 2022 to 2025;
- Standard and Poor's Capital IQ platform;
- Financial Markets Dealers Quotations (FMDQ);
- Industry analysts' survey reports;
- Economist Intelligence Unit (EIU);
- National Bureau of Statistics;
- Central Bank of Nigeria;
- National Association of Securities Dealers (NASD);
- US Department of Treasury;
- Damodaran database; and
- Other publicly available information.

We obtained the information through:

- management of the Target ("Management"); and
- third party sources, including information relating to publicly available economic, market and other data, which we considered applicable to, or potentially influencing, the Target.

### Assumptions

We arrived at our findings based on the assumption that reliance can be placed on the information provided to us.

### Valuation approach and results

In conducting the valuation of SWAP, our investigation and analysis included, but was not necessarily limited to, the following:

- Reviewed the transaction structure and terms as detailed in the Explanatory Statement in the Scheme Document.
- Assessment of the general economic conditions in Nigeria and the outlook of the Nigerian economy.
- Preparation of a high-level market overview, including an assessment of the current market conditions and prospects.
- Review of the recent Audited Financial Statements and other available business and financial reports of SWAP.
- Analysis of the nature of SWAP's businesses and its historic financial performance.
- Analysis of the Management Accounts for the period ended 31 May 2021 (including the working capital and



net debt positions as at the Valuation date).

- Consideration of guideline public companies and transactions with similar operations and the relevant multiples.
- Identification of SWAP's quoted price, consideration of the liquidity of the shares and the total shares outstanding as at the Valuation date.

#### **Limiting conditions**

The fairness opinion (the "Opinion") is provided in connection with, and for the purposes of, the Transaction. This Opinion does not purport to cater for each individual shareholder's perspective, but rather that of the general body of SWAP's shareholders. Individual shareholders' decisions regarding the Transaction may be influenced by such shareholders' particular circumstances and, accordingly, individual shareholders should consult an independent advisor if in any doubt as to the merits or otherwise of the Transaction.

We have relied upon and assumed the accuracy of the information provided to us in deriving our conclusions. Where practical, we have corroborated the reasonableness of the information provided to us whether received in writing, or obtained in discussion with the management of SWAP, by reference to publicly available or independently obtained information. While our work has involved an analysis of, inter alia, the Financial Statements and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards. Accordingly, we cannot express an audit opinion on the financial data or other information used in arriving at our opinion.

Forecasts relate to uncertain future events and are based on assumptions, which may not remain valid for the whole of the forecast period. Consequently, forecast financial information cannot be relied upon to the same extent as that derived from the Financial Statements for completed accounting periods. We express no opinion as to how closely actual results will correspond to the financial projections provided to us.

The valuation of companies and businesses is not a precise science, and conclusions arrived at in many cases will necessarily be subjective and dependent on the exercise of individual judgement. Further, whilst we consider our Opinion to be defensible based on the information available to us, others may have a different view and arrive at a different conclusion.

#### **Opinion**

Our valuation analysis indicates the equity value of SWAP is nil given the significant amount of debt in the company's books as at the Valuation date.

Based on the aforementioned, we are of the opinion that the terms of the proposed cash consideration offered by Pan African Towers Limited to the shareholders of SWAP Technologies and Telecomms Plc is fair.

#### **Independence**

We confirm that Deloitte holds no shares in PAT or SWAP directly or indirectly. We have no interest, direct or indirect, beneficial, or non-beneficial, in PAT or SWAP or in the outcome of any offer to buy or sell shares in these companies.

Furthermore, we confirm that our professional fee for preparing the Opinion is payable in cash and is not contingent on the outcome of any offer with respect to the proposed Transaction.

Yours faithfully,

Temitope Odukoya  
Partner, Financial Advisory  
Deloitte & Touche

**FRC/2012/ICAN/0000000422**

### Responsibility Statement

The respective Boards of PAT and SWAP have taken all reasonable care to ensure that the facts stated, and opinions expressed in this Scheme Document in respect of PAT and SWAP are both fair and accurate and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, as at the date of this Scheme Document, no material facts concerning PAT and SWAP respectively, have been omitted from this Scheme Document. They hereby accept responsibility for information provided.

### Consents

The following have given, and have not withdrawn, their consents to the issue of this Scheme Document and references to their names in the form and context in which they appear herein:

#### PAT

<b>Directors</b>	Oluwole Adeleke	<i>Chairman</i>
	Oghenekaro Akaba	<i>Executive Director</i>
	Hamzat Atta	<i>Independent Non-Executive Director</i>
	Oke Maduewesi	<i>Independent Non-Executive Director</i>
	Tunde Titilayo	<i>Non-Executive Director</i>
	Mobolaji Balogun	<i>Non-Executive Director</i>
	Philip Southwell	<i>Non-Executive Director</i>
	Tumi Tiyaamiyu	<i>Non-Executive Director</i>
<b>Company Secretary</b>	AK Nominees Management Services Limited	
<b>Financial Adviser</b>	Chapel Hill Denham Advisory Limited	
<b>Legal Advisers</b>	Aluko & Oyebode Olaniwun Ajayi LP	
<b>Tax Adviser</b>	KPMG Advisory Services	
<b>Auditors</b>	Ernst & Young	

#### SWAP

<b>Directors</b>	Funso Soyoye	<i>Chairman</i>
	Tunde Titilayo	<i>Director</i>
	Ade Ogunlesi	<i>Director</i>
	Idris Mohammed	<i>Director</i>
<b>Company Secretary</b>	AK Nominees Management Services Limited	
<b>Financial Adviser</b>	Greenwich Merchant Bank Limited	
<b>Legal Advisers</b>	G. Elias & Co Adeniji Kazeem & Co	
<b>Tax Adviser</b>	KPMG Advisory Services	
<b>Fairness Opinion Adviser</b>	Deloitte & Touche	
<b>Auditors</b>	Yinka Adesanya & Co (Chartered Accountants)	
<b>Registrars</b>	PAC Registrars Limited	

**Related Parties**

As at June 30 2021, the related parties to the core shareholders are as follows:

1. Chapel Hill Denham Advisory Limited is a related party to one of the Investors in Pan African Towers Limited; and
2. Mr. Tunde Titilayo is a shareholder in PAT and a significant shareholder in SWAP. Mr. Tunde Titilayo, having disclosed the fact that he is a director in both companies, recused himself from all discussions relating to the Merger and he will also not be voting shares held in SWAP Technologies and Telecoms Plc directly by him, and indirectly through Swap Associates Limited, at the COM.

**Claims and Litigation (PAT)**

PAT in the ordinary course of its business is presently involved in seven (7) suits, namely:

- Commissioner of Police v. Abendnego Amos and Ibrahim Daniel (Charge No: OW/607/2020)
- Pan African Towers Limited and SWAP Technologies and Telecomms Plc v. Vixen Enterprises Limited and Globacom Limited (Suit No: FHC/L/CS/968/2020)
- Ahmad Jibril Babale & 25 Others v. Pan African Towers Limited (Suit No: K/173/2018)
- Rasaki Olufemi Ajayi v. Pan African Towers Limited (Suit No: HIL/61/2020)
- Daniel Gwebe & Anor. v. Pan African Towers Limited and Another (Suit No: FHC/MKD/CS/43/2020)
- Dr. Babatunde Olatokunbo Abiose v. Pan African Towers Limited and SWAP Technologies and Telecomms Plc (Suit No: FHC/MKD/CS/43/2020)
- Emmanuel Ukey v. Airtel Nigeria Limited, Airtel Networks Limited, Pan African Networks Limited and Cyprian Ugbe (Suit No: HD/14/2018)

Two (2) of the suits were instituted by the Company while five (5) which were instituted against the Company. The total amount, including general damages, claimed by the Company in the cases instituted by it is estimated at ₦179,029,657.35 (One Hundred and Seventy-Nine Million, Twenty-Nine Thousand, Six Hundred and Fifty-Seven Naira and Thirty-Five Kobo). The total amount, including general damages, claimed against the Company in the cases instituted against it is estimated at ₦94,150,000.00 (Ninety-Four Million, One Hundred and Fifty Thousand Naira).

The directors of the Company are of the opinion that the aforementioned cases are unlikely to have any material adverse effect on the Company or the Transaction and are not aware of any other pending and/or threatened claims or litigation, which may be material to the Transaction.

The Legal Advisers to PAT are of the opinion that the suits would not adversely affect the Proposed Merger.

**Material Contracts (PAT)**

The following agreement(s) have been entered into by PAT and are considered material to the Scheme:

1. Financial Services Agreement between Chapel Hill Denham Advisory Limited and PAT dated March 15 2022; and
2. Memorandum of Agreement between PAT and SWAP dated August 26, 2021.

**Claims and Litigation (SWAP)**

SWAP in the ordinary course of its business, is as at August 18, 2021 involved in 6 civil suits against it and has a counterclaim in one of the cases (the "Cases"), namely:

- Abdulfatai Mukaila v. SWAP et. al. (Suit No. L/498/2017);
- International Master Security Systems Ltd v. SWAP Technology Telecomms Plc (Suit No. MCL/324/2014);
- Zano Oil Limited v. SWAP Technologies and Telecomms Plc (Suit No. LD/ADR/144/2015);
- Mr. Tayo Akinleye v. Airtel Networks Ltd et. al. (Suit No. LD/1245/2011);



- Dr. Babatunde Olatokunbo Abiose v. SWAP Technologies & Telecomms Plc et. Al. (I/921/2019)
- Mr. Chika Ogudo v SWAP Technologies & Telecomms Plc (Suit No.: HOW/815/2020)
- Dr. G. A. Nwokolo v. SWAP Technologies & Telecomms Plc (Suit No.: HID/130/2020)

The aggregate value of claims made by SWAP in the Cases (minus interest) against other parties is ₦38,580,975.16. On the other hand, the total amount (minus interest) claimed against SWAP in the Cases is ₦45,195,675.62. The Legal Advisers to SWAP were unable to determine the contingent monetary liability of the Company in two of the Cases. Based on their review of the files for Cases as made available by SWAP, the Legal Advisers to SWAP is of the opinion that the portion of the contingent liability that is realistically likely to materialize is not likely to impact SWAP significantly or adversely affect the ability of SWAP to perform its obligations under the Scheme. This is because (i) the Scheme will not impose material monetary obligations on SWAP, and (ii) majority of the shareholders of SWAP will not be affected by the performance of SWAP after the Scheme is completed.

#### **Material Contracts (SWAP)**

The following agreement(s) have been entered into by SWAP and are considered material to the Scheme:

1. Financial Services Agreement between Greenwich Merchant Bank Limited and SWAP dated March 15; and
2. Memorandum of Agreement between PAT and SWAP dated August 26, 2021.

Other than as stated above, SWAP has not entered into any material contract except in the ordinary course of business.

#### **General Information**

1. Except as otherwise disclosed in this Document, there is no agreement, arrangement or understanding between PAT and SWAP or any other person acting in concert with the respective companies and any of the Directors or recent Directors, shareholders or recent shareholders of PAT and SWAP in relation to the Scheme. There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the assets, liabilities and undertakings of PAT and/or SWAP pursuant to the Scheme will be transferred to any other person.
2. Except as otherwise disclosed in this Document, no share or loan capital of PAT and SWAP are under option or agreed, conditionally or unconditionally, to be put under option.
3. Except as otherwise disclosed in this Document, there are no founders, management or deferred shares or any options outstanding in PAT and SWAP.
4. Except as otherwise disclosed in this Document, there are no material service agreements between PAT and SWAP or any of their directors and employees other than in the ordinary course of business.
5. Except as otherwise disclosed in this Document there are no contracts, which are or may be material, entered into by PAT and SWAP with other parties other than in the ordinary course of business.
6. The costs, charges and expenses of and incidental to the Scheme are payable by PAT and SWAP respectively.
7. Except as otherwise disclosed in this Document there are no pending litigation involving PAT and SWAP.

**IN THE FEDERAL HIGH COURT OF NIGERIA  
IN THE LAGOS JUDICIAL DIVISION  
HOLDEN AT LAGOS**

**SUIT NO: FHC/L/CS/388/2022**

**IN THE MATTER OF THE COMPANIES AND ALLIED MATTERS ACT, 2020**

**AND**

**IN THE MATTER OF AN APPLICATION UNDER SECTION 711 THEREOF**

**IN RE:**

- 1. PAN AFRICAN TOWERS LIMITED (RC. 1100167); AND**
- 2. SWAP TECHNOLOGIES AND TELECOMMS PLC (RC. 476096)**

**MEETING OF THE HOLDERS OF THE FULLY PAID ORDINARY SHARES OF PAN AFRICAN TOWERS LIMITED (THE  
“COMPANY”)**

**NOTICE IS HEREBY GIVEN** that by the order of the Federal High Court, Lagos Judicial Division, sitting in Lagos (the “**Court**”) dated 15 March, 2022 (the “**Court Order**”), made under the hand of Honourable Justice A.O Awogboro in the above matter, the Court has directed that a meeting (the “**Meeting**”) of the holders of the fully paid ordinary shares of Pan African Towers Limited (“**PAT**” or the “**Company**”) be convened and held for the purpose of considering and if thought fit, approving (with or without modification) a Scheme of Merger (the “**Scheme**”) between SWAP Technologies and Telecomms PLC (“**SWAP**”) and PAT. The Scheme is explained in detail in the Explanatory Statement on pages 17 to 22 of the enclosed Scheme Document.

The Meeting will be held at 12:00pm on Wednesday, the 20th day, April 2022 at 10 Bankole Oki Street, Ikoyi, Lagos, at which place and time all the aforesaid shareholders are requested to attend. Registration of shareholders will commence **one (1) hour** before the scheduled time of the Meeting. Copies of the Scheme Document containing details of the Scheme have been made available to the shareholders of the Company.

At the Meeting, the following resolutions will be proposed and if thought fit, passed as special resolutions of the Company:

**THAT:**

1. “The Scheme as contained in the Scheme Document dated the **15th day of March 2022**, a printed copy of which has been submitted to the meeting and, for purposes of identification, endorsed by the Chairman, be and is hereby approved; and that the Directors of the Company be and are hereby authorised to consent to any modification of the Scheme that the Securities and Exchange Commission (“**SEC**”), Nigerian Communications Commission (“**NCC**”) and/or the Court shall deem fit to impose or approve”;
2. “The Directors be and are hereby authorized to merge PAT and SWAP, with SWAP being the Surviving Entity, and that all assets, liabilities and undertakings, including real property and intellectual property rights of PAT be combined with SWAP without any further act or deed”;
3. "All legal proceedings, claims and litigations, pending or contemplated by or against PAT, be assumed by the Surviving Entity after the Effective Date”;
4. “The Surviving Entity be converted to a private limited company, renamed Pan African Towers Limited and organised into an entity holding the Nigerian Towers business, the related Deferred Tax Assets and PAT loans, with all of its other assets, all its other liabilities including contingent liabilities and its all of its undertakings transferred to a fully owned subsidiary registered as SWAP WA Limited”;

5. "All tax attributes, including unutilized capital allowances, deferred tax asset/liability, tax refunds, tax losses, withholding tax credits of PAT and any other tax refunds available for the purpose of making a deduction or claiming tax credit be transferred to the Surviving Entity";
6. "The Merger Consideration and cash exit of 65 kobo per share be paid by PAT to all SWAP shareholders for the surrender of their shares";
7. "1,705,377,141 ordinary shares of the Surviving Entity be cancelled leaving 1,000,000,000 ordinary shares of 50 kobo each which shall be redenominated into 500,000,000 ordinary shares of ₦1.00 each";
8. "The 500,000,000 ordinary shares in the Surviving Entity be held by the Shareholders of the Pre-Merger PAT";
9. "The entire issued share capital of PAT comprising 500,000,000 ordinary shares of ₦1.00 each be surrendered and cancelled and PAT be dissolved without being wound up";
10. "The Solicitors of the Company be and are hereby directed to seek orders of the Court sanctioning the Scheme and the foregoing resolutions, as well as such other incidental, consequential and supplemental orders as are necessary or required to give full effect to the Scheme"; and
11. "The Board of Directors of PAT and the Company Secretary be and are hereby authorised to take such actions as may be necessary to give effect to the Scheme and to the foregoing resolutions".

By the Court Order, the Court has appointed Mr. Oluwole Adeleke or failing him/her, any other Director of the Company appointed in his stead by the shareholders present at the meeting to act as Chairman of the said meeting and has directed the Chairperson of the Meeting to report the results thereof to the Court.

Voting at the Court-Ordered Meeting shall be by poll (and not show of hands). The statutory majority required at the Court-Ordered Meeting is a majority representing not less than three-quarters in value of the Ordinary Shares of members present and voting in person (virtually) or by proxy. Shareholders may vote in person or they may appoint another person, whether a shareholder or not to attend and vote in their stead.

By the Court Order, in the interest of public safety the Meeting shall be organised with due regard to the Nigeria Centre for Disease Control (NCDC) COVID-19 Guidance for public gatherings currently permitted by the Lagos State and Federal Government.

A Proxy Form for the Meeting is enclosed and can be found on page 64 and 65 of the Scheme Document.

It is requested that the duly executed and stamped Proxy Form (together with any power of attorney or other authority under which the Proxy Form is signed, or a notarised copy of such power of attorney or other authority) be delivered to the office of the Company Secretary, AK Nominees Management Services Limited, as shown on the Proxy Form, or sent via email to [info@panafricantower-ng.com](mailto:info@panafricantower-ng.com) not later than 24 hours before the time appointed for the Meeting.

Please note that the lodging of a proxy form does not prevent you from attending the meeting and voting in person should you so wish. However, in such instances, your proxy will not be entitled to attend the meeting or vote thereat.

A member entitled to attend the meeting and vote at the meeting or any adjournment thereof, who does not receive a copy of the Scheme Document within fourteen (14) days of the date of the notice can obtain copies of the same from the Company Secretary of the Company, AK Nominees Management Services Limited, 1B Otunba Adedoyin Ogungbe Crescent, Lekki Phase 1 Lagos. An electronic copy of the Scheme Document would also be uploaded unto the company's website – [www.panafricantower-ng.com](http://www.panafricantower-ng.com).

Shareholders may submit questions on the Scheme to the Company prior to the date of the Meeting. All such questions must be submitted by email to the Company Secretary on or before the 19th day of April, 2022. Shareholders may send questions to this email address – [info@panafricantower-ng.com](mailto:info@panafricantower-ng.com) ahead of the Meeting.

**Closure of Register of Members**

The right to attend and vote at the Meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the contents of the register of members of the Company on the 8th day of April 2022, after which the register of members will be closed for the purposes of determining attendance at the Meeting.

Changes to, or entries in, the register of members of the Company after **April 8, 2022** shall be disregarded for purposes of the Meeting.

The Scheme will be subject to the subsequent approval of the SEC, NCC and to the sanction of the Court.

**Dated this 18th day of March, 2022**

**Aluko & Oyebode**

1 Murtala Muhammed Drive, Ikoyi, Lagos

**Olaniwun Ajayi LP**

Plot L2 401 Cl, Banana Island, Ikoyi, Lagos

(Solicitors to Pan African Towers Limited)

**IN THE FEDERAL HIGH COURT OF NIGERIA  
IN THE LAGOS JUDICIAL DIVISION  
HOLDEN AT LAGOS**

**SUIT NO: FHC/L/CS/388/2022**

**IN THE MATTER OF THE COMPANIES AND ALLIED MATTERS ACT, 2020**

**AND**

**IN THE MATTER OF AN APPLICATION UNDER SECTION 711 THEREOF**

**IN RE:**

- |   |                                 |
|---|---------------------------------|
| <b>1. SWAP TECHNOLOGIES AND TELECOMMS PLC (RC. 476096); AND</b> | <b>1<sup>ST</sup> APPLICANT</b> |
| <b>2. PAN AFRICAN TOWERS LIMITED (RC. 1100167)</b>              | <b>2<sup>ND</sup> APPLICANT</b> |

**MEETING OF THE HOLDERS OF THE FULLY PAID ORDINARY SHARES OF SWAP TECHNOLOGIES AND  
TELECOMMS PLC (THE "COMPANY")**

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**NOTICE IS HEREBY GIVEN** that by the order of the Federal High Court, Lagos Judicial Division, sitting in Lagos (the "**Court**") dated the 15th day of March, 2022 (the "**Court Order**"), made under the hand of the Honourable Justice A.O Awogboro in the above matter, the Court has directed that a meeting (the "**Meeting**") of the holders of the fully paid ordinary shares of SWAP Technologies and Telecomms PLC ("**SWAP**" or the "**Company**") be convened and held for the purpose of considering and if thought fit, approving (with or without modification) a Scheme of Merger (the "**Scheme**") between SWAP and Pan African Towers Limited ("**PAT**"). The Scheme is explained in detail in the Explanatory Statement on pages 17 to 22 of the enclosed Scheme Document.

The Meeting will be held at 10:00am on Wednesday the 20th day, April 2022 at Lekki Peninsula Hotel, Lekki Phase 1, Lagos, at which place and time all the aforesaid shareholders are requested to attend. Registration of shareholders will commence **one (1) hour** before the scheduled time of the Meeting. Copies of the Scheme Document containing details of the Scheme have been made available to the shareholders of the Company.

At the Meeting, the following resolutions will be proposed and if thought fit, passed as special resolutions of the Company:

**THAT:**

1. "The Scheme as contained in the Scheme Document dated the **15th day of March 2022**, a printed copy of which has been submitted to the meeting and, for purposes of identification, endorsed by the Chairperson, be and is hereby approved; and that the Directors of the Company be and are hereby authorised to consent to any modification of the Scheme that the Securities and Exchange Commission ("**SEC**"), Nigerian Communications Commission ("**NCC**") and/or the Court shall deem fit to impose or approve";
2. "The Directors be and are hereby authorized to merge PAT and SWAP, with SWAP being the Surviving Entity, and that all assets, liabilities and undertakings, including real property and intellectual property rights of PAT be combined with SWAP without any further act or deed";
3. "All SWAP shareholders shall upon the Scheme becoming effective relinquish their 2,705,377,141 ordinary shares to the Shareholders of Pan African Towers Limited upon the terms and subject to the conditions set out in the Scheme Document, be and is hereby approved without any further act or deed";
4. "In consideration of (3) above, all shareholders of SWAP shall, after the Scheme is sanctioned by the Court, be paid 65 kobo for every share held in SWAP ('the Cash Consideration') within 10 Business Days of the Court Sanction of the Scheme in exchange for each of the issued ordinary shares previously held by them as at close of business on the Terminal Date";

5. "The Solicitors of the Company be and are hereby directed to seek orders of the Court sanctioning the Scheme and the foregoing resolutions, as well as such other incidental, consequential and supplemental orders as are necessary or required to give full effect to the Scheme"; and
6. "The Board of Directors of SWAP and the Company Secretary be and are hereby authorised to take such actions as may be necessary to give effect to the Scheme and to the foregoing resolutions".

By the Court Order, the Court has appointed Mr. Olufunso Soyoye or failing him/her, any other Director of the Company appointed in his stead by the shareholders present at the meeting to act as Chairperson of the said meeting and has directed the Chairperson of the Meeting to report the results thereof to the Court.

Voting at the Court-Ordered Meeting shall be by poll (and not show of hands). The statutory majority required at the Court-Ordered Meeting is a majority representing not less than three-quarters in value of the Ordinary Shares of members present and voting in person (virtually) or by proxy. Shareholders may vote in person or they may appoint another person, whether a shareholder or not to attend and vote in their stead.

By the Court Order, in the interest of public safety and having due regard to the Nigeria Centre for Disease Control (NCDC) COVID-19 Guidance for Safe Mass Gatherings in Nigeria, and the restrictions on public gatherings by the Lagos State and Federal Government, attendance at the Court-Ordered Meeting shall be limited to a maximum of fifty (50) people (the maximum crowd size for public gatherings currently permitted by the Lagos State and Federal Government, the host city of the Meeting). Shareholders can only attend the meeting through the physical presence of their proxy. For this purpose, the following have been appointed as proxies (the "Selected Proxies").

- |                    |                  |                       |
|--------------------|------------------|-----------------------|
| a) Olufunso Soyoye | b) Ade Ogunlesi  | c) Tolulope Osunsanya |
| d) Kayode Abayomi  | e) Grace Emokhor |                       |

The Selected Proxies will attend the Meeting physically and vote on behalf of the shareholders who selected any of them as proxy. The Meeting will be streamed live online to enable shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the live streaming of the Meeting will be made available on the Company's website at <http://www.swap-ng.com> and on the Registrar's website [www.pacregistrars.com](http://www.pacregistrars.com)

A Proxy Form for the Meeting is enclosed and can be found on page 66-67 of the Scheme Document. In the case of joint shareholders, the vote of the senior holder who tenders a vote, by proxy, will be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority will be determined by the order in which the names appear on the register of members of the Company, in respect of the joint shareholding.

It is requested that the duly executed and stamped Proxy Form (together with any power of attorney or other authority under which the Proxy Form is signed, or a notarised copy of such power of attorney or other authority) be delivered to the office of the Company's Registrar, PAC Registrars Limited, as shown on the Proxy Form, or sent via email to [info@pacregistrars.com](mailto:info@pacregistrars.com) not later than 24 hours before the time appointed for the Meeting.

A member entitled to attend the meeting and vote at the meeting or any adjournment thereof, who does not receive a copy of the Scheme Document within fourteen (14) days of the date of the notice can obtain copies of the same from the Registrar of the Company, PAC Registrar Limited, 122 Bode Thomas Street, Surulere, Lagos. An electronic copy of the Scheme Document would also be uploaded onto the company's website – <http://www.pacregistrars.com>.

Shareholders may submit questions on the Scheme to the Company prior to the date of the Meeting. All such questions must be submitted by email to the Company Secretary on or before Tuesday, April 19, 2022. Shareholders may send questions to this email address – [info@swap-ng.com](mailto:info@swap-ng.com) ahead of the Meeting.

**Closure of Register of Members**

The right to attend and vote at the Meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the contents of the register of members of the Company on the 8th day, April, 2022, after which the register of members will be closed for the purposes of determining attendance at the Meeting.

Changes to, or entries in, the register of members of the Company after **April 8, 2022** shall be disregarded for purposes of the Meeting.

The Scheme will be subject to the subsequent approval of the SEC, NCC and to the Sanction of the Court.

**Dated this 18th day of March, 2022**

**G. Elias & Co**  
6, Broad Street, Lagos  
Phase 1, Lagos

**Adeniji Kazeem & Co**  
1B Adedoyin Ogungbe Crescent, Lekki

(Solicitors to SWAP Technologies and Telecomms PLC)

**PAN AFRICAN TOWERS LIMITED**

Court-Ordered Meeting to be held at 12:00pm on the 20th day, of April, 2022 at 10 Bankole Oki Street, Ikoyi, Lagos.

I/We **(Block capitals please)**

.....  
 being a shareholder/member(s) of Pan African Towers Limited, hereby appoint **(Block capitals please)**

\*

.....

or failing him/her, **(Block capitals please)**

\*

.....  
 as my/our proxy to act and vote for me/us and on my/our behalf at the Court-Ordered Meeting of Pan African Towers Limited to be held at 12:00pm on Wednesday, 20 April, 2022 or any adjournment thereof.

Dated this.....day of.....2022

Shareholder's Signature.....

Special Resolutions	
1.	"The Scheme as contained in the Scheme Document dated Tuesday, the 15th day, of March 2022, a printed copy of which has been submitted to the meeting and, for purposes of identification, endorsed by the Chairman, be and is hereby approved; and that the Directors of the Company be and are hereby authorised to consent to any modification of the Scheme that the Securities and Exchange Commission ("SEC"), Nigerian Communications Commission ("NCC") and/or the Court shall deem fit to impose or approve";
2.	"The Directors be and are hereby authorized to merge PAT and SWAP, with SWAP being the Surviving Entity, and that all assets, liabilities and undertakings, including real property and intellectual property rights of PAT be combined with SWAP without any further act or deed";
3.	"All legal proceedings, claims and litigations, pending or contemplated by or against PAT, be assumed by the Surviving Entity after the Effective Date";
4.	"The Surviving Entity be converted to a private limited company, renamed Pan African Towers Limited and organised into an entity holding the Nigerian Towers business, the related Deferred Tax Assets and PAT loans, with all of its other assets, all its other liabilities including contingent liabilities and its all of its undertakings transferred to a fully owned subsidiary registered as SWAP WA Limited";
5.	"All tax attributes, including unutilized capital allowances, deferred tax asset/liability, tax refunds, tax losses, withholding tax credits of PAT and any other tax refunds available for the purpose of making a deduction or claiming tax credit be transferred to the Surviving Entity";
6.	"The Merger Consideration and cash exit of 65 kobo per share be paid by PAT to all SWAP shareholders for the surrender of their shares";
7.	"1,705,377,141 ordinary shares of the Surviving Entity be cancelled leaving 1,000,000,000 ordinary shares of 50 kobo each which shall be redenominated into 500,000,000 ordinary shares of ₦1.00 each";
8.	"The 500,000,000 ordinary shares in the Surviving Entity be held by the Shareholders of Pre-Merger PAT";
9.	"The entire issued share capital of PAT comprising 500,000,000 ordinary shares of ₦1.00 each be surrendered and cancelled and PAT be dissolved without being wound up";
10.	"The Solicitors of the Company be and are hereby directed to seek orders of the Court sanctioning the Scheme and the foregoing resolutions, as well as such other incidental, consequential and supplemental orders as are necessary or required to give full effect to the Scheme"; and
11.	"The Board of Directors of PAT and the Company Secretary be and are hereby authorised to take such actions as may be necessary to give effect to the Scheme and to the foregoing resolutions".

For	Against	Abstain
Please indicate how you wish your votes to be cast on the sub-joined resolution set out above by placing an "x" in the appropriate space. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.		



**NOTES**

1. A member (shareholder) who is unable to attend the Court-Ordered Meeting through any of the channels specified in the notice is allowed by law to vote by proxy and the above Proxy Form has been prepared to enable you to exercise your right to vote if you cannot personally attend the Meeting.
2. Provision has been made on this form for you to insert in the blank spaces on the form (marked\*), the names of the persons, whether members of the Company or not, one of whom will attend the Meeting and vote on your behalf.
3. Voting at the meeting will be by poll.
4. Please sign this Proxy Form and return it to reach “The Registrar, AK Nominees Management Services Limited, 1B Otunba Adedoyin Ogungbe Crescent, Lekki Phase 1, Lagos” or via email to [info@panafricantower-ng.com](mailto:info@panafricantower-ng.com), not later than 24 hours before the time appointed for the meeting and ensure that the Proxy Form is dated and signed. If executed by a corporate body, the Proxy Form should be sealed with the Common Seal.
5. It is a legal requirement of the law under the Stamp Duties Act; Cap S8, Laws of the Federation of Nigeria, 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any Meeting of shareholders must be clearly stamped in accordance with the Act. The Company has made arrangements at its expense, for the stamping of the duly completed and signed Proxy Forms submitted to the Company’s Registrars within the stipulated time.
6. The member (shareholder) or his/her duly appointed proxy must detach and produce the Admission Card to obtain entrance to the meeting.

Before posting the above form, please tear off this section and retain it to facilitate your admission to the Meeting

**PAN AFRICAN TOWERS LIMITED** **COURT-ORDERED MEETING ADMISSION CARD**

Please admit the shareholder named on this Card or his/her duly appointed proxy to the Court-Ordered Meeting to be held at 12:00pm on Wednesday, 20th April, 2022 at 10 Bankole Oki Street, Ikoyi, Lagos.

**Name and Address of Shareholder**

Shareholder’s Name	
Address	

	Shareholder
	Proxy

*Please tick [x] appropriate box for admission to the meeting*

**Number of Shares**

--

**Account Number**

--

Signature.....

**THIS CARD IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRAR**

**SWAP TECHNOLOGIES AND TELECOMMS PLC**

Court-Ordered Meeting to be held at 10:00am on 20th day, of April, 2022 at the Lekki Peninsula Hotel, Lekki Phase 1, Lagos.

I/We **(Block capitals please)**

.....  
 being a shareholder/member(s) of SWAP Technologies and Telecomms PLC, hereby appoint

**(Block capitals please)**

\*

.....

or failing him/her, **(Block capitals please)**

\*

.....

as my/our proxy to act and vote for me/us and on my/our behalf at the Court-Ordered Meeting of SWAP Technologies and Telecomms PLC to be held at 10:00am on Wednesday, 20 April, 2022 or any adjournment thereof.

Dated this.....day of.....2022

Shareholder's Signature.....

Special Resolutions	
1.	"The Scheme as contained in the Scheme Document dated Tuesday, the 15th day, of March 2022, a printed copy of which has been submitted to the meeting and, for purposes of identification, endorsed by the Chairperson, be and is hereby approved; and that the Directors of the Company be and are hereby authorised to consent to any modification of the Scheme that the Securities and Exchange Commission ("SEC"), Nigerian Communications Commission ("NCC") and/or the Court shall deem fit to impose or approve";
2.	"The Directors be and are hereby authorized to merge PAT and SWAP, with SWAP being the Surviving Entity, and that all assets, liabilities and undertakings, including real property and intellectual property rights of PAT be combined with SWAP without any further act or deed";
3.	"All SWAP shareholders shall upon the Scheme becoming effective relinquish their 2,705,377,141 ordinary shares to the Shareholders of Pan African Towers Limited upon the terms and subject to the conditions set out in the Scheme Document, be and is hereby approved without any further act or deed";
4.	"In consideration of (3) above, all shareholders of SWAP shall, after the Scheme is sanctioned by the Court, be paid 65 kobo for every share held in SWAP ('the Cash Consideration') within 10 Business Days of the Court Sanction of the Scheme in exchange for each of the issued ordinary shares previously held by them as at close of business on the Terminal Date";
5.	"The Solicitors of the Company be and are hereby directed to seek orders of the Court sanctioning the Scheme and the foregoing resolutions, as well as such other incidental, consequential and supplemental orders as are necessary or required to give full effect to the Scheme"; and
6.	"The Board of Directors of SWAP and the Company Secretary be and are hereby authorised to take such actions as may be necessary to give effect to the Scheme and to the foregoing resolutions". proceedings, claims and litigations, pending or contemplated by or against PAT, be assumed by the Surviving Entity after the Effective Date"

For	Against	Abstain
Please indicate how you wish your votes to be cast on the resolutions set out above by placing an "x" in the appropriate space. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.		

**NOTES:**

1. A member (shareholder) who is unable to attend the Court-Ordered Meeting through any of the channels specified in the notice is allowed by law to vote by proxy and the above Proxy Form has been prepared to enable you to exercise your right to vote if you cannot personally attend the Meeting.
2. In view of the current restrictions on the maximum crowd size currently permitted by the Lagos State Government for public gatherings and in line with Order of the Court, attendance at the Meeting shall be by proxy. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:
 

a) Olufunso Soyoye	b) Ade Ogunlesi	c) Tolulope Osunsanya
d) Kayode Abayomi	e) Grace Emokhor	
3. Provision has been made on this form for you to insert in the blank spaces on the form (marked\*), the names of the persons, whether members of the Company or not, one of whom will attend the Meeting and vote on your behalf.
4. Voting at the meeting will be by poll.
5. Please sign this Proxy Form and return it to reach “The Registrar, PAC Registrar Limited, 122 Bode Thomas Street, Surulere, Lagos” or via email to [info@pacregistrars.com](mailto:info@pacregistrars.com), not later than 24 hours before the time appointed for the meeting and ensure that the Proxy Form is dated and signed. If executed by a corporate body, the Proxy Form should be sealed with the Common Seal.
6. It is a legal requirement of the law under the Stamp Duties Act; Cap S8, Laws of the Federation of Nigeria, 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any Meeting of shareholders must be clearly stamped in accordance with the Act. The Company has made arrangements at its expense, for the stamping of the duly completed and signed Proxy Forms submitted to the Company’s Registrars within the stipulated time.
7. The member (shareholder) or his/her duly appointed proxy must detach and produce the Admission Card to obtain entrance to the meeting.
8. The Meeting will be streamed live online to enable shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the live streaming of the Meeting will be made available on the Company’s website <http://www.swap-ng.com>

Before posting the above form, please tear off this section and retain it to facilitate your admission to the Meeting

**SWAP TECHNOLOGIES AND TELECOMMS PLC** **COURT-ORDERED MEETING ADMISSION CARD**

Please admit the shareholder named on this Card or his/her duly appointed proxy to the Court-Ordered Meeting to be held at 10:00am on Wednesday, 20th April, 2022 at the Lekki Peninsula Hotel, Lekki Phase 1, Lagos.

**Name and Address of Shareholder**

Shareholder’s Name	
Address	

	Shareholder
	Proxy

*Please tick [x] appropriate box for admission to the meeting*

**Number of Shares**

**Account Number**

Signature.....

**THIS CARD IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRAR**