

Unlocking Long Term Local Currency Infrastructure Finance in Nigeria



OUR MANDATE

To provide local currency guarantees and mobilise long term domestic debt financing for infrastructure in Nigeria

RATINGS

Agusto&Co. / **AAA** (NG) July 2025 **GCR** / **AAA** (NG) July 2025 **FitchRatings** / **AAA** (NGA) July 2025

CAPITAL PROVIDERS

SOVEREIGN WEALTH FUND & DFIs



PRIVATE INSTITUTIONAL INVESTORS



CAPITAL

TOTAL CAPITAL

197 m USD

CORE CAPITAL

111 m USD

SUBORDINATED CAPITAL

86 m USD

GUARANTEE CAPACITY

UP TO NGN 1.54 trillion \$929 mln USD EQUIVALENT

IMPACT

N235bn TOTAL SIZE OF GUARANTEED DEBT
\$455 MLN EQUIV

UP TO 20 yrs

19 NUMBER OF PENSION FUND INVESTORS

22 INFRASTRUCTURE PROJECTS THAT REACHED FINANCIAL CLOSE

WE PROMOTE

Financial inclusion

By bringing first-time issuers to the domestic bond market

Financial deepening

By extending bond tenors for corporates, and by broadening pension fund investor bases

Financial innovation

By introducing new fixed income instruments such as green bonds

ELIGIBILITY CRITERIA

- Naira denominated
- Debt Instrument (including Sukuk)
- Must be an eligible Infrastructure Activity
- Acceptable Credit Profile based on InfraCredit's internal credit assessment

- Asset value is not directly linked to oil
- Minimum 'Bbb-' investment grade rating
- Adequate Security Package

- Debt Tenor of up to 20 years
- Satisfies InfraCredit's Environmental and Social Safeguards Standards
- Is not on IFC's Project Exclusion List
- Issuer is PENCOM Compliant

ELIGIBLE SECTORS

- Power – On-Grid/Off-Grid/Renewable
- Gas-to-Power and Gas-to-Clean Cooking
- ICT/Telecoms

- Logistics and Special Economic Zones
- Transportation
- Agriculture
- Manufacturing

- Social Infrastructure – i.e., Water & Waste
- Healthcare
- Green Housing
- Education

DEVELOPMENT PARTNERS



RISK SHARING PARTNERS



RECOGNITION

InfraCredit is a Harvard Business School Case Study



HARVARD BUSINESS SCHOOL











HBS Case Study:

Infrastructure in Nigeria: Unlocking Pension Fund Investments is being taught on HBS's MBA Program.




ELIGIBLE SECTORS

InfraCredit will support eligible projects in any of the following infrastructure related activities:

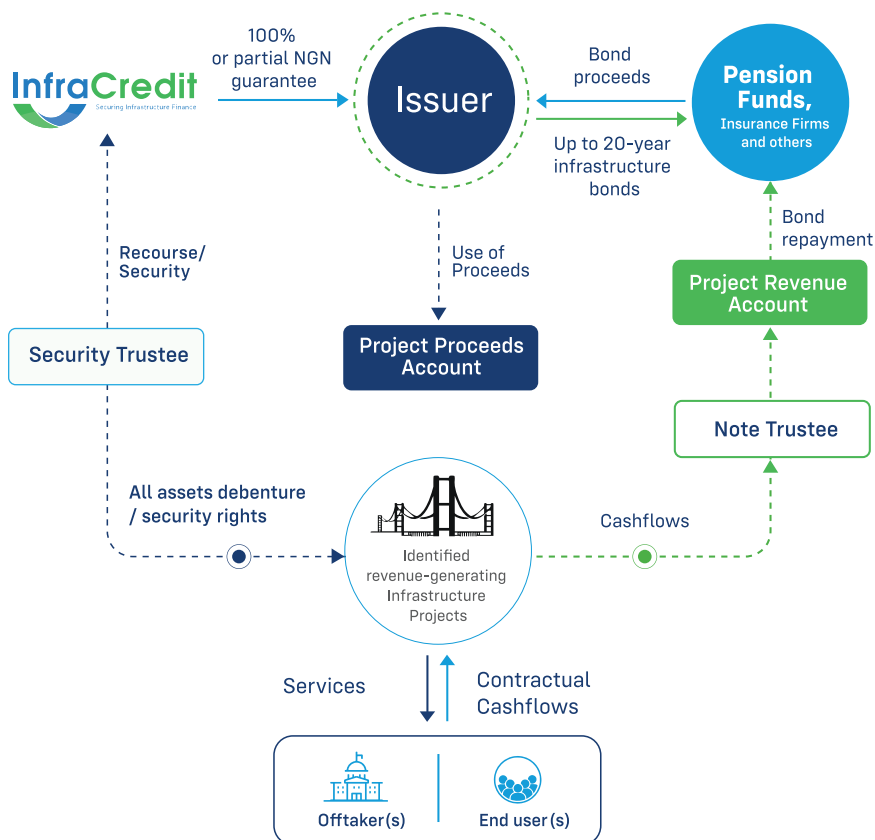
 POWER: The generation, transmission and/or distribution of electricity, including off-grid embedded power electrification	 ICT/TELECOMS: Local telephone services and IT network, internet solutions, voice, data center and cloud services to providers
 RENEWABLE ENERGY: Alternative energy and renewable energy technologies ranging from solar power, wind power, and hydroelectricity	 GAS TO POWER Gas-to-Power projects (e.g. processing, distribution) and Gas-to-Clean Cooking projects (e.g. storage, distribution)
 WATER DISTRIBUTION: Urban/rural fresh water production and treatment, bulk water supply and distribution (water reservoirs, transfer schemes)	 SOCIAL INFRASTRUCTURE: The provision of economic and social infrastructure (e.g. housing, healthcare, education) including industrial parks, within towns and cities
 WASTE MANAGEMENT: Solid waste disposal/collection, transportation and waste treatment, including waste recycling facilities	 INPUTS TO INFRASTRUCTURE: Manufacture, construction of goods, equipment, or other basic materials or services used in provision of infrastructure
 TRANSPORTATION: Fixed transportation infrastructure e.g. toll roads, bridges, rail, airports, ports and bulk storage/handling facilities	 AGRICULTURE: Infrastructure component of agro-industrial projects e.g. investments in agro-food processing/storage for agribusiness

ELIGIBLE TRANSACTIONS

 NAIRA DENOMINATED DEBT INSTRUMENT (INCLUDING SUKUK)	 DEBT TENOR OF UP TO 20 YEARS
 ISSUER IS PENCOM COMPLIANT	 SATISFIES INFACREDIT'S ENVIRONMENTAL AND SOCIAL SAFEGUARDS STANDARDS
 ACCEPTABLE CREDIT PROFILE BASED ON INFACREDIT'S INTERNAL CREDIT ASSESSMENT	 IS NOT ON IFC'S PROJECT EXCLUSION LIST
 MINIMUM INVESTMENT GRADE RATING WITH ADEQUATE SECURITY PACKAGE	 MUST BE AN ELIGIBLE SECTOR

HOW WE WORK

Basic Transaction Schematic



Key Features

Guarantee Features

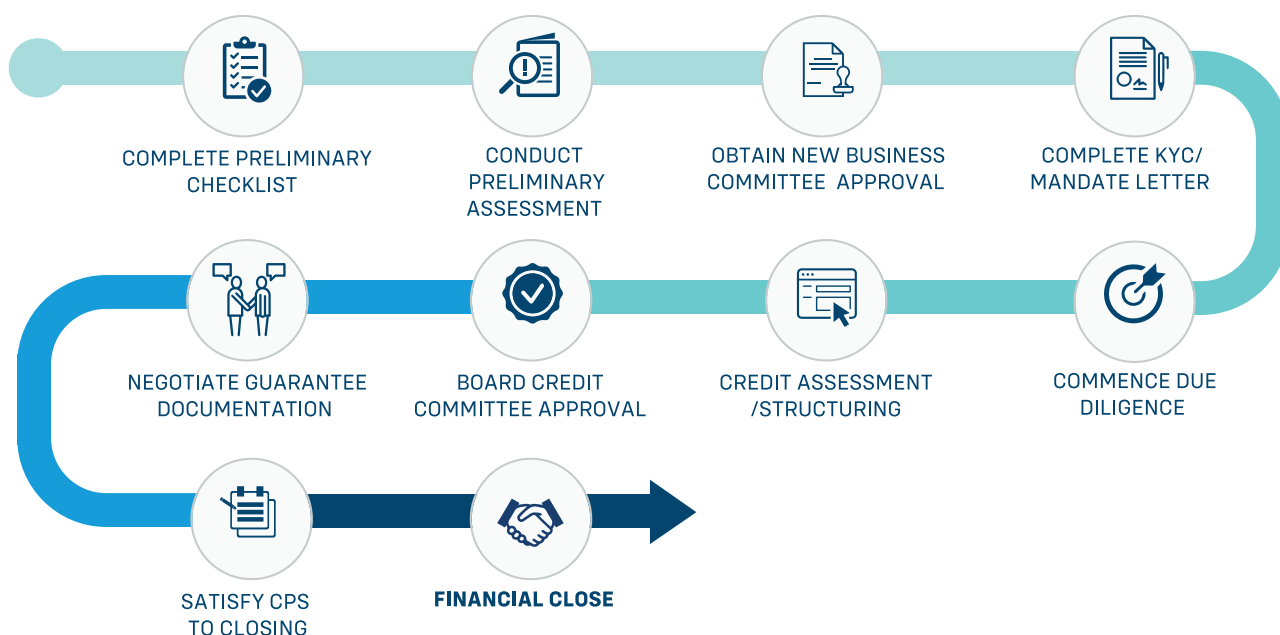
- Irrevocable & Unconditional
- Naira Obligations
- Up to 100%
- Senior Ranking Obligations
- Non Acceleration
- Up to 20 year Maturity
- Pari Passu Rights
- Voting Rights

Legal Documentation

- Deed of Guarantee
- Recourse Agreement
- Security Deed
- Other Documents

Guarantee Transaction Process

Deal Execution will be conducted in three phases: **Origination (Preliminary Assessment), Due Diligence & Structuring and Final Approval/Closing**



THE OPPORTUNITY

TOTAL PENSION
FUND ASSETS

N20.2 trillion

\$13.6 billion (USD Equivalent)

Total pension assets as at
May 2024

TOTAL PENSION ASSETS ALLOCABLE
TO CORPORATE BONDS PER PENCOM
GUIDELINES

N7.1 trillion

\$4.8 billion (USD Equivalent)

Estimated based on 35% weighted
allocation on total pension assets as at
May 2024





















TOTAL PENSION ASSETS ALLOCABLE
TO INFRASTRUCTURE BONDS





















N3.4 trillion

\$2.3 billion (USD Equivalent)

Estimated based on 17% weighted
allocation on total pension assets as
at May 2024

With the advent of InfraCredit, over the past six years, its guarantees have facilitated first-time access to long term local currency finance of up to 20-year tenor from the domestic debt market in aggregate of **USD 445 million** (NGN Equivalent) indexed to the exchange rate at deal closure date in guaranteed corporate infrastructure debt for twenty infrastructure companies.

		Sector	Size
1	 VIATHAN 2017	 Off-Grid Power	NGN10.0 bn USD27.8 ml
2	 NORTH SOUTH POWER 2019	 On-Grid Power	NGN8.5 bn USD23.5 ml
3	 2019	 Off-Grid Power	NGN13.0 bn USD35.9 ml
4	 2020 & 2022	 Transport & Logistics	NGN17.0 bn USD42.1 ml
5	 Lagos Free Zone 2021, 2022 & 2023	 Special Economic Zones	NGN53.0 bn USD123.4 ml
6	 GPC ENERGY AND LOGISTICS LTD 2021	 Transport & Logistics	NGN20.0 bn USD48.3 ml
7	 PAN AFRICAN TOWERS LIMITED 2022	 Telecoms Infrastructure	NGN10.0 bn USD24.1 ml
8	 ASIKO® 2022	 LPG Storage & Distribution	NGN1.5 bn USD3.6 ml
9	 gtl GAS TERMINALLING 2022	 LPG Storage	NGN12.0 bn USD 17.1 ml
10	 Derway ENERGY 2022	 Renewable Energy (Solar)	NGN0.8 bn USD1.8 ml

		Sector	Size
11	 GLNG 2022, 2023 & 2024	 Gas to Power	NGN9.86 bn USD12.4 ml
12	 falcon 2023	 LPG Storage	NGN3.0 bn USD4.4 ml
13	 ELEKTRON 2023	 Off-grid Power	NGN12.2 bn USD15.2 ml
14	 HOT SPOT 2023	 ICT/Telecoms (Rural Telephony)	NGN0.95 bn USD1.26 ml
15	 COLEMAN 2023	 Manufacturing	NGN10.0 bn USD12.7 ml
16	 african industries Serving Nigeria since 1971 2023	 Manufacturing	NGN10.0 bn USD12.9 ml
17	 ME CURE 2023	 Healthcare Infrastructure	NGN6.5 bn USD7.9 ml
18	 ACPB LIGHTING technology limited 2023	 Renewable Energy (Solar)	NGN0.75 bn USD0.81 ml
19	 MODERN SHELTER SOLUTIONS LIMITED 2023 & 2024	 Green Housing	NGN5.5bn USD5.4 ml
20	 PRADO POWER 2024	 Renewable Energy (Solar)	NGN1.8 bn USD1.4 ml

These corporate debt instruments were oversubscribed by up to 60% from local pension fund investors, with participation by 19 pension fund investors (managing c.75% of the industry assets under management) subscribing to InfraCredit-guaranteed infrastructure bonds; signifying strong investor appetite and confidence in its credit standing.

DEVELOPMENT IMPACT

Our Theory of Change hinges on three pillars where InfraCredit is delivering impact through its activities at the market, project and end user level, with specific measurable outcome indicators.

Market

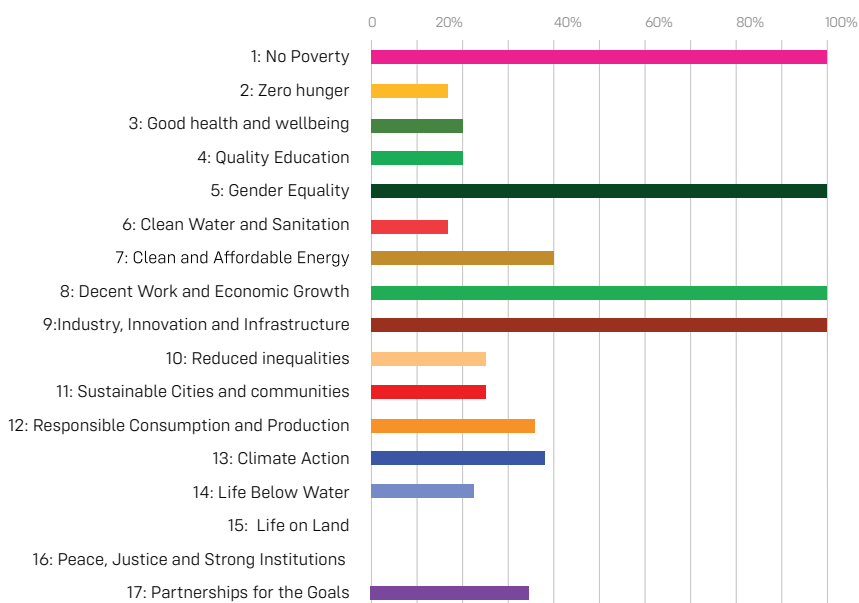
InfraCredit will expand the debt capital market, investor base and new sources of capital for infrastructure financing. InfraCredit will also support the emergence of an enabling environment with favourable policies and incentives, and connected networks of actors, to support infrastructure development

Projects

InfraCredit will enable infrastructure project developers to access longer tenor capital at competitive rates, and will ensure high-impact and viable projects are increasingly, successfully and sustainably executed, and create jobs

End User

InfraCredit's financing activities will deliver increased infrastructure access, reliability and resilience leading to improved livelihoods. As a consequence of these outcomes, InfraCredit will enable improved business productivity leading to economic growth and social development



OUR PORTFOLIO IMPACT



- 4622 jobs supported
- 34 newly registered businesses with access to infrastructure in the free zone area.
- Over 1000 SMEs with improved access to infrastructure.



- 370 green and affordable housing units through the NTV project



- Emissions reduction 451,000CO2 eq
- Estimated forest savings from LPG displacement of fuel wood utilization for cooking: 16.64 ha



- 535 permanent jobs for women.
- 38 women jobs at the managerial level, representing a total of (23%). 19 Female truck drivers (TSL)
- Community investment schemes by portfolio companies target women-owned and/or women-led enterprises e.g., micro-loans for women-led SMEs and women cooperatives.



- Over 1,000,000 beneficiaries with improved access to infrastructure.
- 1,534 logistics trucks (TSL and GPC)
- 17,152,000 tonnes of bulk cargo transported.



- 600MW of hydropower installed
- 1711 KWp of solar mini-grids installed
- 15,000 MT of LPG Storage Facility
- 4,113.02 improved hours of power

We are proud signatories of:



Operating Principles for Impact Management

// Domestic pension funds have demonstrated increased appetite to invest in bankable corporate infrastructure debt in Nigeria, it has never been more timely and important for infrastructure projects to access long term local currency finance of up to 20-year tenor from the domestic debt market at affordable interest rates to finance long-term infrastructure projects and refinance short term high interest loans. //



Aerial view of Shiroro Hydroelectric Power Plant, Niger State

Contact



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