WHAT IS SUKUK?
Sukuk is an investment certificate that represents the ownership interest of the holder in an asset or pool of assets. The certificate entitles the holder to receive income from the use of the assets.

WHY IS THE FEDERAL GOVERNMENT ISSUING SUKUK?
- To fund the construction/rehabilitation of key economic infrastructure projects across Nigeria, such as roads.
- To diversify the sources of government funding.
- To offer investors an opportunity to invest in government-issued securities.
- To achieve a higher level of financial inclusion.
- To serve as a reference for pricing Sukuk issued by other bodies, especially private sector issuers.

HOW MUCH IS THE FEDERAL GOVERNMENT RAISING FROM THIS SUKUK?
N100 billion (One Hundred Billion Naira Only)

WHAT WILL THE FEDERAL GOVERNMENT DO WITH THE FUNDS RAISED?
The funds will be used for the construction and rehabilitation of sections of key economic roads across the six geopolitical zones of Nigeria.

Some of the road projects include:
- Reconstruction of Bida - Lambata road in Niger State
- Rehabilitation of Gwoza - Damboa - Goni - Ngamdu Road in Yobe/Borno States
- Construction of Ikon Bridge in Cross River State

HOW IS SUKUK DIFFERENT FROM CONVENTIONAL BONDS?

<table>
<thead>
<tr>
<th>SUKUK</th>
<th>BOND</th>
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<tbody>
<tr>
<td>Represent ownership interest in assets</td>
<td>Bonds represent a pure debt obligation due from the issuer.</td>
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<tr>
<td>The funds raised from Sukuk issuance must be used only for ethical purposes,</td>
<td>Bonds can be issued to finance any legal purpose.</td>
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<tr>
<td>The sale of Sukuk represents the sale of the holder’s interest in an asset.</td>
<td>The sale of a Bond is the sale of a debt.</td>
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WHAT ARE THE KEY TERMS OF THE SUKUK?
Issuer: FGN Roads Sukuk Company 1 Plc. on behalf of the Federal Government of Nigeria
Description: FGN Sovereign Sukuk due 2025 at a return of 15.743% per annum
Tenor: 7 Years
Issue Size: N100,000,000,000
Unit of Issue: N1,000 per unit
Minimum Subscription: Minimum of N10,000 (i.e. 10 units @N1,000/unit) and in multiples of N1,000 (1 unit) thereafter
Rental Payment: Semi-annually
Redemption: Bullet payment of invested funds at maturity
Paying Agent/Registrar: The Central Bank of Nigeria
Security: Backed by the full faith and credit of the Federal Government of Nigeria

WHO CAN INVEST IN THE SUKUK?
All categories of investors, including:
- Individuals
- Institutional investors
- Financial Institutions such as commercial banks, insurance/takafal companies, pension funds and asset managers
- Cooperative Societies, Religious bodies, state investment companies
- Foreign investors

WHY SHOULD I INVEST IN THE SUKUK?
- It is a secure investment backed by the full faith and credit of the FGN
- Good security for diversification of asset portfolio.
- Regular cash flow as Rental Income will be paid half-yearly to Sukuk Holders.
- Rental Income is Tax-free
CAN I SELL THE SUKUK IN THE SECONDARY MARKET?
Yes, trading will be done on the secondary market by licensed dealers on the floor of The Nigerian Stock Exchange and on the FMDQ OTC Securities Exchange, in accordance with the Prospectus.

WHAT WILL I GET AS PROOF OF MY INVESTMENT?
Your Custodian/CSCS account will be credited with the Sukuk units allotted to you and you will be duly notified of the credit through SMS.

IS MY INVESTMENT IN THE SUKUK SAFE?
Yes, the Sukuk is backed by the full faith and credit of the Federal Government of Nigeria.

HOW WILL I GET RETURNS FROM MY INVESTMENT?
- Returns due to you will be credited twice a year to the bank account you provided on the Application Form.
- At maturity, your principal investment will also be credited to your bank account.

WHAT CAN I DO IF I DON'T WANT TO HOLD MY SUKUK TO MATURITY?
You may request your stockbroker or securities dealer to sell your Sukuk on The Nigerian Stock Exchange or the FMDQ OTC Securities Exchange upon listing.

WHO CAN I CONTACT IF I REQUIRE MORE INFORMATION OR CLARIFICATION?
- Lotus Financial Services Limited
  - 0708 705 407 and 0708 705 408 or info@fbnquestmb.com

4. Submit completed Application Form and proof of payment to any of the Financial Advisers – Lotus Financial Services Ltd or FBNIQuest Merchant Bank Ltd. Email fgsukuk@lotuscapitallimited.com or info@fbnquestmb.com or physically at any of their offices. You can also submit completed forms to any of the Placement Agents.