InfraCredit
Securing Infrastructure Finance

ANNUAL REPORTS
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Unlocking Long Term Local Currency Infrastructure Finance in Nigeria

InfraCredit
Securing Infrastructure Finance

OUR MANDATE

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

RATINGS

Agusto&Co. — Research, Credit Ratings, Credit Risk Management / AAA (NG) July 2025

GCR / AAA (NG) July 2025

FitchRatings / AAA (NGA) July 2025

CAPITAL PROVIDERS

SOVEREIGN WEALTH FUND & DFI s: Nigeria Sovereign Investment Authority; KFW Bank aus Verantwortung; Africa Finance Corporation; African Development Bank Group; InfraCo Africa

PRIVATE INSTITUTIONAL INVESTORS: Leadway Assurance; AIICO Insurance American International

CAPITAL

TOTAL CAPITAL	CORE CAPITAL	SUBORDINATED CAPITAL
202 m USD	116 m USD	86 m USD

IMPACT

- N235bn TOTAL SIZE OF GUARANTEED DEBT (S455 MLN EQUIV)
- 21 NUMBER OF PENSION FUND INVESTORS
- UP TO 20 yrs
- 22 INFRASTRUCTURE PROJECTS THAT REACHED FINANCIAL CLOSE

WE PROMOTE

Financial inclusion	Financial deepening	Financial innovation
By bringing first-time issuers to the domestic bond market	By extending bond tenors for corporates, and by broadening pension fund investor bases	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

UKaid; PIDG pioneering infrastructure changing lives; german cooperation; Power Africa; AFD; USTDA; fsdafrica Investments

RISK SHARING PARTNERS

ATIDI African Trade & Investment Development Insurance; British International Investment; GuarantCo Guarantees for Development; DFC U.S. International Development Finance Corporation

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.

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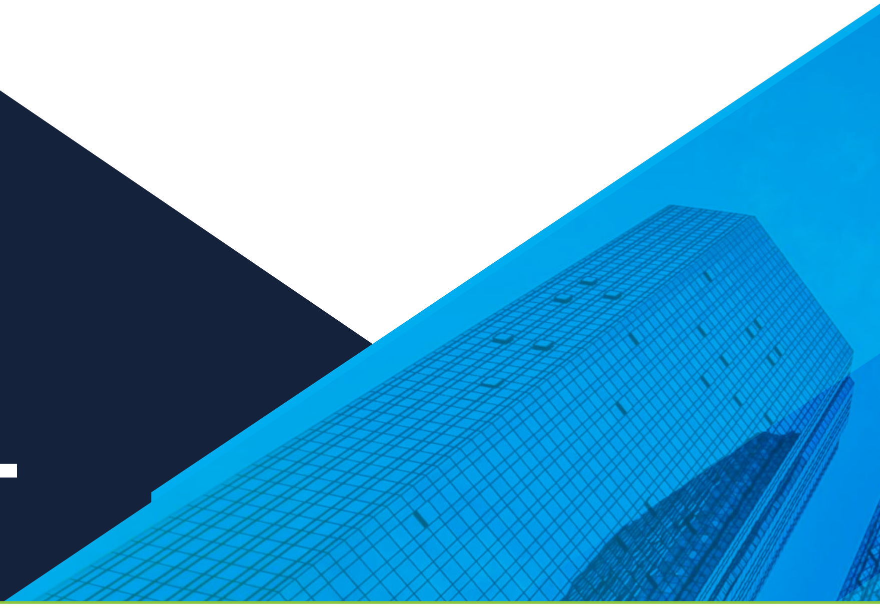
IN THIS REPORT



Read the Online Annual Report
www.infracredit.ng

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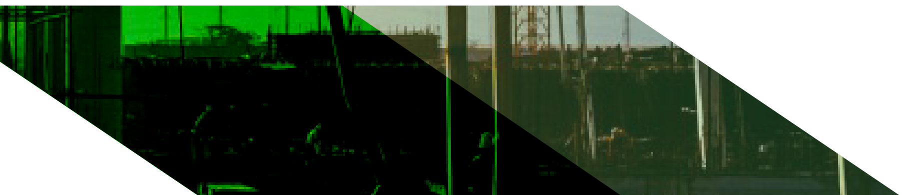

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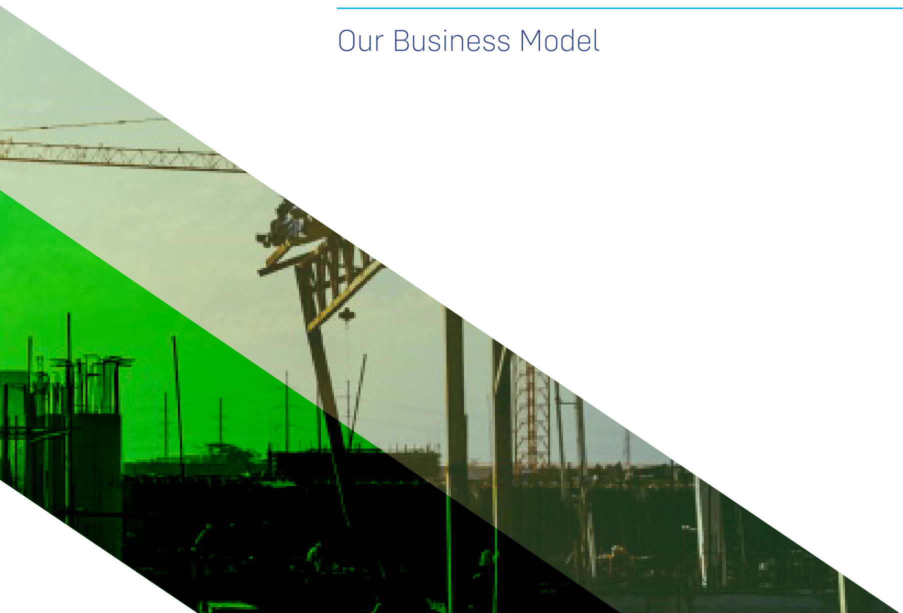
CHAPTER **ONE**

01

About InfraCredit



TO: ALL SHAREHOLDERS

NOTICE OF THE ANNUAL GENERAL MEETING OF INFRASTRUCTURE CREDIT GUARANTEE COMPANY PLC

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Infrastructure Credit Guarantee Company Plc (the "**Company**") is scheduled to hold on **Friday, 11 April 2025** at **Lagos Continental Hotel, Plot 52A, Kofo Abayomi Street, Victoria Island, Lagos,** at **12:00 noon (WAT)**, to transact the following business:

ORDINARY BUSINESS

1. To lay before Members the Audited Financial Statements of the Company for the year ended 31st December 2024, together with the Reports of the Directors and Auditor.
2. To declare Dividends.
3. To elect and re-elect Directors.
4. To authorize the Directors to fix the remuneration of the Auditor.
5. To disclose the remuneration of the Managers.
6. To elect Shareholders' Representatives to the Audit Committee.

NOTES

1. ATTENDANCE AND VOTING BY PROXY

1.1 A Member of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in his/her stead. Such an appointed proxy need not be a member of the Company.

1.2 For the instrument of proxy to be valid, it must be completed, duly stamped and deposited at the office of the Registrar, CardinalStone Registrars Limited, 335/337 Herbert Macaulay Street, Sabo, Yaba, Lagos or by email to registrars@cardinalstone.com not less than 48 hours before the time fixed for the meeting. The instrument of proxy shall be stamped at the instance of the Company.

1.3 A blank Proxy Form is enclosed in the Annual Report and can be downloaded from the Company's website www.infracredit.ng.

2. PAYMENT OF DIVIDEND

2.1 The Board of Directors has recommended for Members' approval, a declaration of final dividends totaling NGN3,029,860,626.68 (Three Billion, Twenty-Nine Million, Eight Hundred and Sixty Thousand, Six Hundred and Twenty-Six Naira, Sixty-Eight Kobo only) comprising ordinary dividends of NGN1,372,957,175.25 (One Billion, Three Hundred and Seventy-Two Million, Nine Hundred and Fifty-Seven Thousand, One Hundred and Seventy-Five Naira, Twenty-Five Kobo only) and preference dividends of USD4,480,906.34 (Four Million, Four Hundred and Eighty Thousand, Nine Hundred and Six Dollars, Thirty-Four Cents) at historical exchange rates at the Completion Dates, that is, the dates of capital disbursement.

2.2 In addition to the interim ordinary dividends of NGN1,864,617,252.90 (One Billion, Eight Hundred and Sixty-Four Million, Six Hundred and Seventeen Thousand, Two Hundred and Fifty-Two Naira, Ninety Kobo only) paid earlier for the 2024 financial year, the total dividends declared for the 2024 financial year would amount to NGN4,894,477,879.58 (Four Billion, Eight Hundred and Ninety-Four Million, Four Hundred and Seventy-Seven Thousand, Eight Hundred and Seventy-Nine Naira, Fifty-Eight Kobo only) with the USD-denominated preference dividends determined at the historical exchange rates at the Completion Dates, that is, the dates of capital disbursement.

2.3 To ensure capital preservation, the Board of Directors has also recommended the option for capitalization of both the ordinary and preference dividends. Thus, a Member may elect to receive:

a) A scrip dividend of one preference share at NGN2.50 per share and/or one ordinary share at NGN2.07 per share; or
b) A cash preference dividend in USD and/or ordinary dividend in Naira; or
c) A combination of both cash and scrip dividends.

2.4 If the dividends being recommended by Directors above are approved by Members at the AGM, the dividends will be paid on 11th April 2025 to duly mandated accounts of Members so entitled, whose names appear in the Register of Members as at close of business on 14th March 2025 and 31st December 2024 for ordinary shareholders and preference shareholders, respectively.

3. CLOSURE OF REGISTER OF MEMBERS AND TRANSFER BOOKS

The Register of Members and Transfer Books of the Company will be closed from Monday, 17th March 2025 to Friday, 21st March 2025 (both days inclusive), to enable the Registrars to update the Register of Members.

4. NOMINATIONS TO THE AUDIT COMMITTEE

4.1 Pursuant to Section 404 (6) of the Companies and Allied Matters Act 2020, any Member may nominate another Member for appointment to the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one (21) days before the AGM.

4.2 The Code of Corporate Governance for Public Companies issued by the Securities and Exchange Commission (SEC) and the Companies and Allied Matters Act 2020 require all members of the Audit Committee to be financially literate and able to read financial statements. At least one member must be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. In view of this, all nominations to the Audit Committee should be supported by the curriculum vitae of the nominees.

5. E-DIVIDEND MANDATE

Shareholders who need to update their records and relevant bank accounts are urged to complete the e-Dividend Mandate Activation Form which can be detached from the Annual Report and is available on the Company's website www.infracredit.ng. The duly completed form should be returned to the Registrars, CardinalStone Registrars Limited at 335/337 Herbert Macaulay Street, Sabo, Yaba, Lagos, or by email to registrars@cardinalstone.com.

6. **ELECTION OF DIRECTORS**

Since the last AGM, pursuant to Section 274 (1) of the Companies and Allied Matters Act 2020, the Board appointed Mr. Kolawole Owodunni, Ms. Ijeoma Taylaur, and Mr. Michael Chilton as Non-Executive Directors to fill casual vacancies on the Board. Their profiles are contained in the Annual Report and are also available on the Company's website www.infracredit.ng.

7. **RE-ELECTION OF DIRECTORS**

7.1 Pursuant to Section 285 (1) of the Companies and Allied Matters Act 2020, the Directors to retire by rotation are Mr. Sanjeev Gupta, Mr. Banji Fehintola, and Mr. Gilles Vaes. They have indicated their willingness to stay in office and offer themselves for re-election. Their profiles are contained in the Annual Report and are also available on the Company's website www.infracredit.ng.

7.2 Pursuant to Clause 4.6 of the Company's Board Charter, and following her willingness to stay in office, the Board extended the tenure of Ms. Hamda Ambah as an Independent Non-Executive Director, for two (2) additional years. Her profile is contained in the Annual Report and is also available on the Company's website www.infracredit.ng.

8. **RIGHT TO ASK QUESTIONS**

It is the right of Members to ask questions, not only at the AGM but also in writing prior to the meeting. Such questions should be sent by email to the Company Secretary via conwubere@infracredit.ng not later than one (1) week before the AGM.

9. **ELECTRONIC ANNUAL REPORT**

The electronic version of the Annual Report is available online to view and download from the Company's website www.infracredit.ng. Members whose email addresses are provided to the Registrar will receive the electronic version of the Annual Report via email. Furthermore, Members interested in receiving the electronic version of the Annual Report should send their request to the Registrar via email to registrars@cardinalstone.com.

10. **LIVE STREAMING OF THE AGM**

The AGM will be streamed live. This will enable Members and other Stakeholders who will not attend the meeting physically to follow the proceedings. Please log on to the Company's website www.infracredit.ng, for the live streaming.

Dated this 20th day of March 2025

By Order of the Board

Company Secretary
Chidinma Onwubere
FRC/2015/PRO/NBA/002/00000011359
1, Adeyemo Alakija Street
Victoria Island, Lagos

CORPORATE INFORMATION

Registered Office
Infrastructure Credit Guarantee
Company PLC
1, Adeyemo Alakija Street
Victoria Island, Lagos

Contact
Email: info@InfraCredit.ng
Website: www.infracredit.ng

Solicitor
Olaniwun Ajayi LP
Plot L2, 401 Close, Banana Island
Ikoyi, Lagos
Email: lawyers@olaniwunajayi.net
Website: www.olaniwun-ajayi.net

Auditor
KPMG Professional Services
KPMG Tower, Bishop Aboyade Cole Street
Victoria Island, Lagos
www.kpmg.com.ng

Bankers
Access Bank Plc
Ecobank Nigeria Limited
Guaranty Trust Bank Plc
Stanbic IBTC Bank Plc
United Bank for Africa Plc
Standard Chartered Bank Limited

ABOUT InfraCredit

BRIEF HISTORY

Infrastructure Credit Guarantee Company PLC (InfraCredit) is a specialized infrastructure credit guarantee institution established by the Nigeria Sovereign Investment Authority (NSIA) and GuarantCo to provide local currency guarantees to enhance the credit quality of local currency debt instruments issued to finance eligible infrastructure assets in Nigeria.

NSIA and GuarantCo entered this partnership to explore value-creation opportunities in the Nigerian infrastructure finance market by unlocking requisite long-term patient capital required by infrastructure projects to be commercially successful. It is expected that the successful operation of InfraCredit will address the constraints faced by the Nigerian pension market in investing in long-term bonds to finance infrastructure assets.

InfraCredit has been accorded a 'AAA' rating by GCR , Agusto and Fitch, a first for a local currency guarantor in Sub-Saharan Africa. InfraCredit closed its first transaction in December 2017.

> Over the past seven years, InfraCredit has through its guarantees, facilitated first-time access to local currency finance from the domestic debt market for twenty-two infrastructure companies raising c. NGN235.97 billion, successfully connecting domestic pension funds to infrastructure finance through the debt capital markets in Nigeria and extending the yield curve for corporate debt securities to an unprecedented 20-year tenor. The issues were oversubscribed by up to 65%.

InfraCredit acts as a catalyst to attract the investment interest from pension funds, insurance firms and other long-term investors, thereby deepening the Nigerian debt capital markets. InfraCredit operates on a commercial basis and benefits from private sector governance. This is in conformance with the overall objective of its investors to facilitate private investment in infrastructure to support sustained economic growth in Nigeria.

Capital Providers

Development Partners

InfraCredit's Anti-Bribery Management System has been certified as ISO 37001 compliant by Lloyd's Register. Securing this recognition reflects the robustness of its Compliance and Anti-bribery Program and further demonstrates the Company's commitment to upholding the highest international anti-bribery standards across our business and in a challenging frontier market in which we operate.

We are proud signatories of:

OUR VISION, MISSION & VALUES

VISION

Our vision is to be a catalyst and the most trusted partner in the attraction of long-term capital into infrastructure finance in Nigeria.

MISSION

Our mission is to successfully unlock the potential for long term local currency infrastructure finance in Nigeria creating value for our stakeholders and being the best at what we do.

OUR VALUES

Our values define who we are. Through integrity, impact, passion, innovation and collaboration, we are focused on building a vibrant company where ideas can flourish, people can succeed and success can be nurtured.

Our growth will be led by a strong and unparalleled human capital that is uniquely aligned to the business needs and the strategic direction of InfraCredit. To successfully achieve this, we have put our People at the heart of our Strategic Business Plan to create the true organisational transformation as envisioned for InfraCredit and to deliver growth through people. This is a driving force behind our corporate philosophy, because of our fundamental belief in building a vibrant institution where ideas can flourish, people can succeed and success can be nurtured.

Integrity:
Doing the right things always.

Passion:
Love what you do and be the best at it. Align our individual passion with InfraCredit's vision and shared values.

Innovation:
Run with great ideas without delays and continue to seek better ways of doing things.

Collaboration:
Helping and impacting each other positively.

Impact:
Influence one another and the society while constantly seeking opportunities to make a difference.

OUR JOURNEY & KEY MILESTONES

InfraCredit has made significant strides since its inception in 2017. The concept was initiated and business model developed over a 5-year period from feasibility to business implementation.

JUN 2017
NSIA and GuarantCo partner up and launch InfraCredit

JUN 2017
InfraCredit commences operation

JUN 2017
Obtains 'AAA' national scale long term credit rating

DEC 2017
InfraCredit issues Maiden guarantee which supports first 10-year corporate infrastructure bond in the Nigerian Market

JUL 2018
Joins league of Harvard Business school cases

DEC 2018
Africa Finance corporation invests $25 million

DEC 2018
KFW invests €31 million subordinated Capital

FEB 2019
Guarantee supports NSP issuance of first 15 year corporate green infrastructure bond

APR 2019
African Development Bank (AfDB) approves the provision of a $10million subordinated loan and a $5mn partial credit guarantee facility

AUG 2019
Issues N13Bn guarantee to GEL (USAID co-guarantee)

DEC 2019
KFW invests additional €23.5 million subordinated capital

SEP 2020
Guarantee supports TSL issuance of 10-year corporate infrastructure bond at 10%

DEC 2020
InfraCo Africa invests $27 million equity

H1 2021
Issues first two blended finance guarantees

SEPT 2021
Leadway invests $5 million equity

SEPT 2021
Guarantee supports LFZC issuance of the longest tenured 20-year corporate infrastructure bond

NOV 2021
Issues N20Billion guarantee to GPC at 13.0%

JAN 2022
Issues N10billion 10- year guarantee support to Pan African Towers (ATI co-guarantee)

MAR 2022
Signs MOU with African Trade Insurance Agency as risk sharing partners.

APR 2022
Issues N25Billion guarantee to LFZC Series II bond

APR 2022
1st guarantee of PCB. Asiko Power Limited – N1.5billion

SEPT 2022
Guarantee of the first ever blended local currency green certified debt issue for a solar mini-grid project in Nigeria

NOV 2022
Issues guarantee of BOI loan of N3.5billion for Gas Terminalling

MAR 2023
Issues N17.5Billion guarantee to LFZC Series III bond

MAY 2023
African Development Bank (AfDB) approved the provision of a $15million subordinated loan

JULY 2023
Guarantee of the first ever blended local currency green certified debt issue for a solar powered rural telephony project

DEC 2023
Admitted Aiico Insurance as second domestic institutional Investor

MAR 2024
InfraCredit and ATIDI sign a local currency counter-guarantee on a N37 billion portfolio

JUN 2024
African Development Bank (AfDB) approved the provision of an additional $15million subordinated loan facility

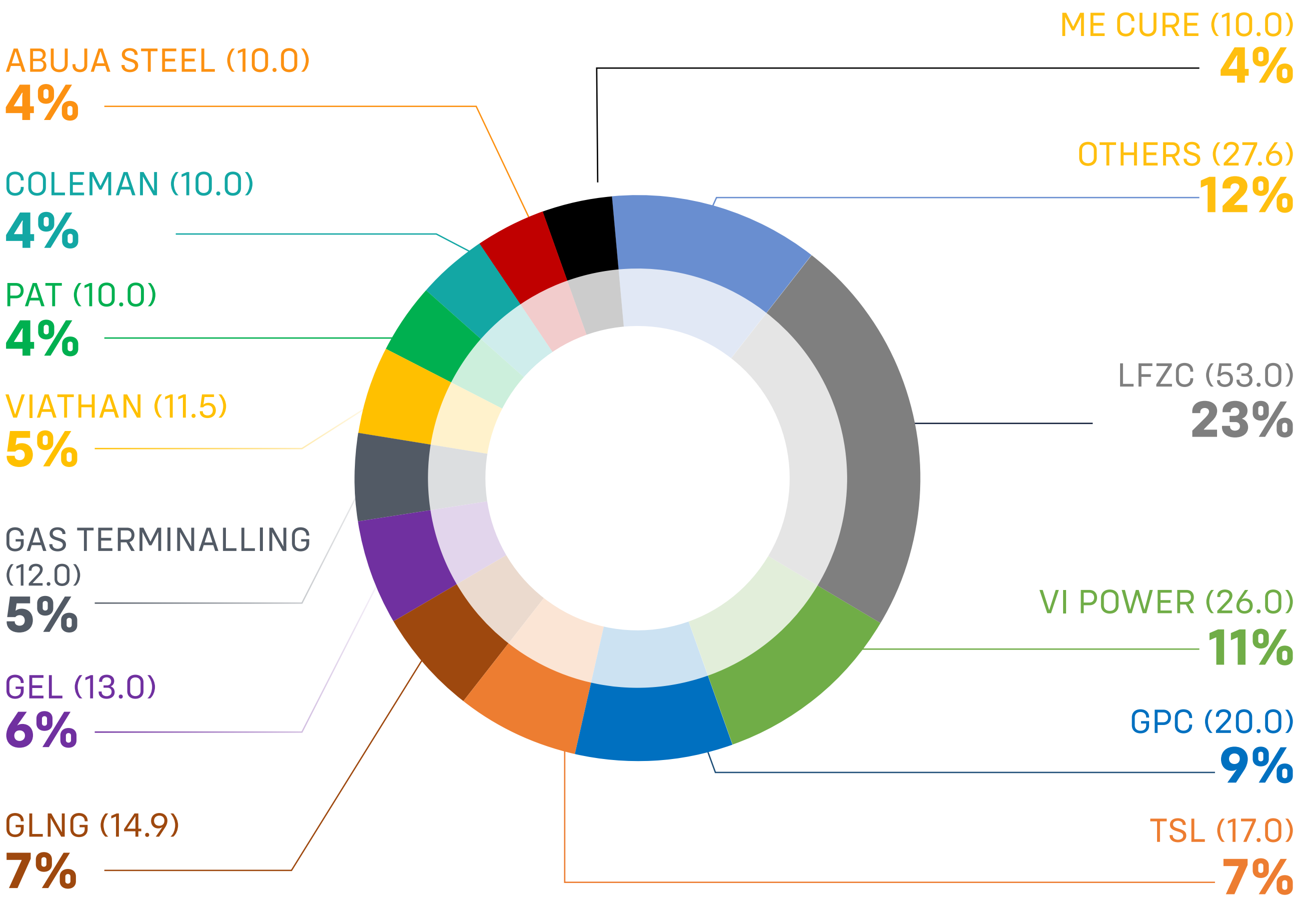
SEPT 2024
InfraCredit joins the 2X Global Network

NOV 2024
British International Investment (BII) provides a $30million Risk Sharing and Co-Financing Facility for Distributed Renewable Energy projects

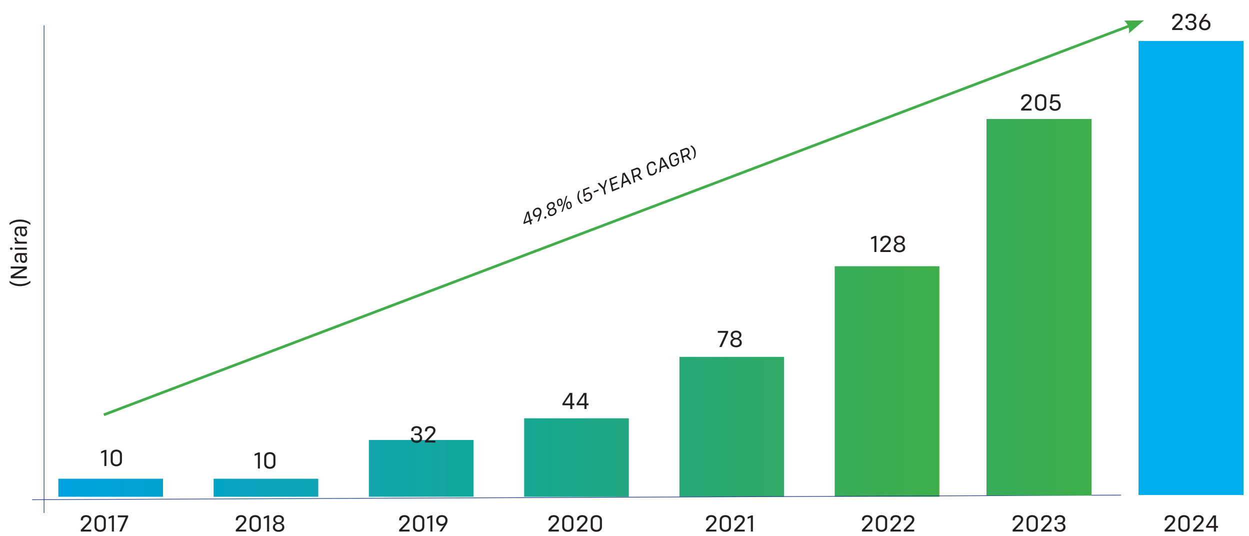
DEC 2024
Guarantee of the first ever blended local currency green certified Ijara Sukuk for a solar mini grid project

HOW WE HAVE **PERFORMED**

GUARANTEE PORTFOLIO COMPANIES (N'BN)



GUARANTEE PORTFOLIO GROWTH (N'BILLION) SINCE INCEPTION AS AT FY24



AWARDS & ACHIEVEMENTS

BUSINESS ACHIEVEMENTS:

EMEA FINANCE ACHIEVEMENTS AWARDS

The Lagos Free Zone (Tolaram)'s N17.5bn, 20-year Series 3 Infrastructure Bond Issuance, guaranteed by InfraCredit, won the "Best Project Bond" award from the EMEA Achievement Awards. This bond marks the third 20-year non-FGN bond issue in Nigeria's debt capital market, aimed at developing an industrial hub. The success of this issuance highlights the potential for long-term local currency financing for infrastructure projects and demonstrates strong investor confidence.

AFRICAN LEGAL AWARDS 2024

Our Legal Team has won the prestigious award for "Legal Department of the Year (Banking and Finance)" at the African Legal Awards 2024. An awards which celebrates the excellence and innovation within Africa's legal industry. This achievement is a testament to the dedication, expertise, and hard work of our legal team, who consistently drive success in supporting our strategic goals.

INFRACREDIT'S MAIN OFFICE BUILDING RECEIVES EDGE ADVANCED CERTIFICATION.

InfraCredit's Office Building was awarded the EDGE Advanced Certification from the International Finance Corporation (IFC)
EDGE (Excellence in Design for Greater Efficiencies), an innovation of the IFC, the private sector arm of the World Bank, is a program that recognizes buildings around the world for their green design. By focusing on energy and water efficiency, as well as the careful selection of building materials, EDGE-certified buildings help to significantly reduce carbon emissions.

This is crucial for contributing to a healthier environment and aligns with Nigeria's Nationally Determined Contribution (NDC) under the Paris Agreement, which aims to reduce greenhouse gas emissions and combat global warming.

UNITED NATIONS GLOBAL COMPACT

InfraCredit is pleased to join efforts in advancing the #GlobalGoals by committing to the #Ten Principles of the United Nations Global Compact. This milestone underscores our commitment to align our strategies and operations with universal principles on human rights, labour, environment and anti-corruption as we continue to work collectively towards a sustainable and socially responsible society.

INFRACREDIT JOINS 2X GLOBAL NETWORK

InfraCredit announced its membership with the 2X Global , a global network and field-building organization for investors, capital providers, and intermediaries, aimed at unlocking gender-smart capital at scale and advancing women's economic empowerment and agency

GREEN BUILDING COUNCIL OF NIGERIA'S, FUTURE CITIES & AFRICA GREEN BUILDING COUNCILS SUMMIT

InfraCredit was recognized as an EDGE Buildings Champion at the Green Building Council Nigeria Future Cities & Africa Green Building Councils Summit. This acknowledgment is supported by our attainment of the EDGE Advanced Certification for our office building and our commitment to incorporating green building practices and decarbonization across our housing portfolio through IFC - International Finance Corporation's EDGE solution.

PROJECT FEASIBILITY STUDIES FOR THE CONSTRUCTION OF ASO – PADA TOLL ROAD

We were hosted by the Nasarawa State Government (NASG), led by His Excellency, Engr. Abdullahi A. Sule, to witness and acknowledge the signing and official commencement of project feasibility studies for the construction of the Aso – Pada Toll Road, between InfraCredit- led by the CEO, Chinua Azubike, and the Nasarawa Investment and Development Agency (NASIDA)- led by the MD/ CEO, Ibrahim A. Abdullahi , with the technical assistance support of the Agence Française de Développement (AFD).

2024 STAFF RETREAT

We embarked on a transformative two-day staff retreat, a crucial opportunity for us to re-strategize for the future as well as strengthen our team dynamics and culture.

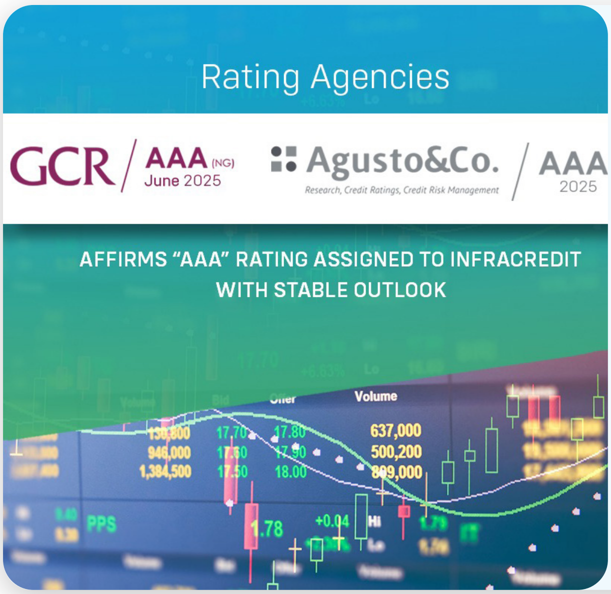
Driven by our core values of Innovation, Passion, Impact, Integrity, and Collaboration, the retreat focused on acknowledging our journey, evaluating performance, and charting a clear course forward.

INFRACREDIT STAR ACADEMY GRADUATES ITS FOURTH COHORT

As part of the medium-to-long-term strategy of strengthening our human capital to support a sustainable business, we developed a People Strategy which is a strategic plan for the attraction, management, and development of employees that are aligned to business needs and the strategic direction of InfraCredit.

In line with the People Strategy, the STAR Academy was established to ingrain the required competencies and skills in interns who have been carefully selected based on a track record of excellence. The Academy seeks to create a new breed of Infrastructure financing structuring professionals to support organizational growth and fill industry skill gaps.

In July 2024, the fourth cohort of the InfraCredit STAR academy completed the Six-month intensive programme. The programme covers training, and work rotations providing hands-on experience amongst other developmental activities.



OUR RATINGS

Earlier in the year, Fitch Ratings assigned a National Ratings of ‘AAA(nga)’ to InfraCredit considering its solid position. InfraCredit’s “B+” International Long Term Financial Strength also assigned by Fitch is two notches above Nigeria’s sovereign credit rating score of ‘B’- thus, piercing the country’s foreign currency sovereign ceiling. https://lnkd.in/eMNHiBD7

Rating agencies, Global Credit Ratings (GCR) and Agusto & Co, re-affirmed the “AAA” credit rating of InfraCredit, for the seventh consecutive time with stable outlook.

RISK SHARING AGREEMENTS AND CAPITAL RAISE TRANSACTIONS

INFRACREDIT AND ATIDI SIGN LOCAL CURRENCY COUNTER-GUARANTEE AGREEMENT

We signed a local currency counter-guarantee agreement with the African Trade & Investment Development Insurance (ATIDI) for a NGN37 billion (US$40.7 million) portfolio risk-sharing arrangement to support seven (7) infrastructure portfolio companies of InfraCredit across sectors including energy, healthcare, manufacturing (inputs to infrastructure) and logistics.. The partnership aligns with our 2022 MoU with ATIDI, aiming to provide credit guarantees and reinsurance on eligible transactions. This strategic collaboration allows InfraCredit to underwrite large contracts, manage risks, and attract domestic institutional investments to address Nigeria's infrastructure deficit.

AT COP 29

We signed a US$30 million risk-sharing and blended local currency co-financing facility with the British International Investment (BII), a dual financing instrument combining a US$20 million (NGN32 billion) local currency counter-guarantee and a US$10 million (NGN16 billion) concessional financing to support decentralised renewable energy (DRE) projects, originated and guaranteed by InfraCredit through the CFBF.

INFRACREDIT AND AFDB SIGN US$15MILLION FACILITY

InfraCredit has successfully secured a US$15 million subordinated unsecured 10-year facility with the African Development Bank Group (AfDB), marking their second investment following an initial US$10 million facility in 2020. This partnership strengthens InfraCredit's capital base and reinforces its mission to address Nigeria's infrastructure financing gap. The facility will bolster private sector funding across key sectors including power, renewable energy, telecommunications, healthcare, green housing, and transportation. AfDB's investment reflects confidence in InfraCredit's robust business model and commitment to sustainable development, supporting initiatives like the Clean Energy Transition Strategy and advancing climate mitigation efforts through green finance.

SEA TURTLE CONSERVATION PROJECT

Since 2021, InfraCredit has supported the Lagos Free Zone (Tolaram) Company's (LFZC) bond issuances totaling NGN53.0 billion (USD65.5 million) for the development of industrial and logistics infrastructure. In line with our ESG framework, we were pleased to partner with LFZC on the Sea Turtle Conservation Project (TCP). This initiative, backed by KfW Development Bank, focuses on community-based approaches to address ecological concerns near the Lekki Deep Seaport. This partnership highlights InfraCredit's commitment to biodiversity management in Nigeria's infrastructure projects.

BOARD ENGAGEMENT AND ONBOARDING SESSIONS

In October 2024, our board members visited our office in Lagos, Nigeria, for a series of strategic engagements aimed at strengthening governance and aligning with our long-term vision.

As part of the visit, we conducted an onboarding session to provide key insights into our processes, recent developments, and achievements. This session facilitated discussions on strategy and operational priorities, equipping board members with a deeper understanding of our initiatives and impact-driven approach.

The engagement also included site visits to some of our portfolio companies, including Viathan Engineering and the Asiko LPG Terminal Construction Site in Ijora, Lagos. These visits provided direct visibility into ongoing infrastructure projects and their contributions to Nigeria's energy and economic landscape.

PORTFOLIO **COMPANIES**

VIATHAN GROUP

Viathan Group ('Viathan' or 'the Group') develops and operates captive and embedded (off-grid) power solutions for governmental, commercial and residential off-takers across Nigeria.

In 2017, Viathan raised N10 billion via senior guaranteed fixed rate bonds, the first corporate infrastructure bond issued in the Nigerian debt capital markets. The bond proceeds was utilized to expand its generation capacity by 7.5 MW, construct a 104,800 scm/day Compressed Natural Gas (CNG) Plant and refinance short term bank debts.

The company also raised N1.53billion guaranteed Bank of Industry (BOI) credit facility in August 2021 to finance expansion requirement for additional power connection to end users.

Issuer	Viathan Funding Plc
Issue Date	Bond: 15th December 2017 BOI: 30th August 2021 Bridge: 5th December 2024
Bond: Principal Amount Outstanding (NGN)	5,222,784,840
BOI: Principal Amount Outstanding (NGN) Bridge: Principal Amount Outstanding (NGN)	761,575,500 1,000,000,000
Sector	Off grid power
Tenor	Bond: 10 years, BOI: 6 years
Location of Operation	South-West Nigeria
Asset Size/Capacity	CNG Plant capacity – 104,800 SCM per day and 31,754,400 SCM per year. Power Generating Capacity: 52MW

Financial Year End:
31 December

Sector:
Off-grid Power

Issue/Bond Rating
(2019)

Long-term:
AAA(NG)
(Agusto & Co. and GCR)

Rating outlook:
Stable

Gasco Marine

GLNG - PROJECT SUMMARY

Green Liquefied Natural Gas

In July 2018, Green Liquified Natural Gas (GLNG) was established by Green fuels limited ("GFL") and it uses virtual pipeline systems to process and deliver liquefied natural gas solutions to industrial users in off-pipeline areas while providing captive gas solutions to them. This decision was driven by the increasing demand for natural gas by industrial users, including some of GFL's existing compressed natural gas customers such as CWAY Food and Beverages, Paras Energy & Natural resource and Oshogbo Steel Rolling Mill etc..

On December 30, 2022, Green Liquefied Natural Gas ("GNLG") issued a NGN 650 million 7 yea Private Corporate Bond (PCB) due in 2029. Additionally, another NGN 4 billion bridge facility was issued. GLNG also secured a term loan of NGN 208 million which was applied towards the replacement of UBA's bank guarantee in favour of Bank of Industry (BOI)

Subsequently, on June 14, 2023, GNLG issued a NGN 5 billion 10-year Fixed Rate Guaranteed Senior Infrastructure Bond due 2033 ("the GNLG Series 1 Bond") under a NGN50 billion Debt Issuance Program.

Powerhouse and Penstock Gallery View

The bonds proceed is to fund the development of a 200,000 standard cubic meter per day Liquefied Natural Gas (LNG) liquefaction facility, the installation of five regasification systems for customers, the procurement and installation of storage tanks with a total capacity of 2,150 cubic meters at both the liquefaction and regasification plants, and the acquisition of 16 LNG transport trucks with a capacity of 21.6 tonnes for logistics purposes.

On the 29th of February 2024, GLNG secured a BOI loan of NGN 4billion which was applied towards the procurement of Tube skids, Gas processing equipment, Liquefaction plant and Gas engines.

Issuer	GLNG INFRAFUNDING SPV LTD
Issue Date	PCB: 29th December 2022 Bond: 14th June 2023 BOI: 31st July 2023 BOI 2 : 29th February 2024 SIIF: 5th April 2024
Co-Obligor	Green Fuels Limited("GFL")
Principal Amount Outstanding (NGN)	PCB: 650,000,000 Bond: 5,000,000,000 BOI 1: 208,000,000 BOI 2: 4,000,000,000 SIIF: 5,000,000,000
Sector	Gas-to-power
Tenor	PCB : 7 years Bond: 10 years BOI: 5 years BOI 2: 3 years
Location of Operation	South-West, South-South and South-East, Nigeria
Asset Size/Capacity	200 000 SCM LNG plant

Sector:
Gas-to-Power

Issue/Bond Rating
(September 2022)

Long-term:
AAA(NG) (GCR)

Rating outlook:
Stable

Unit Control System

VICTORIA ISLAND POWER LIMITED - PROJECT SUMMARY

Victoria Island Power Limited

Victoria Island Power Limited is a special purpose vehicle formed by Elektron Power Infracom ("Elektron") and ARM Harith Infrastructure Fund Managers ("ARM Harith") for the specific purpose of developing, owning, and operating a 30MW gas-fired power plant in Victoria Island. As part of the agreement with EKEDC (Facilitation and Connection Agreements), VI Power will assume responsibility for overseeing and enhancing the associated distribution infrastructure, securing the necessary financing for network reinforcements and extensions, and managing customer billing and collections. Operating under an embedded power generation license, VI Power will provide electricity to customers in the Victoria Island region.

In June 2023, Victoria Island Power Limited secured a NGN 9.2 billion debt from the Bank of Industry (BOI) on the back of InfraCredit's irrevocable guarantee. The funds are designated for financing the infrastructure needed for energy generation, distribution, and transmission of 30MW, specifically catering to dedicated customers within the Victoria Island environment.

Additionally, VI Power secured NGN 3.8 billion Construction Finance Warehouse Facility ("CFWF") funded by the Nigeria Sovereign Investment Authority ("NSIA") and a NGN 3 billion bridge facility from Stanbic IBTC Infrastructure Fund (SIIF) in December 2023.

Issuer	V.I POWER INFRAFUNDING SPV LTD
Issue Date	BOI: 8th June 2023 CFWF: 25th September 2023 SIIF: 27th December 2023 SIIF 2: 31st October 2024
Co-Obligator	Elektron Power Infracom ("Elektron")
Principal Amount Outstanding (NGN)	BOI: 9,200,000,000 CFWF: 3,800,000,000 SIIF: 3,000,000,000 SIIF 2: 10,000,000,000
Sector	On-grid power
Tenor	BOI: 7 years CFWF: 3 years SIIF: 1 year 6 months SIIF 2: 6 months
Location of Operation	South-West, South-South and South-East, Nigeria
Asset Size/Capacity	30MW Power plant

Financial Year End:
31 December

Sector:
Off-grid Power Generation

Issue/Bond Rating
N/A

Long-term:
N/A(NG)

Rating outlook:
Stable

FALCON CORPORATION LIMITED - PROJECT SUMMARY

Falcon Corporation Limited

Falcon Corporation Limited is a wholly indigenous midstream and downstream gas company. It was incorporated in February 1994 and later rebranded to Falcon Corporation Limited on its 20th anniversary. FCL's main activities include distributing natural gas to industrial customers in the Ikorodu Natural Gas Distribution Zone and providing gas infrastructure, oil field engineering, procurement, construction, inspection, and consultancy services. FCL has established a distribution pipeline network spanning over 50km in the Ikorodu catchment area, with a current delivery capacity of 25 million standard cubic feet per day (MMscf/d).

On June 1st, 2023, Falcon Corporation Limited ("Falcon") raised NGN 3 billion debt from the Bank of Industry (BOI) on the back of InfraCredit's irrevocable Guarantee to finance the development of a 10,000MT Liquefied Petroleum Gas (LPG) storage facility and dedicated jetty in Rumuolumeni, Port Harcourt. Additionally, Falcon raised a BOI loan of NGN 2 billion in October 2024 to also part-finance the storage facility and jetty.

Issuer	FALCON INFRAFUNDING SPV LTD
Issue Date	BOI 1: 23rd June 2023 BOI 2: 14TH October 2024
Co-Obligator	Falcon Corporation Limited("Falcon")
Principal Amount Outstanding (NGN)	BOI 1: 3,000,000,000 BOI 2: 2,000,000,000
Sector	Gas-to-clean cooking
Tenor	BOI 1: 7 years BOI 2: 7 years
Location of Operation	South-South Nigeria
Asset Size/Capacity	10,0000 MT

Sector:
Gas-to-clean cooking

Issue/Bond Rating
N/A

Long-term:
N/A

Rating outlook:
Stable

MECURE INUSTRIES PLC
PROJECT SUMMARY

Me Cure Industries Plc

Incorporated in 2005, Me Cure Industries Plc ('Me Cure") is one of Nigeria's recognized healthcare providers, with an ecosystem comprising Pharmaceuticals, (manufacturing and distribution of pharmaceutical and nutraceutical products), Healthcare (medical investigations, eye care, oncology, cardiac care and dental care) as well as E-Health (delivery of medicines and home sample collections). The Company has almost two decades of operational experience in medicine manufacturing in Nigeria.

In September 2023, Me Cure secured NGN4 billion in the form of a bridge backed by InfraCredit's guarantee, utilizing the Construction Finance Warehouse Facility ("CFWF") funded by the Nigeria Sovereign Investment Authority ("NSIA"). An additional NGN2.5 billion bridge was secured from Stanbic IBTC Infrastructure Fund ('SIIF"). The proceeds of the funding are to be applied towards the construction of two medicine manufacturing plants.

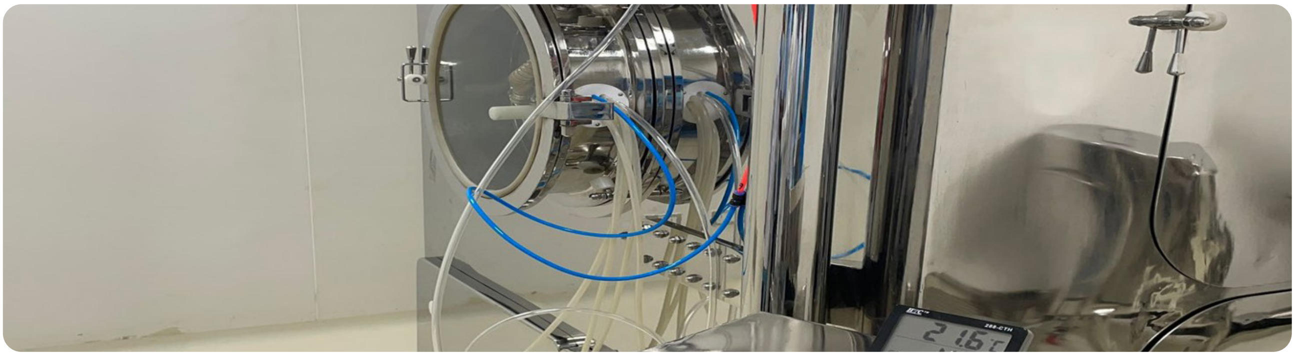
Issuer	MECURE INDUSTRIES LIMITED
Issue Date	BOI 1 : 10th July 2024 BOI 2: 7th October 2024
Co-Obligator	Me Cure Industries Limited
Principal Amount Outstanding (NGN)	BOI 1 : 5,000,000,000 BOI 2: 5,000,000,000
Sector	Urban Infrastructure
Tenor	BOI 1: 7 years BOI 2: 7 years
Location of Operation	South-West, Nigeria
Asset Size/Capacity	Two medicine manufacturing Plants

Sector:
Urban Infrastructure

Issue/Bond Rating
N/A

Long-term:
N/A

Rating outlook:
Stable



ABS BLUEPRINT MODERN SHELTER LIMITED PROJECT SUMMARY

Modern Shelter Limited

Modern Shelter has partnered with ABS Blueprint for the construction of up to 1,200 affordable housing units, starting with an initial 370 units in Nasarawa Technology Village (NTV) on the outskirts of Abuja. The Project, established in 2021 as a Public- Private Partnership (PPP) consortium between Nasarawa State Government (NASG) and ABS Blueprint Limited (the "Concessionaire"), designated Modern Shelter as the preferred developer following the concession agreement's execution.

On November 28th, 2023, Modern Shelter secured a NGN 3 billion 4-Year Private Corporate Bond from Shelter Afrique. The proceeds of the bond was used to finance the part construction of the initial 370 units of NTV bungalows on the outskirts of Abuja.

Issuer	MECURE INDUSTRIES LIMITED
Issue Date	Tranche 1: 28th November 2023 Tranche 2: 25th March 2024
Co-Obligator	Modern Shelter Limited
Principal Amount Outstanding (NGN)	Tranche 1: 2,625,000,000 Tranche 2: 2,500,000,000
Sector	Urban Infrastructure
Tenor	4 years
Location of Operation	North Central, Nigeria
Asset Size/Capacity	370 Housing units

Sector:
Social Infra (Green Housing)

Issue/Bond Rating
N/A

Long-term:
N/A

Rating outlook:
Stable

PRADO POWER LIMITED - PROJECT SUMMARY

Prado Power Limited

Prado Power Limited is a locally owned company that is focused on renewable energy solutions by providing electricity access to unserved and underserved communities in Nigeria. The Company's solution is targeted at residential, commercial, and industrial users both in rural and urban communities.

Prado Power Limited was founded in 2014 with its Headquarters in Abuja, Nigeria, and has delivered renewable energy solutions for commercial, industrial, and residential customers in both urban and rural regions over the last seven years. During this time, the Company has served over 400 customers and deployed solar systems of 1.5MW in total capacity.

Issuer	PRADO POWER PROJECT SPV FUNDING LIMITED
Issue Date	16th April 2024
Co-Obligator	Prado Power Limited
Principal Amount Outstanding (NGN)	CFWF: 1,950,000,000
Sector	Renewable Energy
Tenor	Bridge to Bond (SIIF): 1 year (Pending bond raise)
Location of Operation	North-Central, South-West & South-South, Nigeria
Asset Size/Capacity	148.05 kWp

Sector:
Urban Infrastructure

Issue/Bond Rating
N/A

Long-term:
N/A

Rating outlook:
Stable

LADOL SERVICES FREE ZONE ENTERPRISE - PROJECT SUMMARY

LADOL Services FZE

LADOL Services Free Zone Enterprise is a special purpose vehicle (SPV) owned by LADOL Integrated Logistics Free Zone Enterprises (LILE) to provide utilities, including power, within the free zone.

LILE, incorporated in 2010, develops and manages the Lagos Deep Offshore Logistics Base under the Nigeria Export Processing Zone Authority, offering services like industrial space leasing, utilities, and various tenant services. Its subsidiary, Global Resources Management Limited (GRML), holds a 25-year renewable lease from the Nigerian Ports Authority over the 114-hectare logistics base, developed since 2003.

Issuer	LADOL SERVICES FREE ZONE ENTERPRISE
Issue Date	BOI: 24th October 2024
Co-Obligator	LADOL Services FZE
Principal Amount Outstanding (NGN)	BOI: 1,268,750,000
Sector	Logistics
Tenor	6 years
Location of Operation	South-West , Nigeria
Asset Size/Capacity	Turbo generating sets (12.2MW), Substation, control systems, Executed PPAs

Sector:
Urban Infrastructure

Issue/Bond Rating
N/A

Long-term:
N/A

Rating outlook:
Stable

DEVELOPMENT **IMPACT**

InfraCredit has articulated a Theory of Change that underpins its deliberate approach to impact measurement, monitoring and management for the infrastructure projects it guarantees.

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.

Due to these outcomes, InfraCredit will enable improved business productivity leading to economic growth and social development.

SDG IMPACT

The United Nations' 17 Sustainable Development Goals provide a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. InfraCredit's portfolio impacts the 17 goals, which can be used to understand the broader impact of our transactions.

A snapshot of SDG impacts at the market, project and end-user levels is presented below.

MARKET **LEVEL IMPACT**

The snapshot of SDG impacts at the market, project and end-user levels is presented below

Indicator Type	Indicators	Data
Access to finance	**Total value of bonds issued till date.** InfraCredit Guaranteed Debts	 NGN 235.97 billion
Capital market efficiency	**Average tenor of bond issuance** Corporate Infrastructure Bonds InfraCredit Guaranteed Bonds	 7 years 11 years
Capital market efficiency	**Longest tenor of bond issuance** Corporate Infrastructure Bonds InfraCredit Guaranteed Bonds	 15 years 20 years
Financial Deepening	Value of green bond issuance	NGN 12.96 billion
Access to finance	Number of first-time bond issuers	11
Access to finance	The Number of infrastructure projects enabled	21 Projects
Access to finance	Value of additional capital mobilized by investees	NGN 6.25 billion
Financial Deepening	Number of participating institutional investors (Pension Funds)	19
Financial Deepening	Number of participating institutional investors (Insurance)	5
Financial Deepening	Number of participating institutional investors (Others)	17
Capital market efficiency	The total value of Technical Assistance (TA) Funding mobilized	EUR 2.31 million GBP 250,000

PORTFOLIO LEVEL IMPACTS
(PROJECT AND END-USER)

Sustainable Development Goal	Indicators	Outcome Data
Project- Infrastructure		
7 AFFORDABLE AND CLEAN ENERGY	MW of Renewable Energy Installed	601.1MW
	MW of Hydro Power (NSP)	600MW
	MW of Gas Plants (VI Power, GEL, Viathan)	121.5MW
	KWp of Solar Mini-grids (Darway Coast, ACOB, Prado Power)	1711 KWp
	MT of LPG Storage Facility (Falcon, Gas Terminalling)	15,000 MT
	SCM of LNG Plant (GLNG)	200,000 SCM
	KWp of Towers (Hotspot)	582 KWp
	Number of Hours of Improved or new Power (NSP)	4,113.02 Hours
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Number of telecommunication towers (PAT, Hotspot)	884
	Total tonnes of bulk cargo transported	1017
	Number of companies operating within the Free Zone Area	37
	Number of people with improved access to infrastructure	Over 1,000,000
	Number of households with improved access to grid electricity (NSP data)	Over 10,000,000
	Total number of logistics trucks (GPC and TSL data)	1264
Jobs Supported		
8 DECENT WORK AND ECONOMIC GROWTH	Total jobs enabled or/ supported	7153
	Of which permanent Of which temporary	3008 4145
	Total temporary unskilled jobs enabled	1169
	Total temporary skilled jobs enabled	2976
	Total permanent unskilled jobs enabled	107
	Total permanent skilled jobs enabled	2901
	Total Number of Youth Jobs (Skilled)	1114
	Total Number of Youth Jobs(unskilled)	844
Gender		
5 GENDER EQUALITY	Total Number of female jobs supported	1442
	Number of female jobs at the managerial level	45
	Percentage of female jobs at the managerial level	23%
	Number of female truck drivers (TSL only)	24

Climate		
13 CLIMATE ACTION	GHG emissions avoided from Renewable Energy infrastructure	Over 451,000tCO2eq
Economy		
8 DECENT WORK AND ECONOMIC GROWTH	Number of businesses with improved access to infrastructure	Over 1047 SMEs (Sura shopping complex)
	Number of newly registered businesses with access to infrastructure in the Free Zone Area (LFZC data)	37
End-User Level Impact		
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Number of people with improved access to infrastructure	Over 1,000,000
	Number of households with improved access to grid electricity (NSP data)	Over 10,000,000

2024 KNOWLEDGE EXCHANGE PROGRAMME

InfraCredit is committed to market development and increased participation in infrastructure investing.

The Knowledge Exchange programme aims to:

- Develop in-depth practical insight and understanding of infrastructure asset classes.
- Enhance analytical skills for evaluating and pricing credit risk in infrastructure projects.
- Develop risk risk-sharing appetite for infrastructure.
- Enhance capacity to invest in bankable infrastructure assets.

MAY 2024

THE EVOLVING ROLE OF RISK MANAGEMENT IN UNLOCKING INFRASTRUCTURE OPPORTUNITIES: LEVERAGING RISK-SHARING STRATEGIES

Unlocking Infrastructure Opportunities: Leveraging Risk-Sharing Strategies, which brought together 30 participants, including Chief Risk Officers and stakeholders from 21 Pension Fund Administrators and Custodians, managing over NGN 18.4 trillion (USD 14.1 billion) in assets.

The programme facilitated dialogue and knowledge sharing among CROs, Development Finance Institutions (DFIs), and industry experts on infrastructure finance risk management. Discussions focused on addressing macroeconomic challenges, adopting risk-sharing strategies, and unlocking sustainable infrastructure investment opportunities.

The event highlighted the critical role of risk-sharing arrangements in financing well-structured projects and emphasized their potential to drive Nigeria's economic growth despite prevailing headwinds.

JUNE 2024

A REGULATOR TRAINING ON UNDERSTANDING INFRASTRUCTURE INVESTMENT PRODUCTS FOR FINANCING GREENFIELD AND BROWNFIELD PROJECTS

In June 2024, we held a two-day Knowledge Exchange Programme exclusively developed for the National Pension Commission (PENCOM) on "Understanding Infrastructure Investment Products for Financing Greenfield and Brownfield Projects."

The two-day programme began with a focus on infrastructure investing for pension funds, addressing funding deficits and strategies to attract long-term investors. Key discussions included the pension landscape, infrastructure as an asset class, investor considerations such as revenue streams and risk management, and strategies for identifying and allocating risks. On the second day, the sessions highlighted infrastructure investment products, particularly Annuity PPP models, as viable solutions for financing greenfield and brownfield projects. Participants explored their developmental impact, key features, benefits, risk mitigation strategies, credit enhancements, and the role of clean energy investments aligned with Nigeria's Energy Transition Plan (ETP).

This programme provided 36 participants with valuable insights into unlocking sustainable capital for infrastructure development.

SEPTEMBER 2024

A REGULATOR TRAINING ON UNDERSTANDING INFRASTRUCTURE INVESTMENT PRODUCTS FOR FINANCING GREENFIELD AND BROWNFIELD PROJECTS

In September 2024, we held a two-day Knowledge Exchange Programme with Nigeria's Securities and Exchange Commission, providing 45 participants with insights into infrastructure financing and regulatory trends. Facilitated by Dr. Cledan Mandri-Perrott and InfraCredit experts, the session explored financing models like Annuity PPPs and SPVs with credit enhancements, emphasizing their role in mobilizing capital through the capital markets.

The programme highlighted how evolving regulatory frameworks can drive sustainable investments and analyzed case studies to demonstrate the importance of strong regulations in enhancing financing credibility. This initiative equips regulators with practical knowledge to foster capital market growth and infrastructure development in Nigeria.

NOVEMBER 2024

CO-DUE DILIGENCE EXERCISE

In November 2024, we hosted a two-day Co-Due Diligence session with over 60 participants, including investment officers, research team members, institutional investors, portfolio companies, and consultants. The session focused on four transactions awaiting approval from the Securities and Exchange Commission.

The program was designed to enhance participants' technical expertise in evaluating credit and project risks for eligible infrastructure assets under InfraCredit's Co-Due Diligence Framework. It provided a detailed overview of InfraCredit's due diligence and credit appraisal processes, showcasing risk evaluation and mitigation strategies for projects approaching financial close.

Through practical exposure to credit risk analysis and risk management, participants gained valuable insights into assessing infrastructure transactions. This initiative aligns with InfraCredit's mission to equip long-term investors with the knowledge required to evaluate and invest in bankable infrastructure assets, unlocking sustainable capital for infrastructure development in Nigeria.

NOVEMBER 2024

INVESTORS' ROUNDTABLE ON THE IMPACT OF CREDIT ENHANCEMENT AND CREDIT RATINGS ON FINANCING INFRASTRUCTURE DEVELOPMENT.

In November 2024, this Roundtable event was held to facilitate dialogue and knowledge sharing among key stakeholders, including CROs (Chief Risk Officers) and CCOs (Chief Compliance Officers) of PFAs, Development Finance Institutions (DFIs), and industry experts, who were involved in infrastructure finance risk management. The discussion addressed pressing questions and concerns related to infrastructure investments in Nigeria, with a focus on The Impact of Credit Enhancement and Credit Ratings on Financing Infrastructure Development.

The theme, "The Impact of Credit Enhancement and Credit Ratings on Financing Infrastructure Development," sought to highlight the importance of issue ratings over issuer ratings in assessing greenfield projects, emphasizing their role in providing project-specific risk insights and boosting investor confidence in infrastructure bonds. It explores legal distinctions between issue and issuer ratings, key regulatory innovations enabling private investment in greenfield projects, and critical factors institutional investors prioritize. Additionally, global best practices in greenfield project financing are shared to provide a comprehensive perspective.

The session attracted 44 Chief Risk and Compliance Officers from Pension Funds, alongside regulatory and legal stakeholders.

SUSTAINABILITY AT **INFRACREDIT**

OUR SUSTAINABILITY COMMITMENTS

At InfraCredit, sustainability is embedded in our core values, driving our mission to promote resilient, inclusive, and sustainable infrastructure development in Nigeria.

Our Environmental, Social, and Governance (ESG) framework continues to evolve, reflecting our commitment to global best practices, climate resilience, and socio-economic development.

1. **Regulatory Adherence and Governance:** We prioritize responsible corporate governance and adhere to all environmental and social laws, regulations, and best practices relevant to our guaranteed transactions.
2. **Environmental and Social Risk Management:** Our ESG due diligence processes are meticulously aligned with international standards such as the IFC Performance Standards, Equator Principles IV, and AfDB Operational Safeguards. These frameworks guide our identification, assessment, and mitigation of environmental and social risks across our project pipeline and portfolio.
3. **Climate Change:** In recognition of climate change as a critical global challenge, InfraCredit actively supports projects that align with low-carbon pathways. Through our Clean Energy Transition Strategy & Roadmap (CETSR), we aim to align our portfolio with the Paris Agreement by 2040, prioritizing projects that reduce greenhouse gas emissions and enhance climate resilience.

4. **Transparency and Disclosure:** We maintain a culture of transparency, providing stakeholders with timely and accurate disclosures on our guarantees, investments, and sustainability initiatives in accordance with our Corporate Governance policies.

   The Company's Anti-Bribery and Corruption Policy is disclosed on the Company's website and the Compliance Team tracks compliance with the policy by sensitizing staff on the provisions of the policy.

   The Human Resources Team tracks compliance with the Company's Code of Ethics by reminding staff of the requirements of the Code and ensuring that all staff attest to the Code annually. The Company Secretary also reminds the Directors of the requirements of the Code and ensures that all Directors also attest to the Code annually.

- **Workplace Accidents, Fatalities, and Safety Incidents Against Objectives and Targets:** InfraCredit's Environmental & Social (E&S) Policy prioritizes employee safety, targeting zero workplace accidents, fatalities, and safety incidents through its Occupational Health and Safety (OHS) Management Plan. Tailored to its low-risk office setting and travel exposures, the plan enforces life-saving rules, risk management tools, and an Emergency Response Plan. Objectives include zero fire incidents—supported by fire safety systems, staff training, and drills—and proactive security. In 2024, InfraCredit achieved its goals: zero accidents, fatalities, or incidents, driven by annual audits, training, and rigorous oversight, reinforcing its leadership in workplace safety.

- **Policies, Plans, and Strategy for Addressing HIV/AIDS, Malaria, and Other Serious Diseases:** InfraCredit supports employees affected by illness with equity and care. Its non-discrimination policy ensures no bias in hiring or advancement due to health conditions, and an HMO scheme covers medical costs. Paid sick, plus discretionary support—secures finances during prolonged illness. Death-in-service benefits ease family burdens. The OHS Plan mitigates disease risks, particularly during travel, ensuring compliance with international standards and fostering a healthy, inclusive workplace.

- **Conditions and Opportunities for Physically Challenged or Disadvantaged Individuals:** InfraCredit promotes inclusion for physically challenged and disadvantaged individuals through its non-discrimination policy, ensuring merit-based recruitment and advancement. Flexible work options—adjustable hours and remote work—accommodate physical challenges, while pre-employment exams tailor job roles. Training and career growth opportunities are accessible to all. The OHS Plan adapts safety measures for its office environment, though specific accessibility features aren't detailed. InfraCredit's Sustainability Strategy and 2X Global membership enhance opportunities for disadvantaged groups, blending workplace equity with societal impact.

- **Nature and Extent of the Company's Social Investment Policy:** InfraCredit's social investment policy reflects its "Impact" value, integrating employee welfare, community empowerment, and sustainable development. It offers robust benefits: comprehensive HMO coverage, generous leave, professional training, and death-in-service benefits. InfraCredit's credit enhancement solutions have improved infrastructure access for over 5 million people, supported 1,900 MSMEs, and expanded energy access for 3 million, creating 7,367 direct jobs. Aligned with SDGs, its E&S Policy drives initiatives like the Clean Energy Transition Strategy and green bonds, measured by the Development Impact Framework for tangible outcomes. Strategic partnerships, including a US$30 million BII facility, US$15 million AfDB funding, and youth-focused internships, amplify its reach, fostering equitable, lasting change.

OUR SUSTAINABILITY STRATEGY

Our sustainability strategy is structured around three foundational pillars; Market, Project, and End-User- which collectively shape InfraCredit's Theory of Change. This approach ensures a holistic integration of ESG considerations at every level of our business operations.

1. **Market Development:** We facilitate the growth of Nigeria's debt capital market by introducing innovative financing instruments, such as green bonds and sukuk, and expanding the investor base. Our efforts also include fostering favorable policies and incentives to create an enabling environment for infrastructure investments.
2. **Project Enablement:** InfraCredit empowers infrastructure developers by providing access to long-term, competitively priced capital. Our support ensures that high-impact, viable projects are executed sustainably, contributing to job creation and economic growth.
3. **End-User Impact:** By enhancing infrastructure access, reliability, and resilience, we directly contribute to improved livelihoods, business productivity, and social development.

OUR SUSTAINABILITY MILESTONES

- **Capacity Building and Knowledge Sharing:** In January 2024, we hosted an investor roundtable focusing on scaling domestic institutional investments in Nigeria's Distributed Renewable Energy (DRE) sector, featuring discussions with the World Bank and private investors.
- **Sustainability Certifications and Memberships:** In February 2024, InfraCredit achieved the prestigious IFC EDGE (Excellence in Design for Greater Efficiencies) Advanced certification for

our office building, located in Victoria Island, Lagos, Nigeria, underscoring our commitment to sustainable operations. In the same period, we also became a financial member of 2X Global, reinforcing our dedication to gender-smart investing and inclusive financial practices. Further, in March 2024, we joined the United Nations Global Compact, aligning our strategies with universal principles on human rights, labor, environment, and anti-corruption.

- **Green and Climate-Aligned Financing:** In February 2024, our guarantee supported the issuance of ACOB Lighting Technology Limited's third Green certified local currency debt issue to electrify 3,597 households and businesses. In May 2024, we enhanced Prado Power Limited's Green Infrastructure Forward Ijarah Lease Sukuk—the first blended local currency Sukuk for solar-powered rural infrastructure in Nigeria, enabling broader market participation in climate-aligned investments.

- **Portfolio Growth and Impact:** In February 2024, InfraCredit secured a US$15 million facility with the African Development Bank Group (AfDB), reinforcing support for power, renewable energy, telecommunications, healthcare, green housing, and transportation. In the same month, we partnered with the Lagos Free Zone Company (LFZC) on the Sea Turtle Conservation Project, demonstrating our commitment to biodiversity management.

  Additionally, in April 2024, LFZC's Series 3 Infrastructure Bond won the "Best Project Bond" award at the EMEA Achievement Awards.

- **Strategic Partnerships and Blended Finance:** At the COP 29, InfraCredit signed a US$30 million risk-sharing and blended local currency co-financing facility with the British International Investment (BII). This dual instrument—combining a US$20 million counter-guarantee and US$10 million concessional financing—supports DRE projects originated and guaranteed by InfraCredit through the Climate Finance Blended Facility (CFBF).

SUSTAINABLE VALUE CREATION

InfraCredit's sustainable value creation extends beyond financial guarantees. We are dedicated to fostering long-term partnerships, promoting ESG integration across project lifecycles, and continuously monitoring and reporting impact metrics. Through our Development Impact Framework, we ensure that our projects contribute meaningfully to the Sustainable Development Goals (SDGs).

In 2024, InfraCredit's efforts were recognized on the global stage, with our CEO (represented by the COO) receiving the IFC EDGE Green Champion award at the API Summit in South Africa. This accolade reflects our leadership in advancing green building standards and promoting low-carbon housing solutions across Nigeria.

At InfraCredit, sustainability is more than a commitment—it is the foundation of our mission to unlock long-term, local currency infrastructure financing that drives inclusive growth and environmental stewardship.

HOW WE HAVE **PERFORMED**

2024 FINANCIAL PERFORMANCE HIGHLIGHTS

Increased profit by
31%
NGN60.86B
(2023: NGN46.38B)

Increased total assets by
76%
NGN309.24B
(2023: NGN175.43B)

Total equity up
70%
NGN158.21B
(2023: NGN92.94B)

Net guarantee fee income up
21%
NGN3.70B
(2023: NGN2.87B)

Net operating income up
34%
NGN67.92B
(2023: NGN50.51B)

Gross revenue up
120%
NGN26.91B
(2023: NGN12.22B)

Gross capital leverage ratio
0.78times
(2023: 1.01 times)

Net capital leverage ratio
0.51times
(2023: 0.95 times)

Return on average equity
49.0%
(2023: 68.8%)

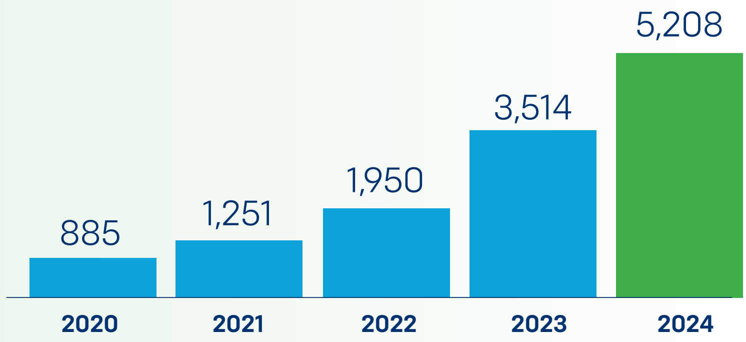
Return on average assets
25.4%
(2023: 35.9%)

Cost to income ratio
9.0%
(2023: 7.0%)

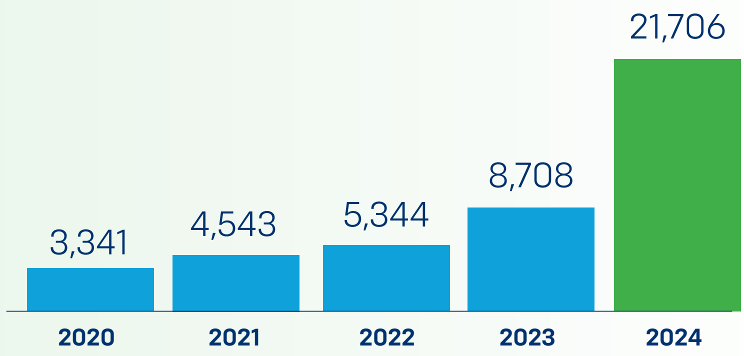
Liquidity ratio
19.61times
(2023: 6.33 times)

FIVE-YEAR FINANCIAL PERFORMANCE HIGHLIGHTS

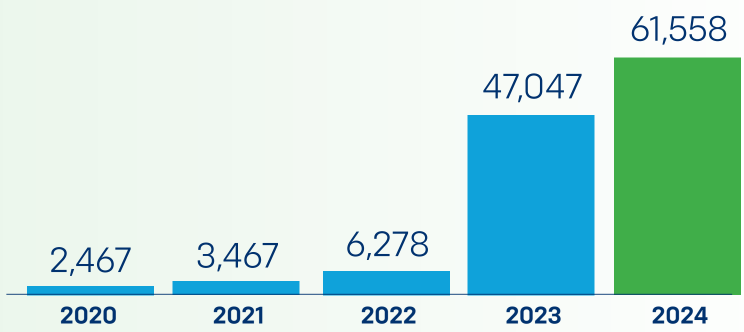
GROSS GURANTEE FEE INCOME
(N'MILLION)



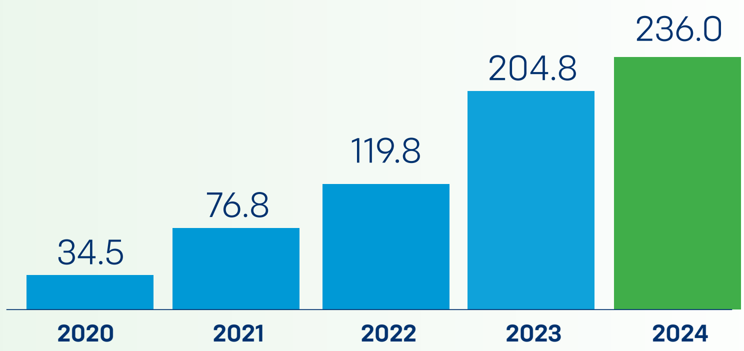
GROSS INVESTMENT INCOME
(N'MILLION)



PROFIT BEFORE TAX
(N'MILLION)

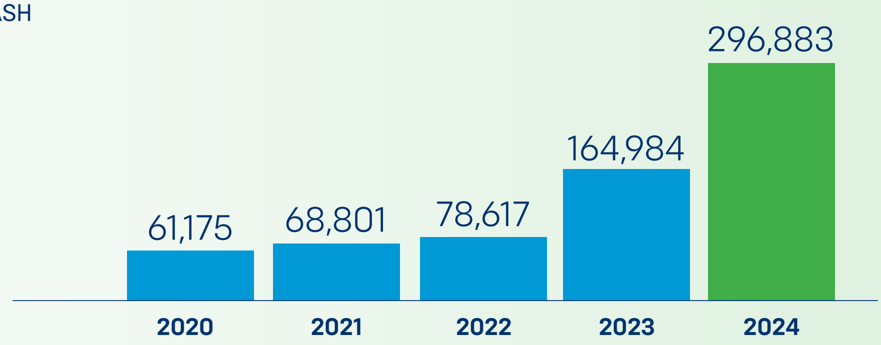


GUARANTEES ISSUED
(N'BILLION)

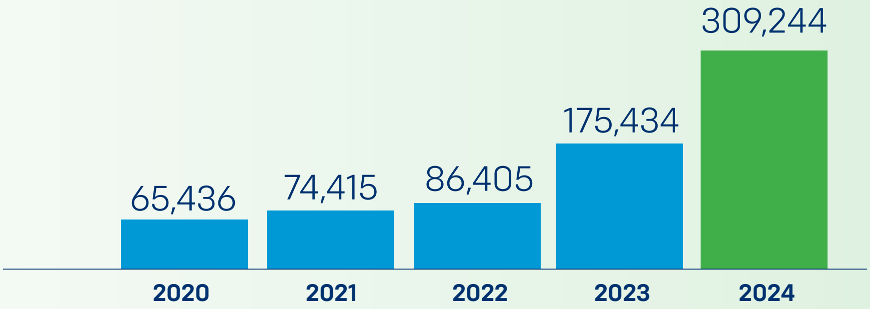


FIVE-YEAR FINANCIAL PERFORMANCE HIGHLIGHTS

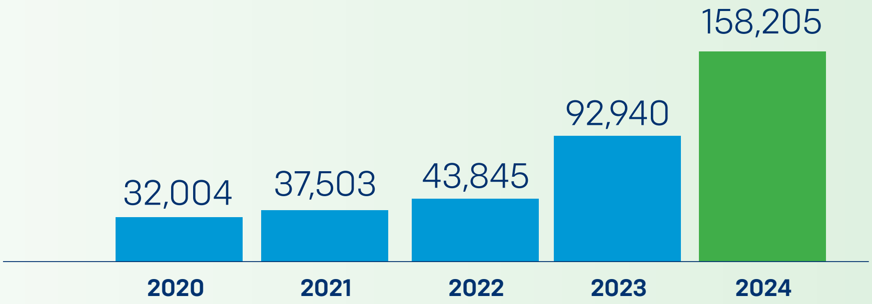
INVESTMENT SECURITIES & CASH
(N'MILLION)



TOTAL ASSETS
(N'MILLION)

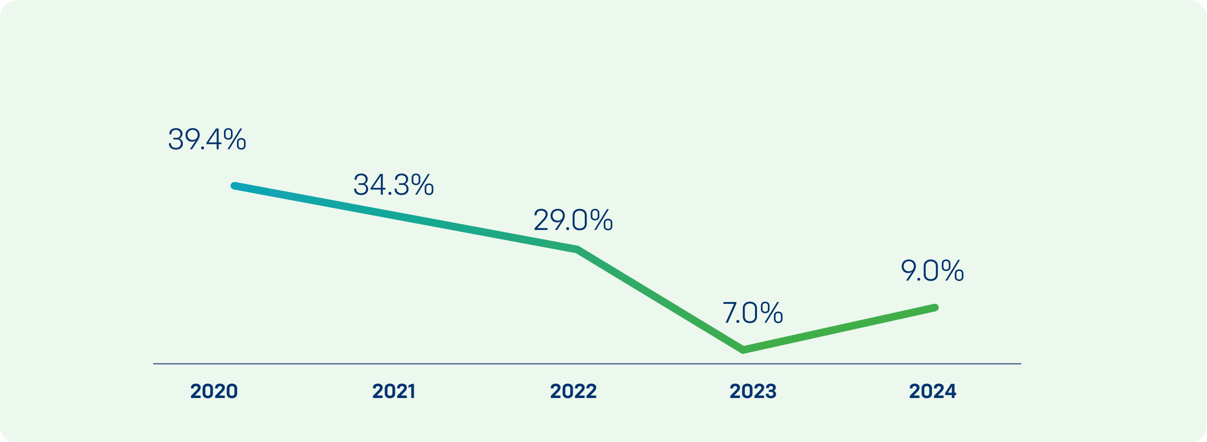


SHAREHOLDERS' EQUITY
(N'MILLION)

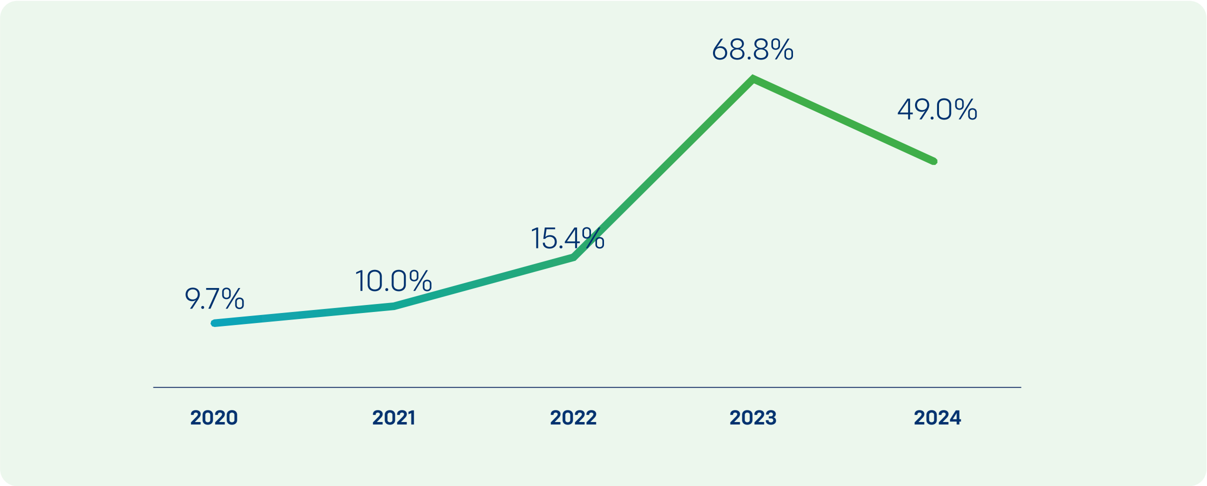


FIVE-YEAR FINANCIAL PERFORMANCE HIGHLIGHTS

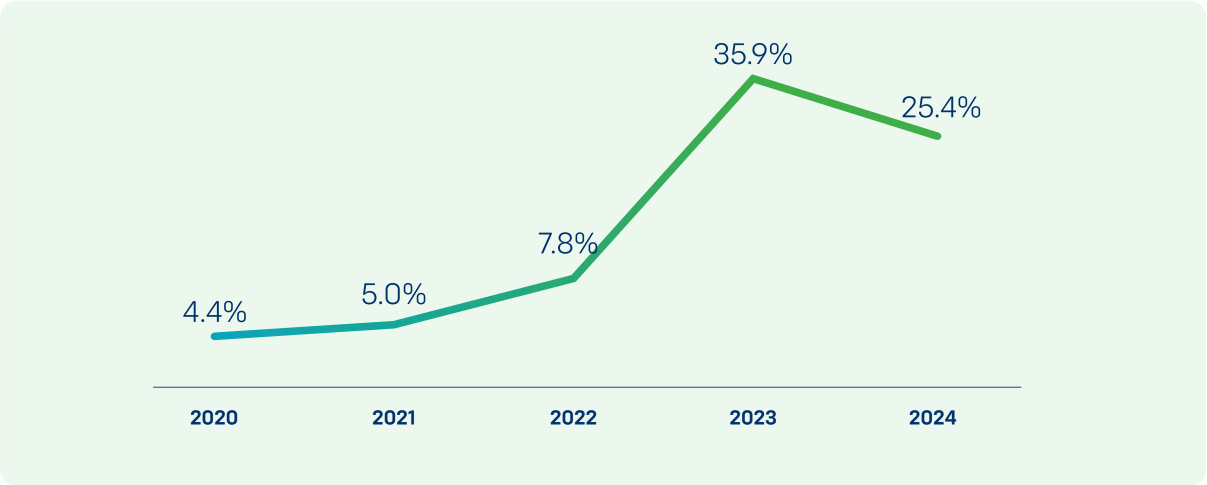
COST TO INCOME RATIO



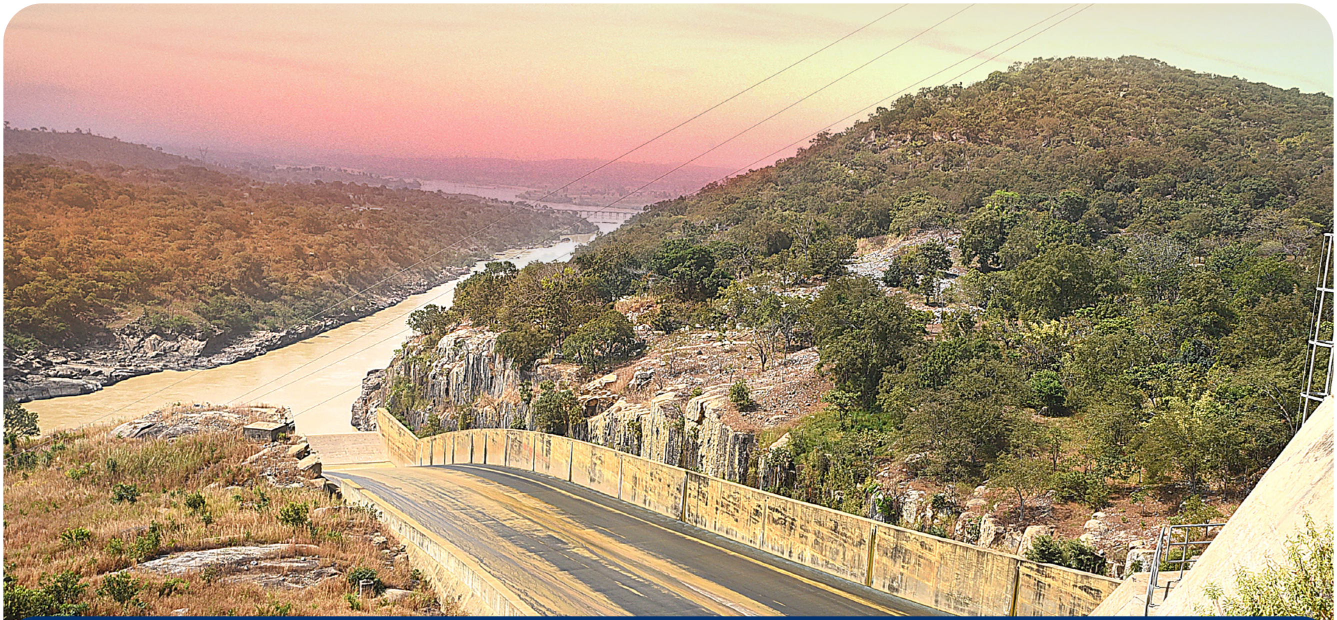
PRE-TAX RETURN ON EQUITY



PRE-TAX RETURN ON AVERAGE ASSETS



WHAT WE OFFER



FINANCIAL GUARANTEE

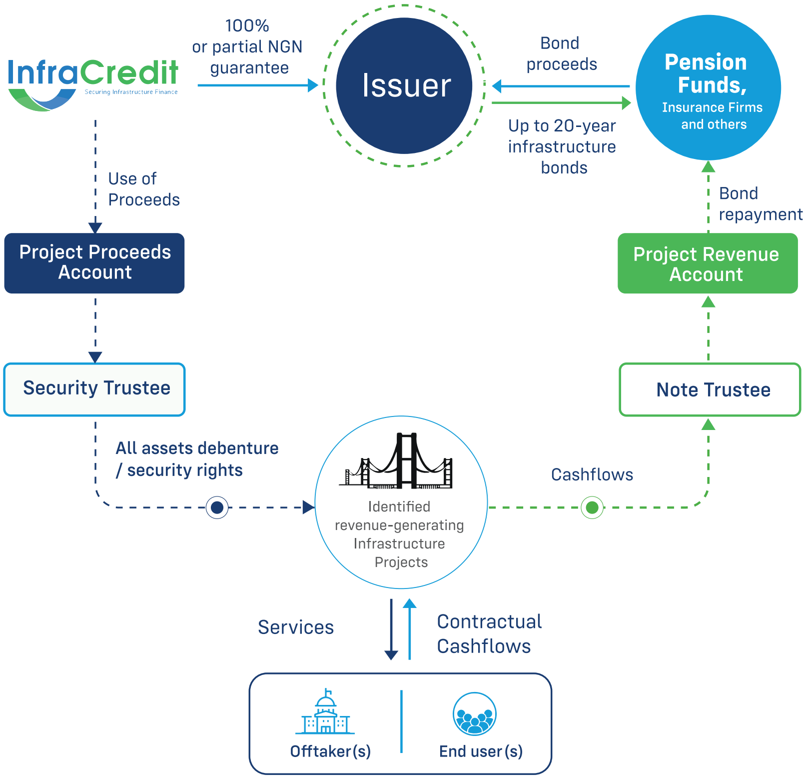
InfraCredit provides local currency guarantees to enhance the credit quality of debt instruments issued to finance creditworthy infrastructure assets in Nigeria that conform with its eligibility criteria. Our establishment was necessary because long-term capital—i.e., 10–20-year tenor—required by infrastructure entities/projects to be commercially viable and successful is limited from the domestic banking market.

Our guarantees act as a catalyst to attract investment interest from institutional investors such as pension fund administrators, insurance companies/firms and other long-term investors. Our operation addresses the constraints facing the Nigerian pension market and motivates their involvement in investing in long-term bonds to finance infrastructure assets.

Long-term, local currency debt instruments guaranteed by InfraCredit have created a new asset class for pension fund administrators – i.e., Corporate Infrastructure Bonds. In addition, our guarantee offering was expanded in 2019 to include the guarantee of local currency concessionary loans provided by development finance institutions as part of a Blended Finance solution. InfraCredit's guarantee provides investors with guaranteed payment (of up to 100%) of timely interest and principal, in the event that the Borrower/Issuer is unable to meet its financial obligations. Our guarantee is irrevocable and unconditional (by way of a continuing guarantee and waiving all defences, including fraud) and results in the guarantor stepping into the shoes of the Borrower/Issuer by guaranteeing payments in accordance with the original debt service schedule on a timely basis under a Deed of Guarantee entered into between InfraCredit and the Lender or Trustee (acting on behalf of the bondholders).

HOW WE **WORK**

BASIC TRANSACTION SCHEMATIC



Key Features

Guarantee Features

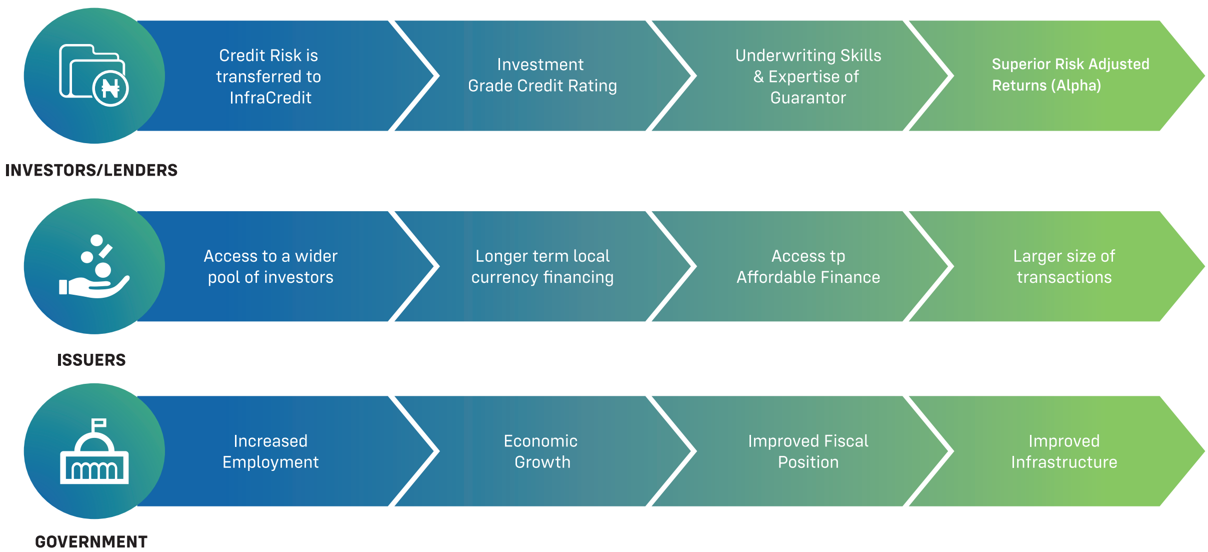
- Irrevocable & Unconditional
- Naira Obligations
- Up to 100%
- Senior Ranking Obligations
- Non Acceleration
- Up to 20 year Maturity
- Pari Passu Rights
- Voting Rights

Legal Documentation

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

InfraCredit's guarantee obligations are secured with a right to reimbursement of any amount paid against the Issuer under a Recourse Deed entered into between InfraCredit and the Issuer; and further secured with fixed or floating charges on specific property/assets of the Issuer under an Asset Debenture Deed.

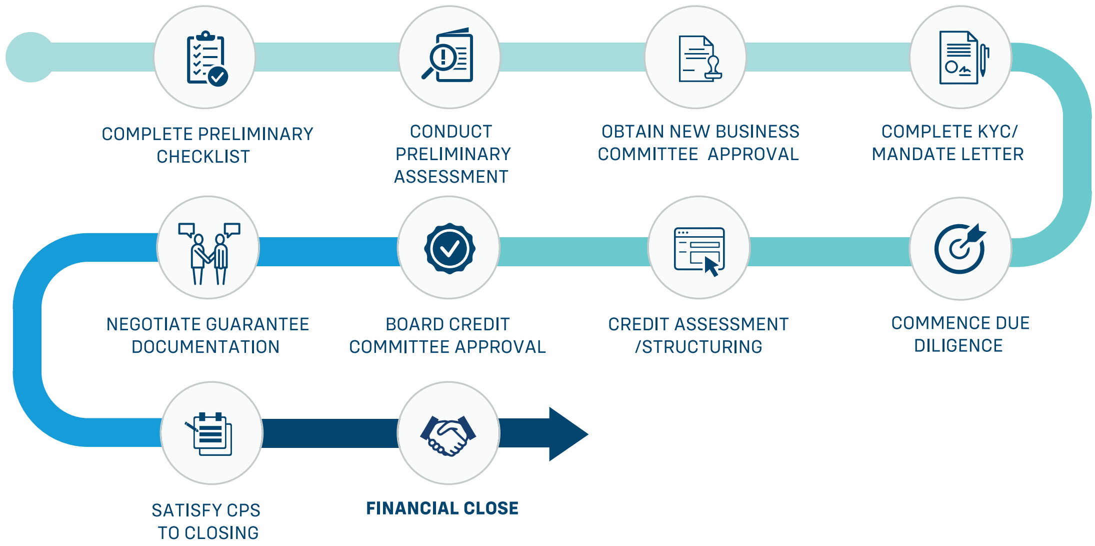
InfraCredit's guarantees provide tangible benefits to Investors, Issuers and the Nigerian Government. Among the benefits are credit protection, access to a wider pool of capital and generation of increased employment.



BUSINESS **MODEL**

GUARANTEE ISSUANCE PROCESS

Project Execution is conducted over three (3) phases: Origination (Preliminary Assessment), Due Diligence & Structuring and Final Approval/Execution. Post-closing, the Risk & Portfolio Management department tracks the client's performance under its portfolio monitoring function:



PROJECT EVALUATION

InfraCredit's strict eligibility criteria support our zero-loss underwriting standards as we expect the obligor on every guaranteed bond to make full and timely principal and interest payments. InfraCredit's Guarantee Policy sets out the guarantee products, eligible infrastructure activity and eligible infrastructure entities that we can guarantee. An extract of our eligibility criteria follows:

ELIGIBLE TRANSACTIONS

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

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 DISTRIBUTION:
Gas pipelines and bulk storage/logistical facilities and downstream gas processing and development

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:
Manufacturing, construction of goods, equipment, or other basic materials or services used in provision of infrastructure

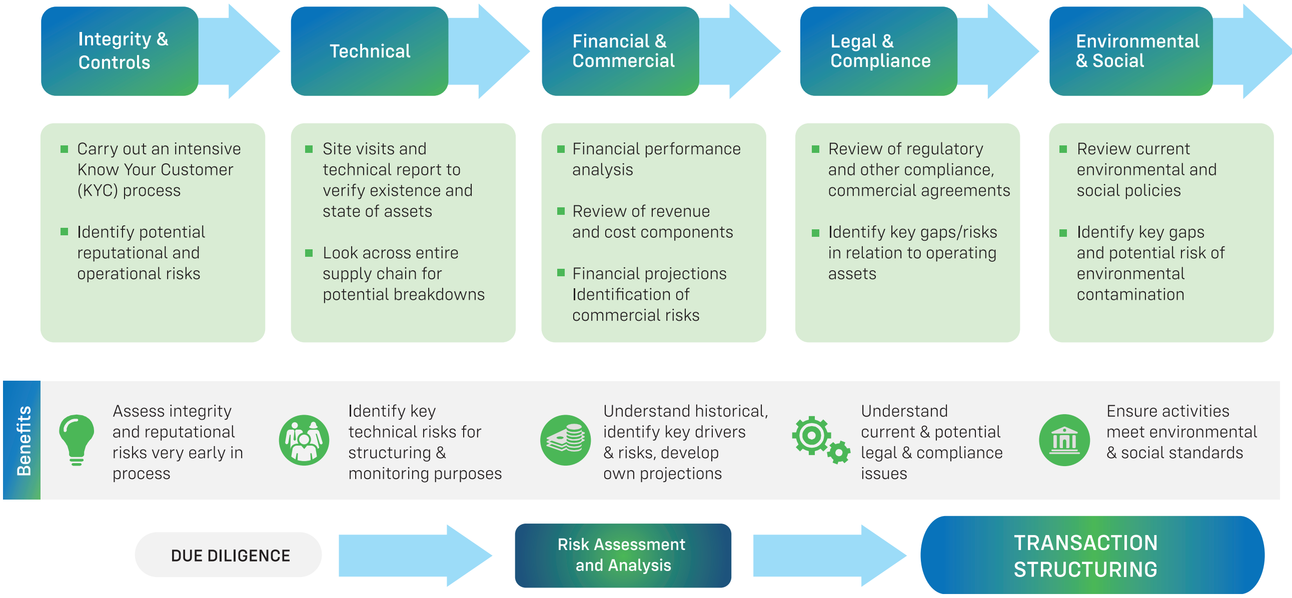
TRANSPORTATION:
Fixed transportation infrastructure e.g. toll roads, bridges, rail, airports, ports and bulk storage/handling facilities

AGRICULTURE:
Infrastructure component of agro-industrial projects e.g. investments in agro-food processing/storage for agribusiness

LOGISTICS:
Logistics services that support productive investment including bulk storage/handling facilities, cold storage, warehousing, special economic zones, and certain moveable assets

MANUFACTURING:
Manufacturing businesses and supply chain businesses that have direct infrastructure element or associated value chain infrastructure,

With the approval of the Board New Business Committee, InfraCredit may enter into a formal mandate with a prospective client and commence formal due diligence and structuring. The credit evaluation framework identifies key risks across an array of parameters in order to determine optimal structuring options suitable for providing credit enhancement:



Provided all required information is readily available, InfraCredit's evaluation process can be completed in as little as one (1) month, although, more time may be required for more complex projects. Following the approval of InfraCredit's Board Credit Committee, projects then shift to the Execution/Final Approval phase. Publicly traded bonds may require an additional 4-6 weeks to reach financial close, whilst private corporate bonds and concessionary loans can be completed within a shorter timeframe.

RISK MANAGEMENT FRAMEWORK

The Board is the highest internal control and risk management governing body in InfraCredit. The Board (through the Risk & Capital Committee ("RCC"), Finance & Audit Committee ("FAC") and the Credit Committee ("CC") establishes appropriate Risk Management policies while providing oversight on the Company's activities via the Internal Audit function.

The RCC comprises 1 representative from the Nigeria Sovereign Investment Authority (NSIA), 1 Non-Executive Director and 1 Independent Non-Executive Director; the FAC comprises 1 representative each from NSIA, Africa Finance Corporation (AFC) and InfraCo Africa (InfraCo); and the CC comprises 1 representative each from NSIA, AFC and InfraCo, 1 Non-Executive Director, 2 Independent Non-Executive Directors, and 1 Executive Director. An Advisory Member also attends all the meetings of the CC. The RCC, FAC and CC ensure effective systems of internal control and risk management operating to protect InfraCredit's capital providers. The CC approves guarantees, while the RCC oversees investment proposals and the Compliance and Internal Audit functions report directly to the FAC, with the Management Risk Oversight Committee (MROC) retaining the responsibility of implementing the Risk Management Framework for the day-to-day operations of InfraCredit. Various functions under the purview of the RCC include:

- Regularly monitoring the guarantee portfolio
- Regularly monitoring the liquidity position
- Regularly reviewing policies and limits
- Regularly monitoring investments; and
- Confirming the Qualifying Capital and other defined portfolio measures as required.

The MROC is chaired by the Head of Credit Risk and is comprised of the Chief Executive Director/ Managing Director, the Executive Director/Chief Operating Officer, the Head of Origination and Structuring, the General Counsel and the Financial Controller. Risk Management and Internal Control policies are deliberated upon by the MROC and recommended to the RCC for final approvals.

CONTROL AND RISK MANAGEMENT POLICIES

InfraCredit has a system of internal control and risk management that supports pro-active risks management without impacting efficient operations.

The system enables the Company to achieve its objectives; respond to business financial and operational risks and achieve appropriate balance between risk and return. General risk appetite can be described as moderate as the Company will only underwrite guarantee transactions that conform with approved eligibility criteria and credit assessment.

InfraCredit's strict eligibility criteria require that structural protective mechanisms are embedded in transactions to ensure a 'zero loss underwriting standard'.

This implies that even in an extreme downside scenario, an infrastructure transaction underwritten by InfraCredit should not ultimately fail to pay interest or principal but may suffer a delayed payment.

InfraCredit operates a multi-layered, "Three- Line Defense" risk management governance structure, with the Board of Directors at the apex of the structure, exercising and assuming ultimate authority and responsibility for the Company's risk management:

- Business Units – First Line of Defence
- Risk Management – Second Line of Defence
- Assurance Functions – Third Line of Defence

Risk Management in InfraCredit covers all perceived risk exposures, particularly exposures to credit risk, market risk, liquidity risk and operational risk.

These risks are managed pursuant to Operational Policies and the Risk Management Framework, approved by InfraCredit's Board of Directors.

CAPITAL ADEQUACY

InfraCredit is supported by government institutions and multilateral agencies. As at 2024 financial year end, InfraCredit maintained a two-tier structure comprising Core capital (Tier 1 capital) and Tier II Capital totaling USD 202 million (or NGN 292.62 billion).

InfraCredit's competitive advantage remains its AAA rating driven by several factors, one of which is the adequacy of its capital. Insufficient capital (measured by capital adequacy relative to portfolio rating) puts the Company at the risk of a rating downgrade which would greatly impact its sustainability. Consequently, InfraCredit tracks its leverage to prevent steep growth in leverage over a short period. Gross capital leverage ratio (calculated as total Notional Guarantees Issued/ Total Qualifying Capital) for year ended 31st December 2024 stood at 0.78x. Target leverage for 2024 is 1.4x - 2.5x. Further, InfraCredit will continue to explore a multi-layered approach to its capital adequacy through re-guarantee options with suitable and credible counter-parties.

CREDIT EVALUATION AND MONITORING PROCESS

The approved Credit Policy guides the credit approvals and post transaction monitoring for InfraCredit.

The approved Credit Policy guides the credit approvals and post transaction monitoring for InfraCredit.

The key feature of the policy is the identification, measurement, control & reporting of credit risks. These pillars are embedded in the credit approval process including post approval monitoring. Similarly, portfolio limits and issuer ratings are also reviewed periodically to avoid breaches.

Every transaction is supported by efficient portfolio planning, and sound credit assessment to moderate the exposure to credit losses. All eligible transactions go through the New Business Committee (NBC). The NBC reviews all potential transactions before any significant due diligence commences or mandate letter is issued to a potential beneficiary. The mandate of the NBC is to confirm that the transaction is potentially viable and in line with approved eligibility criteria as well as provide an opportunity for the committee to advise on areas for further due diligence.

Approval from NBC for a transaction is not an actual Credit Risk approval, and all correspondence with the client, including a term sheet / mandate letter makes this explicitly clear. At this point, InfraCredit is not contractually bound to provide its guarantee support. Once NBC approval is received, the transaction proceeds to the Due Diligence/Credit approval phase. The following steps set out below are adopted for evaluation, approval, disbursement and monitoring an eligible transaction:

- Due Diligence and Structuring Phase
- Final Credit review/Credit Approval Phase (from the CC)
- Documentation and Investors' engagement
- Documentation Signing / Satisfaction of Conditions Precedent
- Book building/allocation
- Disbursement/Financial Close
- Monitoring/Surveillance Phase (relevant and ongoing reporting requirements of the monitoring team in accordance with terms agreed in the transaction documentation)

InfraCredit is in regular discussion with multiple risk partners for various forms of Risk Mitigation methodologies as distribution mechanisms for reducing gross or net par leverage levels. Two key strategic products that support such schemes are:

CO-GUARANTEES

The co-guarantee strategy is driven by direct Risk Sharing with an identified partner selected by InfraCredit.

The Co-Guarantor will provide direct guarantees to the Bond investors covering timely payment of principal and interest. To fully qualify as a risk mitigation strategy in the context of reducing net par values, the guarantee must be Irrevocable and Unconditional. In such cases, InfraCredit is only liable to the extent of its guarantee sum and will seek the best partners to fit the investors' appetite.

COUNTER GUARANTEES

The Counter Guarantee strategy is driven by an indirect Risk Sharing with an identified risk sharing partner.

In such cases, InfraCredit wraps the full exposure and sells down part of the exposure (via counter guarantees) to identified risk sharing partners. As with the case of co-guarantees, counter guarantees must qualify as a net par reduction instrument. All risk sharing partners (under the Counter Guarantee risk sharing framework) must have a minimum local currency rating of AAA or an international rating of A with a stable outlook.

INVESTMENT RISK

InfraCredit has substantial funded capital which is held in cash, term deposits and other investments.

The purpose of this capital is to provide the financial strength to issue guarantees of strong investment grade rating and to meet any claims arising from InfraCredit's guarantees as they fall due. InfraCredit takes minimal credit, market and liquidity risk and is able to divest its investment portfolio in part or in full at short notice. Whilst investment income is optimised where possible, the primary objectives in investing the capital are: (a) maintaining adequate liquidity; and (b) maintaining the principal capital value of the funded equity.

LIQUIDITY RISK MANAGEMENT

Liquidity risk refers to the possibility that InfraCredit finds itself short of funds for its short-term operational requirements or unable to fund its assets/meet maturing obligations.

InfraCredit is liquid considering its ability to fund assets and meet obligations as they fall due. The liquidity profile is managed by the Asset & Liability Committee (ALCO). InfraCredit measures its liquidity risk by estimating liquidity gaps at the end of each reporting period. In 2024, cumulative liquidity gaps were observed to be positive for all relevant time bands in line with ALCO Policy. For maturity buckets above one year, a cumulative negative mismatch in each sub-bucket (1-2 years, 2-5 years and beyond 5 years) must not exceed 10% of the total outflows relating to maturing liabilities in the time band and this must not occur in more than two time bands.

Liquidity stress tests, in consideration of InfraCredit's guarantee portfolio as of the end of Q4 2024 indicate sufficient liquidity to service both short term needs and contingent guarantee claims.

FOREIGN EXCHANGE/INTEREST RATE RISK MANAGEMENT

Foreign exchange risk is InfraCredit's risk of loss due to (i) a decrease in USD value of assets, or (ii) an increase in USD value of liabilities.

These losses could also arise from selling assets or paying off liabilities when the USD exchange rates have moved adversely relative to local currency. InfraCredit's Tier II capital is largely foreign currency denominated, exposing it to foreign currency risks given that the Company's operations are Naira based. InfraCredit manages this risk by ensuring that not less than 89% of its USD funded capital is maintained in USD. As of 31st December 2024, more than 95% of USD funded capital was maintained in USD.

InfraCredit mitigates Interest rate risks by investing in debt securities that are held to maturity thus limiting the impact of interest rate volatility. Furthermore, the investment policy restricts 60% of the investment portfolio to high-quality assets with a maximum weighted average maturity of two years and 40% to high-quality assets with a maximum weighted average maturity of five years.

In exceptional cases where the company seeks to invest for longer tenors (typically for reasons of matching assets to liabilities); explicit approvals are sought and obtained from the RCC.

OPERATIONAL RISK MANAGEMENT

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events.

This could result in reputational issues, business disruptions and consequently financial loss. InfraCredit maintains an Operational Risk Management Policy which guides its approach in managing operational risks. The main tool utilised for managing operational risks within the organisation is a bi annual Risk and Control Self-Assessment alongside an Internal Audit framework with the key risk indicators escalated to the FAC or the RCC as applicable.

COMPLIANCE RISK

InfraCredit is not directly regulated as Nigeria presently does not have a regulatory framework for infrastructure credit enhancing institutions.

However, the Securities and Exchange Commission (SEC); FMDQ Securities Exchange and Rating Agencies provide indirect regulation through the guaranteed bond listings. In addition, InfraCredit has an established Code of Corporate Governance (the "Code") which aims at retaining and increasing confidence of its investors and stakeholders. The Code clearly defines the minimum standards of corporate governance expected of InfraCredit in the course of its business operations.

ANNUAL REPORTS
& FINANCIALS

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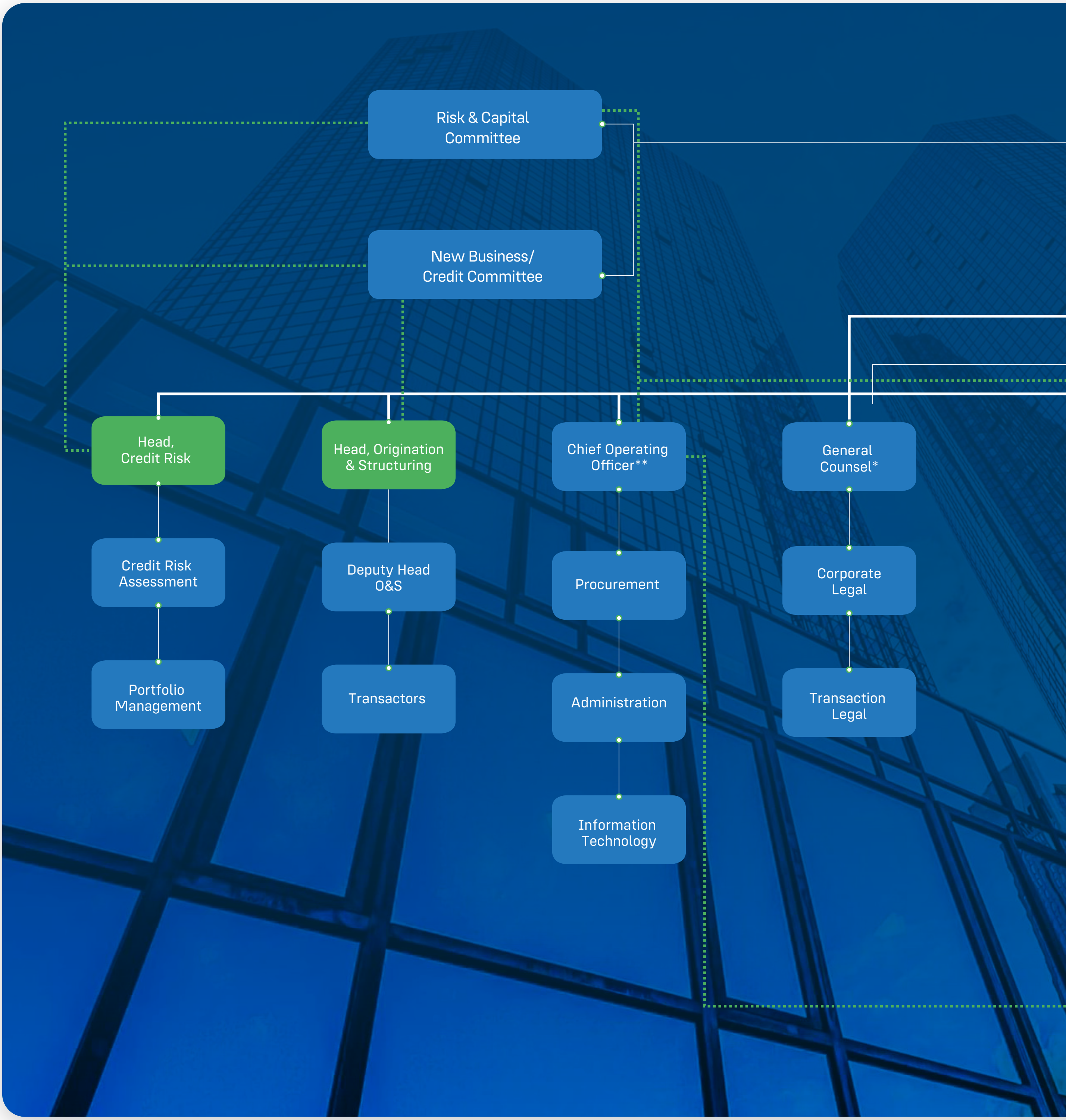
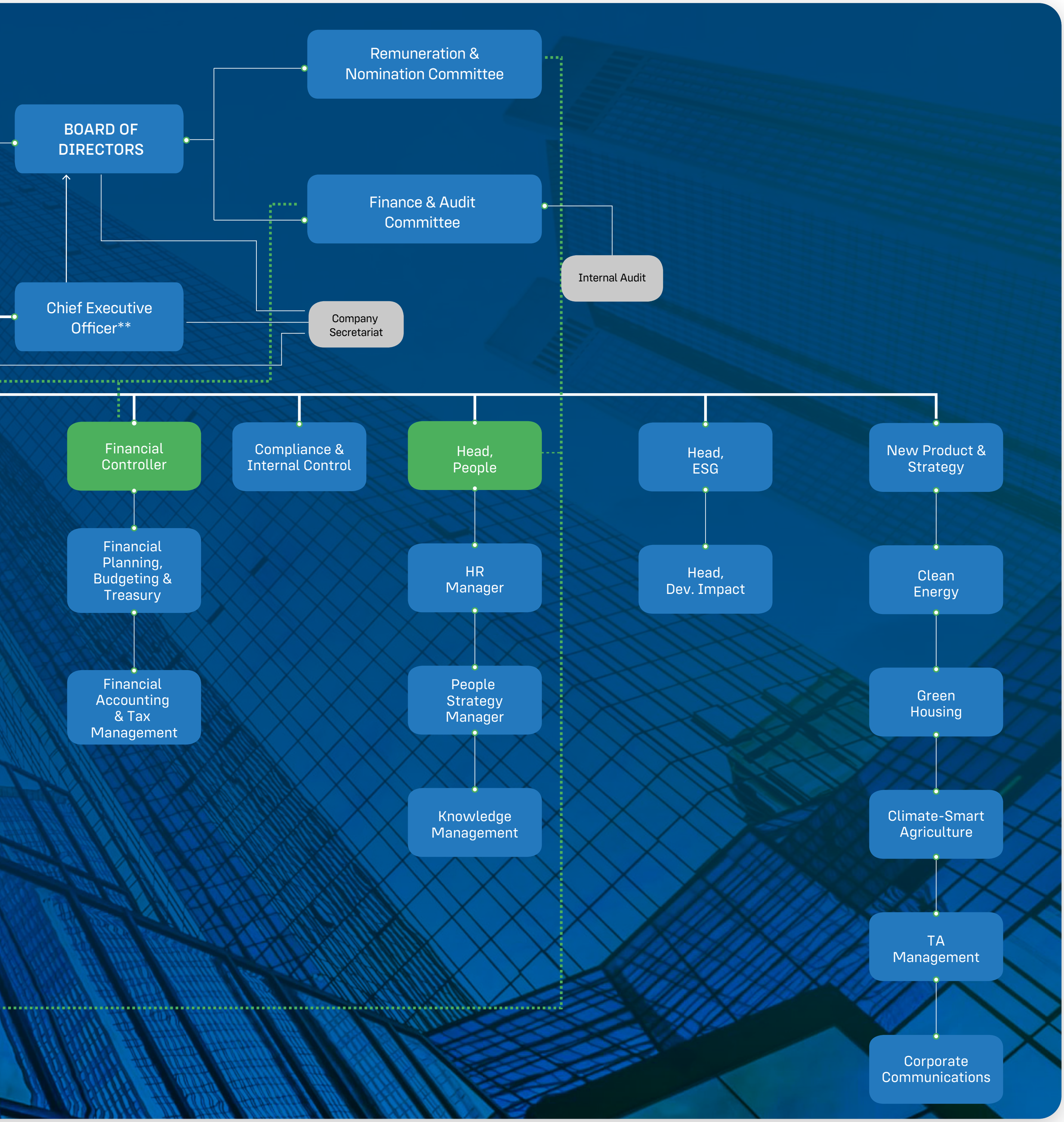
CHAPTER **TWO**

02

InfraCredit Divisions

ORGANISATIONAL STRUCTURE





Remuneration & Nomination Committee
BOARD OF DIRECTORS
Finance & Audit Committee
Internal Audit
Chief Executive Officer**
Company Secretariat
Financial Controller
Compliance & Internal Control
Head, People
Head, ESG
New Product & Strategy
Financial Planning, Budgeting & Treasury
HR Manager
Head, Dev. Impact
Clean Energy
Financial Accounting & Tax Management
People Strategy Manager
Green Housing
Knowledge Management
Climate-Smart Agriculture
TA Management
Corporate Communications

OUR **DIVISIONS**

ORIGINATION & STRUCTURING | FINANCE | LEGAL | DEVELOPMENT IMPACT AND CAPACITY BUILDING | PEOPLE | CREDIT RISK | INTERNAL CONTROL

ORIGINATION & STRUCTURING

The Origination & Structuring ("O&S") division is the "engine room" of InfraCredit, as pipeline growth and successful execution in O&S triggers growth in other key business areas: Capital Raising, Portfolio Management, Treasury, Development Impact, etc.

"Although all InfraCredit staff are encouraged and incentivised to originate new guarantee mandates, Senior O&S staff under the guidance of the Managing Director/CEO have Key Performance Indicators..."

Staff with a Structuring and Execution focus form the core of the O&S team, with all mandated pipeline guarantee projects having joint Structuring and Transaction Legal leads. Responsibilities include performing Preliminary Assessments of opportunities, making New Business Committee submissions, coordinating the due diligence & credit appraisal process (this often extends to conducting internal credit rating exercises and supervising the external credit rating workstream), making new Credit Applications to the Board Credit Committee, overseeing the preparation and negotiation of all documentation including the financing documents towards reaching a successful financial close. The Team is also responsible for establishing and maintaining relationships with strategic partners, market intermediaries and regulators, all geared towards bridging market gaps and information asymmetry by convening industry roundtable sessions that bring together relevant sector leaders, institutional investors, regulators and other stakeholders.

Although all InfraCredit staff are encouraged and incentivised to originate new guarantee mandates, Senior O&S staff under the guidance of the Managing Director/CEO have this as their primary responsibility, thereby making it a major Key Performance Indicator that is more highly weighted toward successful origination of new mandates. They are also a key touchpoint for client relationship management across all prospects, pipeline clients and our portfolio, as well as consistent engagement with market enablers (e.g. capital market operators, government agencies, referral parties).

New Products and Structured Finance staff concentrate on the development of innovative financing solutions in response to market demand and observed market gaps on an evolving basis. This involves transforming innovative strategies into executable guarantee products (e.g. Contingent Refinancing Guarantee, Annuity PPP, Private Corporate Bonds, Blended Finance, etc.), to increase the predictability of guarantee issuances and deepen market penetration.

FINANCE

The Finance Division is responsible for financial reporting, financial strategy/ planning and budgeting, capital/investment portfolio management, tax management and profitability of InfraCredit's operations.

The Division provides real-time financial information that is relevant and faithfully representative in accordance with international financial reporting framework and local financial regulations. The Division sets the financial strategy based on its five-year forecast which is converted into yearly rolling plans/operational budgets.

With the capital/investment portfolio management, the Division ensures that InfraCredit maintains adequate capital to support its guarantee issuance capacity. Thus, in managing capital by investing in highly rated securities, key priorities are capital safety and liquidity.

With the support of an independent tax consultant, the Division ensures InfraCredit is tax-efficient and compliant with the applicable tax laws and regulations.

LEGAL

The Legal Department acts through its three (3) divisions, namely, Corporate Legal, the Company Secretariat, and Transaction Legal. The Legal Department provides advisory and support services to its internal and external clients, with the aim of supporting InfraCredit in achieving its business objectives and maximizing value for its stakeholders.

> "The Transaction Legal function ensures efficient deal execution, minimizes operational risk and supports the Company in achieving its objective of unlocking the potential for infrastructure financing in Nigeria by managing and supporting deal execution."

The responsibilities of the Corporate Legal function include managing InfraCredit's relationships with all its counterparties and consultants, as well as actual and potential disputes and claims arising from these relationships.

The Company Secretariat coordinates and manages the meetings of shareholders, the Board of Directors and its committees, and Management committees; and ensures compliance with company law and the constitution of InfraCredit.

CREDIT RISK DIVISION

The Credit Risk Division retains overall responsibility of identifying, analyzing, measuring, reporting, and managing Credit risks.

The Company's strategy embeds risk management in the origination process therefore promoting proactive identification and remediation. The Division is also responsible for post approval transaction management by monitoring key covenants towards mitigating any potential defaults by identifying early warning signals and proactively remediating same. Additionally, the division provides some oversight on other pillars of Risk (Market and Operational Risks). In conjunction with the Finance team, the Credit Risk team provides guidance on security selection for investments in line with the approved Investment Policy. The team also works with the Internal Audit team to implement the Risk and Control Self- Assessment towards an effective Operational Risk management.

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)/DEVELOPMENT IMPACT DIVISION

At InfraCredit, the ESG/Development Impact Division plays a pivotal role in embedding sustainability into infrastructure financing. Our team ensures the integration of ESG principles within credit risk assessments, transaction structuring, and portfolio management, aligning with global best practices, including the IFC Performance Standards, Equator Principles IV, and AfDB Operational Safeguards.

As part of our mission to drive long-term, positive change, we have strengthened our Monitoring, Evaluation, and Learning (MEL) Framework to better assess, track, and enhance the social, environmental, and economic impact of our guaranteed infrastructure projects. This framework underpins InfraCredit's Theory of Change, which emphasizes market transformation, project-level sustainability, and end-user benefits.

In alignment with our Clean Energy Transition Strategy, we continue to support the development of low-carbon, climate-resilient infrastructure. Our commitment to gender-inclusive and socially responsible financing has been reinforced by InfraCredit's membership in 2X Global, advocating for gender lens investing in infrastructure. Additionally, we have advanced our sustainability agenda by securing EDGE Advanced certification for our corporate office, demonstrating leadership in green building standards.

Further affirming our dedication to responsible business practices, InfraCredit remains committed to the Operating Principles for Impact Management and to the United Nations Global Compact. These milestones reflect our pledge to uphold ethical, environmental, and social standards while mobilizing finance for sustainable infrastructure development in Nigeria.

PEOPLE DEPARTMENT

At InfraCredit, the role of the People Department is Strategic, Transformational and Administrative in nature.

Our People Strategy aims to set the direction of where and how the company should invest in its people to support and deliver the overall Business Strategy. The People activities are backed by five (5) strategic pillars designed to attract, manage and develop employees based on the strategic direction of InfraCredit.

- At the core of the People Strategy is the **Competency Framework** which defines the knowledge, skills and performance expectations and establishes a clear link between individual and organisational performance
- We develop and implement an effective **Performance Management** system, ensuring that Organisational values are translated into measurable competencies, behaviours and objectives, and that appraisals are carried out accordingly
- We develop and implement creative and meaningful **Learning and Development** initiatives for all employees following the 70/20/10 principle where 70% of learning is on the job, 20% through social learning and 10% via formal training
- We implement a **Compensation and Rewards** system that aligns employee objectives with long term goals as we recruit, retain and motivate people aligned with our Organisational goals and culture
- We develop and implement a plan to strengthen and embed our **Culture and Values** across the organisation and ensure effective communication company wide. We will reinforce our value system (integrity, impact, passion, innovation and collaboration) and aim to strengthen the same foundational core values and ideology that has led us from inception.
- In managing strategy, processes, and execution related to building, developing and retaining an exceptional and empowered team, our goal is to enable InfraCredit win the proverbial "war for talent".

INTERNAL AUDIT

The internal audit function undertakes regular reviews of InfraCredit's operational processes premised on a risk-based approach and reports on the adequacy and effectiveness of risk management, internal controls and governance processes. The department is also instrumental in driving a culture of continuous improvement in processes with the Company and ensures compliance with laws and regulations.

49	98	10	1,988
Trainings	Institutions	Co-Due Diligence	Participants

OUR COMMITMENT TO CAPACITY BUILDING

InfraCredit believes that improving investor analytical capacity, arming investors with comprehensive data and information with an in-depth understanding of the investment dynamics of the subsectors within the infrastructure space- highlighting the risks and mitigants and providing access to platforms where queries can be addressed, would ultimately enhance investor confidence, and drive private sector participation in these sectors. This should ultimately increase the investment appetite of investors in long-term infrastructure-related instruments and thereby deepen the Nigerian Debt Capital Market.

The Infrastructure Knowledge Exchange Programme is coordinated by InfraCredit in collaboration with Development Partners PIDG, and the German Government through KFW.

As of December 2024, under the programme, from inception to date, 49 (forty-nine) trainings have been implemented including ten (10) investor roundtable workshops, (twenty-six) 26 investors and regulators' trainings, and (thirteen) 13 investor roundtable workshops and (ten) 10 co-due diligence exercises targeted at participants at different levels of executive management, as well as investment and risk teams of the participating institutional investors. These programs attracted one thousand, nine hundred and eighty-eight (1,988) participants one hundred and three (103) institutions including twenty-six (26) Pension Fund Administrators, five (5) Life Insurance Companies, five (5) Regulatory bodies, and sixty-seven (67) other institutions.

As of December 2024, the programme, from inception to date, has been implemented including targeted at participants at different levels of executive management, investment and risk teams of the participating institutional investors. This initiative has been very instrumental in facilitating improved pricing, understanding of our guaranteed bonds and increased investment appetite from new pension fund and insurance investors.

In 2024, the Knowledge Exchange Programme conducted five (5) training programmes including two (2) investor roundtable workshops, two (2) investors and regulators' training exercises, and one (1) Due Diligence Exercise. The events had a total of two hundred and eleven (211) participants from thirty-nine (39) institutions including eighteen (18) Pension Fund Administrators, four (4) Closed Pension Fund Administrators, three (3) regulators, five (5) life insurance companies, and nine (9) other institutions.

Subsequently, InfraCredit has successfully facilitated financing for twenty-two (22) infrastructure projects through local currency-denominated debt in the domestic debt capital market. The aggregate amount reached N235 billion, with average tenors extending up to 20 years. These financing programs experienced significant investments from local pension fund investors, including 18 participants from our Knowledge Exchange Program. This underscores the considerable potential and investor appetite for infrastructure projects.

Importantly, first-time issuers, initially fully guaranteed by InfraCredit, can now access the capital markets for a second time without the need for a guarantee. This attests to the self-sufficiency and catalytic impact of our capacity-building and credit enhancement programs.

STRATEGIC OUTLOOK

Over the past 7 years, the initial concept of the Infrastructure Knowledge Exchange Programme as envisioned, has now been proven to be a valid idea with demonstrable outcomes and measurable impact. The Programme is a transitional mechanism to jumpstart private institutional investors' involvement in infrastructure investments by helping to build their technical capacity, know-how and understanding of infrastructure.

1. **INSTITUTIONALIZING THE PROGRAMME**
   As we aim to expand the programme, institutionalising the operating framework to scale capacity and impact is an imperative, this will be accompanied with a re-aligned "Theory of Change" to be implemented under InfraCredit's Development Impact Framework. A key outcome of this process will be defining measurable outcomes, evidence-based data and indicators geared towards informing the decision-making process with our stakeholders for effective monitoring, evaluation, and reporting.

2. **STRENGTHENING TECHNICAL ASSISTANCE SUPPORT**
   There are a multitude of donor programmes addressing some part of the greater challenge of catalysing private investments into SDG-related infrastructure that will reduce poverty, and we aim to use this programme and its theory of change to align, incentivize and increase donor coordination and funding support into more effective, efficient, integrated, and scalable intervention in sustainable infrastructure finance. Leveraging InfraCredit's contribution and market positioning to crowd in development capital and technical assistance from other donors/ DFIs to the programme.

3. **BUILDING STRATEGIC PARTNERSHIPS WITH KEY STAKEHOLDERS**
   Addressing the complex challenges of infrastructure deficit and sustainable finance requires building strong multi-stakeholder partnerships that can create systemic change. The Programme will aim to evolve into a multi-stakeholder partnership, by collaborating with key stakeholders to create shared values and successes. We will leverage the power of multi-stakeholder partnerships as a key mechanism to deliver on the goals by pooling knowledge, expertise, and resources.

4. **KNOWLEDGE EXCHANGE OF BOARDS, REGULATORS AND PUBLIC OFFICIALS**
   As ultimate decision-makers and policymakers, the boards and regulators have an especially important role to play in influencing the effectiveness of the expected development outcomes of this programme. In response to feedback from surveys conducted during the initial phase with participants, we will increasingly aim to equally focus on Knowledge Exchange and training programmes for the leadership of this core group of market decision-makers and regulators to develop and maintain a very cordial and trusted relationship on the mutual aims and objectives of this programme.

5. **STRENGTHENING STAKEHOLDER ROUNDTABLES**
   Finding a path towards sustainable development will require the pooling of diverse perspectives, knowledge, and resources. We recognize the need to adopt a more strategic approach to engagement activities by improving communication, and close dialogue with key stakeholders in building market awareness and consensus on key contemporary issues in infrastructure and expected development outcomes of this programme. Importantly is building trust with our stakeholders.

6. **INTEGRATING ESG AND SDGS**
   Infrastructure underpins many of the UN Sustainable Development Goals (SDGs) and the bond market as the largest source of long-term investment capital is emerging as an important source of financing to meet the UN SDGs. Therefore, integrating ESG considerations into investment decisions has become crucial, and one key area of 66 AR/22 focus in the Knowledge Exchange and training courses will be sustainable, responsible investing and educating institutional investors on best practice approaches to ESG investing to engender a proactive action-oriented programme focused on sustainable long-term value. The success of the Programme is strongly aligned with our vision to be a catalyst and the most trusted partner, in the attraction of long-term capital into infrastructure finance in Nigeria. By successfully leveraging Knowledge Exchange to foster market development and catalyse local capital from private institutional investors into supporting new infrastructure development that will create jobs, protect the environment, reduce poverty, and promote local economic growth, we aim to establish a shared purpose with our stakeholders in aligning our collective effort to solve some of the most pressing challenges of our time.

CHAIRMAN'S STATEMENT

Distinguished Shareholders, Board of Directors and other stakeholders,

It is with great pleasure that I welcome you to the 8th Annual General Meeting of Infrastructure Credit Guarantee Company Plc. This year has been a landmark period for our Company, marked by significant achievements and milestones that have set the stage for future growth and success. One of the most notable accomplishments was our transition to a public limited company (PLC) on December 12, 2024, followed by our successful maiden rights issue. Just a few weeks ago, precisely on March 6th, 2025, our Company was listed on the main board of NASD OTC Exchange. These milestones will enhance our financial flexibility, thereby positioning InfraCredit to access a broader pool of capital, which is essential for strengthening our guarantee issuing capacity.

2024 ECONOMIC ENVIRONMENT

In 2024, the global economy experienced a mix of resilience and challenges, with varying performances across different countries and regions. Despite the challenges, the global economy witnessed approximately 3.2% growth which is slightly lower than in previous years.

The U.S. economy continued to perform above potential, while the Eurozone showed signs of recovery from a manufacturing recession. China faced significant headwinds due to issues in the property market.

Central banks around the world adjusted their monetary policies to manage inflation and support economic growth. The U.S. Federal Reserve, for instance, cut policy rates by 50 basis points in mid-September, leading to a broader easing cycle.

Inflation remained a significant challenge, complicating efforts to normalize monetary policies. This was particularly evident in advanced economies, where inflationary pressures persisted. Escalating trade tensions and increased policy uncertainty added to the economic challenges, affecting global trade and investment.

Sanjeev Gupta
Chairman

GROSS REVENUE
N26.91b
120% GROWTH

TOTAL ASSETS
N309.24b
103% GROWTH

SHAREHOLDERS FUNDS
N158.21b
70% GROWTH

Domestically, the Nigerian economy faced similar challenges as the global economy. According to the National Bureau of Statistics (NBS), Nigeria's Gross Domestic Product (GDP) grew by 3.46% year-on-year in real terms in the third quarter of 2024. This growth rate is higher than the 2.54% recorded in the third quarter of 2023 and higher than the second quarter of 2024 growth of 3.19%. The performance of the GDP in the third quarter of 2024 was driven mainly by the services sector, which recorded a growth of 5.19% and contributed 53.58% to the aggregate GDP. The agriculture sector grew by 1.14%, down from the growth of 1.30% recorded in the third quarter of 2023. The industrial sector grew by 2.18%, an improvement over the 0.46% recorded in the third quarter of 2023. In terms of share of the GDP, the services sector contributed more to the aggregate GDP in the third quarter of 2024 compared to the corresponding quarter of 2023.

In the third quarter, the aggregate GDP at basic price stood at N71.13 trillion in nominal terms. This performance was higher when compared to the third quarter of 2023, which recorded an aggregate GDP of N60.66 trillion, indicating a year-on-year nominal growth of 17.26%. For better clarity, the Nigerian economy has been classified broadly into the oil and non-oil sectors.

In 2024, headline inflation rate reached a near 30-year high of 34.8% in December 2024. This marked the fourth consecutive month of rising inflation, up from 34.6% in November. Food prices, which constitute more than 50% of Nigeria's inflation basket, saw a substantial increase. Food inflation was 39.84% in December 2024, slightly down from 39.93% in November. Inflationary pressures were driven by various economic factors, including the following: the removal of fuel subsidies, which led to a sharp increase in energy costs; the devaluation of the Nigerian Naira, which increased the cost of imported goods; and supply chain disruptions exacerbated by global economic conditions. The Nigerian government implemented measures to address inflation, including interest rate hikes, foreign exchange interventions in the forex market, tax reforms aimed at improving tax collection and broadening the tax base to increase government revenue; agricultural support to boost local food production to reduce dependency on imports and stabilize food price, infrastructure development investments particularly in transportation and energy sectors, to lower production costs and improve supply chain efficiency, etc.

Nigeria's interest rate environment was characterized by a series of aggressive monetary policy adjustments aimed at curbing inflation and stabilizing the Naira. The Central Bank of Nigeria (CBN) raised the MPR multiple times throughout the year. By September 2024, the MPR had reached a record high of 27.25%. This marked the fifth consecutive hike in 2024, reflecting a cumulative increase of 850 basis points. This was part of a broader strategy to control the money supply and combat rising inflation. Higher interest rates increased the cost of borrowing for businesses and consumers, potentially slowing down economic activity and investment.

CBN's monetary policy stance in 2024 was a balancing act between controlling inflation and supporting economic growth. The CBN's continued monitoring of macroeconomic trends and periodic adjustments to the MPR were expected to play a crucial role in shaping Nigeria's economic landscape in 2025.

Overall, 2024 was a challenging year for Nigeria in terms of inflation and interest rates, with elevated rates driven by a combination of domestic and international factors. The government's efforts to address these issues are ongoing, with the hope of achieving more stable economic conditions in the future.

PERFORMANCE REVIEW

In 2024 financial year, Infrastructure Credit Guarantee Company Plc delivered robust financial performance, reflecting our strategic initiatives and resilience in a challenging economic environment. Our gross revenue (excluding unrealized exchange gains of N50.7 billion) grew by 120%, from NGN 12.22 billion in 2023 to NGN 26.91 billion in 2024. This growth was driven by increased demand for credit guarantees and elevated yields on investment securities.

Operating expenses increased by 70%, which was significantly lower than the 123% growth in net total income of NGN 17.19 billion (excluding unrealized exchange gains).

Profit before tax (excluding unrealized net exchange gains) surged to N10.83 billion, marking an impressive 157% increase compared to the N4.21 billion reported in 2023. This phenomenal growth was primarily driven by effective cost management, increased guarantee fee income, and investment income buoyed by more guarantee issuances and uptick in yields on investment securities.

InfraCredit's total assets grew substantially, rising by 103% to NGN 309.24 billion in 2024, compared to NGN 175.43 billion in 2023. This increase was due to unrealized exchange gains of NGN 50.7 billion from USD-denominated investment securities, additional guarantees of up to NGN 38.1 billion, and profit retention.

During the year, we successfully raised NGN 18.7 billion through a rights issue and secured USD15 million unsecured subordinated debt, bolstering our capital base and enabling us to support more infrastructure projects.

In conclusion, 2024 was a year of resilience and growth for InfraCredit. Our strong financial performance underscores our commitment to driving sustainable infrastructure development in Nigeria. We are well-positioned to capitalize on future opportunities and continue delivering value to our shareholders.

DIVIDENDS

The 2024 financial year posed significant macroeconomic challenges for businesses, primarily due to high inflation and interest rates. Despite these economic headwinds, InfraCredit achieved a profit after tax (excluding unrealized net exchange gains) of N10.13 billion. After thorough consideration of our financial results, capital requirements, and future growth prospects, and in line with our objective of maximizing shareholder returns and maintaining a history of steady dividend payments, the Board of Directors has recommended for shareholders' approval a declaration of final dividends totaling N3,029,860,626.68 (Three billion, twenty-nine million, eight hundred and sixty thousand, six hundred and twenty-six Naira, sixty-eight Kobo only) comprising ordinary shares of N1,372,957,175.25 (One billion, three hundred and seventy-two million, nine hundred and fifty seven thousand, one hundred and seventy-five Naira, twenty five Kobo only) and preference shares of USD4,480,906.34 (Four million, four hundred and eighty thousand, nine-hundred and six Dollars, thirty four cents) at historical exchange rates at the Completion Dates.

This amount includes ordinary dividends for ordinary shares ranking for dividends as of the closure of the register of members on Friday, 14th March 2025, and preference dividends for all preference shares ranking for dividends as of 31st December 2024. The ordinary dividend represents 9 kobo per share, while the preference dividend was calculated based on the applicable yields of FGN Eurobonds and historical exchange rates at the Completion Dates.

Including the interim dividends of N1,864,617,252.90 (One billion, eight hundred and sixty-four million, six hundred and seventeen thousand, two hundred and fifty-two Naira, ninety Kobo only) paid earlier in the year, the total dividends declared for the 2024 financial year would amount to N4,894,477,879.58 (Four billion, eight hundred and ninety-four million, four hundred and seventy-seven thousand, eight hundred and seventy-nine Naira, fifty-eight Kobo only) with the USD denominated preference dividends determined at the historical exchange rates at the Completion Dates.

To ensure capital preservation, the Board of Directors has also recommended the option for capitalization of both ordinary and preference dividends. Thus, a shareholder may elect to receive: (a) a scrip dividend of one preference share at N2.50 per share (i.e. 2023 valuation price discounted by 15%) and/ or one ordinary share at N2.07 per share (i.e., 2023 valuation price discounted by 15%); (b) a cash preference dividend in USD and/ or ordinary dividend in Naira; or (c) a combination of both cash and scrip dividends.

As we look ahead, we remain focused on driving sustainable growth and creating long-term value for our shareholders. We are confident that our strategic initiatives and robust financial management will continue to support our ability to deliver consistent and attractive returns.

BOARD MATTERS

During the year, the Board took significant steps to enhance its composition, ensuring it comprises qualified individuals with diverse experiences, backgrounds, and perspectives. This strategic approach enables the Board to effectively fulfill its duties and responsibilities.

I am pleased to announce that during the 2024 financial year, following a nomination by the Africa Finance Corporation (AFC), the Board appointed Mr. Fola Fagbule as Alternate Director to Mr. Banji Fehintola. This appointment was necessary due to Mr. Fehintola's demanding commitments as an Executive Board Member and Head of Financial Services at AFC. It reinforces the Board's commitment to maintaining a resilient team, poised to navigate the complexities of our organization's governance and strategic direction.

Mr. Fagbule is a senior banker specializing in infrastructure in Africa. He currently serves as Deputy Director and Head of Financial Advisory at AFC, overseeing corporate finance advisory, mergers, acquisitions, capital raising, and other technical advisory assignments. His academic qualifications include an MBA from Lagos Business School and a B.Sc. in Physics from the University of Lagos. He is also a critically acclaimed writer, co-authoring the popular pre-colonial history of Nigeria titled "Formation, The Making of Nigeria from Jihad to Amalgamation."

Following the resignations of Mr. Aminu Umar-Sadiq and Mr. Reginald Ihebuzor from the Board, the Nigeria Sovereign Investment Authority (NSIA) nominated, and the Board approved, the appointments of Mr. Kolawole Owodunni and Ms. Ijeoma Taylaur as Non-Executive Directors. Ms. Taylaur is an Executive Director and the Chief Operating Officer at NSIA.

After the resignation of Ms. Claire Jarratt from the Board, Infraco Africa nominated, and the Board approved, the appointment of Mr. Michael Chilton as a Non-Executive Director. Mr. Chilton served as the Chief Financial Officer of the Private Investment Development Group (PIDG) from February 2018 until September 2024 and is currently a part-time Advisory Director at PIDG.

Upon the resignation of Mr. Umar-Sadiq, the Board appointed Ms. Hamda Ambah as the Chairperson of the Remuneration and Nomination Committee to lead the Committee's deliberations.

During the year, our esteemed Directors participated in a Knowledge Sharing Session on the Company's Rating Model. This strategic and insightful session, facilitated

by the Company's Head of Credit Risk, focused on the Company's Rating Methodology, Rating Model Architecture, and the Structural Adjustments that illustrate the differences between the Company's internal rating model and external ratings by Rating Agencies.

OUTLOOK

Looking ahead to 2025, the Nigerian economy is expected to continue its recovery, with a projected GDP growth rate of 3.46%. The government's ongoing reforms and efforts to improve the business environment are anticipated to attract more investments, particularly in the infrastructure sector. Inflation is expected to decline gradually, supported by stable exchange rates and improved fiscal management.

The services sector, particularly telecommunications and financial services, is poised for significant growth, driven by increased digitalization and foreign direct investments. The oil and gas sector will continue to play a vital role, but diversification efforts will gain momentum, with an increased focus on renewable energy and sustainable development.

InfraCredit is well-positioned to capitalize on the positive economic outlook for 2025. Our strategic focus will be on expanding our guarantee portfolio, particularly in clean energy and renewable projects, to support Nigeria's transition to a sustainable economy. We will continue to strengthen our capital base, targeting an additional NGN 27 billion in equity and USD20 million in subordinated debt in 2025 financial year.

We anticipate increased demand for our credit guarantees as infrastructure development increases. Our commitment to risk management and diversification will remain central to our strategy, ensuring we maintain our strong financial position and support Nigeria's infrastructure growth.

APPRECIATION

As we reflect on the achievements of the past year, I would like to extend my heartfelt gratitude to all those who have contributed to our success.

First and foremost, I would like to thank our shareholders for their unwavering support and confidence in our vision. Your trust has been instrumental in driving our growth and enabling us to achieve our strategic objectives.

To our esteemed Board of Directors, your guidance and wisdom have been invaluable. Your commitment to excellence and governance has provided a strong foundation for our continued success.

I would also like to express my deep appreciation to our management team and employees. Your dedication, hard work, and innovative spirit have been the driving force behind our accomplishments. Your resilience and adaptability in the face of challenges have been truly commendable.

To our clients and partners, thank you for your continued collaboration and trust. Your partnership has been essential in helping us deliver on our promises and create lasting value.

In conclusion, 2024 was a year of resilience and growth for InfraCredit. We are optimistic about the future and remain committed to driving sustainable infrastructure development in Nigeria.

Thank you for your unwavering support, commitment and confidence in our vision.

Sincerely,

Sanjeev Gupta
Chairman

CEO'S STATEMENT

Dear Stakeholders,

Chinua Azubike
Chief Executive Officer

It is with great honour and privilege that I present InfraCredit's annual report for the 2024 financial year, amongst other key priorities.

In 2024, the Nigerian economy was influenced by the Central Bank's contractionary monetary policies, which included continued interest rate hikes, reaching 27.5% by year-end. These measures aimed to curb accelerating inflation, which stood at 34.8% in December, and to address the depreciation of the local currency. On the fiscal side, policies were expansionary, featuring increased budgetary spending and reforms aimed at stimulating economic growth. However, these fiscal policies were defined by significantly elevated macroeconomic risks, including high interest rates due to the Central Bank's tightening cycle, the removal of oil subsidies, and a sharp devaluation of the local currency. As a result, corporate issuances were subdued, while short-term investments, such as commercial papers, became more attractive to domestic institutional investors compared to long-term bond investments

Nigeria's economy grew by 3.46% year-on-year in Q3 2024. Analysts attribute this growth to sustained expansion in the oil sector, transport, financial services, telecoms, and crop production. However, the removal of subsidies and elevated foreign exchange volatility negatively impacted the trade and manufacturing sectors.

In the Nigerian debt capital market, yields rose in Q4 2024 due to the resurgence in inflation. Yields on the sovereign curve remained inverted but edged up to 20%-17% in Q4 2024, making domestic credit from the capital market relatively affordable compared to bank loans, which averaged a 32% interest rate. However, the short end of the curve remained more attractive for institutional investors and prospective issuers compared to the long end. Due to strong interest in short-dated papers, issuances in the debt market were muted in 2024, with prospective issuers favoring short-term funding through treasury bills and commercial paper issuances.

Despite these elevated macro risks, InfraCredit's performance has demonstrated the resilience and viability of our business model and mandate of providing local currency guarantees and mobilizing long-term domestic debt financing for infrastructure in Nigeria. As of December 2024, InfraCredit, through its guarantees, facilitated first-time access to local currency finance for up to 20-year tenors from the domestic debt market for nineteen infrastructure companies, totaling N239.47 billion. This included corporate infrastructure bonds, which were oversubscribed by up to 65% from local pension fund investors and leading insurance companies, signifying strong investor appetite and confidence in our credit standing.

In response to the macro challenges, we have strengthened team capacity, secured commitments for capital raises, and implemented new products and strategic partnerships (FCDO, BII, FSD Africa, BOI) in line with our corporate strategy. Additionally, we made significant progress despite global challenges and laid a strong foundation for an even more successful 2025. Key highlights for the year included major risk-sharing arrangements and co-financing facilities secured from our development partners. These developments have expanded our balance sheet, enabling us to support more projects, including providing technical assistance for the preparatory stages of greenfield projects and those backed by first-time issuers.

The strategic initiatives implemented in the year as well as other accomplishments are summarized as follows:

REVIEW OF STRATEGIC ACHIEVEMENTS FOR THE YEAR

Based on our strategic plan, our key achievements during the year included the following:

(i) Additional Guarantee Transactions:

During 2024 financial year, InfraCredit signed 18 new mandates of about N198 Billion and obtained 13 credit committee approvals of N273 Billion. Of N154 Billion we issued guarantees that reached financial close amounting up to N31.2 billion, guarantees issued and awaiting funding and guarantees processed and awaiting SEC approval were respectively N31.5 billion and N85 billion for capital market transactions as at year end.

From a guarantee portfolio perspective, InfraCredit grew its guarantee portfolio by 16% to N235.97 billion as of 31st December 2024. We have also increased our contracted deal pipeline by 37% from N580.89 billion as at 2023 FYE to N793.89 billion as of 31st December 2024 with 18 new mandates signed in 2024 bringing total active mandates to 53.

Below is the summary of the guarantee transactions closed during the year:

A. InfraCredit completed guarantee issuance for one project in the public bond market. The transaction is the APL Funding SPV PLC N8 billion 10-year Senior Guaranteed Fixed Rate Infrastructure Bonds due 2034.

B. In line with our strategy of unlocking access to alternative markets for infrastructure finance, we completed two (3) private infrastructure debt during the year including (i) ACOB Lighting Technology Limited N755 million 7-year Senior Green Guaranteed Infrastructure Bonds; and (ii) InfraCredit guarantee of NGN2.5 billion follow-on debt financing under a NGN12.5 billion debt programme for Modern Shelter Systems and Services Limited for the development of 370 affordable housing units according to IFC's green building standard (EDGE) in Nasarawa Technology Village under a co-financing structure with the Shelter Afrique Development Bank. (iii) Prado Power Energy Solutions Limited N1.9b billion 7-year forward ijarah green guaranteed sukuk.

C. In furtherance of our strategic partnerships for blended/concessionary finance with Bank of Industry (BOI), we completed two guarantees of 7-year tenor as follows: (i) Mecure Industries Limited NGN10 billion; (ii) Green Liquified Natural Gas Limited NGN4 billion.

   Given our growing pipeline of projects that are seeking for concessionary funding from BOI, I am happy to inform you that the Board of BOI has approved the increase in InfraCredit guarantee exposure to up to N300 billion which we expect to fully utilise in FY2025.

D. We also completed two bridge-to-bond guarantees under our strategic collaboration with NSIA-backed Construction Finance Warehouse Facility and Infrastructure Fund as follows: (i) Transport Services Limited N4.7 billion (ii) Victoria Island Power Limited N10 billion .

Summary of Key Activities:

Summary of Key Activity	2024
New Guarantees Executed	9
Size of New Guarantees Executed	N31.2 billion
New Mandates Signed (including Follow-On Mandates)	18
Size of New Mandate Signed	N198.5 billion
New Business Committee (NBC) Approvals	21
% NBC Approvals Converted to Mandates (#)	85.7%
Size of NBC Approvals (in the year)	N188.9 billion
Number of Credit Committee Approved Deals	13
Size of Credit Committee Approved Deals	69.2%
% of Credit Approved Deals converted to Portfolio (#)	76.9%
Size of Credit Approved Deals (in the period)	N273.5 billion

(ii) Additional Capital Raise:

InfraCredit has grown its total paid in capital base to N292.62 billion as of December 2024 from equity capital raise (Rights Issue), new debt capital raise and retained earnings. In the 2024 Budget, and as part of our medium-term capital strategy the Board approved a capital raise plan of US$85 million in combination of US$35 million hard capital (paid-in capital) and soft capital US$50 million (re-guarantees and risk sharing instruments) respectively to support our guarantee issuing capacity. During the year, InfraCredit successfully raised received a US$15 million subordinated unsecured 10-year facility from the African Development Bank Group (AfDB), marking AfDB's second investment following an initial US$10 million facility in 2020. Significant progress has been recorded on the ongoing equity capital raise of N40 billion including Rights Issue and Private Placement. The Rights Issue closed at the end of the year with subscription amount of N18.7 billion from NSIA, AFC and Leadway Assurance Limited while the Private Placement is expected to reach financial close with funding on or before end of Q1 2025.

As part of its Business Plan, Shareholders Agreement and Share Subscription Agreements disclosed to investors, it was contemplated that once a solid track record has been established after 5 years of operations, InfraCredit will be ready for a full listing of shares on a Securities Exchange for direct investment by the pension funds and other institutional investors. In this regard, InfraCredit became a public company as at the end of 2024, and was listed on the NASD OTC Securities Exchange on 6 March 2025.

(iii) New Guarantee Products:

In 2024 financial year, we continued the implementation of new/innovative guarantee products further to prior approval obtained from the Board. Milestones achieved under this strategic initiative are the bridge financing of two (2) projects across transportation and renewable energy sectors funded by the NSIA-backed Construction Finance Warehouse Facility ("CFWF" or the "Facility"), the beneficiary projects include Prado Power Limited and Victoria Island Power Limited.

As part of our innovative guarantee products, InfraCredit issued guarantee for Prado Power Limited's Fixed-Rate Senior Green Infrastructure Forward Ijarah Lease Sukuk under a co-financing arrangement with the £10 million Climate Finance Blending Facility (CFBF) funded by the United Kingdom Foreign, Commonwealth and Development Office (FCDO), the fourth transaction under the Facility and the first blended local currency Green Infrastructure Forward Ijarah Lease Sukuk for a Solar Powered Rural Infrastructure Project in Nigeria.

(iv) Infrastructure Knowledge Exchange Programme:

As of 31st December 2024, under the programme, from inception to date, 49 (forty-nine) trainings have been implemented including 13 (thirteen) investor roundtable workshops, 26 (twenty-six) investors' trainings and 10 (ten) co-due diligence exercises targeted at participants at different levels of executive management, investment and risk teams of the participating institutional investors. This initiative has been very instrumental in facilitating improved pricing understanding of our guaranteed bonds and increased investment appetite from new pension fund and insurance investors.

During the year, InfraCredit in collaboration with our development partners, hosted an interactive Investor Roundtable Discussion on scaling domestic institutional investments in Nigeria's Distributed Renewable Energy (DRE) sector. The session featured discussions with the World Bank, Cambridge Economic Policy Associates, and private investors on strategies to meet Nigeria's renewable energy deficit. Key topics included ESG investment targets, blended DRE transactions, and constraints to scaling investments. The event had 22 participants from 11 private institutional investor firms and 6 development finance institutions.

In addition, we hosted delegates from the Foreign, Commonwealth & Development Office (FCDO) and the British International Investment (BII) at our office in Lagos, Nigeria, during which we organised an interactive Roundtable session with domestic institutional investors. The goal was to deepen our partners' understanding of what institutional investors require to drive their participation in DRE project funding, the lessons learnt so far and further interventions needed to drive a more inclusive cleaner energy access, taking into consideration, Nigeria's National Contributions towards achieving net zero by 2060.

In line with our strategic initiative to enhance collaboration and capacity building for Boards, Regulators, and Domestic Institutional Investors, we held a two-day Knowledge Exchange Programme separately for the National Pension Commission and Securities & Exchange Commission with the topic "Understanding Infrastructure Investment Products for Financing Greenfield and Brownfield Projects".

We hosted a Knowledge Exchange Programme that brought together 44 Chief Risk and Compliance Officers from Pension Funds, along with regulatory and legal stakeholders, to discuss "The Impact of Credit Enhancement and Credit Ratings on Financing Infrastructure Development.". We also held a Knowledge Exchange Programme for CROs of Pension Funds on "The Evolving Role of Risk Management in Unlocking Infrastructure Opportunities; Leveraging Risk- Sharing Strategies", where we emphasized the importance of knowledge exchange with CROs, highlighting their role as industry gatekeepers and the need for mutual trust to unlock long-term infrastructure finance.

(v) Risk Sharing:

We signed a local currency counter-guarantee agreement with the African Trade & Investment Development Insurance (ATIDI) for a NGN37 billion (US$40.7 million) portfolio risk-sharing arrangement to support seven (7) infrastructure portfolio companies of InfraCredit across sectors including energy, healthcare, manufacturing (inputs to infrastructure) and logistics. The partnership aligns with our 2022 MoU with ATIDI, aiming to provide credit guarantees and reinsurance on eligible transactions. This strategic collaboration allows InfraCredit to underwrite large contracts, manage risks, and attract domestic institutional investments to address Nigeria's infrastructure deficit.

In addition, we signed a US$30 million risk-sharing and blended local currency co-financing facility with the British International Investment (BII), a dual financing instrument combining a US$20 million (NGN32 billion) local currency counter-guarantee and a US$10 million (NGN16 billion) concessional financing to support decentralised renewable energy (DRE) projects, originated and guaranteed by InfraCredit through the Climate Finance Blending Facility.

(vi) Project Development Strategy:

In 2024, we continued implementing the project development strategy, further progressed the strategic collaborations between InfraCredit, the World Banks's DARES program and Rural Electrification Agency alongside other strategic partners to support the Distributed Renewable Energy Enhancement Facility (DREEF).

We were hosted by the Nasarawa State Government (NASG), led by His Excellency, Engr. Abdullahi A. Sule, to witness and acknowledge the signing and official commencement of project feasibility studies for the construction of Aso – Pada Toll Road, between InfraCredit and the Nasarawa Investment and Development Agency (NASIDA)- led by the MD/ CEO, Ibrahim A. Abdullahi with the technical assistance support of the Agence Française de Développement (AFD).

(vii)Regional Expansion Strategy:

The regional expansion initiative is expected to support the delivery of InfraCredit's 2022 – 2026 Strategic Objectives approved by the Board, which includes pursuing product innovation & expanding the market for guarantees, regionally. InfraCredit is able to expand the business model as well as leverage the brand to create significant and sustainable long term shareholder value via a least cost approach. To this end, upon Board approval we signed a Memorandum of Understanding with the Ghana Infrastructure investment Fund (GIIF) to collaborate and conduct Market Assessment and Feasibility Study towards the establishment of a Ghana Credit Enhancement Facility. Feasibility Study has been completed and Business Plan is currently underway to be completed by H1 2025.

OUR PEOPLE STRATEGY

An ambitious path has been set for this company, and to successfully achieve this we have put our People at the heart of our Strategic Business Plan to create the true organizational transformation as envisioned for InfraCredit and deliver growth through people.

Our People Strategy is integral to our medium to long-term success, focusing on building a strong and diverse workforce. We promote inclusion through gender mainstreaming, ensuring equal opportunities for all. This strategy emphasizes the importance of involving women in our operations. InfraCredit completed its membership with the 2X Global, a global network and field- building organization for investors, capital providers, and intermediaries, aimed at unlocking gender-smart capital at scale and advancing women's economic empowerment and agency.

During the year, we embarked on a transformative two-day staff retreat, a crucial opportunity for us to re- strategize for the future as well as strengthen our team dynamics and culture. Driven by our core values of Innovation, Passion, Impact, Integrity, and Collaboration, the retreat focused on acknowledging our journey, evaluating performance, and charting a clear course forward.

In line with our people strategy and our vision of making InfraCredit a talent factory, the fourth cohort (10 Interns) of the Learning Academy- Internship Programme which is a subset of the Learning and Development Pillar of our human capital development agenda graduated in June 2024 whilst the training programme for the fifth cohort (20 Interns) will commence in January 2025.

ESG AND SUSTAINABILITY STRATEGY

At InfraCredit, sustainability is the cornerstone of our mission to drive resilient, inclusive infrastructure in Nigeria. In 2024, we advanced our Environmental, Social, and Governance (ESG) framework—aligned with the IFC Performance Standards, Equator Principles IV, and the AfDB Integrated Safeguards System—delivering transformative impact across markets, projects, and communities while tackling climate change and fostering socio-economic growth.

Our Victoria Island, Lagos headquarters earned the IFC EDGE Advanced Certification in February 2024, marking it as a global benchmark for green design. This achievement, paired with receiving the IFC EDGE Green Champion Award at the API Summit in South Africa, reflects our leadership in low-carbon operations. We also joined the United Nations Global Compact and 2X Global, reinforcing our commitment to human rights, anti-corruption, and gender-smart investing.

Climate action defined our year. Through our Clean Energy Transition Strategy & Roadmap (CETSR), we're aligning our portfolio with Nigeria's Nationally Determined Contributions (NDCs) to the Paris Agreement; prioritizing projects that reduce greenhouse gas emissions and enhance climate resilience.

Our guarantees enabled ACOB Lighting Technology Limited's Green-certified debt issuance, electrifying 3,597 households and businesses, and Prado Power Limited's pioneering Green Sukuk for rural solar infrastructure. At COP 29, a US$30 million facility with British International Investment (BII)—blending a US$20 million counter-guarantee and US$10 million concessional financing—accelerated Distributed Renewable Energy (DRE) projects via our Climate Finance Blended Facility (CFBF). A US$15 million AfDB facility further bolstered our support for power, renewables, telecommunications, healthcare, green housing and transportation.

Our sustainability strategy rests on three pillars: Market Development, Project Enablement, and End-User Impact. We expanded Nigeria's debt capital market with innovative instruments like green bonds, hosting a January 2024 investor roundtable with the World Bank to scale DRE investments. We empowered developers with long-term capital, driving job creation and economic growth, while enhancing infrastructure access improved livelihoods and productivity. Our partnership with Lagos Free Zone Company (LFZC) on the Sea Turtle Conservation Project showcased our biodiversity commitment, with LFZC's Series 3 Infrastructure Bond winning "Best Project Bond" at the EMEA Achievement Awards.

Knowledge leadership thrived with the InfraCredit Green Building and EDGE Expert Workshop; training stakeholders to advance green housing. Our Development Impact Framework anchored our efforts, ensuring every project aligned with the SDGs and delivered measurable benefits. Transparency remained paramount, with robust disclosures upholding our governance standards.

Looking ahead, we'll deepen ESG integration in line with our theory of change, expand climate-aligned investments, and strengthen partnerships for inclusive growth. InfraCredit is not just financing infrastructure - we're building a sustainable future for Nigeria.

CAPITAL STRUCTURE AND LEVERAGE

As of December 31, 2024, InfraCredit's total core equity and subordinated debts amounted to ₦292.62 billion, up from ₦161.05 billion in 2023. The total core capital grew by 70%, reaching ₦158.21 billion by the end of 2024, compared to ₦92.94 billion in 2023. This growth was driven by a fresh equity capital raise of ₦18.7 billion from existing shareholders through a rights issue during the year and unrealized exchange gains arising from the USD denominated preference shares.

The preference shares including capitalized dividends, consisted of:

- US$28.25 million from NSIA
- US$27.27 million from AFC
- US$25.1 million from InfraCo Africa
- US$3.6 million from Leadway Assurance Company Limited

The redemption period for InfraCredit's redeemable preference shares issued to AFC commenced in 2024 with the final maturity date in December 2025. We do not expect any adverse impact on the company's capital structure in the event a redemption occurs.

Total subordinated debts stood at US$85 million, comprising US$61 million from KfW Development Bank and US$25 million from the African Development Bank Group.

Management is currently in discussions with another DFI for an additional US$40 million in subordinated debt.

While the Company does not have any externally imposed capital adequacy requirements, it is expected to maintain an appropriate level of qualifying capital to support its guarantees. As of December 31, 2024, the capital risk assessment showed that total net guarantees to qualifying capital (including subordinated debts) was 0.51 times, and total net guarantees to equity capital (excluding subordinated debts) was 0.94 times. Both ratios are well below the internally set limit of 5 times, providing ample room for expanding the guarantee portfolio. However, the net leverage ratio based on Common Equity Tier 1 (excluding preference shares, cumulative net unrealized foreign exchange gains, and subordinated debts) was 4.33 times.

Overall, InfraCredit's capitalization is considered satisfactory relative to its current operational scale.

ASSET COMPOSITION

Total assets surged by 76% to N309.24 billion in 2024, up from N175.43 billion in 2023. This growth was primarily driven by a 64% increase in investment securities (including accrued interest income and excluding bank balances), which rose from N157.28 billion in 2023 to N257.87 billion in 2024. Investment securities, along with cash and cash equivalents, made up 96% of the total assets. To mitigate credit risks, InfraCredit invests in Federal Government of Nigeria (FGN) instruments and highly rated and liquid corporate and development finance institutions (DFIs) instruments. The portfolio comprised investments in FGN bonds, FGN Eurobonds, corporate Eurobonds and fixed deposits. InfraCredit's investment strategy ensures that not less than 89% of its USD funded capital is kept in USD instruments to hedge against FCY risks. As of 31st

December 2024, USD-denominated investments and cash balances accounted for 96% of USD funded capital and 88% of total funded capital.

ASSET QUALITY

InfraCredit portfolio for FYE 2024 consists of unconditional and irrevocable guarantees on naira-denominated financial instruments (bonds and loans) issued to facilitate infrastructure projects across eight (8) geographical spread, nine (9) sectors and twenty-one (21) counterparties. Following the successful payment of all coupons via counterparties' operating cashflows, the year ended with a combined outstanding guarantee exposure of NGN 220.54billion with an average portfolio credit rating of BBB.

Our risk-sharing mechanism (re-guarantee and co-guarantee) was prioritized during the year to moderate portfolio concentration and support 'big-ticket' transactions while maintaining leverage targets. The total re-guarantee sum of NGN 64.59billion consists of the portfolio risk-sharing contract of NGN 35.25billion (outstanding of NGN 34.42billion) signed with African Trade and Investment Development Insurance (ATIDI) during the year and amortized sum of NGN 25.54billion with GuarantCo and the United States International Development Finance Corporation (DFC).

InfraCredit adopts a proprietary internal credit risk rating model to assess the risk profile of counterparties. According to the rating model, 90.6% of our guaranteed obligations were categorized as investment grade as at FYE 2024, while the remaining 9.4% were non-investment grade owing to potential stresses which are proactively being addressed. Nevertheless, InfraCredit had zero called guarantee as at FYE 2024.

Overall, InfraCredit's asset quality is considered good with stable outlook. The macros recorded an uptick in Q3 and Q4 of 2024 with inflation appearing to bottom out and prices somewhat stabilizing. Alongside this, is the slight appreciation of Naira against the USD. These indicators point to some form of recovery and a positive operating environment for our portfolio clients.

REVIEW OF FINANCIAL PERFORMANCE

PROFITABILITY

Gross revenue surged by 120%, rising from N12.22 billion to N26.91 billion in 2024, driven by the growth in guarantee and investment portfolios, supported by increased exchange rates and higher yields on securities. InfraCredit's net guarantee fee income increased by 29% in 2024, reaching N3.70 billion, due to higher business volumes. Net investment income soared by 164% to N15.03 billion, fuelled by a spike in yields on Eurobonds and foreign exchange rates. Total operating income, including net unrealized exchange gains, grew by 18% to N50.73 billion.

Total operating expenses rose by 84% to N6.36 billion, compared to N3.46 billion in 2023 due to high inflation which prevailed during the year. The cost-to-income ratio stood at 9% in 2024, up from 7% in the previous year.

Compared to 2023, profit before tax increased by 30.84%, reaching N61.56 billion from N47.04 billion. This resulted in a pre-tax return on average equity of 49%, compared to 69% in 2023.

Overall, InfraCredit concluded the year with a profit after tax (PAT) of N60.86 billion, up from N46.37 billion in 2023, reflecting a growth of 31.22%.

OUTLOOK

Our outlook for the debt market suggests further yield curve tightening in 2025, leading to an elevated interest rate environment. However, we anticipate an uptick in the bond market in Q1, driven by the increasing number of bond transactions filed with the SEC and those awaiting approval. We will continue to leverage our blending tools (CFBF and BOI guarantee line) to mitigate the potential adverse impact of high interest rates on InfraCredit-backed projects. Additionally, we have expanded our blended finance models with the US$30 million risk-sharing and blended local currency co-financing facility signed with the British International Investment (BII), which we expect to fully utilize in Q1 2025.

In 2025, we aim to maintain flexibility in managing rising costs without curtailing growth. Over the past year, we have strengthened team capacity, secured commitments on capital raises, and implemented new products and strategic partnerships (FCDO, BII, FSD Africa, BOI) in line with our corporate strategy. These efforts should help accelerate deal flow and execution in 2025, during which we project to close our first Annuity PPP transaction, a large-scale (c.NGN100 Billion) infrastructure project with counter-guarantees. Our Green Growth Strategy has the potential to unlock up to N1trillion of climate aligned assets in clean energy, climate-smart agro, and green housing infrastructure footprint which will expand our capacity significantly.

We remain confident that the strategic roadmap being implemented by Management will continue to help navigate headwinds and create a path of sustained growth. As we continue to traverse the complexities of infrastructure development, we remain committed to fostering strategic partnerships and leveraging innovative finance to propel Nigeria toward a greener, more resilient future.

As I conclude this report, and on behalf of the Management of InfraCredit, I would like to express my heartfelt gratitude to all InfraCredit's employees for their unwavering dedication and hard work throughout the year. Their professionalism and commitment have been pivotal in sustaining InfraCredit's continued operations. I also want to thank the Shareholders, Board and development partners for their support for their continuous support as we look forward to a more prosperous 2025.

Thank you.

Chinua Azubike
Chief Executive Officer

BOARD OF DIRECTORS

Sanjeev Gupta
Chairman

Sanjeev Gupta was appointed as the Chairman of InfraCredit effective from 1 October 2022.

Mr. Sanjeev Gupta is the former Board Member and Executive Director for Financial Services at Africa Finance Corporation. He was responsible for Treasury, Trade Finance & Financial Institutions, Syndications, Advisory lines of business within AFC. He completed a 9-year term in 2024. He is presently a Business Advisor and Board Member to a family office and investment companies on corporate finance.

Sanjeev has over 30 years' experience in Investment Management, Private Equity and Corporate Finance. His forte has been to blend together global and indigenous corporates, financial investors, and governments to develop commercially viable businesses and development models that leave a sustainable impact on emerging economies.

Prior to joining AFC, Sanjeev was the Managing Partner of Emerging Markets Mergers and Acquisitions Center of Excellence at Ernst & Young. He has also been the Chief Executive Officer of Sanlam Investment Management Emerging Markets operations and a Founder & Managing Partner of Emerging Opportunity Consulting, a boutique advisory firm specializing in SME financing.

He holds a Bachelor's degree from the University of Calcutta, India and is an Alumnus of the Said Business School, University of Oxford, England and also an Alumnus of the MIT Sloan School of Management. He is a Fellow of the Institute of Chartered Accountants, India (FCA).

Sanjeev is a Board Member at various charitable and "not for profit organizations" globally. He is a member of the institute of Directors, United Kingdom and a Guest Lecturer at various universities, e.g., UCLA Anderson School of Management, University of Amsterdam Business School, Indian Institute of Management: Shillong, India, Murdoch University, Virginia Military Institute, Dubai etc.

Chinua Azubike
Chief Executive Officer

Chinua Azubike was appointed as the Managing Director/Chief Executive Officer of InfraCredit on 13 January 2017.

Chinua Azubike is the pioneer Chief Executive Officer of InfraCredit and led the establishment of the first of its kind "AAA" rated credit enhancement institution in Nigeria in 2017.

Chinua has over 20 years' experience in capital markets and structured finance and has been responsible for leading InfraCredit in its pioneering role of connecting Nigeria's debt capital markets to long term local currency infrastructure finance by using guarantees to mobilise domestic credit to the private sector from domestic institutional investors for infrastructure development.

Chinua has pioneered innovative blended climate finance vehicles and financial instruments that has unlocked first time green finance from domestic institutional investors alongside concessional funding from international development agencies to support clean energy access for unserved communities. He has a strong and practical know-how of local capital markets with a firm interest in market development and has acted as a lead adviser in the establishment of key development finance institutions in Nigeria.

Chinua is a protagonist of Harvard Business School's Case Study on "Infrastructure in Nigeria: Unlocking Pension Fund Investments" published in February 2018 and is being taught on HBS' MBA Program.

Chris Vermont
Non-Executive Director

Chris Vermont was appointed as an Independent Non-Executive Director of InfraCredit on 24 October 2016. In March 2024, his tenure as a Director was extended by the Shareholders and he was redesignated as a Non-Executive Director. He serves as the Chairman of the New Business and Credit Committee and is also a member of the Risk and Capital Committee.

Chris Vermont retired as the CEO of GuarantCo in December 2016 after leading the institution for over 10 years since its inception. GuarantCo is one-of-a-kind – the only local currency guarantee facility in the world targeting infrastructure in frontier markets. Chris previously held senior positions with ANZ Banking Group in London (as well as assignments in Kolkata and New Delhi) where he was Head of Project & Structured Finance and later Head of Debt Solutions & Distribution. He has over twenty (20) years' experience in finance for infrastructure projects in emerging markets.

Kolawole Owodunni
Non-Executive Director

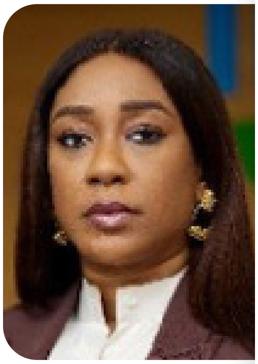
Kolawole Owodunni was appointed as a Non-Executive Director of InfraCredit on 29 July 2024. He serves as a member of the New Business and Credit Committee and the Remuneration and Nomination Committee.

Kolawole Owodunni is the Executive Director and Chief Investment Officer of the Nigeria Sovereign Investment Authority (NSIA) and is responsible for deploying over US$4.3 billion across the Authority's core funds: Stabilization Fund, Future Generations Fund, and Nigeria Infrastructure Fund.

He holds a Master's Degree in Chemical Engineering from Imperial College, London, and an MBA from INSEAD, France. Kola has extensive experience in the financial services sector spanning Risk Management, Investment Banking, Equity, Fixed Income, and Alternative Investments.

Kola joined the NSIA in 2013 as the Head of Investment Risk Management and was appointed CIO in 2020. In addition to his current role as ED/CIO, he serves on the Board of various NSIA investee companies as a Non-Executive Director. Kola's previous roles include Head Management at Dunn Loren Merrifield, a boutique Investment Bank headquartered in Lagos, Nigeria. He was also a Risk Manager at Credit Suisse, London. Kola was a member of the pioneer team that started the Hedge Fund Development and Management Group at Merrill Lynch (now Bank of America Merrill Lynch) in London.

BOARD MEMBERS



Ijeoma Taylaur
Non-Executive Director

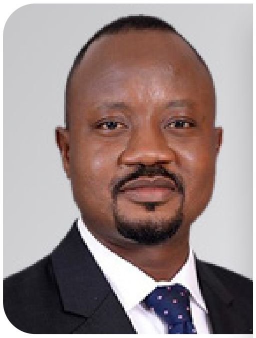
Ijeoma Taylaur was appointed as a Non-Executive Director of InfraCredit on 1 November 2024. She serves as a member of the Finance and Audit Committee and is also a member of the Risk and Capital Committee.

Ijeoma Taylaur is an experienced Business/Finance Executive (FCA) with over 27 years of extensive professional experience across Financial & Business Advisory, Corporate & Management Finance, Private Equity portfolio management, and Audit Assurance. Currently, she is the Executive Director and Chief Operating Officer at the NSIA.

Prior to joining NSIA, Ijeoma was an Executive Director at Alpha African Advisory (AAA) – formerly Travant Capital Partners, an Africa-focused Financial Advisory Firm. Here, she led the gateway services division, providing a range of market entry assistance services. She also played a pivotal role in the origination and execution of financial and business advisory mandates which included financial restructuring, due diligence, and valuation transactions. Additionally, she managed all aspects of the Finance & Accounting function. During her tenure at Travant Capital Partners, she was responsible for investor relations, fund administration, and fund accounting services in managing a partially deployed US$107M private equity fund (Travant Private Equity Fund 1).

Before her roles at AAA /Travant Capital Partners, Ijeoma spent over 10 years with PricewaterhouseCoopers (PwC) in their Lagos and London offices. At PwC, she managed teams providing external audit assurance and business advisory services to companies within a broad range of sectors, including banks, financial services institutions, and multinational upstream companies. Ijeoma holds a Bachelor's degree in Accountancy and is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA). She is also a member of the Chartered Institute of Taxation of Nigeria and the Chartered Institute of Directors (IoD).

She currently serves as an Independent Non-Executive Director on the Board of Continental Re-insurance PLC, a leading African reinsurance company. Passionate about socio-economic development in Africa and the advancement of female talent, Ijeoma has previously served as the Chairperson of the Joint Planning Committee responsible for planning the Annual Summit of the Nigerian Economic Summit Group (NESG). She also served as a member of the Executive Council of Women In Management, Business, and Public Service (WIMBIZ).



Banji Fehintola
Non-Executive Director

Banji Fehintola was appointed as a Non-Executive Director of InfraCredit on 19 December 2018. He serves as the Chairman of the Finance and Audit Committee and is also a member of the Remuneration and Nomination Committee, and the New Business and Credit Committee.

Banji is an Executive Board Member and Head, Financial Services at Africa Finance Corporation (AFC). He is responsible for leading several business lines at AFC, including Treasury & Funding, Financial Institutions & Trade, Syndications, Capital Mobilization & Partnerships and Financial Advisory. He was previously a Senior Director and Head of Treasury & Financial Institutions at AFC.

Banji joined AFC in January 2008 as the pioneer Treasurer of the Corporation. He was instrumental in setting up the Corporation's treasury function and leading AFC to become one of the leading investment grade African credits in the international loan and debt capital markets. AFC has a credit rating of A3/P2 from Moody's Investor Services.

Banji is responsible for overseeing the prudent management of the Corporation's balance sheet and providing strategic leadership for the implementation of AFC's annual funding program. He has led several landmark transactions that AFC has executed in global capital markets, which enabled AFC to significantly diversify its funding sources and tap new sources of capital. He is also responsible for the management of AFC's relationship with rating agencies, bankers, and asset managers. Prior to joining AFC, Banji worked with the Fixed Income, Currencies and Commodities team of Citibank Nigeria and the Tax and Business Advisory Division of former Arthur Andersen.

Banji is a Chartered Accountant and CFA charterholder, with a first degree in Economics (University of Ibadan), a master's degree in International Finance (University of Glasgow) and a Master's degree in International Business (International School of Management, Paris). He is also an Alumnus of the prestigious Harvard Business School. He sits on the board of several companies including the Board of Governors of CFA Institute.

Gilles Vaes
Non-Executive Director

Gilles Vaes was appointed as a Non-Executive Director of InfraCredit on 10 December 2020. He serves as a member of the New Business and Credit Committee.

Gilles Vaes has over 20 years of experience working in the private sector in the manufacturing and energy industries. His expertise ranges from engineering, operations, and project development to strategy, business development, and investments. He is passionate about socioeconomic development models that improve living standards while not compromising environmental sustainability.

Gilles holds an M.Sc in Civil Engineering from the Catholic University of Louvain (Belgium) and an MBA from the George Washington University in Washington D.C

Michael Chilton
Non-Executive Director

Michael ("Mike") Chilton was appointed as a Non-Executive Director of InfraCredit on 1 November 2024. He serves as a member of the Finance and Audit Committee

Mike Chilton is a Chartered Accountant and was the Chief Financial Officer of the Private Investment Development Group (PIDG) from February 2018 until September 2024. He is currently a part-time Advisory Director at PIDG. In December 2024, he stepped down as the Chairman of the Boards of InfraCo Africa and InfraCo Asia, as well as an attendee at the PIDG Limited Audit and Risk Committees.

Before joining PIDG, Mike was the Finance Director at Cenkos Securities, a UK-listed institutional stockbroker. Before that, he was the Finance and Risk Director at National Savings & Investments (NS&I), a part of the UK Government's Treasury Department.

Mike's career also includes 10 years at Standard Chartered, where he held roles including CFO for the Africa Region and Group Head of Operational Risk. Prior to this, he spent some years at PwC in the financial services practice as an Auditor and a Management Consultant. He is also the former Honorary Treasurer and Vice Chairman of the international charity- Sightsavers and currently serves on their investment committee.

Vivien Shobo
Independent Non-Executive Director

Vivien Shobo was appointed as an Independent Non-Executive Director of InfraCredit on 29 January 2021. She serves as the Chairperson of the Risk and Capital Committee and is also a member of the New Business and Credit Committee

Vivien Shobo is the Chief Executive Officer of FVS Advisory Partners. Before this, she was the Chief Executive Officer of Agusto & Co, Nigeria's foremost Credit Rating Agency, a position she held for over a decade, until December 2019. She has extensive experience and macro and industry knowledge. Agusto & Co successfully rated a diverse range of transactions under her leadership, including most of Nigeria's leading domestic and international banks, notable corporates, subnational governments, and significant debt capital issues.

As part of her contribution to the development of the Nigerian financial market development, Vivien previously served on the Securities and Exchange Commission's Financial Literacy Master Plan Committee (a blueprint for the development of the Nigerian Capital Market), the Fixed Income Sub-Committee, and the Investor Confidence Sub-Committee. Vivien was the Chairperson of the Association of Credit Rating Agencies of Nigeria, a position she held from its inception in 2010 to December 2019. In September 2020, she was chosen by the African Banker Awards Committee, as the winner of the African Banker Icon Award, in recognition of her exemplary career and work at the helm of Agusto & Co, which was described as "truly pioneering and has helped transform capital markets in Nigeria and beyond."

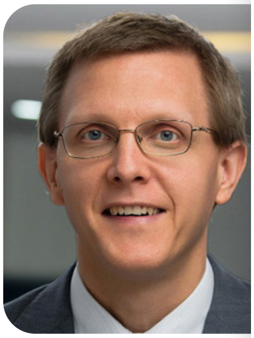
Vivien has a B.Sc (Hons) from the University of Benin, Nigeria, and an MBA (Finance) from the Manchester Business School, UK. She is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and is a frequent speaker at domestic and global African capital market conferences.

Hamda Ambah
Independent
Non-Executive
Director

Hamda Ambah was appointed as an Independent Non-Executive Director of InfraCredit on 10 January 2022. She serves as the Chairperson of the Remuneration and Nomination Committee and is also a member of the New Business and Credit Committee

Hamda Ambah was the erstwhile Managing Director/CEO of FSDH Merchant Bank from 2017 to 2021, having served effectively as an Executive Director of FSDH Capital Limited from September 2009 to January 2017. While serving as the Executive Director, she was in charge of the marketing teams including Corporates – Multinational, Middle-tier Corporations, Telecommunications and the Energy Sector as well as the Port Harcourt and Abuja Regional Offices.

Hamda commenced her banking career in 1982 at the International Merchant Bank Plc, Lagos, Nigeria, and worked with Reuters Limited, Nigeria for about five years before joining FSDH in 1993. She graduated from the University of Lagos in 1980 after which she obtained her postgraduate qualifications from the Imperial College of Science & Technology, London, and is a member of the Nigerian Chartered Institute of Stockbrokers.



Daniel Mueller
Executive
Director

Daniel Mueller was appointed as an Executive Director on 25 April 2024

Daniel Mueller is a versatile corporate finance professional with over 20 years of experience in transaction structuring, credit evaluation, project finance, due diligence, operations, project management, and capital raising.

He joined InfraCredit in 2017 as one of its pioneering staff, acting as Head, Origination & Structuring before being named the Chief Operating Officer in 2021. Daniel started his career at JPMorgan's Investment Banking Division in 2000 and served as a U.S. Peace Corps volunteer (Togo: 2004-2007), then spent over nine years in Nigeria with Deloitte & Touche and Global Emerging Markets before joining InfraCredit.

Daniel holds a BSc. in Economics (Finance, Public Policy) from the Wharton School at the University of Pennsylvania and has passed all levels of the Chartered Financial Analyst (CFA) examination.

COMMITTEE ADVISORY MEMBER

Dianne Rudo
Advisory Member

Dianne Rudo was appointed as a Board Advisory Member of the New Business and Credit Committee on 28 September 2019

Dianne Rudo is the Chairperson of the PIDG Limited Risk Committee. She has over 30 years of diverse executive-level advisory and investment experience across multiple infrastructure sectors and regions in developed and emerging markets, bringing leadership experience from the public sector with U.S. government agencies and the private sector in senior positions at a Wall Street investment bank. She advises governments, international financial institutions, and companies on strategy, governance, investment, and risk analysis in emerging markets.

She is well-versed in development finance and is an infrastructure finance expert with extensive experience as a lender and financial decision-maker on structuring guarantees, corporate and project finance transactions, and public-private partnerships, having financed transactions representing over USD$30 billion worldwide. She is also a skilled and dynamic speaker and educator on infrastructure finance worldwide.

Dianne holds an MBA in Finance from the NYU Stern School of Business and a BA in Economics and French from Tufts University.

MANAGEMENT

Chinua Azubike

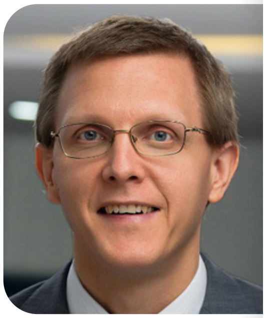
Chief Executive Officer

Chinua Azubike is the pioneer Chief Executive Officer of InfraCredit and led the establishment of the first of its kind "AAA" rated credit enhancement institution in Nigeria in 2017.

Chinua has over 20 years' experience in capital markets and structured finance and has been responsible for leading InfraCredit in its pioneering role of connecting Nigeria's debt capital markets to long term local currency infrastructure finance by using guarantees to mobilise domestic credit to the private sector from domestic institutional investors for infrastructure development.

Chinua has pioneered innovative blended climate finance vehicles and financial instruments that has unlocked first time green finance from domestic institutional investors alongside concessional funding from international development agencies to support clean energy access for unserved communities. Chinua has a strong and practical know-how of local capital markets with a firm interest in market development and has acted as a lead adviser in the establishment of key development finance institutions in Nigeria.

Chinua is a protagonist of Harvard Business School's Case Study on "Infrastructure in Nigeria: Unlocking Pension Fund Investments" published in February 2018 and is being



Daniel Mueller

Chief Operating Officer

Daniel Mueller is a versatile corporate finance professional with over 20 years of experience in transaction structuring, credit evaluation, project finance, due diligence, operations, project management, and capital raising.

He joined InfraCredit in 2017 as one of its pioneering staff, acting as Head, Origination & Structuring before being named the Chief Operating Officer in 2021. Daniel started his career at JPMorgan's Investment Banking Division in 2000 and served as a U.S. Peace Corps volunteer (Togo: 2004-2007), then spent over nine years in Nigeria with Deloitte & Touche and Global Emerging Markets before joining InfraCredit.

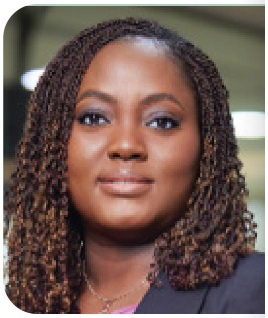
Daniel holds a BSc. in Economics (Finance, Public Policy) from the Wharton School at the University of Pennsylvania and has passed all levels of the Chartered Financial Analyst (CFA) examination.

Chidi Mike-Eneh

Head, Credit Risk

Chidi Mike-Eneh is a professional with over twenty (20) years' experience in Credit Risk Management, Structuring and Syndications, Financial Analytics and Asset Recoveries.

Prior to joining InfraCredit, he was Senior Credit Analyst-corporate credits at Union Bank of Nigeria and held credit approving authority mandate. In his career, Chidi has held senior credit analyst and management roles in financial institutions such as Credit Manager (specialized credit) at Stanbic IBTC Nigeria, Credit Risk Documentation Officer at Citigroup Nigeria, and Remedial Manager (Asset Based finance) at Citigroup Nigeria. He holds a BSc. in Biochemistry and an MSc. in International Business & Emerging Markets.



Oredolapo Adedayo

Head, People

Oredolapo Adedayo is a seasoned and resourceful professional with 18 years work experience across the Financial Services and Consulting industries. She is experienced in the areas of HR Strategic Planning, Talent Management, Learning & Development, Recruitment & Selection, HR Automation, Business Strategy Formulation & Implementation, Business Process Improvement, and Investment Management to drive business goals and an excellence-driven environment. She is a certified PHRi Professional, Associate of the Chartered Institute of Personnel Managers (ACIPM) and Associate of the Chartered Institute of Stockbrokers (ACS)

Collins Eguakun

Financial Controller

Collins Eguakun is a finance professional with over 20 years' experience in Financial Management, Financial Reporting, Tax Management, and Auditing in various sectors. Prior to joining InfraCredit, he was a Manager in the Business Process as a Service (BPaaS) function at Deloitte & Touché Nigeria. At Deloitte, he had stints where he was the interim Chief Financial Officer for organizations such as FBN Capital Group, FBN Merchant Bank and Bristow Group Inc. Collins holds a BSc. and an MSc. in Accounting, a Diploma in International Financial Reporting and is an Associate Member of the Institute of Chartered Accountants of Nigeria(ICAN) .

Shadrach Iguh
General Counsel

Shadrach Iguh joined InfraCredit in 2017 as its pioneer legal counsel. He is a versatile solicitor with over 15 years of experience in banking and finance, corporate law and governance, compliance management, risk assessment, and contract negotiation. From 2020 to 2022, he served as vice president and senior transactor in InfraCredit's Deal Origination & Structuring Unit.

Shadrach began his career at DLM Capital Group in Lagos and gained experience at Templars (Lagos), Norton Rose Fulbright (London), and Gatehouse Chambers (London). He holds an MSc in Finance & Financial Law (Distinction) from the University of London (SOAS), a Graduate Certificate in Project Finance from Middlesex University, London, and an LL.B. from Ebonyi State University, Nigeria. Shadrach is dual-qualified as a Solicitor in Nigeria and in England and Wales.

Chido Onyilimba
Head, Origination & Structuring

Chido Onyilimba is an experienced finance professional with over 12 years of experience in Corporate, Project and Structured Finance, Deal Advisory, and Debt Capital Markets roles cutting across various sectors in Nigeria. He has been involved in deal origination, deal structuring, and deal execution, facilitating the issuance of guarantees to support the credit profile of eligible infrastructure-related assets in Nigeria.

Chido holds a BSc. in Accounting and an MBA from Liverpool John Moore's University in the United Kingdom. He is an Associate Member of the Institute of Chartered Accountants of Nigeria. He has a keen interest in deepening the Nigerian Debt Capital Market and collaborating with international development finance institutions.

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& FINANCIALS

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CHAPTER **THREE**

03
Corporate Governance

Corporate Governance is the system of rules, practices and processes by which the Company is directed and managed.

INTRODUCTION

InfraCredit prioritizes Corporate Governance which defines the practices and procedures for the Company's direction and management.

InfraCredit's Memorandum and Articles of Association and Codes of Corporate Governance form the basis of the organization's corporate governance practices. Through these codes, InfraCredit ensures adherence to international best practices in its operations.

BOARD RESPONSIBILITIES AND OVERSIGHT

The Board of Directors acknowledges its key responsibility of overseeing the affairs of the Company and is committed to ensuring that the principles of good corporate governance are applied in all aspects of the Company's operations.

THE BOARD:

a) Is accountable and responsible for the performance and affairs of the Company by specifically defining the Company's strategic goals, approving its long and short-term business strategies, as well as monitoring their implementation by Management;

b) Reviews the performance of Management and the Chief Executive Officer;

c) Reviews annual budgets, financial projections, investment decisions beyond a set threshold, funding and investment proposals, and proposed pay-outs of dividends to shareholders;

d) Oversees processes for evaluating the effectiveness and adequacy of internal control systems, risk management, financial reporting and compliance;

e) Ensures and upholds good corporate governance;

f) Ensures that the Company has the appropriate organizational structure to achieve the mission and vision of the Company;

g) Considers sustainability issues such as environmental and social governance factors as part of its strategic formulation; and

h) Ensures and monitors the Company's compliance with its constitutive documents, as well as applicable legal, regulatory requirements and ethical standards.

BOARD COMPOSITION AND BALANCE

The Board has eleven (11) members, comprising two (2) Independent Non-Executive Directors, seven (7) Non-Executive Directors and (2) Executive Directors.

Diversity in the Board's composition is crucial to facilitating good decision making as this ensures a pool of different insights and perspectives to be employed in the direction of the Company. The Board's decision-making process is not dominated by any one individual or group.

The Board comprises members with various professional backgrounds from sectors including finance, accounting, legal, and credit analysis, all of whom bring in-depth knowledge, and diverse experiences, expertise and perspectives to the Company's affairs.

Collectively, the Board embodies a wide spectrum of business acumen, skills and perspectives necessary for a first-rate decision-making process. The diversity and depth of knowledge offered by the Board reflect the commitment of the Company to ensure effective leadership and oversight of the Company's performance.

The Independent Non-Executive Directors provide unbiased and independent views to ensure that the best interests of the Company as a whole is preserved during deliberations on strategies proposed by the Management Team.

The Chairpersons, Non-Executive Directors and other members of the Board, Finance and Audit Committee, Remuneration and Nomination Committee, Risk and Capital Committee, and New Business and Credit Committee, are as set out in this Annual Report.

BOARD MEETINGS

The Board meets at least four (4) times each financial year.

Board meetings and Board Committee meetings are scheduled in advance before the commencement of the new financial year, to enable the Directors to plan and accommodate the year's meetings into their schedules. The Board Charter requires all Directors to devote sufficient time to effectively discharge their duties.

Ad Hoc meetings of the Board and Board Committees may be convened to consider urgent proposals or matters that require expeditious decisions or deliberations by the Board and/or the Board Committees. Board and Board Committee papers are distributed in advance for all Board and Board Committees members to provide sufficient time to review, to facilitate robust discussions at the meetings. Agenda items for meetings which include but are not limited to minutes of meetings, comprehensive management reports, project or investment proposals and supporting documents, are disseminated to Directors prior to the dates of the meetings. However, matters that are deemed urgent may still be submitted by Management or the Board members to the Company Secretary, for deliberation at any meeting as 'Any Other Business', subject to the approval of the Chairman of the Board or the relevant Committee.

All issues raised, key deliberations, decisions and conclusions, including dissenting views made at Board and Board Committee meetings are recorded in the minutes of meetings. Where the Board is considering a matter in which a Director has an interest, the relevant Director discloses the nature of his/her interest at the commencement of the meeting and abstains from participating in any discussion or decision-making on the subject matter.

The Board is advised and updated on statutory and regulatory requirements pertaining to its duties and responsibilities. As and when the need arises, the Board is also provided with reports, information papers, where necessary, to keep Directors apprised of key business, operational, corporate, legal, regulatory and industry matters.

Whenever necessary, senior management and/or external advisors are invited to attend Board and Board Committee meetings to provide clarification on agenda items to enable the Board and/or the Board Committees to arrive at a considered and informed decision. The Board has access to all information pertaining to the Company's business and affairs through the senior management and the Company Secretary, to enable it to discharge its duties effectively.

The Board has specially reserved for its approval, matters such as the strategic plans and direction of the Company, annual budgets, major capital commitment, capital management, acquisitions and divestitures, financial statements, and other pertinent matters

ATTENDANCE AT BOARD MEETINGS

During the financial year ended 31 December 2024, the Board met five (5) times to deliberate and consider a variety of significant matters that required its guidance and approval. All Directors made reasonable efforts to attend most of the Board meetings held during the financial year. The attendance record of the Directors is shown in the table below:

Name of Directors	Number of meetings and Attendance
Sanjeev Gupta (Chairman)	5
Chinua Azubike (MD/CEO)	5
Chris Vermont	5
Banji Fehintola	5
Gilles Vaes	5
Vivien Shobo	5
Hamda Ambah	5
*Reginald Ihebuzor	2
**Aminu Umar-Sadiq	2
***Claire Jarratt	4
****Kola Owodunni	2
*****Ijeoma Taylaur	2
******Mike Chilton	1
*******Daniel Mueller	3

**Reginald Ihebuzor resigned on 29th July 2024*
***Aminu Umar-Sadiq resigned on 29thJuly 2024*
****Claire Jarratt resigned after the Board meeting on 1st November 2024*
*****Kola Owodunni was appointed on 29thJuly 2024*
******Ijeoma Taylaur was appointed on 1st November 2024*
********Mike Chilton was appointed on 1st November 2024, subject to Claire Jarratt's resignation*
********Daniel Mueller was appointed on 25th April 2024*

ROLES AND RESPONSIBILITIES OF THE CHAIRMAN AND THE MD/CEO

The roles and responsibilities of the Chairman and the MD/CEO are separate, with the positions being held by different individuals, to ensure that an appropriate separation of roles and balance of authority is maintained.

CHAIRMAN

The Chairman assumes the formal role of a leader and chairs all Board meetings, leads discussions among Directors and provides leadership to the Board in its oversight of Management. The Chairman facilitates the flow of information between Management and the Board, and in consultation with Management, sets the Agenda for each Board meeting. Other key roles of the Chairman include:

- Ensuring that the Board functions effectively and cohesively;
- Providing governance in matters requiring corporate justice and integrity;
- Leading the Board, including presiding over the Board meetings and Company meetings and directing Board discussions to effectively use the time available to address the critical issues facing the Company;
- Promoting constructive and respectful relationship between Board members;
- Ensuring that there is effective communication between the Company and its shareholders and relevant stakeholders;
- Ensuring that the Board members receive all information necessary for them to perform their duties;
- Ensuring that the Board satisfies its duties;
- Ensuring the efficient organization and conduct of the Board's functioning, including determining the agenda for Board meetings in consultation with the MD/CEO, chairing such meetings and ensuring that minutes are kept of such meetings; and
- Consulting with external advisors appointed by the Board;
- Addressing problems related to the performance of individual Board members; and
- Addressing internal disputes and conflicts of interest concerning individual Board members and the possible resignation of such members as a result.

MD/CEO

The MD/CEO assumes primary responsibility over the day-to-day management of the Company and the implementation of the Company's strategies. The MD/CEO leads Management in carrying out the corporate strategy and vision of the Company.

The key roles of the MD/CEO, in addition to the responsibilities set out in the Companies and Allied Matters Act 2020 (CAMA), include but are not limited to:

- Facilitating the execution of Board approved strategies, to achieve the desired results;
- Managing the Management team;
- Assessing the business opportunities which are potentially beneficial to the Company;
- Updating the Board on material and other relevant matters in an accurate and timely manner; and
- Voting on any issue referred to the Board for adjudication as a full member of the Board except in matters presented to the Board by the Management of the Company.

BOARD COMMITTEES

The Board has established Committees which operate within their respective terms of reference, to assist the Board in executing its duties and responsibilities. Although the Board may delegate certain duties to the Board Committees, it remains ultimately responsible for the decisions of the Board Committees.

The established Board Committees are:

1. Remuneration and Nomination Committee ("REMCO");
2. Finance and Audit Committee ("FAC");
3. Risk and Capital Committee ("RCC"); and
4. New Business and Credit Committee ("NBCC").

Remuneration and Nomination Committee (REMCO)

Composition

The Committee comprises a minimum of three (3) members, including at least one (1) Independent Non-Executive Director. As of 31 December 2024, the members of the REMCO were:

- Hamda Ambah (Chairperson)
- Banji Fehintola
- Kolawole Owodunni

**Hamda Ambah was appointed Chairperson of the Committee on 29th July 2024.*

Meetings

Meetings are held at least once every quarter and on such other occasions as the Committee may deem necessary.

During the period under review, the REMCO met four (4) times and the attendance record of the Committee members is shown in the table below:

Name of Directors	Nos of meetings and Attendance
Hamda Ambah	4
Banji Fehintola	3
*Aminu Umar-Sadiq	1
**Claire Jarratt	3
***Kolawole Owodunni	1

**Aminu Umar-Sadiq resigned on 29thJuly 2024*
***Claire Jarratt resigned on 1st November 2024*
****Kolawole Owodunni was appointed on 29th July 2024*

Objectives

The Committee ensures that the Board has the appropriate balance and size, and the required mix of skills, experience and other core competencies. The Committee ensures that InfraCredit can attract and retain high caliber executives needed to effectively run and manage the Company.

Quorum

The quorum for a meeting of the Committee shall be two (2), provided that where membership is more than four (4), the quorum shall be three (3) or one third of the total members, whichever is higher.

Secretary

The Company Secretary or his/her/their nominee shall act as the Secretary to the REMCO.

Voting

Decisions are by simple majority, with a deciding vote to the REMCO Chairperson in the event of a tied vote.

Duties and Responsibilities

- Reviewing and recommending to the Board the compensation and benefits package, salary scale and terms and conditions for all levels of employees of the Company;
- Reviewing and recommending to the Board the basis for the annual bonus and salary increment for all levels of employees of the Company;
- Reviewing and recommending long-term employee incentive packages such as employee share schemes and deferred bonus schemes;
- Reviewing and recommending the Human Resources Policy including People Strategy and applicable frameworks;
- Considering and recommending suitable candidates for appointment as Directors, CEO and Heads of key functions such as Risk, Finance, and similar functions;
- Reviewing and recommending to the Board, the compensation and benefits package

and the terms and conditions of service of the MD/CEO and Heads of key functions;

- Reviewing and recommending to the Board, the remuneration for Non-Executive Directors of the Company;
- Reviewing annually, the performance of the MD/CEO and Heads of key functions.
- Assessing the effectiveness of the Board, the Board Committees and each Director.
- Considering and recommending measures to upgrade the effectiveness of the Board and Board Committees;
- Reviewing annually, the required mix of skills and experience and other qualities including core competencies, which Non-Executive Directors should bring to the Board; and
- Considering and recommending solutions on issues of conflict of interest affecting Directors.

Finance and Audit Committee (FAC)

Composition

The Committee comprises a minimum of three (3) members. The CEO should be an observer at Committee meetings. At least one member of the Committee is a Chartered Accountant with current knowledge in accounting and financial management.

As of 31 December 2024, the members of the FAC were:

- Banji Fehintola (Chairman)
- Ijeoma Taylaur
- Michael Chilton

Meetings

Meetings are held at least once every quarter and such other occasions as the Committee may deem necessary.

During the period under review, the FAC met five (5) times and the attendance record of the Committee members is shown in the table below:

Name of Directors	Nos of meetings and Attendance
Banji Fehintola	5
*Claire Jarratt	3
**Reginald Ihebuzor	1
***Ijeoma Taylaur	2
****Michael Chilton	2

*Claire Jarratt resigned on 1st November 2024
**Reginald Ihebuzor resigned on 29th July 2024
***Ijeoma Taylaur was appointed on 1st November 2024
****Michael Chilton was appointed on 1st November 2024, subject to the resignation of Claire Jarratt

Objective

- The FAC exercises oversight on the financial reporting and disclosure process, the audit process, the system of internal controls and compliance with laws and regulations. The Committee reviews the Company's financial plans, policies and budgets to ensure their adequacy and soundness in sustaining the Company's current operations and long term growth.
- The Committee is responsible for the review of the Company's financial statements to ensure compliance with disclosure requirements and any adjustments as suggested by the Auditor. The Committee is to review the reports of the Internal Auditor, External Auditor and any other relevant parties and ensure the auditors' qualifications, independence and performance of their audit functions.
- The Committee shall exercise oversight responsibility with respect to the Company's material and strategic financial matters, including those related to the funding, budgeting, expenditure and general operational and financial structure. The Committee is responsible to the Board for the effective assurance of the management and control of the financial affairs and assets of the Company.
- The Committee shall ensure the Company's compliance with legal and regulatory

requirements and Management's compliance with the Company's policies and practices on major financial risk exposures. The Committee also presents the internal and external auditors' findings to the Board, ensuring that the Directors understand any recommendation made by the external auditor before formally accepting the audit report.

- The Committee recommends changes in practices or reporting in order to adhere to global best practices.

Quorum

The quorum for a meeting of the Committee shall be two (2), provided that where membership is more than four (4), the quorum shall be three (3) or one third of the total members, whichever is more.

Secretary

The Company Secretary or his/her/their representative shall act as the Secretary to FAC.

Voting

Decisions are by simple majority, with a deciding vote to the FAC Chair in the event of a tied vote.

Duties and Responsibilities

- Reviewing the Company's strategic and operational plans from the perspective of funds flow, capital expenditure and financing requirements;
- Determining the Company's dividend policy and the declaration of dividends or other forms of distributions with respect to the Company's shares;
- Granting approvals for any disbursements beyond thresholds stipulated in the approved manual of authority;
- Advising the Board on all matters relating to finance, general purposes and staffing policies and determining the funding of the Company's expenses;
- Ensuring that adequate and comprehensive financial controls are in place and implemented in line with applicable financial regulations;
- Considering and recommending annual estimates of income and expenditure to the Board;
- Requesting reports from other Board Committees on any matter having a financial implication on the Company;
- Monitoring other aspects and activities including internal targets, health and safety;
- Considering, upon Management's request, matters relating to capital expenditures, divestments, acquisitions, leases, short and long-term borrowings and other financing transactions, and making the necessary recommendations to the Board;
- Recommending to the Board, the appointment of the External Auditor and the terms of the appointment;
- Reviewing with the relevant auditors, the internal and external audit plans, financial statements, changes in accounting policies and principles, compliance with laws and accounting standard, and any other relevant findings or concerns;
- Evaluating the independence of the External Auditor;
- Ensuring the independence and effectiveness of the Internal Audit functions;
- Reviewing the appropriateness of the risk assessment methodology employed and the adequacy of the Company's internal controls; and
- Reviewing information and reports provided by the External Auditor and discussing matters the Committee deems appropriate with the External Auditor.

Risk and Capital Committee (RCC)

Composition

The Committee comprises a minimum of three (3) members. The CEO should be an observer at Committee meetings

As of 31 December 2024, the members of the RCC were:

- Vivien Shobo (Chairperson)
- Chris Vermont
- Ijeoma Taylaur

Meetings

Meetings are held at least once every quarter and on such other occasions as the Committee may deem necessary.

During the period under review, the RCC met four (4) times and the attendance record of the Committee members is shown in the table below:

Name of Directors	Nos of meetings and Attendance
Vivien Shobo	4
Chris Vermont	4
*Aminu Umar-Sadiq	2
**Ijeoma Taylaur	1

*Aminu Umar-Sadiq resigned on 29th July 2024

**Ijeoma Taylaur was appointed on 1st November 2024

Objective

The RCC ensures that the Company's risk management functions and practices are conducted and discharged effectively, to ensure management and mitigation of key risks including reviewing the quality and performance of the Company's guarantee portfolio.

The Committee also ensures that the Company invests and manages its capital resources in a professional and prudent manner and achieves the targeted returns while assuming an appropriate level of risk and maintaining a sufficient level of liquidity for possible claim events, in conformity with the Company's risk management and investment policies.

Quorum

The quorum for a meeting of the Committee shall be two (2), provided that where membership is more than four (4), the quorum shall be three (3) or one-third of the total members, whichever is more.

Secretary

The Company Secretary or his/her/their nominee shall act as the Secretary to the RCC.

Voting

Decisions are by simple majority, with a deciding vote to the RCC Chairperson in the event of a tied vote.

Duties and Responsibilities

- Regularly monitoring the Company's Guarantee Portfolio, investments and liquidity position;
- Occasionally review Company policies and limits;
- Confirming the Qualifying Capital and other defined portfolio measures as required to ensure that the Company has sufficient liquidity to meet its short-term payment obligations;
- Approving any exceptions to the Guarantee Policy and Risk Management Policy;
- Reviewing the Company's Risk Register;
- Ensuring that the Company's funded equity capital is maintained by ensuring a balanced spread of highly rated investments, setting any appropriate portfolio limits/restrictions;
- Recommending credit loss provisions, account adjustments, legal action, etc. to the Board; and
- Exercising oversight of the assessment of risk and actions taken to minimize risks.

New Business Committee (NBC)

The NBC is responsible for exercising senior management oversight across all issues relating to the Company entering into new corporate client relationships, underlying transactions on behalf of corporate clients and reviewing or terminating relationships with corporate clients.

The Committee is responsible for assessing the impact of all such matters on the Company and in doing so, gives due consideration to the associated reputational, regulatory, execution and commercial risks.

The Committee provides an initial review of potential transactions ahead of detailed due diligence and term sheet negotiation with the potential client. This allows the members of the Credit Committee (whose membership is identical to the NBC) to veto a transaction early if they think that it is unlikely to be acceptable.

Credit Committee (CC)

The CC has the Board's delegated authority to review and endorse (with power to veto) underwriting proposals recommended by the Executive Management Committee, exercise oversight of the guarantee products, underwriting strategies and the Company's objectives including reviewing the guarantee policy from time to time.

The Committee sits once the detailed due diligence and negotiations with the client have taken place, and will consider whether to approve a potential credit risk transaction, and if so, on what terms and conditions. Once the Committee has approved a transaction, relevant documentation is issued, and the Company is at risk for the transaction.

The Credit Committee can also consider revisions to previously agreed transactions and proposals where there has been some form of credit event or default.

Composition

The Committees jointly comprise a minimum of five (5) members, with at least two (2) Independent Non-Executive Directors.

As of 31 December 2024, the joint members of the NBC and CC were:

- Chris Vermont (Chairman)
- Chinua Azubike
- Banji Fehintola
- Gilles Vaes
- Vivien Shobo
- Hamda Ambah
- *Reginald Ihebuzor
- **Kolawole Owodunni
- ***Dianne Rudo (Advisory Member)

*Reginald Ihebuzor resigned on 29th July 2024

**Kolawole Owodunni was appointed on 29th July 2024

***Dianne Rudo is an Independent Advisory Member.

Meetings

Deliberations and decisions of the NBC are usually taken via email circulation.

Meetings of the CC are held on the last working day of every month or as the Committee may deem necessary.

During the period under review, the NBC had deliberations via circulation, as necessary, while the CC had meetings and also had deliberations via circulation.

Quorum

The quorum for a meeting of either the NBCC shall be four (4).

Secretary

The Company Secretary or his/her/their nominee shall act as the Secretary to the NBC and CC.

Voting

Decisions of the NBC are by simple majority, with a deciding vote to the Chairman in the event of a tied vote.

Decisions of the CC are by simple majority, except in situations which require unanimous vote, as laid out in the terms of reference.

Duties and Responsibilities

The NBC's responsibilities are to review and approve all potential investments for detailed due diligence and term sheet negotiations by the Company's Origination and Structuring Division, prior to the presentation of such potential investments to the CC, although the CC may from time to time, consider potential investments that have not been reviewed or approved by the NBC.

Hence, the NBC exercises senior governance oversight across all issues in relation to the Company entering into new corporate client relationships.

The CC's responsibilities include:

- Approving whether the Company should enter into any proposed investment opportunity, and on what terms. To grant such an approval, the Credit Committee shall require an application prepared by the Company's Origination and Structuring Division, submitted via the Management Risk Oversight Committee, with respect to each proposed investment opportunity that will include, inter alia, any proposed deviations from the Guarantee Policy.
- Deciding on the appropriate action to be taken following a call on a guarantee; when a borrower goes into default or potential default; and whether a work-out or acceleration of any guarantee is necessary; and seeking the approval of the Board before initiating any litigation.

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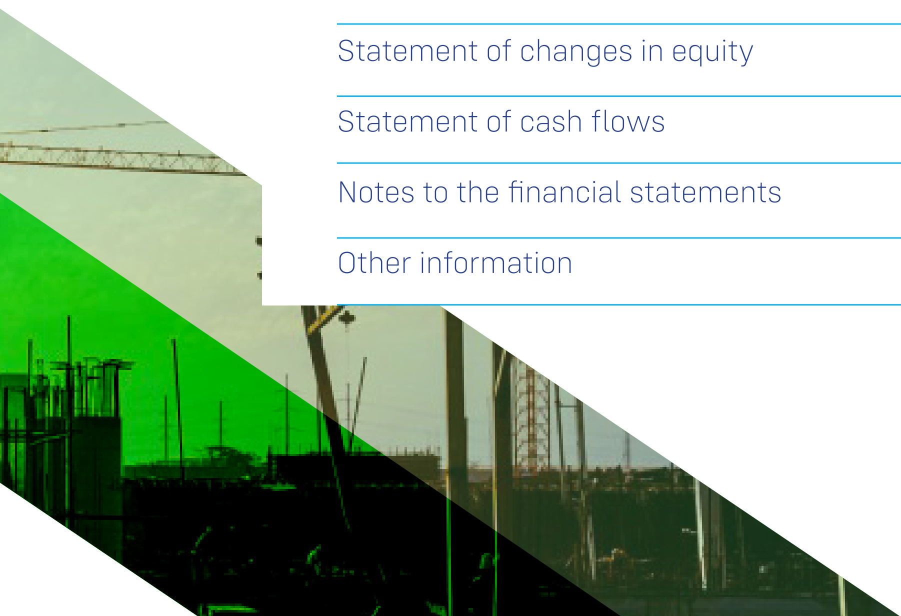
CHAPTER **FOUR**

04 Financials



CORPORATE INFORMATION

Directors		Nationality
Mr. Sanjeev Gupta	Chairman	Indian
Mr. Chinua Azubike	Managing Director/Chief Executive Officer	Nigerian
Mr. Christopher Vermont	Non-Executive Director	British
Mr. Kolawole Owodunni	Non-Executive Director	Nigerian
Ms. Ijeoma Taylaur	Non-Executive Director	Nigerian
Mr. Banji Fehintola	Non-Executive Director	Nigerian
Mr. Gilles Vaes	Non-Executive Director	Belgian
Mr. Michael Chilton	Non-Executive Director	British
Ms. Vivien Shobo	Independent Non-Executive Director	Nigerian
Ms. Hamda Ambah	Independent Non-Executive Director	Nigerian
Mr. Daniel Mueller	Executive Director	American

REGISTERED OFFICE

Infrastructure Credit Guarantee Company Plc
1, Adeyemo Alakija Street
Victoria Island, Lagos
Email: info@InfraCredit.ng
Website: www.infracredit.ng

SOLICITOR

Olaniwun Ajayi LP
Plot L2, 401 Close, Banana Island
Ikoyi, Lagos
Email: lawyers@olaniwunajayi.net

RC NUMBER

RC1368639

AUDITOR

KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street Victoria Island
Lagos www.kpmg.com.ng

BANKERS

- Access Bank Plc
- Ecobank Nigeria Limited
- Guaranty Trust Bank Plc
- Stanbic IBTC Bank Plc
- United Bank for Africa Plc
- Standard Chartered Bank Limited

TIN

20149675-0001

Directors' Report

for the year ended 31 December 2024

The Directors present their report on the affairs of Infrastructure Credit Guarantee Company PLC ("the Company") formerly known as Infrastructure Credit Guarantee Company Limited together with the audited financial statements and independent auditor's report for the year ended 31 December 2024.

1 Legal form

The Company was incorporated in Nigeria as a private limited liability company on 20 October 2016 to perform the business of providing credit enhancement and guarantees. It commenced operations in January 2017 and on 12 December 2024, the Company became a public company limited by shares.

2 Principal activities

The principal activity of the Company is to provide credit enhancement and issue credit guarantees for eligible infrastructure transactions. The Company is also involved in investing in corporate debt securities, FGN bonds and Eurobonds, and other liquid and highly rated short term debts issued by the Federal Government of Nigeria as may be approved by the Board of the Company.

3 Operating results

Highlights of the Company's operating results for the year are as follows:

In thousands of Naira	31 December 2024	31 December 2023
Gross earnings	**26,913,577**	**12,222,487**
Profit before minimum tax and income tax expense	61,558,548	47,047,371
Minimum tax	-	**(61,112)**
Profit after minimum tax	61,558,548	46,986,258
Income tax expenses	(698,051)	(607,113)
Profit for the year	**60,860,497**	**46,379,146**

4 During the year, at the Board meeting on 4 March 2024 the board approved the payment of a total cash dividend of N3.78 billion comprising N373 million for all ordinary shares ranking for dividends for the year ended 31 December 2023 and N3.4 billion for all preference shares ranking for dividends for the years ended 31 December 2023 and 2022.

Also, on 1 November 2024, the Board approved the payment of total cash dividend of N1.86 billion for all ordinary shares ranking for dividends for the interim period ended 30 June 2024.

5 **Directors and their interests**

The Directors who held office during the year are:

Name	Designation	Nationality	
Mr. Sanjeev Gupta	Chairman	Indian	
Mr. Chinua Azubike	Managing Director/Chief Executive Officer	Nigerian	
Mr. Christopher Vermont	Non-Executive Director	British	
Mr. Aminu Umar-Sadiq	Non-Executive Director	Nigerian	Resigned 29 July 2024
Mr. Reginald Ihebuzor	Non-Executive Director	Nigerian	Resigned 29 July 2024
Mr. Kolawole Owodunni	Non-Executive Director	Nigerian	Appointed 29 July 2024
Ms. Ijeoma Taylaur	Non-Executive Director	Nigerian	Appointed 1 November 2024
Mr. Banji Fehintola	Non-Executive Director	Nigerian	
Mr. Gilles Vaes	Non-Executive Director	Belgian	
Ms. Claire Jarratt	Non-Executive Director	British	Resigned 1 November 2024
Mr. Michael Chilton	Non-Executive Director	British	Appointed 1 November 2024
Ms. Vivien Shobo	Independent Non-Executive Director	Nigerian	
Ms. Hamda Ambah	Independent Non-Executive Director	Nigerian	
Mr. Daniel Mueller	Executive Director	American	Appointed 25 April 2024

None of the Directors have an interest in the shareholding of the Company as required to be disclosed under section 301 of the Companies and Allied Matters Act 2020.

6 **Directors' interests in contracts**

None of the Directors had direct or indirect interests in contracts with the Company during the year as required to be disclosed under section 303 of the Companies and Allied Matters Act 2020.

7 **Meetings of Board of Directors**

There were five meetings of Board of Directors during the year.

8 **Property and Equipment**

Information relating to changes in property and equipment is provided in note 20 of the financial statements.

9 **Shareholding Analysis**

On 27 December 2024, the Company increased its share capital from N50,000,000,000 to N50,255,079,725 by creation of additional 255,079,725 ordinary shares of N1.00 each.

According to the statement of share capital and return of allotment of shares, the shareholders of the Company are as follows:

	Number of ordinary shares held	Number of preference shares held	Total number of shares held	% Shareholding
31 December 2024				
Shareholder:				
Nigeria Sovereign Investment Authority (NSIA)	6,517,989,417	10,187,280,172	16,705,269,589	35.8%
Africa Finance Corporation (AFC)	4,360,193,641	9,952,067,699	14,312,261,340	30.7%
InfraCo Africa Investment Limited (InfraCo)	1,214,703,876	9,807,852,155	11,022,556,031	23.6%
Leadway Assurance Company Limited	1,280,986,652	1,461,531,905	2,742,518,557	5.9%
AIICO Insurance Plc	1,881,206,139	-	1,881,206,139	4.0%
	15,255,079,725	**31,408,731,931**	**46,663,811,656**	**100%**
Shares held in trust:				
United Capital Trustees Limited (UCTL)	-	3,591,268,069	3,591,268,069	
	15,255,079,725	35,000,000,000	50,255,079,725	

	Number of ordinary shares held	Number of preference shares held	Total number of shares held	% Shareholding
31 December 2023				
Shareholder:				
Nigeria Sovereign Investment Authority (NSIA)	1,239,493,751	10,187,280,172	11,426,773,923	30.4%
Africa Finance Corporation (AFC)	1,239,493,751	9,952,067,699	11,191,561,450	29.7%
InfraCo Africa Investment Limited (InfraCo)	1,214,703,876	9,807,852,155	11,022,556,031	29.3%
Leadway Assurance Company Limited	640,493,326	1,461,531,905	2,102,025,231	5.6%
AIICO Insurance Plc	1,881,206,139	-	1,881,206,139	5.0%
	6,215,390,843	**31,408,731,931**	**37,624,122,774**	**100%**
Shares held in trust:				
United Capital Trustees Limited (UCTL)	8,784,609,157	3,591,268,069	12,375,877,226	
	15,000,000,000	35,000,000,000	50,000,000,000	

10 Human Resources

Equal Opportunity Employer

The Company is an equal opportunity employer in all regards. The Company does not discriminate on the basis of gender, religion, race or disability. Applications by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is provided. It is the policy of the Company that the training, career development and promotion of disabled persons should as far as possible, be identical with those of other employees.

All aspects of employment including the decision to hire, promote, discipline, or discharge, is based on merit, competence, performance, and business needs. The Company had no disabled person in its employment as at 31 December 2024 (December 2023: Nil).

Health, safety and welfare at work

The Company enforces strict health and safety rules and practices at the work environment, which are reviewed and tested regularly. Medical facilities are provided for employees and their immediate families at the Company's expense up to stated limits. Fire-fighting equipment are installed in strategic locations within the Company's premises.

Employee involvement and training

The Company's policy with regards to employee involvement and training is to encourage participation of employees in arriving at decisions in respect of matters affecting their well being. Towards this end, the Company provides opportunities where employees deliberate on issues affecting the Company and employees' interests, with a view to making inputs to decisions thereon. The Company places a high premium on the development of its manpower. Consequently, the Company sponsors its employees for various training courses as necessary.

11 Events after the end of the reporting period

Following the completion of the Rights Issue on December 27, 2024, and the public listing of the Company on December 12, 2024, the Company is currently in the process of listing on the NASD and concurrently raising additional capital of N27 billion through a Private Placement.

12 Donations and charitable gifts

No donation was made to any political party or organization during the year (2023:Nil).

13 Auditors

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office, have indicated their willingness to continue in office as auditors to the Company. In accordance with section 401(2) of the Companies and Allied Matters Act 2020 therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

BY ORDER OF THE BOARD

Onwubere Chidinma Ihuoma
FRC/2015/PRO/NBA/002/00000011359
Company Secretary
07 March 2025

Statement of Directors' responsibilities in relation to the financial statements

for the year ended 31 December 2024

The Directors accept responsibility for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria Act 2023 (as amended).

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act 2020 and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Sanjeev Gupta
FRC/2023/PRO/DIR/003/816114
Chairman
07 March 2025

Mr. Chinua Azubike
FRC/2017/PRO/00000016559
Managing Director/Chief Executive Officer
07 March 2025

Statement of Corporate Responsibility for the Financial Statements

for the year ended 31 December 2024

Further to the provisions of section 405 of the Companies and Allied Matters Act 2020, we, the Managing Director/CEO and Financial Controller, hereby certify the financial statements of Infrastructure Credit Guarantee Company Plc for the year ended 31 December 2024 as follows:

(a) That we have reviewed the audited financial statements of the Company for the year ended 31 December 2024.

(b) That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.

(c) That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2024.

(d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to the officer by other officers of the Company, during the period ended 31 December 2024.

(e) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

(e) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

(f) That we have disclosed the following information to the Company's Auditors and Audit Committee:

   (i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and

   (ii) there is no fraud that involves management or other employees who have a significant role in the Company's internal control.

Chinua Azubike
FRC/2017/PRO/00000016559
Managing Director/Chief Executive Officer
07 March 2025

Collins Eguakun
FRC/2013/PRO/ICAN/001/00000000843
Financial Controller
07 March 2025

Certification Pursuant to Section 1.3 of the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting

I, Chinua Azubike, certify that:

(a) I have reviewed Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of Infrastructure Credit Guarantee Company PLC ("the Company");

(b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

(d) The Company's other certifying officer and I:

(i) are responsible for establishing and maintaining internal controls

(ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(iii) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;

(iv) have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

(e) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee:

(i) that there are no significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(ii) that there is no fraud whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.

(f) The Company's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Mr. Chinua Azubike
FRC/2017/PRO/00000016559
Managing Director/Chief Executive Officer
07 March 2025

Certification Pursuant to Section 1.3 of the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting

I, Collins Eguakun, certify that:

(a) I have reviewed Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of Infrastructure Credit Guarantee Company PLC ("the Company");

(b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

(d) The Company's other certifying officer and I:

(i) are responsible for establishing and maintaining internal controls

(ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(iii) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;

(iv) have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

(e) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee:

(i) that there are no significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(ii) that there is no fraud whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.

(f) The Company's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Collins Eguakun
FRC/2013/PRO/ICAN/001/00000000843
Financial Controller
07 March 2025

Report on the Effectiveness of Internal Control over Financial Reporting

as of 31 December 2024

The management of Infrastructure Credit Guarantee Company PLC is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Financial Reporting Council (Amendment Act, 2023).

The management of Infrastructure Credit Guarantee Company PLC assessed the effectiveness of our internal control over financial reporting as of 31 December 2024 using the criteria set forth in Internal Control—2013 Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

As of December 31, 2024, the management Infrastructure Credit Guarantee Company PLC did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, management has concluded that, as of December 31, 2024, the Company's internal control over financial reporting was effective.

The Company's independent auditor, KPMG Professional Services, who audited the financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Company's internal control over financial reporting as of 31 December 2024 based on the limited assurance engagement

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Company's internal control over financial reporting.

Mr. Chinua Azubike
FRC/2017/PRO/00000016559
Managing Director/Chief Executive Officer
07 March 2025

Collins Eguakun
FRC/2013/PRO/ICAN/001/00000000843
Financial Controller
07 March 2025

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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

To the Shareholders of Infrastructure Credit Guarantee Company Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of Infrastructure Credit Guarantee Company PLC ("the Company") as of 31 December 2024 is effective in accordance with the criteria established in the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that Infrastructure Credit Guarantee Company Plc's internal control over financial reporting as of 31 December 2024 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

We have audited the separate financial statements of Infrastructure Credit Guarantee Company Plc in accordance with the International Standards on Auditing, and our report dated 18 March 2025, expressed an unmodified opinion of those financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of Infrastructure Credit Guarantee Company Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying the Management's Report on Effectiveness of Internal Control over Financial Reporting. Our responsibility is to express a conclusion on the Company's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;

(iii) and provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Oseme J. Obaloje FCA
FRC/2013/PRO/ICAN/004/00000004803
For: KPMG Professional Services
Chartered Accountants
18 March 2025
Lagos, Nigeria

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Infrastructure Credit Guarantee Company Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Infrastructure Credit Guarantee Company Plc (the "Company), which comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters We have determined that there are no key audit matters to communicate in our report.

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate information, Director's report, statement of Director's responsibilities in relation to the financial statements for the year ended 31 Dec 2024, Statement of corporate responsibilities for the financial statement, Certification Pursuant to Section 1.3 of the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting, Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024, Other national disclosures, capital management and supplementary financial information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors and Finance and Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors and Finance and Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied

From the matters communicated with the Board of Directors and Finance and Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books
iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 18 March, 2025. That report is included on page 11-13 of the annual report.

Oseme J. Obaloje FCA
FRC/2013/PRO/ICAN/004/00000004803
For: KPMG Professional Services
Chartered Accountants
18 March 2025
Lagos, Nigeria

Statement of financial position

as at:

In thousands of Naira	Note	31 December 2024	31 December 2023
Assets			
Cash and cash equivalents	15	39,013,538	7,702,488
Investment securities	16	257,869,214	157,281,654
Guarantee fee receivable	17	8,770,252	8,674,785
Trade and other receivables	18	1,936,297	608,386
Prepayments	19	346,076	246,818
Property and equipment	20	423,466	281,109
Right of use asset	21	277,086	129,552
Intangible assets	22	124,464	128,843
Deferred tax asset	24	483,602	380,461
Total assets		**309,243,995**	**175,434,097**
Liabilities			
Current tax liability	14(c)	890,381	599,649
Financial guarantee liability	23	10,289,597	10,365,600
Other liabilities	25	3,961,263	2,252,653
Employee benefit obligation	26	1,417,937	1,046,498
Lease liability	27	64,803	122,196
Unsecured subordinated long term loans	30	134,414,766	68,107,426
Total liabilities		**151,038,747**	**82,494,022**
Equity			
Ordinary share capital	28	15,255,080	6,215,391
Share premium	28(e)	10,668,787	1,016,924
Irredeemable preference share capital	28(b)	8,022,905	8,022,905
Redeemable preference share capital	28(c)	23,385,829	23,385,829
Retained earnings	29	100,872,647	54,299,026
Total equity		**158,205,248**	**92,940,075**
Total liabilities and equity		**309,243,995**	**175,434,097**

The financial statements were approved by the Board of Directors on the 07 March, 2025 and signed on its behalf by:

Mr. Sanjeev Gupta
FRC/2023/PRO/DIR/003/816114
Chairman

Chinua Azubike
FRC/2017/PRO/00000016559
Managing Director/Chief Executive Officer

Collins Eguakun
FRC/2013/PRO/ICAN/001/00000000843
Financial Controller

The accompanying notes form an integral part of these financial statements.

Statement of profit or loss and other comprehensive income

For the year ended:

In thousands of Naira	Note	31 December 2024	31 December 2023
Gross revenue		**26,913,577**	**12,222,487**
Guarantee fee income	7	5,207,911	3,514,106
Guarantee fee expenses	8	(1,505,559)	(641,731)
		3,702,352	**2,872,375**
Interest income	9(a)	21,705,666	8,708,381
Interest expense	9(b)	(6,674,335)	(3,006,620)
Impairment loss on financial instruments	10	(1,564,913)	(896,833)
Other income	11(a)	21,441	-
Foreign exchange gain	11(b)	50,731,484	42,834,137
		67,921,695	**50,511,440**
Personnel expenses	12(a)	(3,584,625)	(2,059,429)
Depreciation of property and equipment	20	(105,545)	(94,116)
Depreciation of right of use asset	21	(31,006)	(21,897)
Amortisation of intangible asset	22	(10,382)	(16,721)
Other operating expenses	13	(2,631,589)	(1,271,905)
		(6,363,147)	**(3,464,069)**
Profit before minimum tax and income tax expense		**61,558,548**	**47,047,371**
Minimum taxation	14(a)	-	(61,112)
Profit after minimum tax		**61,558,548**	**46,986,258**
Income tax (expense)/credit	14(a)	(698,051)	(607,113)
Profit for the period		**60,860,497**	**46,379,146**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss		-	-
Total comprehensive profit		**60,860,497**	**46,379,146**

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2024

In thousands of Naira	Note	Share capital	Irredeemable preference capital	Redeemable preference capital	Share premium	Retained earnings	Total
Balance as at 1 January 2024		**6,215,391**	**8,022,905**	**23,385,829**	**1,016,924**	**54,299,026**	**92,940,075**
Total comprehensive income for the period							
Transfer from profit or loss and other comprehensive income		-	-	-	-	60,860,497	60,860,497
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**60,860,497**	**60,860,497**
Transactions with owners of company:							
Issue of additional Ordinary shares	28 (d)	9,039,689	-	-	9,672,467	-	18,712,156
Transaction cost on issue of shares		-	-	-	(20,604)	-	(20,604)
Payment of Ordinary dividend	29 (a)	-	-	-	-	(372,924)	(372,924)
Ordinary dividend declared	29 (c)	-	-	-	-	(1,864,617)	
Payment of Preference dividend	29(a&b)	-	-	-	-	(12,049,335)	(12,049,335)
		9,039,689	**-**	**-**	**9,651,863**	**(14,286,875)**	**4,404,677**
Balance at 31 December 2024		**15,255,080**	**8,022,905**	**23,385,829**	**10,668,787**	**100,872,647**	**158,205,248**
Balance as at 1 January 2023		**3,497,637**	**8,022,905**	**21,915,065**	**113,945**	**10,294,983**	**43,844,535**
Total comprehensive income for the period							
Transfer from profit or loss and other comprehensive income		-	-	-	-	46,379,146	46,379,146
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**46,379,146**	**46,379,146**
Transactions with owners of company:							
Issue of additional Ordinary shares	29 (c)	1,881,206	-	-	902,979	-	2,784,185
Capitalisation of Ordinary shares	29 (c)	836,548	-	-	-	(874,409)	(37,861)
Capitalisation of preference dividend	30 (a)	-	-	1,470,764	-	(1,500,692)	(29,928)
		2,717,754	**-**	**1,470,764**	**902,979**	**(2,375,101)**	**2,716,396**
Balance at 31 December 2023		**6,215,391**	**8,022,905**	**23,385,829**	**1,016,924**	**54,299,026**	**92,940,075**

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
For the year ended:

In thousands of Naira	Note	31 December 2024	31 December 2023
Cash flow from operating activities:			
Profit after tax		60,860,497	46,379,146
Minimum tax	14(a)i	-	61,112
Income tax expenses	14(a)	698,051	607,113
Profit before tax		**61,558,548**	**47,047,371**
Adjustment for:			
Depreciation of property and equipment	20	105,545	94,116
Depreciation of right of use asset	21	31,006	21,897
Amortisation of intangible asset	22	10,382	16,721
Impairment loss on financial instruments	10	1,564,913	896,833
Exchange gain on investment securities	34(j)	(92,321,925)	(79,037,708)
Exchange loss on unsecured subordinated debts	34(j)	41,590,441	36,203,571
Write off of work in progress	20	798	-
Interest income	9(a)	(21,705,666)	(8,708,381)
Gain on sale of property, plant and equipment	34(i)	(21,441)	22
Interest expense	9(b)	6,364,272	2,863,054
		(2,823,127)	**(602,505)**
Changes in :			
Trade and other receivables	34(c)	(1,791,748)	(428,601)
Prepayments	34(l)	(99,258)	(189,283)
Guarantee fee receivable	34(d)	(95,467)	(2,153,431)
Financial guarantee liability	34(b)	(76,003)	2,982,946
Lease liability	34(n)	16,200	18,041
Employee benefit obligation	34(o)	371,439	679,192
Other liabilities	34(e)	(156,012)	632,110
		(1,830,849)	**1,540,975**
Interest received	34(b)	16,265,470	8,638,631
Interest paid	34(k)	(6,021,164)	(3,945,899)
Tax paid	14(c)	(510,459)	(64,488)
Net cashflows used in investing activities		**5,079,872**	**5,566,714**
Cash flow from investing activities:			
Acquisition of property and equipment	20	(248,698)	(129,115)
Proceeds from disposal of property and equipment	34(i)	310	72
Acquisition of intangible asset	22	(6,003)	(83,374)
Redemption/(acquisition) of investment securities	34(a)	(3,900,894)	(6,684,784)
Net cashflows used in investing activities		**(4,155,285)**	**(6,897,200)**
Cash flow from financing activities:			
Proceed from issue of share capital	34(f)	9,039,689	2,717,754
Share premum arising from issue of shares	28(e)	9,672,467	-
Transaction cost on to issue of shares	28(e)	(20,604)	-
Preference dividend paid	34(g)	(12,049,335)	-
Ordinary dividend paid	34(g)	(372,924)	-
Proceeds from borrowings	34(k)	24,373,791	-
Payment of lease liabilities	34(n)	(231,000)	-
Net cashflows generated from financing activities		**30,412,084**	**2,717,754**
Increase in cash and cash equivalents		31,336,671	1,387,268
Cash and cash equivalents at beginning of the year	15	7,718,228	6,330,960
Cash and cash equivalents at the end of the year	**15**	**39,054,899**	**7,718,228**

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

1 Reporting entity

Infrastructure Credit Guarantee Company PLC ("the Company"), formerly known as Infrastructure Credit Guarantee Company Limited, changed its name on December 12, 2024 by a special resolution dated December 5 2024. The Company is a public company limited by shares, incorporated in Nigeria under the Companies and Allied Matters Act of Nigeria (CAMA). The Company was incorporated on 20 October 2016, and commenced operations in January 2017. The current address of its office is 1 Adeyemo Alakija Street, Victoria Island, Lagos.

The Company is primarily involved in the provision of credit enhancement and issuance of local currency credit guarantees for eligible infrastructure projects. The Company is also involved in investing its paid-in capital in corporate debt securities, FGN bonds and Eurobonds, and other highly rated short term debts issued by the Federal Government of Nigeria as may be approved by the Board of the Company from time to time.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies and Allied Matters Act of Nigeria, 2020, and the Financial Reporting Council of Nigeria Act, 2023 (as amended). The financial statements were authorized for issue by the Board of Directors on 07 March 2025.

(b) Functional and presentation currency

The financial statements are presented in Nigerian Naira, which is the Company's functional and presentation currency. All financial information presented in Nigerian Naira have been rounded to the nearest thousand, unless otherwise indicated.

(c) Basis of measurement

These financial statements have been prepared on the historical cost basis except for financial instruments that are measured at amortised cost. The Company applies accrual accounting for recognition of its income and expenses.

(d) Going concern assumption

The financial statements have been prepared on the basis that the Company will continue to operate as a going concern.

(e) Use of estimates and Judgements

The preparation of these financial statements is in conformity with the IFRS requirements. Management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts to assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgement

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

* Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition,

* Determining the methodology for incorporating forward-looking information into the measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL. (see note 5(b)(ii)).

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable information about the financial instrument and counterparty, including forward looking information.

Assumptions and Estimation

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2024 is included in the following notes:

* Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used (see note 4k). Included in the recoverability review of deferred tax assets are assumptions about interest rates, exchange rates, inflation rate as well as the tax-exempt status of Bonds issued by the Federal Government of Nigeria.

3 Changes in accounting policies

Except as described below, the Company has consistently applied the accounting policies as set out in Note 4 to all periods presented in these financial statements

Standards issued but not yet effective

1-Jan-25	Amendments to IAS 21: Lack of Exchangeability. The amendments are not expected to have a material impact on the Company's financial statements.
	Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7. The amendments are not expected to have a material impact on the Company's financial statements.
1-Jan-26	Classification and Measurement of Financial Instruments. The amendments will impact on the classification of Financial assets with contingent features on the Company's financial statements.
	Annual Improvements to IFRS Accounting Standards- Voume 11. The amendments are not expected to have a material impact on the Company's financial statements.

1-Jan-27	IFRS 18 Presentation and Disclosure in Financial Statements. This Standard is not expected to have a material impact on the Company's financial statements.
	IFRS 19 Subsidiaries without Public Accountability: Disclosures. This Standard is not expected to have a material impact on the Company's financial statements.

4 Material accounting policies

The material accounting policies set out below have been consistently applied during the period presented in these financial statements, unless otherwise stated.

(a) Cash and cash equivalents

Cash and cash equivalents comprises deposits with banks and highly liquid financial assets with maturities of less than three months from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

(b) Revenue recognition

Gross Revenue

(i) Guarantee fees income

This refers to the sum of guarantee fee income, monitoring fee income and due diligence fee income. Guarantee fee income is the amortized portion of the non-refundable fees calculated as a percentage of the guaranteed amount earned for providing guarantees to the bond issued by the client companies or loans disbursed to client companies.

'The Company recognises guarantee fees received and receivable as deferred revenue at the inception of the contract. Deferred revenue is subsequently recognised as earned revenue in profit or loss over the contractual period or expected period of the contract in proportion to the amount of the guarantee contract. As revenue is recognised, a corresponding decrease to deferred revenue is recorded. Other fee income is recognised as the related services are performed.

(ii) Interest income and expense

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Guarantee fees and interest income are recognised net of VAT.

Guarantee fee expense

Guarantee fee expenses include expenses incurred by the Company in respect of the callable capital funding facility agreement with GuarantCo and other directly attributable costs of issuing guarantees such as due diligence and project development activities on guarantee transactions. The Company recognizes guarantee fee expenses in the profit or loss as they are incurred.

Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Interest income presented in the statement of profit or loss and other comprehensive income (OCI) includes interest on financial assets and financial liabilities measured at amortised cost using the effective interest rate (EIR) method. Other interest income presented in the statement of profit or loss and OCI includes interest income on balances with banks.

(c) Property and equipment

(i). Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognised within other income in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Depreciation begins when the asset is available for use and continues until the asset is derecognised, even if it is idle.

Depreciation is calculated over their estimated useful lives at the following rates:

Office equipment	25%
Computer equipment	25%
Furniture and fittings	25%
Motor vehicles	25%
Leasehold improvement	10% (lower of 50 years and lease term of 10 years)

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

(iv) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(d) Intangible assets

Computer Software

Software acquired by the Company is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Software is amortised on a straight-line basis in the profit or loss over the estimated useful life of the software, from the date that it is available for use. All intangible assets of the Company have finite useful life and are amortised over 4 years. Amortisation method, useful lives, and residual values are reviewed at each financial year-end and adjusted if appropriate. Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition is included in profit or loss in the year the asset is derecognised.

(e) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Foreign currency transactions

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

(g) Employee benefits

Short-term employee benefits

(i) Short-term employee benefit obligations include wages, salaries and other benefits which the Company has a present obligation to pay, as a result of employees' services provided up to the reporting date. Short term obligations are measured on an undiscounted basis and are expensed as the related service is provided.. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) The Company recently introduced a short-term incentive (STI) award which is a profit-based bonus scheme which replaced the erstwhile performance pay. Although STI is at the full discretion of the Board, the STI pool available is computed at up to 7.5% of profit before tax (PBT) after adjustment for unrealized net exchange differences subject to achieving agreed KPIs.

Post employment benefits

The Company operates a defined contributory pension scheme in line with the provisions of the Pension Reform Act 2014, with contributions based on the sum of employees' basic salary, housing and transport allowances in the ratio of 8% by the employee and 10% by the employer. The contributions of 10% by the Company is recognised in the profit or loss in the period to which they relate, while Employees' contributions are funded through payroll deductions.

Other long-term employee benefits

The Company's other long-term employee benefits represents a long term bonus scheme instituted for all permanent senior and Executive employees on Vice President – Managing Director levels with at least five (5) years of service and no pending disciplinary action. Long-term incentive (LTI) is capped at 2.5% of profit before tax (PBT) after adjustment for unrealized net exchange gains subject to achieved some agreed KPIs. The deferral period is set at three (3) years, at the end of which, employees may cash out or choose to hold their award for longer. Provision of the plan are recognised within employee benefit obligation in liabilities and other staff costs in profit or loss. Pay-outs from the plan will be taxed according to the applicable tax laws in the Federal Republic of Nigeria. The carrying amount of the benefit based scheme is determined using a simplistic approach.

Other short-term employee benefits

The Company recently introduced the short-term incentive (STI) which is a profit-based bonus scheme which replaced the erstwhile performance pay. It is computed as 10% of profit before tax after adjustment for unrealized exchange differences subject to achieving agreed KPIs.

(h) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

This is not applicable as the Company is not a lessor with respect to lease of an asset.

(i) Provision

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability.

(j) Contingent liabilities

A contingent liability is a possible obligation that arises from past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It is not recognised because it is not likely that an outflow of resources will be required to settle the obligation or the amount can not be reliably estimated.

(k) Taxation

Current income tax

Income tax payable is calculated on the basis of the tax law in Nigeria and is recognised as an expense or (income) for the period except to the extent that current tax relates to items that are charged or credited directly to equity. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes.

It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on taxable profits.
- Tertiary education tax is computed on assessable profits.
- National Information Technology Development Agency levy is computed on profit before tax.
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the period).

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation of property and equipment. The tax effects of carry-forwards of unused losses, unused tax credits and other deferred tax assets are recognised when it is probable that future taxable profit will be available against which these losses and other temporary differences can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the asset or liability and is not discounted. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(l) Financial instruments

Financial assets

(i) Initial recognition and measurement

Financial instruments are recognised initially when the Company becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

The Company does not measure its financial assets at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL). Subsequent to initial recognition and measurement, all financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The Company manages the assets held within the portfolio to collect contractual cash flows (instead of managing the overall return on the portfolio by holding and selling the assets or by trading on the assets). Although the objective of the Company's business model is to hold assets in order to collect contractual cash flows, it may sell the assets prior to their maturity in response to increase in the assets' credit risk. To determine whether there has been an increase in the assets' credit risk, the Company considers reasonable and supportable information including forward-looking information. Irrespective of their frequency and value, sales due to an increase in the assets' credit risk is not inconsistent with the Company's business model objective of holding the financial assets with a view to collecting contractual cash flows. Other instances where the Company may sell its financial assets and such sale would be considered consistent with the objective of holding the assets in order to collect contractual cash flows include sales made close to maturity of the assets and sales made with a view to providing liquidity in the event of any of its guarantees being called.

Assessment of whether contractual cash flow are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial liabilities

(i) Classification and subsequent measurement

All financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

(i) Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets, in these cases, the transferred assets are not derecognised.

(ii) Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company recognises loss allowances for ECL on financial instruments that are not measured at FVTPL such as:

- investment securities measured at amortized cost;
- trade receivables; and
- other financial assets.

Loss allowances are measured at an amount equal to life time expected credit losses (ECLs) or 12-month expected credit losses (ECLs) depending on whether the credit risk of the obligor has increased significantly or not.

Loss allowances are measured at 12 month ECLs:

- for assets which are determined to have low credit risk at the reporting date; and
- When assets have not increased significantly since initial recognition.

On the other hand, loss allowances are measured at life time ECLs if the credit risk associated with the assets has increased significantly since initial recognition.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

Financial instruments that are credit-impaired and for which a lifetime ECL is recognised are referred to as 'Stage 3 financial instruments'.

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company guarantees long-term, local currency debt instruments with a minimum rating of "BBB-" by a recognized rating agency or the Company's Board-approved internal rating.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Financial guarantees contracts

Financial guarantees are contracts that require the Company to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee contract is initially recognised at fair value and subsequently measured at the higher of:

- the amount of the impairment loss allowance on the guarantee; or
- the amount initially recognised less, when appropriate, the cumulative amount of fee income recognised on the guarantee.

Determination of ECLs for financial guarantees is based on the credit risk of the obligor that issues the infrastructure bond for which the Company provides a guarantee.

When determining whether the credit risk of the obligor has increased significantly since initial recognition of the financial guarantee and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company historical experience and informed credit assessment of the obligor and including forward-looking information.

The Company assumes that the credit risk of an obligor has increased significantly if the principal repayment, coupon on the infrastructure bond and/or the guarantee fee are more than 30 days past due except it is proven that the reason for the delay in contract payments are not credit risk related.

The Company considers an obligor to be in default when the principal repayment, coupon and/or guarantee fee are more than 90 days past due except it is proven that the reason for the default in contract payments are not credit risk related.

The Company carries out an independent valuation of the collaterals held in respect of financial guarantee contracts to customers. This she does by contracting an independent valuation experts to determine the open market capital value of the collaterals. This valuation of the collaterals is to be carried out every three (3) years at most. The open market value of the assets is adopted by the company following the valuation.

Guarantee fee receivable

This represents the present value of guarantee fees receivable under the contracts undertaken for providing guarantees to the debt instrument issued by the client companies. This is recognized at the inception of the contract for the unpaid amount due after one year of issuing the guarantee with a corresponding credit to financial guarantee liability. Guarantee fee receivable is reduced yearly once guarantee payment is received from each of the portfolio companies.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximizes the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is the transaction price, i.e. the fair value of the consideration paid or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognized in the statement of profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out. If an asset or a liability measured at fair value has a bid price and an ask price, the Company measures the assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk are managed by the Company on the basis of the net exposure to either market or credit risk. The net exposure is measured on the basis of a price that would be received to see a net long position (or paid to transfer a net short position) for a particular exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Company recognizes transfers between levels of fair value hierarchy as of the end of the reporting period during which the change has occurred.

(m) Share capital

(i) Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(ii) Preference shares

Irredeemable preference shares are classified and accounted for as equity where the Company is not under any obligation to deliver cash or other financial assets. Payment of dividend is discretionary.

Redeemable preference shares are also classified and accounted for as equity because payment of dividend is discretionary and redemption of capital sum is at the sole option of the Company.

5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 4, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

- Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition; and
- Determining the methodology for incorporating forward-looking information into the measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL. (see note 5(b)(ii))

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable information about the financial instrument and counterparty, including forward looking information.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

- **Recognition of deferred tax assets:** availability of future taxable profit against which carry-forward tax losses can be used (see note 4(k)). Included in the recoverability review of deferred tax assets are assumptions about interest rates, exchange rates, inflation rate as well as the tax-exempt status of Bonds issued by the Federal Government of Nigeria.

- **Impairment of financial instruments:** assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL.

(i) Income taxes

Significant estimates are required in determining the provision for income taxes. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Income taxes also include the judgement on whether to recognise deferred tax assets. This is based on the assessment of if and when future taxable profits will be realized to utilise the tax losses carried forward.

(ii) Depreciation and carrying value of property and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

(ii) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

6 Financial risk management

(a) Introduction

This note presents information about the Company's exposure to different types of risks, the objectives, systems, policies and processes for identifying, measuring and managing risks, and the Company's management of capital. The Company's activities expose it to a variety of risks, and those activities principally involve creation of financial assets and liabilities. Risk taking is the core of the company's business and operational risks amongst others are an inevitable consequence of being in the financial services industry. The Company's aim is to achieve an appropriate balance between risk and return, and minimise potential adverse effects on the Company's financial performances. The Company has therefore built its business around sound risk management practices, so that as it actively seeks opportunities to create value for its clients and stakeholders, there is also a deliberate, concerted effort to preserve value. The Company has adopted encompassing Risk Management & Guarantee Policies that consider risk from a comprehensive and integrated standpoint.

(b) Risk management objectives

The primary objective of risk management is to ensure efficient risk/return decision-making, reduce volatility in operating performance, improve operational efficiency as well as the quality of service delivery and ensure that the Company's risk profile is transparent to all stakeholders.

Risk Management practices at the Company centre around building a sustainable business where an acceptable risk profile is consistently maintained, given risk capacity and tolerance levels at the time.

Therefore, its approach is driven by the following key objectives:

- **Business sustainability:** This represents resiliency over time. It involves the organisation's ability to survive significant internal and external shocks.
- **Accountability:** This represents the directors' obligations to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner.
- **Risk/reward alignment:** This is an optimization concept that seeks to achieve maximum possible return for each unit of risk taken.
- **Operational efficiency:** This represents the Company's ability to deliver services in the most cost-effective manner possible while maintaining the highest feasible quality standards.

(c) Risk management framework

The Company's risk management philosophy is premised on the belief that aggressive and yet guarded risk attitude will ensure sustainable growth in shareholders value and corporate reputation. To this end, the Board and Management are committed to establishing and sustaining tested practices in risk management. The Board of Directors determines the Company's goals in terms of risk by issuing a risk policy. The policy both defines acceptable levels of risk for day-to-day operations, as well as the willingness of the Company to incur risk, weighed against the expected rewards.

The risk policy is detailed in the Risk Management & Guarantee Policies, which is a structured approach to identifying opportunities, assessing the risk inherent in these opportunities and managing these risks proactively in a cost effective manner. It is a top-level integrated approach to events identification and analysis for proper assessment, monitoring and identification of business opportunities. Specific policies are also in place for managing risks in the different risk areas of credit, market, liquidity and operational risks.

The evolving nature of risk management practices necessitates regular review of the effectiveness of each enterprise risk management component. In the light of this, the Company's Risk Management & Guarantee Policies is subject to continuous review to ensure effective and cutting-edge risk management. The review is done in either or both of the following ways:

(i) Continuous self evaluation and monitoring by the Risk Management Unit; and

(ii) Independent evaluation and reviews.

The Head, Credit Risk has the primary responsibility for risk management and for the review of the Risk Management & Guarantee Policies. All amendments to the Company's Risk Management & Guarantee Policies require the Board's approval. The unit also has the responsibility to enforce the risk policy of the Company by constantly monitoring risk, with the aim of identifying and quantifying significant risk exposures and acting upon such exposures as necessary.

The different risk exposures faced by the Company are summarized into the broad risk categories below;

Risk type	Description	Loss characteristics
Market risk	The risk of loss due to unfavourable movements in the prices of assets.	This could result in loss of value to the Company's investment portfolio.

Credit risk	The risk of loss arising from counterparty's inability or unwillingness to fulfil contractual obligations to the Company.	This could result in impairment in the Company's credit assets and could invariably affect its short to long-run liquidity needs.
Liquidity risk	The risk that the Company will not be able to meet its financial obligations as they fall due.	This could result in significant business disruption or could hinder normal operations of the Company.
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events such as violent events like natural disaster, fire, flooding, terrorist actions.	This could result in significant business disruption or loss of financial resources of the Company.

(d) Valuation of financial instruments

The Company measures fair values for disclosure purposes using the following fair value hierarchy that reflects the nature and process used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques based on significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instrument being valued and the similar instrument.

(e) Significant risks

(i) Market risk

Market risk is the risk that changes in market prices, such as interest rate, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Company's income or the value of its holdings of financial instruments. In guaranteeing certain debts of its client companies, the Company also becomes indirectly exposed to the market risks of those companies.

The objective of market risk management is to control and bring market risk exposures within acceptable parameters to ensure the Company's solvency, while optimising the return on risk.

The Company's market risk management practice seeks to achieve an appropriate balance between risks and returns in its investment decisions thereby reducing volatility to its earnings. The Company has no trading financial instruments.

Interest rate risk:

Interest rate risk is the risk of loss in the fair value of investment positions due to unfavourable movements in interest rate spreads. The Company's exposure to interest rate risk is majorly from its financial assets such as money market placements, treasury bills, Eurobonds and financial liabilities such as the unsecured subordinated long term loan from KfW Bankengruppe and African Development Bank (AfDB).

The investment policy of the Company restricts its investment portfolio to 60% in highly rated/liquid securities with weighted average duration of 2 years and 40% in highly rated/liquid securities with weighted average duration of 5 years.

Notes to the financial statements

The table below summarizes the Company's interest rate gap position, analysed by the earlier contractual re-pricing or maturity date is as follows:

31 December 2024			Interest bearing instruments				Non-interest bearing instruments
In thousands of Naira	Note	Carrying amount	Less than 3 months	3 months - 6 months	6 months - 1 year	Over 1 year	
Assets							
Cash and cash equivalents	15	39,013,538	39,013,535	-	-	-	3
Investment securities	16	257,869,214	-	23,253,902	44,334,017	190,281,295	-
Guarantee fee receivable	17	8,770,252	498,240	400,884	869,865	7,001,263	-
Trade and other receivables	18	1,928,173	-	-	-	-	1,928,173
		307,581,177	**39,511,775**	**23,654,786**	**45,203,882**	**197,282,558**	**1,928,176**
Liabilities							
Financial guarantee liability	23	10,289,597	-	-	-	-	10,289,597
Other liabilities	25	2,485,235	-	-	-	-	2,485,235
Lease liability	27	64,803	-	-	-	-	64,803
Unsecured subordinated long term loan	30	134,414,766	1,827,283	1,868,844	5,486,477	125,232,161	
		147,254,401	**1,827,283**	**1,868,844**	**5,486,477**	**125,232,161**	**12,839,635**
Total interest re-pricing gap		**160,326,776**	**37,684,492**	**21,785,942**	**39,717,405**	**72,050,397**	**(10,911,459)**

31 December 2023			Interest bearing instruments				Non-interest bearing instruments
In thousands of naira	Note	Carrying amount	Less than 3 months	3 months - 6 months	6 months - 1 year	Over 1 year	
Assets							
Cash and cash equivalents	15	7,702,488	7,702,485	-	-	-	3
Investment securities	16	157,281,654	12,203,061	14,608,697	19,057,205	111,412,691	-
Guarantee fee receivable	17	8,674,785	-	-	-	-	8,674,785
Trade and other receivables	18	602,664	-	-	-	-	602,664
		174,261,591	**19,905,546**	**14,608,697**	**19,057,205**	**111,412,691**	**9,277,452**
Liabilities							
Financial guarantee liability	23	10,365,600	-	-	-	-	10,365,600
Other liabilities	25	1,264,911	-	-	-	-	1,264,911
Lease liability	27	122,196	-	-	-	-	122,196
Unsecured subordinated long term loan	30	68,107,426	622,986	630,932	1,292,561	65,560,947	-
		79,860,133	622,986	630,932	1,292,561	65,560,947	11,752,707
Total interest re-pricing gap		**94,401,458**	**19,282,560**	**13,977,765**	**17,764,644**	**45,851,744**	**(2,475,255)**

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Company's financial assets and liabilities to various standard and non-standard interest rate scenarios. An analysis of the Company's sensitivity to an increase or decrease in market interest rates, assuming no asymmetrical movement in yield curves and a constant financial position, is as follows:

In thousands of Naira	2024	2023
Profit or loss & equity		
Increase by 2%	3,424,765	1,937,534
Decrease by 2%	(3,424,765)	(1,937,534)

(ii) Foreign Exchange rate risk

Foreign exchange risk is the exposure of the Company's financial condition to fluctuations in exchange rates. Where the Company invests in financial instruments that are denominated in currencies other than its functional currency, it is exposed to foreign exchange risk. In this scenario, the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the Company's financial assets and liabilities denominated in currencies other than Nigerian Naira. The Company's exposure to foreign exchange rate risk arises majorly from its USD denominated bank balance, money market placement, Eurobonds, due to related parties and other financial liabilities that are denominated in foreign currency.

The table below shows the Company's exposure to foreign exchange rate risk:

31 December 2024

In thousands of Naira	Note	Naira	US Dollar	Total
Assets				
Cash and cash equivalents	15	21,591,110	17,422,428	39,013,538
Investment securities	16	7,568,163	250,301,051	257,869,214
Guarantee fee receivable	17	8,770,252	-	8,770,252
Trade and other receivables	18	1,928,173	-	1,928,173
		39,857,698	**267,723,479**	**307,581,177**
Liabilities				
Financial guarantee liability	23	10,289,597	-	10,289,597
Unsecured subordinated long term loan	30	-	134,414,766	134,414,766
Lease liability	27	64,803	-	64,803
Other liabilities	25	2,122,152	363,083	2,485,235
		12,476,552	**134,777,849**	**147,254,401**
		27,381,146	**132,945,630**	**160,326,776**

31 December 2023

In thousands of Naira	Note	Naira	US Dollar	Total
Assets				
Cash and cash equivalents	15	6,536,368	1,166,120	7,702,488
Investment securities	16	4,820,376	152,461,278	157,281,654
Guarantee fee receivable	17	8,674,785	-	8,674,785
Trade and other receivables	18	602,664	-	602,664
		20,634,192	**153,627,398**	**174,261,591**
Liabilities				
Financial guarantee liability	23	10,365,600	-	10,365,600
Unsecured subordinated long term loan	30	-	68,107,426	68,107,426
Lease liability	27	122,196	-	122,196
Other liabilities	25	927,792	337,119	1,264,911
		11,415,588	68,444,545	79,860,133
Net financial assets		**9,218,604**	**85,182,853**	**94,401,457**

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in foreign currency rates against the Naira. For each sensitivity scenario, the impact of change in a single factor is shown, with other assumptions or variables held constant.

In thousands of Naira	Exchange rate	31 December 2023	Exchange rate	31 December 2022
10% increase	1,549.00	13,294,563	951.79	8,518,285
10% decrease	1,549.00	(13,294,563)	951.79	(8,518,285)

(iii) Credit risk

Credit risk is the risk of loss arising from claims on guarantees provided by the Company as a result of default by obligors and also the risk of loss arising from counterparty's inability or unwillingness to fulfil contractual obligations to the Company. Other key areas where the Company is exposed to credit risk are:

- **Cash and cash equivalents:** The risk of these exposures are tied to the financial health of the Company's banking counterparties.
- **Investment securities:** The risk of this exposure is also tied to the financial health of the counterparty or financial institution.
- **Other assets:** These exposures represent receivables due from clients and related parties.
- **Guarantee fee receivables:** These exposures represent receivables due from Viathan Funding Plc relating to the guarantee fees due from the financial guarantee contract.

Management of credit risk

The Company has instituted a set of credit and investment policies governing underwriting and investment criteria and a robust credit evaluation and approval process in its bid to mitigate credit risk. The following principles form the basis of the Company's credit risk management with respect to its guarantee contracts:

- appropriate risk diversification within its eligible transactions;
- thorough risk assessment at the credit appraisal stage of the guarantee process;
- risk-based pricing and risk mitigation strategies;
- continuous risk monitoring at the individual counterparty level as well as the portfolio level; and
- avoidance of undesirable risks to the extent possible.

The Credit Guarantee Policy of the Company also details the use of other approved credit mitigant facilities such as reinsurance from highly rated counterparties, refinancing creditworthy brownfield eligible infrastructure related assets, co-guaranteeing transactions with other entities, partial guarantees, tranching of debt issuances and guaranteeing the senior debt tranche, non-acceleration of guarantee obligations, guaranteeing long term amortising debt and avoiding 'bullet maturities' and ensuring adequate cover on the nature and type of security package. The Board of Directors has overall responsibility for all aspects of Risk Management within the Company.

The table below shows the exposure of credit risk based on financial assets held by the Company.

In thousands of Naira	Note	31 December 2024	31 December 2023
Cash and cash equivalents	15	39,013,538	7,702,488
Investment securities	16	257,869,214	157,281,654
Guarantee fee receivable	17	8,770,252	8,674,785
Trade and other receivables	18	1,928,173	602,664
Total exposure to credit risk		**307,581,177**	**174,261,591**

With respect to proprietary management of investment portfolio, the Company only transacts with financial institutions and other counterparties that are rated the equivalent of investment grade. Where the counterparties have minimum of investment grade rating, they are considered to have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Furthermore, although the value of trade receivables are grossly insignificant at the end of the year, the Company reviews the recoverable amount of each trade receivable on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made in line with IFRS 9. In this regard, the directors of the Company consider that the Company's credit risk with respect to trade receivables is significantly reduced. Trade receivables consist of receivables for upfront fees from clients in respect of due diligence on proposed guarantee of infrastructure bonds.

The credit risk on liquid funds is grossly immaterial because the counterparties are banks with high credit-ratings assigned by reputable credit-rating agencies. Thus, no loss allowance was recognized on cash and bank balances at the end of the reporting period.

As noted above, the Company is exposed to credit risk in relation to financial guarantees given to customers which are companies engaged in infrastructure development. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantees are called on. As at 31 December 2024, there was nil expected credit losses (2023: nil).

Collateral held as security and other credit enhancements

The Company holds collateral or other credit enhancements to mitigate credit risk associated with financial guarantee contracts. Below shows the nature and value of collaterals held as securities for the guarantee contracts issued as at 31 December 2024:

Viathan Funding Limited (Viathan)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	19,570,800	14,646,326
Reserve account (Bank balance)	5,957	4,340
Total value of the collateral held	**19,576,757**	**14,650,666**
Outstanding value of the guarantee at the end of the year	(6,984,361)	(7,482,421)
Excess of collateral over outstanding value of the guarantee	**12,592,396**	**7,168,245**

Other than the reserve account and bank balances; the valuation for Viathan's assets was undertaken by Jide Taiwo & Co. (FRC/2012/0000000000254). This valuation falls in category 3 of the fair value hierarchy.

North South Power Company Limited (NSP)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	62,800,000	72,750,000
Reserve account (Bank balance)	2,168,720	2,111,689
Total value of the collateral held	**64,968,720**	**74,861,689**
Outstanding value of the guarantee at the end of the year	(7,787,732)	(8,378,507)
Excess of collateral over outstanding value of the guarantee	**57,180,988**	**66,483,182**

Other than the reserve account and bank balances; the valuation for NSP's assets was undertaken by Deloitte & Touche (Tope Odukoya- FRC/2012/ICAN/00000000422). This valuation falls in category 3 of the fair value hierarchy.

GEL Utility Limited (GEL)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	20,059,500	20,059,500
Reserve account (Bank balance)	2,812,646	2,559,438
Total value of the collateral held	**22,872,146**	**22,618,938**
Outstanding value of the guarantee at the end of the year	(11,740,758)	(12,223,071)
Excess of collateral over outstanding value of the guarantee	**11,131,388**	**10,395,867**

Other than the reserve account and bank balances; the valuation for GEL's assets was undertaken by Jide Taiwo & Co. (FRC/2012/0000000000254). This valuation falls in category 3 of the fair value hierarchy.

Transport Services Limited (TSL)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	56,070,912	32,304,141
Reserve account (Bank balance)	1,937	242,136
Total value of the collateral held	**56,072,849**	**32,546,277**
Outstanding value of the guarantee at the end of the year	(14,000,000)	(15,500,000)
Excess of collateral over outstanding value of the guarantee	**42,072,849**	**17,046,277**

Other than the reserve account and bank balances; the valuation for TSL's assets was undertaken by Ubosi Eleh + Co. (FRC/2014/NIESV/00000001493). This valuation falls in category 3 of the fair value hierarchy.

Lagos Free Zone Company (LFZC)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	333,270,000	333,270,000
Reserve account (Bank balance)	-	-
Total value of the collateral held	333,270,000	333,270,000
Outstanding value of the guarantee at the end of the year	(53,000,000)	(53,000,000)
Excess of collateral over outstanding value of the guarantee	**280,270,000**	**280,270,000**

Other than the reserve account and bank balances; the valuation for LFZC's assets was undertaken by Knight Frank (FRC/2013/0000000000584). The valuation report was signed by Sunny Akpodiogaga. This valuation falls in category 3 of the fair value hierarchy.

GPC Energy & Logistics Limited (GPC)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	41,070,212	41,070,212
Reserve account (Bank balance)	719,744	651,523
Total value of the collateral held	**41,789,955**	**41,721,734**
Outstanding value of the guarantee at the end of the year	(18,456,306)	(20,000,000)
Excess of collateral over outstanding value of the guarantee	**23,333,649**	**21,721,734**

Other than the reserve account and bank balances; the valuation for GPC's assets was undertaken by Pat Obianwu & Co. (FRC/2014/NIESV/00000007136) signed by ESV. Patrick Obianwu. This valuation falls in category 3 of the fair value hierarchy.

Asiko Power Limited (Asiko)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	9,769,773	2,625,955
Reserve account (Bank balance)	410,425	109,999
Total value of the collateral held	**10,180,198**	**2,735,954**
Outstanding value of the guarantee at the end of the year	(13,162,017)	(1,417,859)
Excess of collateral over outstanding value of the guarantee	**(2,981,819)**	**1,318,095**

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Other than the reserve account and bank balances; the valuation for Asiko's assets was undertaken by Jude Okokor & Co. (FRC/2014/NIESV/00000006456). This valuation falls in category 3 of the fair value hierarchy.

PAN African Towers Limited (PAT)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	36,438,500	29,007,500
Reserve account (Bank balance)	1,266,302	473,629
Total value of the collateral held	**37,704,802**	**29,481,129**
Outstanding value of the guarantee at the end of the year	(9,630,075)	(10,000,000)
Excess of collateral over outstanding value of the guarantee	**28,074,727**	**19,481,129**

Other than the reserve account and bank balances; the valuation for PAT's assets was undertaken by JideTaiwo & Co. (FRC/2012/0000000000254). This valuation falls in category 3 of the fair value hierarchy.

Darway Coast (Darway)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	2,573,600	1,600,000
Reserve account (Bank balance)	1,797,912	1,645,071
Total value of the collateral held	**4,371,512**	**3,245,071**
Outstanding value of the guarantee at the end of the year	(800,000)	(800,000)
Excess of collateral over outstanding value of the guarantee	**3,571,512**	**2,445,071**

Other than the reserve account and bank balances; the facility size has been taken as the collateral size.

Green Liquefied Natural Gas Limited (GLNG)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	16,478,014	7,727,430
Reserve account (Bank balance)	1,137,009	488,581
Total value of the collateral held	**17,615,215**	**8,216,011**
Outstanding value of the guarantee at the end of the year	(14,757,025)	(5,828,375)
Excess of collateral over outstanding value of the guarantee	**2,857,998**	**2,387,636**

Other than the reserve account and bank balances; the valuation for GLNG's assets was undertaken and signed by Biodun Odeleye & Co. This valuation falls in category 3 of the fair value hierarchy.

Abuja Steel Mills Limited (Abuja Steel)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	31,354,425	31,353,425
Reserve account (Bank balance)	164,400	128,831
Total value of the collateral held	**31,518,825**	**31,482,256**
Outstanding value of the guarantee at the end of the year	(10,000,000)	(10,000,000)
Excess of collateral over outstanding value of the guarantee	**21,518,825**	**21,482,256**

Other than the reserve account and bank balances; the valuation for Abuja Steel's assets was undertaken and signed by Osas and Oseji (FRC/2012/0000000000522). This valuation falls in category 3 of the fair value hierarchy.

MeCure Industries Plc (MeCure)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	40,471,999	12,374,871
Reserve account (Bank balance)	308,241	-
Total value of the collateral held	**40,780,240**	**12,374,871**
Outstanding value of the guarantee at the end of the year	(10,000,000)	(6,500,000)
Excess of collateral over outstanding value of the guarantee	**30,780,240**	**5,874,871**

Other than the reserve account and bank balances; the valuation for Mecure's assets was undertaken and signed by Adefila & Partners. This valuation falls in category 3 of the fair value hierarchy.

Coleman Technical Industries Limited (Coleman)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	111,860,862	111,860,862
Reserve account (Bank balance)	-	-
Total value of the collateral held	**111,860,862**	**111,860,862**
Outstanding value of the guarantee at the end of the year	(9,166,667)	(10,000,000)
Excess of collateral over outstanding value of the guarantee	**102,694,196**	**101,860,862**

Other than the reserve account and bank balances; the valuation for Coleman's assets was undertaken and signed by Idowu Shada & Co. This valuation falls in category 3 of the fair value hierarchy.

Victoria Island Power Limited (Elektron)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	26,000,000	28,492,936
Reserve account (Bank balance)	-	-
Total value of the collateral held	**26,000,000**	**28,492,936**
Outstanding value of the guarantee at the end of the year	(26,000,000)	(16,000,000)
Excess of collateral over outstanding value of the guarantee	**-**	**12,492,936**

Modern Shelter Systems and Services Limited (Modern Shelter)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	15,959,700	3,000,000
Reserve account (Bank balance)	142,449	-
Total value of the collateral held	**16,102,149**	**3,000,000**
Outstanding value of the guarantee at the end of the year	(5,125,000)	(3,000,000)
Excess of collateral over outstanding value of the guarantee	**10,977,149**	**-**

Notes to the financial statements

Prado Power (Prado)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	1,950,000	-
Reserve account (Bank balance)	138,364	-
Total value of the collateral held	**2,088,364**	**-**
Outstanding value of the guarantee at the end of the year	(1,950,000)	-
Excess of collateral over outstanding value of the guarantee	**138,364**	**-**

Falcon Corporation Limited (Falcon)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	5,000,000	3,000,000
Reserve account (Bank balance)	276,966	150,000
Total value of the collateral held	**5,276,966**	**3,150,000**
Outstanding value of the guarantee at the end of the year	(5,000,000)	(3,000,000)
Excess of collateral over outstanding value of the guarantee	**276,966**	**150,000**

Hotspot Network Limited (Hotspot)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	955,000	1,910,000
Reserve account (Bank balance)	117,999	126,791
Total value of the collateral held	**1,072,999**	**2,036,791**
Outstanding value of the guarantee at the end of the year	(955,000)	(955,000)
Excess of collateral over outstanding value of the guarantee	**117,999**	**1,081,791**

ACOB Lighting Technology Limited (ACOB)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	755,000	755,000
Reserve account (Bank balance)	55,462	-
Total value of the collateral held	**810,462**	**755,000**
Outstanding value of the guarantee at the end of the year	(755,000)	(755,000)
Excess of collateral over outstanding value of the guarantee	**55,462**	**-**

LADOL Integrated Logistics Free Zone Enterprise (LADOL)

In thousands of Naira	31 December 2024	31 December 2023
Open Market value of property held	2,137,310	-
Reserve account (Bank balance)	-	-
Total value of the collateral held	**2,137,310**	**-**
Outstanding value of the guarantee at the end of the year	(1,268,750)	-
Excess of collateral over outstanding value of the guarantee	**868,560**	**-**

In respect of the nature and value of collaterals held as securities for the respective guarantee contracts issued as at 31 December 2024 detailed above:

There was no change in the Company's collateral policy during the year.

Overview of the Company's exposure to credit risk

As at 31 December 2024, the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from:

- the carrying amount of the respective recognised financial assets as stated in the statement of financial position; and
- the financial guarantee disclosed in the notes below.

In order to minimise credit risk, the Company has tasked its Board and Management Credit Committees to develop and maintain the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by reputable independent rating agencies where available and, if not available, the Credit Committees use other publicly available financial information and the Company's own records to rate its major customers and other debtors. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company's current credit risk grading framework comprises the following categories:

Internal credit rating	Description	Basis for recognising expected credit losses (ECLs)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL.
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition .	Lifetime ECL – not credit impaired.
Default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired.
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off.

The tables below detail the credit quality of the Company's financial assets and financial guarantee contracts (off-balance sheet) as well as the Company's maximum exposure to credit risk by credit risk rating grades. Current credit ratings were assigned by Agusto & Co., GCR, Fitch and S&P.

31 December 2024	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount (i)	Loss allowance	Net carrying amount (i)
Cash and cash equivalents	15	AAA - BB+ *	Performing	12-month ECL	39,054,899	(41,361)	39,013,538
Investment securities	16	A1 - AAA*	Performing	12-month ECL	260,312,600	(2,443,386)	257,869,214
Guarantee fee receivables	17	A - BBB+ *	Performing	12-month ECL	8,770,252	-	8,770,252

Trade and other receivables	18	A - BBB+ *	Performing	Lifetime ECL	2,620,822	(692,649)	1,928,173
Total exposure to credit risk					**310,758,573**	**(3,177,396)**	**307,581,177**

31 December 2023	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount (i)	Loss allowance	Net carrying amount (i)
Cash and cash equivalents	15	AAA - BB+ *	Performing	12-month ECL	7,718,228	(15,740)	7,702,488
Investment securities	16	A1 - AAA*	Performing	12-month ECL	158,649,585	(1,367,931)	157,281,654
Guarantee fee receivables	17	A - BBB+ *	Performing	12-month ECL	8,674,785	-	8,674,785
Trade and other receivables	18	A - BBB+ *	Performing	Lifetime ECL	831,476	(228,812)	602,664
Total					**175,874,074**	**(1,612,483)**	**174,261,591**

*Assigned by Fitch, Agusto and GCR

Incorporation of forward-looking information

The Company uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. The Company uses external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

The Company applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome. The Company has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. The Company has not made changes in the estimation techniques or significant assumptions made during the reporting period.

The table below summarises the principal macroeconomic indicators included in the economic scenarios used at 31 December 2024 for the years 2025 to 2026

	2025	2026
Crude oil price (USD)	75.57	74.50
Prime Lending rate (%)	29.30%	26.75%

Source: Fitch Solutions

Below is the disclosure of scenario probability weightings applied in measuring ECL for both 2023 and 2024

	Probability of Default	
Scenarios	2024	2023
Best Case	33.33%	41.04%
Best Case	27.50%	28.36%
Worst Case	29.17%	30.60%

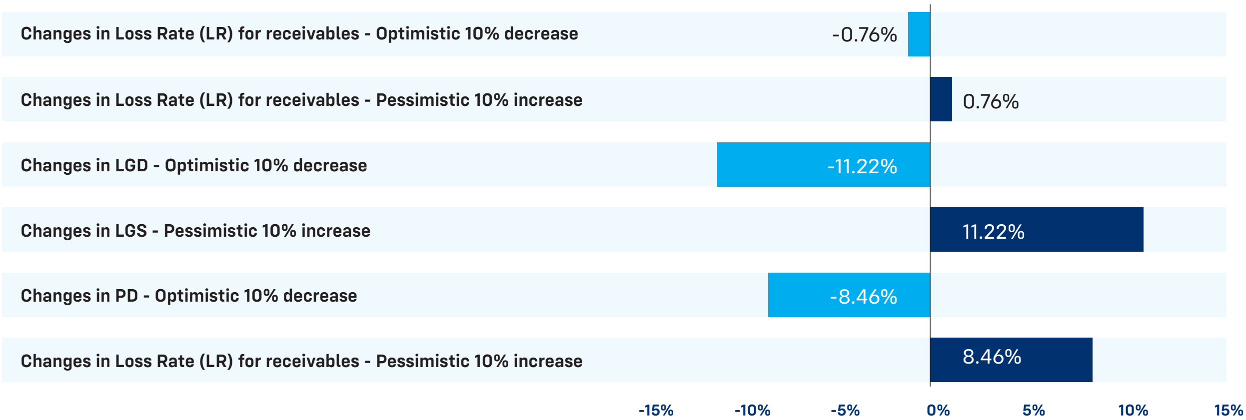
Sensitivity Analysis

The sensitivity analysis assesses the ECL sensitivity to changes in key assumptions used in the computations. The ECL is recalculated per assumption change, and each recalculated ECL is then compared to the base run to quantify the impact of the assumption change.

In carrying out the sensitivity analysis, we adjusted the following parameters:

1. Probability of Default (PD) for the current accounts and investment securities.
2. Loss Given Default (LGD) for the current accounts and investment securities.
3. Loss rate for the trade receivables.

Changes in ECL



Sensitivity Analysis on ECL Parameters

The above results show that the ECL estimation is sensitive to changes in the LGD and PD. As a result, we shall continue to review and back test the adequacy of this assumption as used in the ECL computation on a continuous basis to ensure the ECL estimate continues to provide a true and fair view of the Company's position.

Measurement of expected credit losses (ECLs)

The key inputs used for measuring ECL are: probability of default (PD); loss given default (LGD); and exposure at default (EAD).

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. The calculation is based on external rating model, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures . The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact PD.

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. LGD models for unsecured assets consider time of recovery, recovery rates and seniority of claims. The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original EIR of the instrument.

Notes to the financial statements

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

The Company measures ECL considering the risk of default over the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if contract extension or renewal is common business practice.

Concentration of credit risk

Most of the financial assets which are exposed to credit risks are from transactions with counterparty companies in the banking industry in Nigeria and public sector (Federal Government of Nigeria). The credit risk that the Company is exposed to as a result of the financial assets is considered low as the counterparties have consistently been rated above average by reputable credit rating agencies such as Fitch, Agusto, GCR and S&P . These counterparties include Federal Government of Nigeria, Stanbic Bank, Access Bank, Ecobank, United Bank for Africa, Guaranty Trust Bank, and Standard Chartered Bank. As at the reporting date, none of these financial assets have shown objective evidence of impairment.

Concentration by Sector

			Cash Equivalents		Investment Securities	
In thousands of Naira	**Rating**	**Location**	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial Institutions						
Stanbic IBTC Bank PLC	AAA***	Nigeria	16,602,034	437,206	23,251,182	-
Access Bank Plc	AA*	Nigeria	22,194,350	6,323,704	3,321,416	-
United Bank for Africa Plc	AA- *	Nigeria	663	402	-	-
Ecobank Nigeria Limited	BB**	Nigeria	1,368	1,035	-	27,297,055
Guaranty Trust Bank	B-***	Nigeria	145,244	220,402	-	-
Standard Chartered Bank	A+ ***	Nigeria	69,881	719,739	-	-
			39,013,538	**7,702,488**	**26,572,598**	**27,297,055**
Sovereign/ Government						
Federal Government of Nigeria	B- ***	Nigeria	-	-	231,296,616	129,984,599
Total			**39,013,538**	**7,702,488**	**257,869,214**	**157,281,654**

Concentration by product

In thousands of Naira	31 December 2024	31 December 2023
Bank balances	7,155,553	2,524,151
Placement with banks	31,857,982	5,178,337
Eurobonds	250,305,346	152,467,691
Treasury bills	3,321,416	-
FGN bonds	4,242,452	4,813,963
Total	**296,882,749**	**164,984,142**

Concentration by region

In thousands of Naira	31 December 2024	31 December 2023
Nigeria	296,882,749	164,984,142
Total	**296,882,749**	**164,984,142**

Guarantee fee receivables at amortised cost

Concentration by sector

In thousands of Naira	Internal Rating	External Rating	Location	31 December 2024	31 December 2023
Power Sector					
Viathan Funding Limited	BB+		Nigeria	55,397	117,305
North South Power Company Limited	A-	AA**	Nigeria	246,352	325,953
GEL Utility Limited	BBB	BBB+*/BBB**	Nigeria	413,026	534,812
Asiko Energy Holding Limited	BBB+		Nigeria	37,634	60,800
Victoria Island Power	BBB		Nigeria	459,701	751,401
				1,212,110	**1,790,271**
Transport sector					
TSL	BB+		Nigeria	284,939	426,322
GPC	BBB+		Nigeria	484,738	676,605
				769,676	**1,102,927**
ICT Telecommunications					
PAN African Towers Limited	BBB-	BBB**	Nigeria	559,253	754,176
Hotspot Network Limited	BBB-		Nigeria	59,130	84,043
				618,383	**838,219**
Gas-to-Power					
GLNG	BBB		Nigeria	493,393	423,305
				493,393	423,305
Gas-to-Clean Cooking					
Gas Terminalling Limited	BBB+		Nigeria	105,653	169,290
Falcon Incorporation Limited	BBB		Nigeria	235,698	183,013
				341,351	**352,303**
Social Infra (Health sector)					
MeCure Industries Plc	BBB	BBB+ **	Nigeria	621,427	-
				621,427	**-**
Social Infra (Health sector)					
Modern Shelter Systems	BBB		Nigeria	156,266	116,362
				156,266	**116,362**

Notes to the financial statements

Logistics					
LFZC	A-	BBB*	Nigeria	3,628,100	2,899,924
Ladol	BBB		Nigeria	-	-
				3,628,100	**2,899,924**

Manufacturing					
Coleman Technical Industries Limited	A-	A-*/BBB **		257,161	411,233
Abuja Steel Mills	A-			440,847	624,333
				698,007	**1,035,565**

Renewable Energy					
Darway Coast		BBB	Nigeria	32,242	50,709
ACOB Lighting Tecnology Ltd		BBB-	Nigeria	45,672	65,198
Prado Power			Nigeria	153,643	-
				231,557	**115,907**
Total				**8,770,270**	**8,674,784**

*Assigned by Agusto
**Assigned by GCR
***Assigned by Fitch

Concentration by region

In thousands of Naira	31 December 2024	31 December 2023
Nigeria	8,770,270	8,674,784
Total	**8,770,270**	**8,674,784**

Financial guarantee contracts (off balance sheet)

In thousands of Naira	31 December 2024	31 December 2023
Viathan Funding Ltd	5,222,785	6,492,373
North South Power	7,218,191	7,536,150
GEL Utility	11,740,758	12,223,071
Transport Services Ltd (TSL)	9,000,000	10,500,000
North South Power II	569,541	842,357
Viathan Funding Ltd II	761,576	990,048
Lagos Free Zone Company	10,500,000	10,500,000
GPC Energy and Logistics	18,456,306	20,000,000
LFZC II Funding SPV Plc	25,000,000	25,000,000
PAN African Towers Limited	9,630,075	10,000,000
Asiko Power Limited	1,220,350	1,417,859
Gas Terminalling Ltd	3,441,667	3,500,000
Darway Coast	800,000	800,000
GLNG	650,000	650,000

Transport Services Ltd (TSL) II	5,000,000	5,000,000
GLNG	5,000,000	5,000,000
Falcon Incorporation Limited	3,000,000	3,000,000
LFZC III Funding SPV Plc	17,500,000	17,500,000
Victoria Island Power	9,200,000	9,200,000
Hotspot Network Limited	955,000	955,000
GLNG III	107,025	178,375
Coleman Technical Industries Limited	9,166,667	10,000,000
Abuja Steel Mill	10,000,000	10,000,000
Victoria Island Power II	3,800,000	3,800,000
Me Cure Industries Plc III	5,000,000	4,000,000
Me Cure Industries Plc IV	5,000,000	2,500,000
Modern Shelter Systems	2,625,000	3,000,000
Victoria Island Power III	3,000,000	3,000,000
ACOB Lighting Tecnology Ltd	755,000	755,000
Gas Terminalling II	8,500,000	8,500,000
GLNG IV	4,000,000	-
GNLG V	5,000,000	-
Modern Shelter II	2,500,000	-
Prado Power	1,950,000	-
Falcon Incorporation Limited II	2,000,000	-
Victoria Island Power IV	10,000,000	-
Ladol	1,268,750	-
Viathan Funding Ltd III	1,000,000	-
	220,538,691	**196,840,233**

On December 30, 2024, Asiko Power Limited issued an N8 billion capital market bond, guaranteed by InfraCredit. The bond proceeds were intended to refinance the N8.5 billion Gas Terminalling 2 bridge facility. However, as of December 31, 2024, Asiko Power Limited had not yet received the bond proceeds. Consequently, the transaction was not recognized as finalized in the financial statements, but this disclosure was made to reflect the status.

Loss allowance by financial instrument

In thousands of naira	Note	31 December 2024	31 December 2023
Cash and cash equivalent	15	41,361	15,740
Investment securities at amortised cost	16	2,443,386	1,367,931
Trade and other receivables	18	692,649	228,812
		3,177,396	**1,612,482**

(A) Analysis of movement in loss allowance

The tables below analyse the movement of the loss allowance during the period per class of assets.

In thousands of Naira	Trade and other receivables 12-month ECL	Guarantee fee receivable 12-month ECL	Cash Equivalents 12-month ECL	Investment Securities 12-month ECL	Total
As at 1 January 2023	142,713	-	11,270	561,667	715,650
New financial assets originated or purchased	228,812	-	15,739	1,367,932	1,612,483
Financial assets that have been derecognised	(142,713)	-	(11,270)	(561,667)	(715,650)
Impairment loss for the period (see note 10)	**86,099**	**-**	**4,469**	**806,265**	**896,833**
As at 31 December 2023	**228,812**	**-**	**15,740**	**1,367,931**	**1,612,483**
New financial assets originated or purchased	692,649	-	41,361	2,443,386	3,177,396
Financial assets that have been derecognised	(228,812)	-	(15,740)	(1,367,931)	(1,612,483)
Impairment loss for the period (see note 10)	**463,837**	**-**	**25,621**	**1,075,455**	**1,564,913**
As at 31 December 2024	**692,649**	**-**	**41,361**	**2,443,386**	**3,177,396**

(i) For financial guarantee contract, the gross carrying amount represents the maximum amount the Company has guaranteed under the contract. No impairment allowance was recognised in the profit or loss (2023: Nil).

(ii) For trade receivables, the Company has estimated impairment based loss rates, days past due and applying experienced credit judgement. The estimation resulted in an impairment loss of N462 million (2023: N86 million) which has been recognised in profit or loss.

(iii) The loss allowance of N1.075 billion (2023: N806.3 million) on investment securities measured at amortised cost is determined based on the credit ratings of the institutions in which the securities are held and is recognised in profit or loss.

(iv) The loss allowance of N25.6 million (2023: N4.47 million) on cash and cash equivalents is determined based on the credit ratings of the institutions in which the cash are held and is recognised in profit or loss.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will be unable to efficiently meet both expected and unexpected current and future cash flow without affecting either its daily operations or its financial condition.

The key objectives for the Company's liquidity risk management are to ensure that the liquidity position is strong enough to enable the Company carry out its core activities for a defined period of time under stressed market conditions without access to new funding, secure the highest possible credit rating by rating agencies and to fulfil the ratio requirements as specified in the capital requirements of the contingent capital facility where applicable.

Management of liquidity risk

The Company's Risk Management Framework is designed to ensure that the Company would always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring prohibitive finance costs.

In the management of its liquidity risk position, the Company employs the following:

- Conducting the liquidity stress tests of the Company's guarantee portfolio quarterly to ensure that the sufficient liquidity can be raised by the Company to service contingent guarantee claims. The outcome of the stress test is reported to and approved by the Board of Directors.
- Maintaining a contingency funding plan.

Residual contractual maturities of financial assets

The table below analyses the Company's non-derivative financial assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows at maturity date.

31 December 2024

In thousands of naira	Note	Carrying amount	Gross nominal inflow/ (outflow)	Less than 3 months	3 months to 6 months	6 months to 12 months	Over 12 months
Cash equivalents	15	39,013,538	39,054,899	39,054,899	-	-	-
Investment securities	16	257,869,214	279,460,151	5,212,045	23,932,510	48,542,161	201,773,436
Guarantee fee receivable	17	8,770,252	8,770,252	498,240	400,884	869,865	7,001,263
Trade and other receivables	18	1,928,173	2,620,822	2,620,822	-	-	-
		307,581,177	**329,906,124**	**47,386,006**	**24,333,394**	**49,412,025**	**208,774,699**
Financial guarantee liability	23	10,289,597	10,289,597	674,174	769,739	1,511,048	7,334,635
Other liabilities	25	2,485,235	2,485,235	2,485,235	-	-	-
Lease liability	27	64,803	64,803	-	-	33,333	31,470
Unsecured subordinated long term loan	30	134,414,766	158,300,078	987,051	-	8,092,332	149,220,695
Gap (assets-liabilities)		160,326,776	158,766,412	43,239,546	23,563,655	39,775,312	52,187,899
Cumulative liquidity gap				**43,239,546**	**66,803,201**	**106,578,513**	**158,766,412**

31 December 2023

In thousands of naira	Note	Carrying amount	Gross nominal	Less than 3 months	3 months to 6 months	6 months to 12 months	Over 12 months
Cash and cash equivalents	15	7,702,488	7,718,228	7,718,228	-	-	-
Investment securities	16	157,281,654	165,776,854	2,411,911	13,458,494	18,435,268	131,471,180
Guarantee fee receivable	17	8,674,785	8,674,785	420,978	303,996	842,973	7,106,838
Trade and other receivables	18	602,664	831,476	831,476	-	-	-
		174,261,591	**183,001,343**	**11,382,593**	**13,762,490**	**19,278,241**	**138,578,018**
Financial guarantee liability	23	7,382,654	10,365,600	674,284	734,326	1,406,045	7,550,944
Other liabilities	25	1,264,911	1,264,911	1,264,911	-	-	-
Lease liability	27	104,155	122,196	-	-	33,333	88,863
Unsecured subordinated long term loan	30	68,107,426	78,301,948	197,896	-	194,670	77,909,382
Gap (assets-liabilities)		97,402,445	92,946,687	9,245,501	13,028,164	17,644,193	53,028,829
Cumulative liquidity gap				**9,245,501**	**22,273,665**	**39,917,858**	**92,946,688**

(v) Operational risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events such as violent events like natural disaster, fire, flooding, terrorist actions, etc. This definition includes legal risk but excludes strategic and reputational risk.

The Company's Operational Risk Management (ORM) Policy provides a firm-wide definition of Operational Risk and codifies the core governing principles for Operational Risk Management. The Policy outlines the crucial elements of an ORM framework which include:

- clear strategies and oversight by the Board of Directors and Senior Management.
- a strong operational risk and internal control culture (including, among other things, the set of individual and corporate values, attitudes, competencies and behaviour that determine a firm's commitment to and style of operational risk management) and effective internal reporting.
- commitment to effective corporate governance, including, among others, segregation of duties, avoidance of conflicts of interest, clear lines of management responsibility, accountability and reporting, as reflected in the Company's corporate governance documents. All levels of staff must understand their responsibilities with respect to operational risk management.
- foundational structures which are relied upon to minimize and effectively respond to operational risk, with emphasis on Strategies, People, Processes, Systems and Controls.
- effective monitoring and internal reporting, and high standards of ethics and integrity; and
- contingency and business continuity plans.

The objective of ORM policy at InfraCredit is to establish and maintain a sound ORM program to where possible prevent, and where not possible, mitigate, identify, measure, assess, monitor, over-come and report on operational risk by:

- providing an organization-wide definition of operational risk,
- defining InfraCredit's risk appetite, strategy and policies in regard to operational risk,
- establishing the Operational Risk governance structure, and the roles and responsibilities of personnel and committees,
- defining relevant operational risk processes, including identification, assessment and/or measurement, monitoring, control/mitigation and reporting; and defining the tools used to guard against operational risk, such as: data collection, Risk & Control Self- Assessments (RCSAs), cultivating a process-driven work environment, training, technology, tracking key risk indica-tors and Business Continuity Management.

The management of operational risk in InfraCredit is undertaken at three distinct levels, each with clearly defined roles and responsibilities as follows:

- the first line of defence is the responsibility of each business unit to develop processes and identify, measure, monitor and manage risks in their respective business units,
- the second line of defence includes the principal stewards of the Credit Risk, Market Risk and Operational Risk Policies, Compliance & Internal Control, the Asset Liability Committee (ALCO) and the Management Risk Oversight Committee (MROC), which have heightened responsibility to monitor and report on key risk areas of the business.
- the third line of defence is Internal Audit, which inter alia undertakes reviews of the adequacy of ORM processes and their effectiveness across all functions and core business processes of the Company.

(vi) Capital management

The strategy for assessing and managing the impact of the business plans on both core and contingent capital forms an integral part of the Company's strategic plan. The fundamental driver in determining capital adequacy for a credit guarantor is the sufficiency of capital to cover the expected losses on the portfolio given an assumed worst case expected loss scenario with adequate consideration given to the leverage levels and the ability of the Company to access its capital - both the invested qualifying capital and if necessary the unfunded contingent capital facility to make payment for losses under a financial guarantee.

The strategy and approach to capital management is to operate with a conservative policy which is centred around ensuring that the capital structure of the company is resilient and able to absorb losses and recapitalize from internal cashflows without external fundings.

The Company is not exposed to any externally imposed capital requirement.

The Company is expected to maintain an appropriate level of qualifying capital to support issuance of its guarantees and maintain an acceptable external rating.

Notes to the financial statements

(f) Category of financial instruments and fair values

The table below sets out the Company's classification of each class of financial assets and liabilities.

31 December 2024

In thousands of naira	Note	Carrying amount	Amortised Cost	Other financial liabilities (amortised cost)
Cash and cash equivalents	15	39,013,538	39,013,538	-
Investment securities	16	257,869,214	257,869,214	-
Guarantee fee receivable	17	8,770,252	8,770,252	-
Trade and other receivables	18	1,928,173	1,928,173	-
Total financial assets		**307,581,177**	**307,581,177**	**-**
Unsecured subordinated long term loan	30	134,414,766	-	134,414,766
Financial guarantee liability	23	10,289,597	-	10,289,597
Financial guarantee liability	27	64,803	-	64,803
Other liabilities	25	2,485,235	-	2,485,235
Total financial liabilities		**147,254,401**	**-**	**147,254,401**

31 December 2023

In thousands of naira	Note	Carrying amount	Amortised Cost	Other financial liabilities (amortised cost)
Cash and cash equivalents	15	7,702,488	7,702,488	-
Investment securities	16	157,281,654	157,281,654	-
Guarantee fee receivable	17	8,674,785	8,674,785	-
Trade and other receivables	18	602,664	602,664	-
Total financial assets		**174,261,591**	**174,261,591**	**-**
Unsecured subordinated long term loan	30	68,107,426	-	68,107,426
Financial guarantee liability	23	10,365,600	-	10,365,600
Lease liability	27	122,196	-	122,196
Other liabilities	25	1,264,911	-	1,264,911
Total financial liabilities		**79,860,133**	**-**	**79,860,133**

7 Guarantee fee income

In thousands of Naira	31 December 2024	31 December 2025
Mandate fees (a)	115,500	133,250
Guarantee fees (b)	4,119,544	2,798,341
Monitoring fees (c)	972,867	582,514
	5,207,911	**3,514,106**

(a) Amount represents the fees earned from clients for the preliminary analysis and due diligence done by the Company for providing guarantees for the issued and proposed infrastructure bonds.

(b) Amount represents the amortized portion of the non-refundable fee calculated as a percentage of the guaranteed amount earned from customers. See Note 32 for breakdown of all guarantees issued.

(c) Amount represents the amortized portion of fixed non-refundable annual fees for providing monitoring services for guarantees issued.

8 Guarantee fee expense

In thousands of Naira	31 December 2024	31 December 2023
Guarantee fee expense (a)	155,147	194,827
Re-guarantee fee expense (b)	641,145	90,632
Upfront fee expense (a)	26,775	3,003
Monitoring fee expense (a)	36,226	10,090
Due diligence/project development expense (c)	646,266	343,179
	1,505,559	**641,731**

(a) Amounts represent the fee expenses (upfront, guarantee, and monitoring fees) incurred by the Company in respect of the callable capital funding facility agreement with GuarantCo, which was later cancelled in June 2024.

(b) Re-guarantee fees represent fees paid to African Trade and Investment Development Insurance (ATIDI) for Pan African Towers (PAT) and a separate arrangement with seven other obligors; as well as payment to GuarantCo in respect of LFZC risk-sharing arrangement.

(c) Amount represents directly attributable costs incurred with respect to due diligence/project development activities and consultancy fees on guarantee transactions.

9 Net investment income

	In thousands of Naira	31 December 2024	31 December 2023
(a)	**Interest income**		
	Bank placements	2,092,958	563,145
	Eurobonds	18,619,431	7,975,819
	FGN Bonds	535,754	169,416
	Treasury Bills	457,523	-
		21,705,666	**8,708,381**

The total interest income calculated using the effective interest rate (EIR) method for financial assets at amortised cost is N21.71 billion (2023: N8.71 billion).

	In thousands of Naira	31 December 2024	31 December 2023
(b)	**Interest expense**		
	Interest expense long-term unsecured subordinated loans	6,364,272	2,863,054
	Interest expenses leased liabilities (see note 21)	16,200	18,041
	Investment management fee expenses	293,863	125,525
		6,674,335	3,006,620
	Net interest income (a)-(b)	**15,031,331**	**5,701,760**

The total interest expense calculated using the effective interest rate (EIR) method for financial liabilities measured at amortised cost is N6.38 billion (2023: N2.88 billion).

10 Impairment charge on financial instruments

In thousands of Naira	31 December 2024	31 December 2023
Investment securities (see note 16a)	1,075,455	806,265
Other receivables (see note 18b)	463,837	86,099
Cash equivalents (see Note 15b)	25,621	4,469
	1,564,913	**896,833**

11(a) Other Income

In thousands of Naira	31 December 2024	31 December 2023
Gain on sale of property, plant and equipment	**21,441**	**-**

11(b) Foreign exchange gains

In thousands of Naira	31 December 2024	31 December 2023
Gain on sale of property, plant and equipment	**50,731,484**	**42,834,137**

This largely represents the net foreign exchange gains or (losses) on the translation of the USD denominated financial assets and liabilities as at the reporting date using NAFEX rate.

12 Personnel expenses

(a) Employee costs, including those of executive directors, during the period amounted to:

In thousands of Naira	31 December 2024	31 December 2023
Wages and salaries	1,084,400	552,287
Short term incentive scheme (see note 26)	378,947	421,323
Other staff costs (i)	1,656,737	675,902
Long term incentive scheme (see note 26)	280,150	257,869
Pension cost	184,391	152,048
	3,584,625	**2,059,429**

(i) Other staff cost relates to medical cost, employee car allowance, executive allowance, staff lunch, staff welfare, PAYE, NHF, NSITF, and other staff benefits.

(b) The average number of persons in employment in the Company during the period comprise:

	31 December 2024	31 December 2023
Managerial	20	19
Other staff	16	13
	36	**32**

(c) Employees, other than Directors, earning more than N5 million per annum (excluding pension and other benefits), whose duties were wholly or mainly discharged in Nigeria, received remuneration in the following ranges:

	31 December 2024	31 December 2023
N5 million - N10 million	6	7
N10 million - N25 million	22	13
N25 million and above	8	12
	36	**32**

(d) Directors' remuneration

Remuneration paid to Directors of the Company (excluding pension contributions and other benefits) was as follows:

In thousands of Naira	31 December 2024	31 December 2023
Non-executive Directors		
Fees	554,458	281,818
Total	**554,458**	**281,818**

The emoluments of all Non-Executive Directors fell within the following ranges:

In thousands of Naira	31 December 2024	31 December 20223
N10 million and above	9	9

13 Other operating expenses

In thousands of Naira	31 December 2024	31 December 2023
Directors remuneration (Non-executive)	554,458	281,818
Marketing and advertising	87,304	87,884
Stationery and printing	8,904	14,394
Traveling and entertainment	372,321	140,863
Auditors remuneration	38,269	38,269
Information technology expenses	261,940	64,855
Training expenses	421,120	106,416
Administration and membership fees	71,264	20,885
Professional fees (See note (a) below)	356,900	285,177
Maintenance expenses	31,293	15,095
Insurance expenses	54,160	53,383
Utility and electricity	46,313	25,961
Other expenses (See note (b) below)	327,343	136,904
	2,631,589	**1,271,905**

(a) Professional fees

In thousands of Naira	31 December 2024	31 December 2023
Legal and secretarial fees	99,876	50,009
Other professional fees	152,891	169,906
HR consultancy	2,359	10,965
Credit rating expenses	101,774	54,296
	356,900	**285,177**

(b) Other expenses

In thousands of Naira	31 December 2024	31 December 2023
Bank charges	15,151	5,560
Board meeting expenses	54,332	24,733
Recruitment costs	10,254	770
Loss on disposal of property and equipment	-	22
ITF levy	23,933	12,917
Lunch expenses	7,675	12,818
Development impact expenses	27,101	18,032
Other expenses (i)	188,897	62,053
	327,343	**136,904**

(i) Other expenses includes Edge Advance signage, office expenses, business premises fee, land use charge, miscellaneous expenses, waste management expenses, fire extinguisher, DSTV Subscription, government licenses and permits and KYC expenses, legal conference expenses and year end gifts.

14 Taxation

(a) Tax Credit

	In thousands of Naira	31 December 2024	31 December 2023
i	**Minimum tax**		
	Minimum tax	-	61,112
		-	**61,112**
ii	**Current tax**		
	Company income tax	161,955	-
	Education tax	20,573	30,928
	Information technology tax	615,585	470,474
	Police Trust Fund levy	3,078	2,352
	Current income tax expense (See note 14c)	**801,191**	**503,754**
iii	**Deferred tax**		
	Deferred tax expense/(credit) (see note 24)	(103,140)	103,359
	Income tax expenses	**698,051**	**607,113**
	Total income tax expenses	**698,051**	**668,225**

The applicable tax rates for companies income tax, tertiary education tax and information technology tax are 30%, 3% and 1% respectively.

(b) Reconciliation of effective income tax rate

In thousands of Naira	31 December 2024		31 December 2023	
	Amount	Rate	Amount	Rate
Profit before tax	61,558,548		47,047,371	
Income tax @ 30% tax rate	18,467,564	30%	14,114,211	30%
Non-deductible expenses	2,293,830	4%	1,358,157	3%
Education tax	20,573	0%	30,928	
Tax exempt income	(20,555,589)	-33%	(15,163,091)	-32%
Information technology tax (see note 14a)	615,585	1%	470,474	1%
Tax losses	-	0%		1%
Nigeria Police Trust Fund Levy (see note 14a)	3,078	0%	2,352	0%
Company income tax	161,955			
Minimum Tax	-	0%	61,112	0%
Recognition of additional deductible temporary difference	(308,946)	-1%	(205,918)	0%
	698,051	**1%**	**668,225**	**1%**

(c) Current tax liability

In thousands of Naira	31 December 2024	31 December 2023
Balance as at 1 January	599,649	99,271
Charge for the year see note 14(a):		
Minimum tax	-	61,112
Current tax	801,191	503,754
Payment during the year	(510,459)	(64,488)
At end of year	**890,381**	**599,649**

15 Cash and cash equivalents

In thousands of Naira	31 December 2024	31 December 2023
Cash in hand	3	3
Cash Equivalents:		
Balances with banks	7,155,553	2,524,148
Bank placement (see note (a) below)	31,899,343	5,194,077
Cash equivalents (gross)	**39,054,899**	**7,718,228**
Impairment allowance on cash equivalents (see note (b) below)	(41,361)	(15,740)
Cash equivalents (net)	**39,013,538**	**7,702,488**

Cash and cash equivalents in the statement of financial position	**39,013,538**	**7,702,488**
Impairment allowance on cash equivalents (see note (b) below)	41,361	15,740
Cash and cash equivalents in the statement of cash flows	**39,054,899**	**7,718,228**
Current	**39,013,538**	**7,702,488**

(a) Bank placements consist of both Naira and USD denominated assets with the banks. The bank placements have an average interest rate of 19.94% (2023: 7.5%) and have an original acquisition date of less than 3 months tenor.

(b) The movement in impairment allowance on cash and cash equivalents is as follows:

In thousands of Naira	31 December 2024	31 December 2023
Opening balance	15,740	620
Recognised in income statement (See note 10)	25,621	15,120
Closing balance	**41,361**	**15,740**

16 Investment securities

In thousands of Naira	31 December 2024	31 December 2023
FGN Eurobonds at amortised cost (i)	229,490,535	126,532,154
Corporate Eurobonds at amortised cost (i)	23,253,902	27,297,055
FGN Bonds (ii)	4,244,932	4,820,376
Treasury bills	3,323,231	-
	260,312,600	**158,649,585**
Impairment allowance on investment securities (see note (a) below)	(2,443,386)	(1,367,931)
Investment securities	**257,869,214**	**157,281,654**
Current	25,505,471	45,868,963
Non-Current	232,363,743	111,412,691
Total	**257,869,214**	**157,281,654**

(i) FGN and Corporate Eurobonds have stated yields of 6.5% to 9.5% respectively, and mature in six months to seven years (December 2023: five month to nine years).

(ii) (ii) FGN Bonds have stated yields of 12.5% to 16.4% and mature in a year to five years (December 2023: a month to six years).

The movement in impairment allowance on investment securities is as follows:

(a)

In thousands of Naira	31 December 2024	31 December 2023
Opening balance	1,367,931	561,666
Recognised in income statement (See note 10)	1,075,455	806,265
Closing balance	**2,443,386**	**1,367,931**

17 Guarantee fee receivable

In thousands of Naira	31 December 2024	31 December 2023
Opening Balance	8,674,785	6,521,354
Present value of guarantee fee received	(2,576,290)	(2,321,946)
Additions during the year	2,671,757	4,475,376
Gross guarantee fee receivable	**8,770,252**	**8,674,785**
Impairment allowance	-	-
Guarantee fee receivable (see (a) below)	**8,770,252**	**8,674,785**
Current	1,768,989	1,638,520
Non-current	7,001,263	7,036,264
Total	**8,770,252**	**8,674,785**

(a) Amount represents the present value of guarantee fees receivable under the contracts undertaken by the Company to provide financial guarantee contracts. See Note 32 for the guarantees issued by the Company.

18 Trade and other receivables

In thousands of Naira	31 December 2024	31 December 2023
Other financial assets		
Trade receivable (a)	2,527,242	829,333
Other receivables (see note (b) below)	93,580	2,143
	2,620,822	**831,476**
Impairment (see note (c) below)	(692,649)	(228,812)
	1,928,173	**602,664**
Cash advance	8,124	5,722
	8,124	**5,722**
Total- Trade and other receivables	**1,936,297**	**608,386**
Current	**1,936,297**	**608,386**
Non-Current	-	-
Total	**1,936,297**	**608,386**

(a) Trade receivables relates to unpaid mandate and guarantee fees billed to clients and preliminary due diligence cost borne by InfraCredit and to be refunded by clients. The average credit period is 30 days. No interest is charged on outstanding trade receivables.

(b) Other receivables relates to receivable from a KFW Technical Assistant Facility on various expenses relating to Clean Energy, and African Property Investment Summit initially borne by InfraCredit.

(c) The movement in impairment allowance on other assets is as follows:

In thousands of Naira	31 December 2024	31 December 2023
Opening balance	228,812	142,713
Recognised in income statement (See note 10)	463,837	86,099
Closing balance	**692,649**	**228,812**

19 Prepayments

In thousands of Naira	31 December 2024	31 December 2023
Prepayments	346,076	246,818
Current	346,076	246,818
Non-Current	-	-
Total	**346,076**	**246,818**

20 Property and equipment

In thousands of Naira	Office equipment	Computer equipment	Furniture & fittings	Motor vehicles	Work in progress	Leasehold improvement	Total
Cost							
Balance as at 1 January 2023	82,946	105,162	68,812	166,109	2,038	130,690	555,757
Additions	16,748	16,892	1,774	81,871	960	10,871	129,117
Disposals	-	-	(1,498)	-	-	-	(1,498)
Balance as at 31 December 2023	**99,694**	**122,054**	**69,088**	**247,980**	**2,998**	**141,561**	**683,374**
Balance as at 1 January 2024	99,694	122,054	69,088	247,980	2,998	141,561	683,376
Additions	51,903	68,904	1,558	92,988	32,550	795	248,698
Disposals	(303)	(102)	(116)	-	-	-	(521)
Write off	-	-	-	-	(798)	-	(798)
Transfer to / from WIP	1,390	-	810	-	(2,200)	-	-
Balance as at 31 December 2024	**152,684**	**190,856**	**71,340**	**340,968**	**32,550**	**142,356**	**930,754**
Accumulated depreciation							
Balance as at 1 January 2023	47,102	78,312	55,795	93,564	-	34,782	309,555
Depreciation for the year	16,920	17,098	9,402	36,700	-	13,996	94,116
Disposal	-	-	(1,404)	-	-	-	(1,404)

Balance as at 31 December 2023	**64,022**	**95,410**	**63,791**	**130,264**	**-**	**48,778**	**402,265**
Balance as at 1 January 2024	64,022	95,410	63,791	130,264	-	48,778	402,265
Depreciation for the year	20,323	15,972	3,591	51,347	-	14,312	105,545
Disposal	(303)	(102)	(116)	-	-	-	(521)
Balance as at 31 December 2024	**84,042**	**111,280**	**67,266**	**181,611**	**-**	**63,090**	**507,288**
Carrying amounts							
Balance as at 31 December 2023	**35,673**	**26,644**	**5,297**	**117,716**	**2,998**	**92,783**	**281,109**
Balance as at 31 December 2024	**68,642**	**79,576**	**4,074**	**159,357**	**32,550**	**79,266**	**423,466**

(i) There were no capitalised borrowing costs related to the acquisition of property and equipment during the year (2023:Nil).

(ii) There were no impairment losses on any class of property and equipment during the year (2023:Nil).

(iii) There are no restriction on the Company's title to its property and equipment in the year (2023:Nil).

(iv) All property and equipment are non-current assets.

21 Right of use asset

In thousands of Naira	31 December 2024	31 December 2023
Cost		
Balance as at beginning of the year	218,966	218,966
Addition to right-of-use asset	291,670	-
Derecognition of to right-of-use asset	(218,966)	-
Balance at end of the year	**291,670**	**218,966**
Accumulated Depreciation		
Balance as at beginning of the year	89,413	67,516
Charge for the period	31,006	21,897
Derecognition of accumulated depreciation on right-of-use asset	(105,835)	-
Balance at end of the year	**14,584**	**89,413**
Carrying amount	**277,086**	**129,552**
Amounts recognised in profit or loss		

Interest on lease liabilities	16,200	18,041
Depreciation charge of right-of-use assets	31,006	(21,897)

During the year, there was a cash outflow of N210 million in respect to the lease and N21 million of withholding tax on the lease payment in the period (2023: Nil).

22 Intangible assets

Purchased software

In thousands of Naira	31 December 2024	31 December 2023
Cost		
Balance as at beginning of the year	187,880	104,506
Additions	6,003	83,374
Balance at end of the year	**193,883**	**187,880**
Accumulated Amortisation		
Balance as at beginning of the year	59,037	42,316
Charge for the year	10,382	16,721
Balance at end of the year	**69,419**	**59,037**
Carrying amount	**124,464**	**128,843**

All intangible assets are non-current. The Company does not have internally generated intangible assets.

The Company's intangible assets are not impaired.

No commitment in respect of the Company's intangible assets.

23 Financial guarantee liability

In thousands of Naira	31 December 2024	31 December 2023
Opening balance	10,365,600	7,382,654
Amortised guarantee liability during the year	(4,119,544)	(2,798,341)
Addition during the year	4,043,541	5,781,287
Financial guarantee liability	**10,289,597**	**10,365,600**
Current	2,911,422	1,865,808
Non-current	7,378,175	8,499,792
	10,289,597	**10,365,600**

Financial guarantee liability represents the present value of guarantee fees receivable less the cumulative amount of guarantee fee income recognised. See Note 32 for the guarantees issued by the Company.

24 Deferred tax asset

In thousands of Naira	31 December 2024	31 December 2023
Property and equipment	(162,021)	(83,025)
Tax losses	-	-
Allowance for expected credit losses	645,623	463,486
	483,602	**380,461**

Deferred taxes are calculated on all temporary differences under the liability method using a statutory tax rate of 33% (2023: 30%).

(a) **Movements in temporary differences during the year:**

In thousands of Naira	1 January 2024	Recognised in profit or loss	31 December 2024
Property and equipment	(83,025)	(78,997)	(162,021)
Tax losses	-	-	-
Allowance for expected credit losses & other deferred tax items	463,486	182,137	645,623
	380,461	**103,140**	**483,602**

(b) **Movements in temporary differences 1 January 2023 to 31 December 2023:**

In thousands of Naira	1 January 2023	Recognised in profit or loss	31 December 2023
Property and equipment	59,303	(142,328)	(83,025)
Tax losses	341,914	(341,914)	-
Allowance for expected credit losses & other deferred tax items	82,604	380,882	463,486
	483,821	**(103,360)**	**380,461**

25 Other liabilities

In thousands of Naira	31 December 2024	31 December 2023
Financial liabilities		
Due to GuarantCo (see note (i) below)	-	337,119
Accruals (see note (ii) below)	732,710	927,792
Dividend payable (see note (iii) below)	1,752,525	
	2,485,235	**1,264,911**
Non financial liabilities		
Statutory deductions payable (see note (iv) below)	825,352	495,035
Output VAT	154,413	118,691
Deferred revenue	496,263	374,016
	1,476,028	**987,742**
Total - Other Liabilities	**3,961,263**	**2,252,653**

Current	3,961,263	1,915,534
Non current	-	337,119
	3,961,263	**2,252,653**

(i) This represents guarantee fee payable in respect of callable capital previously provided by GuarantCo but now cancelled.

(ii) This represents the payables in respect of services rendered to the Company by different professional services firms, clients and vendors.

(iii) This represents ordinary dividend (net of WHT) declared during the year on all ordinary shares ranking for dividends for the interim period ended 30 June 2024.

(iv) This represents statutory deductions payable to the Governments such as Pay As You Earn (PAYE), Pension, Nigerian Social Insurance Trust Fund (NSITF), National Housing Fund (NHF) and Withholding Tax (WHT).

26 Employee benefit obligation

In thousands of Naira	31 December 2024	31 December 2023
Employee liabilities (see note (i) below)	180,869	111,642
Long term incentive scheme (see note (ii) below)	758,122	513,533
Short term incentive scheme (see note (iii) below)	478,946	421,323
	1,417,937	**1,046,498**

(i) This represents provisions for vacation allowance, mortgage subsidy allowance and provisions for other staff benefits.

(ii) Long Term Incentive Scheme

Effective from 1 January 2024, the Long-term incentive (LTI) scheme represents a long-term bonus scheme instituted for all currently employed permanent employees on the level of Vice President (VP) – Chief Executive Officer (CEO) level with at least five (5) year of service and no pending disciplinary action. The annual LTI award is computed as 2.5% of profit before tax for the year after deducting net unrealized exchange gains, if all required targets are met. The deferral period is set at 3 years, at the end of which, employees may cash out or choose to hold their award for a longer period. Pay-outs from the plan will be taxed according to the applicable tax laws in the Federal Republic of Nigeria.

In thousands of Naira	31 December 2024	31 December 2023
Opening Balance	**513,533**	255,664
Accruals during the year	280,150	257,869
Payment during the year	(35,561)	-
	758,122	**513,533**

(iii) Short Term Incentive Scheme

Prior to 1 January 2024, the STI computation was based on 10% of profit before tax. Effective from 1 January 2024, the STI award related computation varies from 3.5% - 7.5% of profit before tax after adjustment for net unrealized exchange differences depending on meeting the key performance indicators (KPIs) agreed with the Board. Payment of the STI is at the full discretion of the Board. It was applied retrospectively to 2023.

In thousands of Naira	31 December 2024	31 December 2023
Opening Balance	421,323	-
Provision during the year	378,947	421,323
Payment during the year	(321,324)	-
Short term incentive scheme	**478,946**	**421,323**

27 Lease liabilities

In thousands of Naira	31 December 2024	31 December 2023
Opening	122,196	104,155
Addition to lease liabilities	157,407	-
Payment	(231,000)	-
Interest on lease liabilities	16,200	18,041
	64,803	**122,196**

The above lease is a 5 year lease effective November 2019, with an option to extend for another 5 years. During the year 2024, the Company recognised a gain of N21.3 million (2023:nil) on derecognition of the right-of-use asset and presented the gain as part of 'Gain on sale of property, plant and equipment'. See note 11(a). Management also entered into a new lease for a 5 year period from October 2024 to September 2029 and has prepaid for three (3) years.

In thousands of Naira	31 December 2024	31 December 2023
Non-current	64,803	89,196
Current	-	33,000
	64,803	**122,196**

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored by the Company's Finance function.

28 Share capital

(a) **Ordinary shares**		
Issued and fully paid		
15,255,079,725 ordinary shares of N1 each (2023:6,215,390,843 ordinary shares of N1 each)		

Movement in the year		
Opening balance	6,215,391	3,497,637
Issue of ordinary shares (see note 29d)	9,039,689	2,717,754
	15,255,080	**6,215,391**

(b) **Preference shares (irredeemable)**

Authorised, issued and fully paid redeemable preference shares

Authorised, issued and fully paid redeemable preference shares		
Preference Shares (irredeemable)	**8,022,905**	**8,022,905**

Irredeemable preference shares have no repayment date and there is no obligation on the part of the Company to repay the capital. Dividend payment on irredeemable preference shares are discretionary, subject to the Board's recommendation and shareholder approval.

(c) **Preference shares (redeemable)**

Authorised, issued and fully paid redeemable preference shares

Opening balance	23,385,829	21,915,065
Capitalisation of preference dividends	-	1,470,764
	23,385,829	**23,385,829**

There were no issues of preference shares or capitalization of preference shares during the year. At the Board Meeting of the Company, held on 27 March 2023, the Board approved the declaration and capitalization of dividend of N1.5 billion (N1.4 billion net WHT); NSIA: N521 million (exempted from WHT), AFC: N681 million (exempted from WHT), InfraCo: N273.8 million (i.e. N246.4 million net of WHT of 10%) and Leadway N24.3million (i.e. N21.9 million net of WHT of 10%).

The terms of the redeemable preference shares confer on the Company the discretion to use its best effort to provide an exit option for AFC, InfraCo Africa Investment Limited and Leadway Assurance as soon as practicable. Dividend payment on redeemable preference shares is discretionary based on the recommendation of the Board and subject to the approval of the shareholders. Redemption is solely at the option of the Company.

(d) In December 2016, the Company signed a Callable capital Funding Facility Agreement of USD50,000,000 Naira equivalent with GuarantCo Limited .

The Callable Capital Funding Facility Agreement with GuarantCo Limited (the "Callable Capital") was the unfunded second loss component of the Company's capital structure and acted as a liquid credit backstop to the Company's paid in share capital (the "Core Capital"). The Callable Capital was a 15-year unconditional and irrevocable obligation of GuarantCo and could be called on demand by the Company to replenish the Company's Core Capital if at any time the Company determines that as a result of actual or expected credit losses on its guaranteed portfolio, its Core Capital will become impaired by 80%. The Callable capital agreement became effective on 12 December 2017 and USD25 million was available based on the terms of the agreement while the balance of USD 25 million was cancelled in 2021. On 30th June 2024, the outstanding balance of USD25 million was also cancelled.

Notes to the financial statements

31 December 2024	Number of ordinary shares held	Number of preference shares held	Total number of shares held
Shareholders:			
Nigeria Sovereign Investment Authority (NSIA)	6,517,989,417	10,187,280,172	16,705,269,589
Africa Finance Corporation (AFC)	4,360,193,641	9,952,067,699	14,312,261,340
InfraCo Africa Investment Limited (InfraCo)	1,214,703,876	9,807,852,155	11,022,556,031
Leadway Assurance Company Limited	1,280,986,652	1,461,531,905	2,742,518,557
AIICO Insurance Plc	1,881,206,139	-	1,881,206,139
	15,255,079,725	**31,408,731,931**	**46,663,811,656**
Shares held in trust:			
United Capital Assets Trustees Limited (UCTL)	-	3,591,268,069	3,591,268,069
	15,255,079,725	**35,000,000,000**	**50,255,079,725**

31 December 2023	Number of ordinary shares held	Number of preference shares held	Total number of shares held
Shareholders:			
Nigeria Sovereign Investment Authority (NSIA)	1,239,493,751	10,187,280,172	11,426,773,923
Africa Finance Corporation (AFC)	1,239,493,751	9,952,067,699	11,191,561,450
InfraCo Africa Investment Limited (InfraCo)	1,214,703,876	9,807,852,155	11,022,556,031
Leadway Assurance Company Limited	640,493,326	1,461,531,905	2,102,025,231
AIICO Insurance Plc	1,881,206,139	-	1,881,206,139
	6,215,390,843	**31,408,731,931**	**37,624,122,774**
Shares held in trust:			
United Capital Assets Trustees Limited (UCTL)	8,784,609,157	3,591,268,069	12,375,877,226
	15,000,000,000	**35,000,000,000**	**50,000,000,000**

During the Board meeting on 29 July 2024, the Board approved the rights issue for the issuance of ordinary shares of 9,039,688,882 (5,278,495,666 ordinary shares to NSIA, 3,120,669,890 ordinary shares to AFC and 640,493,326 ordinary shares to Leadway) to existing shareholders at a price of N2.07 per share. Included in the shares issued out were all of the 8,784,609,157 ordinary shares previously held in trust on behalf of the Company by United Capital.

On 27 December 2024, the Company increased its share capital from N50,000,000,000 to N50,255,079,725 by creation of additional 255,079,725 ordinary shares of N1.00 each.

On 14 December 2023, AIICO Insurance Plc was admitted as shareholder acquiring 5% shares for N1,881,206,139 valued at N1.48 per share for a consideration of N2,784,185,085. AIICO Insurance Plc, is a publicly quoted company limited by shares, incorporated under the CAMA 2020 and having its registered address at AIICO Plaza, Plot PC 12, Churchgate Street, Victoria Island, Lagos and with registered company number 7340. Also, during Board meeting on 27 October 2023 the Board approved the payment of ordinary dividends of N874 Million for all ordinary shares ranking for dividends for the interim year ending 31 December 2023. The ordinary dividends were capitalized by issuing additional dividend shares to the beneficiary shareholders.

(e) **Share premium**

	31 December 2024	31 December 2023
	10,668,787	**1,016,924**

In 2024, 9,039,688,882 units of ordinary shares of N1 each were allotted to existing shareholders at N2.07 per share, giving rise to a share premium of N9,627,467,104. The gross proceed from the issue of shares amounted to N18,712,155,986.12. See breakdown below.

In 2023, the gross proceeds from the 1,881,206,139 units of ordinary shares allotted to AIICO Insurance PLC at N1.48 per share were N2,784,185,085.

31 December 2024	Ordinary Shares	Share Premium	Total
In thousands of naira			
5,278,495,666 ordinary shares of N1.07k each to NSIA	5,278,496	5,647,990	10,926,486
3,120,669,890 ordinary shares of N1.07k each to AFC	3,120,700	3,339,149	6,459,849
640,493,326 ordinary shares of N1.07k each to Leadway	640,493	685,328	1,325,821
Total	**9,039,689**	**9,672,467**	**18,712,156**

31 December 2023	Ordinary Shares	Share Premium	Total
In thousands of naira			
1,881,206,139 ordinary shares of N0.48k each	1,881,206	902,979	2,784,185
Total	**1,881,206**	**902,979**	**2,784,185**

Movement in the year	31 December 2024	31 December 2023
Opening balance	1,016,924	113,945
Addition	9,672,467	902,979
Transaction cost of share issued (see note (i) below)	(20,604)	
Balance at the end of year	**10,668,787**	**1,016,924**

(i) Amount relates to transaction cost on aditional share capital issued during the year.

29 Retained earnings

In thousands of Naira	31 December 2024	31 December 2023
Balance as at 1 January	54,299,026	10,294,981
Preference dividend (see a&b)	(12,049,335)	(1,500,692)
Ordinary dividend (see a)	(372,924)	(874,409)
Ordinary dividend declared (see c)	(1,864,617)	-
	-	-
	40,012,150	7,919,880
Profit for the year	60,860,497	46,379,146
Balance at the end of year	**100,872,647**	**54,299,026**

Notes to the financial statements

The retained earnings include a total of N92.48 billion (2023: N50.48 billion), representing cumulative unrealized net foreign exchange gains from 2017 to 31 December, 2024. These gains arise from the periodic revaluation of assets financed by USD-denominated preference shares. If the company exercises the option to return the capital to the preference shareholders in the future, in line with the terms and conditions of the preference shares, these gains will be utilized to repay the preference shares.

(a) **Dividend Paid**

At the 30th Board Meeting of the Company, held on 4 March 2024, the Board approved the declaration and cash payment of ordinary and preference dividend for existing shareholders as at 31 December 2022 and 31 December 2023. See below for details (amounts include WHT):

31 December 2024	Preference Dividend	Preference Dividend	Ordinary Dividend
Shareholders:	$000	₦000	₦000
Nigeria Sovereign Investment Authority (NSIA)	3,129	4,096,615	74,370
Africa Finance Corporation (AFC)	4,155	5,438,910	74,370
InfraCo Africa Investment Limited (InfraCo)	1,531	2,003,884	72,882
Leadway Assurance Company Limited	390	509,926	38,430
AIICO Insurance Plc	-	-	112,872
Total	**9,205**	**12,049,335**	**372,924**

(b) **Table showing Preference Dividend paid in line with Dividend policy**

31 December 2024	in line with Capital FX differential between capital rate and rate at date of payment		Total
Shareholders:	₦000	₦000	₦000
Nigeria Sovereign Investment Authority (NSIA)	1,128,402	2,968,213	4,096,615
Africa Finance Corporation (AFC)	1,515,999	3,922,910	5,438,909
InfraCo Africa Investment Limited (InfraCo)	598,469	1,405,414	2,003,883
Leadway Assurance Company Limited	160,219	349,707	509,926
Total	**3,403,089**	**8,646,244**	**12,049,333**

(c) **Dividend Declared**

At the 33rd Board Meeting of the Company, held on 11 November 2024, the Board approved the declaration and cash payment of ordinary dividend for existing shareholders for the interim period ended 30 June 2024. See below for details (amounts include WHT):

Shareholders	Ordinary Dividend ₦000
Nigeria Sovereign Investment Authority (NSIA)	371,848
Africa Finance Corporation (AFC)	371,848
InfraCo Africa Investment Limited (InfraCo)	364,411
Leadway Assurance Company Limited	192,148
AIICO Insurance Plc	564,362
Total	**1,864,617**

30 Unsecured subordinated long term loans

In thousands of Naira	31 December 2024	31 December 2023
Opening	68,107,426	32,986,699
Accrued Interest	6,364,272	2,863,054
Revaluation loss	41,590,441	36,203,571
Interest repayment	(6,021,164)	(3,945,899)
Additions (see a)	24,373,791	-
	134,414,766	**68,107,426**
Current	5,828,080	1,891,187
Non-Current	128,586,686	66,216,239
	134,414,766	**68,107,426**

(a) In addition to the USD 26 million, USD 35 million, and USD 10 million unsecured subordinated loans KfW provided in 2019 and 2018 and AfDB in 2020 at simple interest rates of 5.25%, 6%, and 4.07% respectively, Africa Development Bank (AfDB) advanced an unsecured subordinated 10-year loan of USD 15 million at a 7.21% simple interest rate in September 2024. Included in the additions is an amount of N214.2 million transaction cost on the loan.

See summary of the loan below:

	Amount disbursed	Date disbursed	Maturity date	Interest rate	Balance as at December 2024	Balance as at Dec 2023
KFW 1	35,116,800	31 Dec 2018	19 Dec 2028	6.00%	35,185,402	33,485,264
KFW 2	26,196,548	20 Dec 2019	30 Nov 2029	5.25%	26,270,691	24,993,805
AfDB 1	10,000,000	14 Sept 2020	1 Feb 2030	4.07%	10,129,859	9,628,357
AfDB 2	15,000,000	14 Sept 2024	1 Feb 2034	7.21%	15,189,236	0

31 Related parties transactions

(a) Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes associates, joint ventures and the Company's pension schemes, as well as key management personnel.

(i) Parent and ultimate controlling party

Until 20 December 2018, the parent and ultimate controlling party of the Company was Nigeria Sovereign Investment Authority (NSIA). Thereafter, the Company is owned by NSIA, Africa Finance Corporation (AFC), InfraCo Africa Investment Limited, Leadway Assurance Company Limited and AIICO Insurance PLC (See Note 8 of Directors' Report and Note 28 for details of shareholdings).

(ii) Transactions with related party

Related party transactions and outstanding balances as at year end are as follows:

In thousands of naira

Related entity	Nature of transactions	Note	31 December 2024	31 December 2023
Guarantco	Payables - fee accrual in respect of callable capital provided by GuarantCo.	25	-	337,119

32 Contingent liabilities, litigations and claims

As at 31 December 2024, the Company had issued the following Guarantees which represent contingent liabilities outstanding:

Client	Guaranteed amount	Outstanding balance December 2024	Outstanding balance December 2023	*Amount due within 12 Months	*Amount due over 12 months	Duration
Viathan Funding Ltd	10,000,000	5,222,785	6,492,373	1,480,848	3,741,937	15 December 2017 - 14 December 2027
North South Power	8,500,000	7,218,191	7,536,150	369,495	6,848,696	28 February 2019 - 27 February 2034
GEL Utility	13,000,000	11,740,758	12,223,071	558,151	11,182,607	28 August 2019 - 27 August 2034
Transport Services Ltd (TSL)	12,000,000	9,000,000	10,500,000	1,500,000	7,500,000	6 October 2020 - 5 October 2030
North South Power II	1,364,079	569,541	842,357	272,816	296,725	18 May 2021 - 30 June 2027
Viathan Funding Ltd II	1,523,151	761,576	990,048	304,630	456,945	30 September 2021 - 30 March 2028
Lagos Free Zone Company	10,500,000	10,500,000	10,500,000	-	10,500,000	16 September 2021 - 16 September 2041
GPC Energy and Logistics	20,000,000	18,456,306	20,000,000	1,750,896	16,705,410	23 November 2021 - 23 November 2031
LFZC II Funding SPV Plc	25,000,000	25,000,000	25,000,000	-	25,000,000	10 March 2022 - 16 March 2042
PAN African Towers Limited	10,000,000	9,630,075	10,000,000	814,997	8,815,078	2 February 2022 - 2 February 2032
Asiko Power Limited	1,500,000	1,220,350	1,417,859	216,777	1,003,574	13 April 2022 - 30 April 2029
Gas Terminalling Ltd	3,500,000	3,441,667	3,500,000	700,000	2,741,667	31 October 2022 - 31 October 2029
Darway Coast	800,000	800,000	800,000	119,857	680,143	30 September 2022 - 30 September 2029
GLNG	650,000	650,000	650,000	97,384	552,616	28 September 2022 - 30 September 2029
Transport Services Ltd (TSL) II	5,000,000	5,000,000	5,000,000	5,000,000	-	30 September 2022 - 31 December 2025
GLNG	5,000,000	5,000,000	5,000,000	170,521	4,829,479	14th June 2023 - 14th June 2033
Falcon Incorporation Limited	3,000,000	3,000,000	3,000,000	400,000	2,600,000	31 May 2023- 30 April 2030
LFZC III Funding SPV Plc	17,500,000	17,500,000	17,500,000	-	17,500,000	29 March 2023 - 16 March 2043

Victoria Island Power	9,200,000	9,200,000	9,200,000	1,672,727	7,527,273	7th June 2023 - 30th June 2030
Hotspot Network Limited	955,000	955,000	955,000	67,505	887,495	31 July 2023 - 31 July 2030
GLNG III	208,104	107,025	178,375	71,350	35,675	31 July 2023 - 31 December 2026
Coleman Technical Industries Limited	10,000,000	9,166,667	10,000,000	1,666,667	7,500,000	12th July 2023 - 30 July 2030
Abuja Steel Mill	10,000,000	10,000,000	10,000,000	666,667	9,333,333	30 Sept 2023- 31 August 2030
Victoria Island Power II	3,800,000	3,800,000	3,800,000	3,800,000	-	19 Sept 2023 - 31 December 2025
Me Cure Industries Plc III	5,000,000	5,000,000	4,000,000	416,667	4,583,333	10 July 2024 - 30 June 2031
Me Cure Industries Plc IV	5,000,000	5,000,000	2,500,000	-	5,000,000	7 October 2024 - 30 September 2031
Modern Shelter Systems	3,000,000	2,625,000	3,000,000	750,000	1,875,000	28 November 2023 to 31 January 2028
Victoria Island Power III	3,000,000	3,000,000	3,000,000	3,000,000	-	21 December 2023 - 31 December 2025
ACOB Lighting Tecnology Ltd	755,000	755,000	755,000	-	755,000	31 December 2023 - 31 December 2030
Gas Terminalling II	8,500,000	8,500,000	8,500,000	8,500,000	-	21 December 2023 - 31 January 2025
GNLG IV	4,000,000	4,000,000	-	833,333	3,166,667	29 February 2024 - 28 February 2029
GLNG V	5,000,000	5,000,000	-	5,000,000	-	5 April 2024 - 5 April 2025
Modern Shelter II	2,500,000	2,500,000	-	625,000	1,875,000	25 March 2024 - 30 June 2028
Prado Power	1,950,000	1,950,000	-	-	1,950,000	22 November 2024 - 30 October 2031
Falcon Incorporation Limited II	2,000,000	2,000,000	-	83,333	1,916,667	31 October 2024 - 30 September 2031
Victoria Island Power IV	10,000,000	10,000,000	-	10,000,000	-	30 October 2024 - 30 April 2025
Ladol Integrated Logistics Free Zone Enterprise	1,268,750	1,268,750	-	126,875	1,141,875	9 December 2024 - 30 June 2030
Viathan Funding Ltd III	1,000,000	1,000,000	-	1,000,000	-	5 December 2024 - 5 March 2025
	235,974,085	**220,538,691**	**196,840,233**	**52,036,495**	**168,502,195**	

On December 30, 2024, Asiko Power Limited issued an N8 billion capital market bond, guaranteed by InfraCredit. The bond proceeds were intended to refinance the N8.5 billion Gas Terminaling 2 bridge facility. However, as of December 31, 2024, Asiko Power Limited had not yet received the bond proceeds. Consequently, the transaction was not recognized as finalized in the financial statements, but this disclosure was made to reflect the status.

There were no claims against the Company as at 31 December 2024 (2023:Nil) in respect of the issued guarantees.

There was no litigation against the Company during the financial year ended 31 December 2024 (2023: Nil).

*Amount due within and over 12 months is not inclusive of interest charged.

33 Events after reporting date

Following the completion of the Rights Issue on December 27, 2024, and the public listing of the Company on December 5, 2024, the Company is currently in the process of listing on the NASD and concurrently raising additional capital of N27 billion through a Private Placement.

34 Statement of cash flow notes

(a) Purchase and redemption of investment securities

In thousands of Naira	Note	31 December 2024	31 December 2023
At the beginning of the year		157,281,654	72,297,037
Interest income	9	21,705,666	8,708,381
Interest received		(16,265,470)	(8,638,631)
Exchange gain on investment securities		92,321,925	79,037,708
Impairment loss on investment securities	10	(1,075,455)	(806,265)
Closing balance	16	(257,869,214)	(157,281,654)
Cash outflow/(inflow)		**(3,900,894)**	**(6,684,784)**

(b) Interest received

In thousands of Naira		31 December 2024	31 December 2023
Interest receivable on investment securities beginning of the year			-
Interest income	9	21,705,666	8,708,381
Interest receivable on investment securities		(5,440,196)	(69,750)
Cash inflow		**16,265,470**	**8,638,631**

(c) Changes in financial guarantee liability

In thousands of Naira		31 December 2024	31 December 2023
At the beginning of the year		10,365,600	7,382,654
Net movement (cash outflow)		(76,003)	2,982,946
At the end of the period	**23**	**10,289,597**	**10,365,600**

(d) Changes in trade and other receivables

In thousands of Naira		31 December 2024	31 December 2023
At the beginning of the year		608,386	265,884
Impairment loss on other assets (see note 10)		(463,837)	(86,099)
Net movement (cash outflow)		1,791,748	428,601
At the end of the period	**18**	**1,936,297**	**608,386**

(e) Changes in guarantee fee receivable

In thousands of Naira	31 December 2024	31 December 2023
At the beginning of the year	8,674,785	6,521,354
Net movement (cash inflow)	95,467	2,153,431
At the end of the period	**8,770,252**	**8,674,785**

(f) Changes in other liabilities

In thousands of Naira	31 December 2024	31 December 2023
Balance at the beginning of the year	2,252,653	1,732,185
Dividend payable	1,864,617	-
Net movement (cash inflow)	(156,012)	632,110
At the end of the period	**3,961,263**	**2,364,295**

(g) Movement in ordinary share capital

In thousands of Naira	31 December 2024	31 December 2023
At the beginning of the year (see note 28)	6,215,391	3,497,637
Net movement (net inflow)	9,039,689	2,717,754
At the end of the period	**15,255,080**	**6,215,391**

(h) Movement in redeemable preference shares

In thousands of Naira	31 December 2024	31 December 2023
Irredeemable preference shares at the beginning of the period (see note 28b)	8,022,905	8,022,905
Net movement (net inflow) dividend capitalisation	-	-
At the end of the period	**8,022,905**	**8,022,905**

(i) Movement in redeemable preference shares

In thousands of Naira	31 December 2024	31 December 2023
At the beginning of the year (see note 28c)	23,385,829	21,915,065
Net movement (net inflow)	-	1,470,764
At the end of the period	**23,385,829**	**23,385,829**

(j) Gain on disposal of property and equipment

In thousands of Naira	31 December 2024	31 December 2023
Cost (see note 20)	521	1,498
Accumulated depreciation (see note 20)	(521)	(1,404)
Net book value	-	94
Sales proceed	310	72
Gain on disposal of property and equipment	**310**	**(22)**

(k) Unrealised foreign exchange gain

In thousands of Naira	31 December 2024	31 December 2023
Exchange loss on unsecured subordinated long term loan	41,590,441	36,203,571
Exchange gain on investment securities	(92,321,925)	(79,037,708)
At the end of the period	**50,731,484**	**42,834,137**

(l) Movement in Unsecured Subordinated Capital

In thousands of Naira		31 December 2024	31 December 2023
At the beginning of the year		68,107,426	32,986,699
Addition		24,373,791	-
Interest expenses (see note 9b)		6,364,272	2,863,054
Repayment (see note 30)		(6,021,164)	(3,945,899)
Exchange loss (see note 30)		41,590,441	36,203,571
Balance at the end of the period	**30**	**134,414,766**	**68,107,426**

(m) Changes in prepayments

In thousands of Naira		31 December 2024	31 December 2023
At the beginning of the year		246,818	57,535
Net movement (cash outflow)		99,258	189,283
At the end of the period	**19**	**346,076**	**246,818**

(n) Movement in retained earnings

In thousands of Naira	31 December 2024	31 December 2023
At the beginning of the year	54,299,026	10,294,983
Ordinary dividend paid	(372,924)	-
Preference dividend paid	(12,049,335)	-
Ordinary dividend payable	(1,864,617)	-
Capitalisation of Ordinary shares	-	(874,409)
Capitalisation of preference dividend	-	(1,500,692)
Profit for the year	60,860,497	46,379,146
Balance at the end of the period	**100,872,647**	**54,299,028**

(o) Movement in lease liabilities

In thousands of Naira	31 December 2024	31 December 2023
At the beginning of the year	122,196	104,155
Lease remeasurement	157,407	-
Lease payment	(231,000)	-
Net movement (cash outflow)	16,200	18,041
Balance at the end of the period	**64,803**	**122,196**

(p) Movement in employment benefit

In thousands of Naira	31 December 2024	31 December 2023
At the beginning of the year	1,046,498	255,664
Net movement (cash outflow)	371,439	679,192
Balance at the end of the period	**1,417,937**	**934,856**

Other information - Capital Management

Capital management

The strategy for assessing and managing the impact of the business plans on both core and contingent capital forms an integral part of the Company's strategic plan. The fundamental driver in determining capital adequacy for a credit guarantor is the sufficiency of capital to cover the expected losses on the portfolio given an assumed worst case expected loss scenario with adequate consideration given to the leverage levels and the ability of the Company to access its capital - both the invested qualifying capital and if necessary the unfunded contingent capital facility to make payment for losses under a financial guarantee.

The strategy and approach to capital management is to operate with a conservative policy which is centred around ensuring that the capital structure of the company is resilient and able to absorb losses and recapitalize from internal cashflows without external fundings.

The Company is not exposed to any externally imposed capital requirement.

The Company is expected to maintain an appropriate level of qualifying capital to support issuance of its guarantees and maintain an acceptable external rating.

Qualifying capital is defined as:

- the amount of qualifying core capital, plus
- unfunded contingent capital, less
- loss provisions, and
- any other non-credit guarantee related liabilities.

Qualifying core capital means an amount equal to:

- the cash value of all permitted investments together with all cash and bank balances; plus
- any cash balance; less
- projected operating expenses for the immediately succeeding quarter; less
- projected expected guarantee payments for the immediately succeeding quarter.

The Company's capital risk is measured and monitored using capital leverage ratio. Capital leverage ratio is "Notional amount guaranteed" divided by (÷) "Qualifying capital".

"Notional amount guaranteed" means an amount equal to:

- The aggregate value of the maximum liability set out in the credit guarantees, less
- The value of the relevant utilized approved credit risk mitigant facilities.

In thousands of Naira	31 December 2024	31 December 2023
Qualifying Capital		
Investment securities	257,869,214	157,281,654
Cash and bank balances	39,013,538	7,718,228
Projected operating expenses	(1,405,066)	(718,689)
Projected expected guarantee payments	-	-
Qualifying Core Capital	**295,477,686**	**164,281,193**
Unfunded contingent capital	-	23,794,750
(Loss) provisions	-	-
Other non-credit guarantee related liabilities	(6,334,384)	(3,731,864)
Qualifying Capital	**289,143,302**	**184,344,079**
Notional amount guaranteed		
Amount guaranteed	220,538,691	196,840,233
Re-guarantee (USAID) & ATI and ATIDI	(64,587,499)	(10,723,071)
Accrued interest	4,255,474	4,084,218
Credit risk mitigant/reserve account	(11,967,210)	(10,233,549)
Notional amount guaranteed	**148,239,455**	**179,967,831**

Net capital leverage ratio	**0.51**	**0.98**
Gross capital leverage ratio	**0.78**	**1.09**

Based on the Capital Management Policy, the Company's capital leverage ratio shall not be higher than "5" (five) within the fourth year anniversary from 31 December 2020 and thereafter, "7.5" (seven point five). The Company has kept its leverage ratio in line with its Capital Management Policy.

Qualifying capital		
Share capital	15,255,080	6,215,391
Cummulative irredeemable preference capital	8,022,905	8,022,905
Cummulative redeemable preference capital	23,385,829	23,385,829
Share premium	10,668,787	1,016,924
Retained earnings	100,872,647	54,299,026
Qualifying capital	**158,205,248**	**92,940,076**
Notional amount guaranteed		
Amount guaranteed	220,538,691	196,840,233
Re-guarantee (USAID) & ATI and ATIDI	(64,587,499)	(10,723,071)
Accrued interest	4,255,474	4,084,218
Credit risk mitigant/reserve account	(11,967,210)	(10,233,549)
Notional amount guaranteed	**148,239,455**	**179,967,831**

Gross capital leverage ratio - Equity	**1.42**	**2.16**
Net capital leverage ratio - Equity	**0.94**	**1.94**

Other Information -
Other National Disclosures

Value Added Statement

In thousands of Naira	31 December 2024	%	31 December 2023	%
Gross income	77,666,502	108	55,056,624	105
Bought in goods and services - Local	(5,702,061)	(8)	(2,810,469)	(5)
Value Added	**71,964,441**	**100**	**52,246,155**	**100**
Applied to pay:				
Financial statements				
Interest expense	6,674,335	9	3,006,620	6
Employees				
Wages, salaries and other benefits	3,584,625	5	2,059,429	4
Government				
Taxation	698,051	1	668,225	1
Retained in the business				
For replacement of property and equipment and ROU assets (depreciation)	136,551	-	116,014	-
For replacement of computer software (amortisation)	10,382	-	16,721	-
To augment reserves	60,860,497	85	46,379,146	89
Value Added	**71,964,441**	**100**	**52,246,155**	**100**

Five Year Financial summary

Statement of Financial Position

In thousands of Naira	Notes	31 December 2024	31 December 2023	31 December 2022	31 December 2021	31 December 2020
Assets:						
Cash and cash equivalents	15	39,013,538	7,702,488	6,319,690	1,760,077	11,587,896
Investment securities	16	257,869,214	157,281,654	72,297,037	67,040,896	49,586,875
Guarantee fee receivable	17	8,770,252	8,674,785	6,521,354	4,558,673	3,298,324
Trade and other receivables	18	1,936,297	608,386	265,884	230,299	222,328
Prepayments	19	346,076	246,818	57,535	60,511	-
Financial statements	20	423,466	281,109	246,203	227,711	199,138
Right of use asset	21	277,086	129,552	151,450	173,347	195,244
Intangible assets	22	124,464	128,843	62,190	43,854	50,851
Deferred tax asset	24	483,602	380,461	483,821	320,112	295,608
Total assets		**309,243,995**	**175,434,097**	**86,405,163**	**74,415,480**	**65,436,264**
Liabilities:						
Current tax liability	14(c)	890,381	599,649	99,272	49,030	24,363
Financial guarantee liability	23	10,289,597	10,365,600	7,382,654	5,353,627	3,821,543
Other liabilities	25	3,961,263	2,364,295	1,732,185	84,225	126,413
Employee benefit obligation	26	1,417,937	934,856	255,664	-	-
Lease liability	27	64,803	122,196	104,155	1,092,025	845,720
Unsecured subordinated long term loan	30	134,414,766	68,107,426	32,986,699	30,333,140	28,613,973
Total liabilities		**151,038,747**	**82,494,022**	**42,560,630**	**36,912,047**	**33,432,012**
Net assets		**158,205,248**	**92,940,075**	**43,844,533**	**37,503,433**	**32,004,252**
Capital and reserves:						
Ordinary share capital	28	15,255,080	6,215,391	3,497,637	3,497,637	2,974,785
Irredeemable preference share capital	28(b)	8,022,905	8,022,905	113,945	8,022,905	8,022,905
Redeemable preference share capital	28(c)	23,385,829	23,385,829	8,022,905	20,281,503	18,841,917
Deposit for shares	28(e)	-	-	-	113,945	426,819
Share premium	28(e)	10,668,787	1,016,924	-	426,819	19,832
Retained earnings	29	100,872,647	54,299,026	10,294,981	5,160,624	1,717,994
Total shareholders' funds		**158,205,248**	**92,940,075**	**43,844,533**	**37,503,433**	**32,004,252**

Statement of profit or loss and other comprehensive income

Income statement					
Operating income	67,921,695	50,511,440	8,830,619	5,281,478	4,068,943
Operating expenses	(6,363,147)	(3,464,069)	(2,552,004)	(1,814,021)	(1,602,383)
Profit before minimum tax and income tax expense	61,558,548	47,047,371	6,278,615	3,467,457	2,466,560
Minimum taxation	-	(61,112)	(36,472)	(14,484)	-
Profit after minimum tax	61,558,548	46,986,259	6,242,143	3,452,973	2,466,560
Tax charge/(credit)	(698,051)	(607,113)	100,607	(10,343)	240,591
Profit for the year	**60,860,497**	**46,379,146**	**6,342,749**	**3,442,630**	**2,707,151**

Other information -
Supplementary financial information

The directors have included the statements of financial position, and statement of profit or loss and other comprehensive income, statements of cash flows and the statement of changes in equity in USD below. In the director's view, the USD will better present the Company's results to foreign investors.

Statement of financial position

As at:

	Notes	31 December 2024	31 December 2023
		$'000	**$'000**
Assets			
Cash and cash equivalents	9	25,187	8,075
Investment securities	10	166,474	165,248
Guarantee fee receivable	11	5,662	9,114
Trade and other receivables	12	1,250	639
Prepayments	13	223	259
Property and equipment	14	272	296
Right of use asset	15	179	136
Intangible asset	16	80	135
Deferred tax asset	18	312	400
Total assets		**199,639**	**184,302**
Liabilities			
Current tax liability	8(c)	575	630
Financial guarantee liability	17	6,643	10,891
Other liabilities	19	2,557	2,484
Employee benefit obligation	20	915	982
Lease liability	21	42	128
Unsecured subordinated long term loans	24	86,775	71,557
Total liabilities		**97,507**	**86,672**
Equity			
Ordinary share capital	22(a)	17,920	12,131
Irredeemable preference share capital	22(b)	22,250	22,250
Redeemable preference share capital	22(c)	59,467	59,467
Share premium	22(e)	7,409	1,228
Retained earnings	23	7,892	8,129
Translation reserves	25	(12,806)	(5,574)
Total equity		**102,132**	**97,630**
Total liabilities and equity		**199,639**	**184,302**

Other information - Supplementary financial information

Statement of profit or loss and other comprehensive income

For the year ended:

	Notes	31 December 2024	31 December 2023
		$'000	$'000
Gross revenue		**17,991**	**18,815**
Guarantee fee income	1	3,481	5,410
Guarantee fee expenses	2	(1,006)	(988)
		2,475	**4,422**
Interest income	3(a)	14,510	13,405
Interest expense	3(b)	(4,462)	(4,628)
Impairment loss on financial instruments	4	(1,046)	(1,382)
Other income	5	14	-
		11,491	**11,817**
Personnel expenses	6(a)	(2,396)	(3,155)
Depreciation of property and equipment	14	(71)	(144)
Depreciation of right of use asset	15	(21)	(34)
Amortisation of intangible asset	16	(7)	(26)
Other operating expenses	7	(1,759)	(1,914)
		(4,254)	**(5,273)**
Profit before minimum tax and income tax expense		7,237	6,544
Minimum taxation	8(a)		(94)
Profit after minimum tax		**7,237**	**6,450**
Tax (expense)/credit	8(a)	(466)	(935)
Profit for the period		**6,771**	**5,515**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation difference	25(b)	(7,232)	(4,487)
Total comprehensive profit		**(461)**	**1,028**

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2024

	Note	Share capital	Irredeemable preference capital	Redeemable preference capital	Share premium	Translation reserve	Retained earnings	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance as at 1 January 2024		**12,131**	**22,250**	**59,467**	**1,228**	**(5,574)**	**8,129**	**97,630**
Total comprehensive income for the period								
Profit for the year		-	-	-	-	-	6,771	6,771
Other comprehensive income	25 b	-	-	-	-	(7,232)	3,710	(3,522)
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**(7,232)**	**10,481**	**3,249**
Transactions with owners of company:								
Issue of additional ordinary shares	22 c	5,790	-		6,195		-	11,985
Transaction cost relating to issue of shares					(14)			
Payment of preference dividend	22 c	-	-	-		-	(9,205)	(9,205)
Payment of ordinary dividend	22 c		-		-	-	(309)	(309)
Ordinary dividend declared	29 b						(1,204)	
Total comprehensive income for the year		**5,790**	**-**	**-**	**6,181**		**(10,718)**	**1,253**
Balance at 31 December 2024		**17,920**	**22,250**	**59,467**	**7,409**	**(12,806)**	**7,892**	**102,132**
Balance as at 1 January 2023		**9,275**	**22,250**	**57,922**	**280**	**(1,087)**	**5,767**	**89,992**
Total comprehensive income for the period								
Profit for the period		-	-	-	-	-	5,515	5,515
Other comprehensive income	25 b	-	-	-	-	(4,487)	(1,577)	(6,064)
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**(4,487)**	**3,938**	**(549)**
Transactions with owners of company:								
Issue of additional shares		2,855	-	-	-	-	-	-
Issue of redeemable preference shares		-	-	1,545	1,058	-	-	2,855
Increase in share premium		-	-	-	-	-	(1,577)	1,027
Total comprehensive income for the period		**2,855**	**-**	**1,545**	**1,058**	**-**	**(1,577)**	**3,882**
Balance at 31 December 2023		**12,131**	**22,250**	**59,467**	**1,228**	**(5,574)**	**8,129**	**97,630**

Statement of cash flows

For the year ended

In thousands of US Dollars	Notes	31 December 2024	31 December 2023
		$'000	**$'000**
Cash flow from operating activities:			
Profit after tax		6,771	5,515
Minimum tax	8(a)	-	94
Tax (credit)/charge	8(a)	466	935
Profit before tax		7,237	6,544
Adjustment for:			
Depreciation of property and equipment	14	71	144
Depreciation of right of use asset	15	21	34
Amortisation of intangible asset	16	7	26
Impairment loss on financial instruments	4	1,046	1,382
Interest income	3(a)	(14,510)	-
Interest expense	3(b)	4,254	4,435
Gain on sale of property, plant and equipment	5	(14)	-
		(1,888)	**(841)**
Changes in :			
Trade and other receivables	29(c)	(1,157)	(450)
Prepayments	29(q)	(66)	(291)
Guarantee fee receivable	29(d)	(62)	(2,263)
Financial guarantee liability	29(b)	(49)	3,134
Lease liability	29(o)	11	28
Employee benefit obligation	29(r)	(231)	-
Other liabilities	29(e)	(101)	664
		(1,655)	**822**
Interest received	29(ai)	14,510	9,076
Tax paid	8(c)	(341)	(99)
Net cash flows generated from operating activities		**10,626**	**8,958**
Cash flow from investing activities:			
Acquisition of property and equipment	29(j)	(161)	(136)
Proceeds from disposal of property and equipment	27(j)	-	-
Acquisition of intangible asset	29(k)	(4)	(88)
Acquisition of investment securities	29(a)	(2,518)	(7,023)
Net cashflows used in investing activities		**(2,683)**	**(7,247)**
Cash flow from financing activities:			
Proceed from issue of share capital	22(a)	5,790	-
Share premum arising from issue of shares		6,195	-
Transaction cost on to issue of shares		(14)	
Interest paid	29(m)	(4,025)	(6,074)
Preference dividend paid		(9,205)	
Ordinary dividend paid		(309)	2,855
Proceeds from borrowings		14,860	-
Principal lease payments		(154)	-
Net cashflows from financing activities		**13,137**	**(3,219)**
Increase in cash and cash equivalents		21,080	(1,508)
Cash and cash equivalents at beginning of the year	9	8,092	13,135
Effect of movement in exchange rates on cash held	29(t)	(3,958)	(3,535)
Cash and cash equivalents at the end of the year	**9**	**25,214**	**8,092**

The accompanying notes form an integral part of these financial statements.

1 Guarantee fee income

In thousands of Dollars	31 December 2024	31 December 2023
Mandate fees (a)	77	205
Guarantee fees (b)	2,754	4,308
Monitoring fees (c)	650	897
	3,481	**5,410**

(a) Amount represents the fees earned from clients for the preliminary analysis and due diligence done by the Company for providing guarantees for the issued and proposed infrastructure bonds.

(b) Amount represents the amortized portion of the non-refundable fee calculated as a percentage of the guaranteed amount earned from customers. See Note 27 for breakdown of all guarantees issued.

(c) Amount represents the amortized portion of fixed non-refundable annual fees for providing monitoring services for guarantees issued.

2 Guarantee fee expense

In thousands of Dollars	31 December 2024	31 December 2023
Guarantee fee expense (a)	104	300
Re-guarantee fee expense (a)	429	140
Upfront fee expense (a)	18	5
Monitoring fee expense (a)	24	16
Due diligence/project development expense (b)	57	528
Guarantee consultancy expenses	375	-
	1,006	**988**

(a) Amounts represent the fee expenses incurred by the Company in respect of the callable capital funding facility agreement with GuarantCo. And other direct due diligence and project development cost directly attributable to the deals in the pipeline. Re-guarantee fees represents fees paid to Africa Trade Insurance Agency and GuarantCo in respect of Pan African towers Ltd and LFZC risk-sharing arrangements respectively.

(b) Amount represents directly attributable costs incurred with respect to due diligence/project development activities on guarantee transactions.

3 Net investment income

	In thousands of Dollars	31 December 2024	31 December 2023
(a)	**Interest income**		
	Bank placements	1,399	867
	Eurobonds	12,447	12,278
	FGN Bonds	358	261
	Treasury bills	306	-
		14,510	**13,405**

The total interest income calculated using the effective interest rate (EIR) method for financial assets at amortised cost is USD 14.5million (2023: USD 13.4million)

(b) Interest expense

In thousands of Dollars	31 December 2024	31 December 2023
Interest expense long-term unsecured subordinated loans	4,254	4,407
Interest expenses leased liabilities (see note 15)	11	28
Investment management fee expenses	196	193
	4,462	**4,628**
Net interest income (a)-(b)	**10,048**	**8,777**

The total interest expense calculated using the effective interest rate (EIR) method for financial liabilities measured at amortised cost is USD 4.2 Million (2023: USD 4.6 Million).

4 Impairment charge on financial instruments

In thousands of Dollars	31 December 2024	31 December 2023
Investment securities (see note 10(a))	719	1,241
Other receivables (see note 12(b))	310	133
Cash equivalents (see Note 9(b))	17	7
	1,046	**1,382**

5 Other Income

In thousands of Dollars	31 December 2024	31 December 2023
Gain on sale of property, plant and equipment	**14**	**-**

6 Personnel expenses

(a) Employee costs, including those of executive directors, during the period amounted to:

In thousands of Dollars	31 December 2024	31 December 2023
Wages and salaries	725	850
Short term incentive scheme (see note 20)	253	649
Other staff costs	1,108	1,025
Long term incentive scheme (see note 20)	187	397
Pension cost	123	234
	2,396	**3,155**

(i) Other staff cost relates to medical cost, employee car allowance, executive allowance, staff lunch, staff welfare, PAYE, NHF, NSITF levies, and other staff benefits.

(b) The average number of persons in employment in the Company during the period comprise:

	31 December 2024	31 December 2023
Managerial	20	19
Other staff	15	13
	35	**32**

(c) Employees, other than Directors, earning more than USD 2,000 per annum (excluding pension and other benefits), whose duties were wholly or mainly discharged in Nigeria, received remuneration in the following ranges:

	31 December 2024	31 December 2023
USD 10,000 - USD 20,000	6	7
USD 20,000 - USD 50,000	21	13
USD 50,000 and above	8	12
	35	**32**

(d) Directors' remuneration

Remuneration paid to Directors of the Company (excluding pension contributions and other benefits) was as follows:

In thousands of Dollars	31 December 2024	31 December 2023
Fees	370	434
Total	**370**	**434**

The emoluments of all Non-Executive Directors fell within the following ranges:

	31 December 2024	31 December 2023
USD 20,000 and above	9	9

7 Other operating expenses

In thousands of Dollars	31 December 2024	31 December 2023
Directors remuneration (Non-executive)	370	434
Marketing and advertising	58	92
Stationery and printing	6	22
Traveling and entertainment	249	217
Auditors remuneration	26	59
Information technology expenses	175	100
Training expenses	282	164
Administration and membership fees	48	32
Professional fees (See note (a) below)	239	439
Maintenance expenses	21	23
Insurance expenses	36	82
Utility and electricity	31	40
Other expenses (See note (b) below)	219	210
	1,759	**1,914**

(a) Professional fees

In thousands of Dollars	31 December 2024	31 December 2023
Legal and secretarial fees	67	77
Other professional fees (see note (i) below)	102	262
HR consultancy	2	17
Credit rating expenses	68	84
	239	**439**

(i) Included in the other professional fees is an amount of USD 6.9 thousand. This amount represents the total fees earned by the Company's Auditor on the provision of non-audit services during the period.

(b) Other expenses

In thousands of Dollars	31 December 2024	31 December 2023
Bank charges	10	9
Board meeting expenses	36	38
Recruitment costs	7	-
ITF levy	16	20
Lunch expenses	5	20
Development impact expenses	18	28
Other expenses (i)	126	96
	219	**210**

(i) Other expenses relate to office maintenance expenses and VAT.

8 Taxation

(a) Tax Credit

	In thousands of Dollars	31 December 2024	31 December 2023
i	**Minimum tax**		
	Minimum tax	-	94
		-	94
ii	**Current tax**		
	Company income tax	108	-
	Education tax	14	48
	Information technology tax	412	724
	Police Trust Fund levy	2	4
	Current income tax expense (See note 9c)	**535**	**776**
iii	**Deferred tax**		
	Deferred tax expense/(credit) (see note 18)	(69)	159
	Income tax expenses/(credit)	**466**	**935**
	Total income tax expenses/ (credit)	**466**	**1,029**

The applicable tax rates for companies income tax, tertiary education tax and information technology tax are 30%, 3% and 1% respectively.

(b) Reconciliation of effective income tax rate

	31 December 2024		31 December 2023	
In thousands of Dollars	**Amount**	**Rate**	**Amount**	**Rate**
Profit before tax	7,237		6,544	
Income tax @ 30% tax rate	2,171	30%	1,963	30%
Non-deductible expenses	1,533	21%	2,091	32%
Education tax	14	0%	48	1%
Tax exempt income	(13,741)	-190%	(23,341)	-357%
Tax exempt income	412	6%	724	11%
Information technology tax (see note 8(a))	-	0%	-	0%
Tax losses	2	0%	-	0%
Tax losses	108	1%	-	0%
Effect of movement in exchange rate	(249)	0%	(356)	0%
Recognition of additional deductible temporary difference	(207)	-3%	159	2%
	(9,957)	**-134%**	**(18,708)**	**-280%**

(c) Current tax liability

In thousands of Dollars	31 December 2024	31 December 2023
Balance as at 1 January	630	215
Charge for the year see note 8(a):		
Minimum tax	-	94
Current tax	535	776
Payment during the year	(341)	(99)
Effect of movement in exchange rate	(249)	(356)
At end of year	**575**	**630**

9 Cash and cash equivalents

In thousands of Dollars	31 December 2024	31 December 2023
Cash in hand	-	-
Cash equivalents:		
Balances with banks	4,620	2,635
Bank placement	20,594	5,457
Cash equivalents (gross)	25,214	8,092
Impairment allowance on cash equivalents (see note (a) below)	(27)	(17)
Cash equivalents (net)	**25,187**	**8,075**

Cash and cash equivalents in the statement of financial position	**25,187**	**8,075**
Impairment allowance on cash equivalents (see note (a) below)	27	17
Cash and cash equivalents in the statement of cash flows	**25,214**	**8,092**
Current	**25,187**	**8,075**

(a) The movement in impairment allowance on cash and cash equivalents is as follows:

In thousands of Dollars	31 December 2024	31 December 2023
Opening balance	17	24
Recognised in income statement (See note 4)	17	7
Effect of movement in exchange rate	(7)	(14)
Closing balance	**27**	**17**

10 Investment securities

In thousands of Dollars	31 December 2024	31 December 2023
FGN Eurobonds at amortised cost (i)	148,154	132,941
Corporate Eurobonds at amortised cost (i)	15,012	28,680
Treasury bills	2,145	-
FGN bonds (ii)	2,740	5,065
	168,051	**166,685**
Impairment allowance on investment securities (see note (a) below)	(1,577)	(1,437)
Investment securities	**166,474**	**165,248**
Current	71,011	99,477
Non-Current	95,463	65,771
Total	**166,474**	**165,248**

(i) FGN and Corporate Eurobonds have stated yields of 6.5% to 9.5% respectively, and mature in six months to seven years (December 2023: five month to nine years).

(ii) FGN Bonds have stated yields of 12.5% to 16.4% and mature in a year to five years (December 2023: a month to six years).

The movement in impairment allowance on investment securities is as follows:

(a)

In thousands of Dollars	31 December 2024	31 December 2023
Opening balance	1,437	1,218
Recognised in income statement (See note 4)	719	1,241
Effect of movement in exchange rate	(579)	(1,022)
Closing balance	**1,577**	**1,437**

11 Guarantee fee receivable

In thousands of Dollars	31 December 2024	31 December 2023
Opening Balance	9,114	14,143
Present value of guarantee fee received	(1,663)	(2,440)
Addition during the year	1,725	4,702
Effect of movement in exchange rate	(3,514)	(7,291)
Gross guarantee fee receivable	**5,662**	**9,114**
Impairment allowance	-	-
Guarantee fee receivable (see (a) below)	**5,662**	**9,114**
Current	1,142	1,722
Non-current	4,520	7,393
Total	**5,662**	**9,114**

(a) Amount represents the present value of guarantee fees receivable under the contracts undertaken by the Company to provide financial guarantee contracts. See Note 25 for the guarantees issued by the Company.

12 Trade and other receivables

In thousands of Dollars	31 December 2024	31 December 2023
Other financial assets		
Trade receivable (a)	1,632	871
Other receivables (b)	60	2
	1,692	**873**
Impairment (see note (c) below)	(447)	(240)
	1,245	**633**
Non financial assets		
Cash advance	5	6
	5	6
Total- Other assets	**1,250**	**639**
Current	1,250	639
Non-Current	-	-
Total	**1,250**	**639**

(a) Trade receivables relates to unpaid mandate fees billed to clients. The average credit period is 30 days. No interest is charged on outstanding trade receivables.

(b) Other receivables relates to receivable from a KFW Technical Assistant Facility on various expenses relating to Clean Energy, and African Property Investment Summit initially borne by InfraCredit.

(c) The movement in impairment allowance on other assets is as follows:

In thousands of Dollars	31 December 2024	31 December 2023
Opening balance	240	310
Recognised in income statement (See note 4)	310	133
Effect of movement in exchange rate	(103)	(202)
Closing balance	**447**	**240**

13 Prepayments

In thousands of Dollars	31 December 2024	31 December 2023
Prepayments	223	259
Current	**223**	**259**
Non-Current	**-**	**-**
Total	**223**	**259**

14 Property and equipment

In thousands of Dollars	Office equipment	Computer equipment	Furniture & fittings	Motor vehicles	Work in progress	Leasehold improvement	Total
Cost							
Balance as at 1 January 2023	180	228	149	360	4	283	1,204
Additions	18	18	2	86	1	11	136
Disposals	-	-	(2)	-	-	-	(2)
Effect of movement in exchange rate	(93)	(118)	(76)	(185)	(2)	(145)	(619)
Balance as at 31 December 2023	**105**	**128**	**73**	**261**	**3**	**149**	**719**
Balance as at 1 January 2024	**105**	**128**	**73**	**261**	**3**	**149**	**719**
Additions	34	44	1	60	21	1	161
Write-off					(1)		(1)
Transfer from WIP	1	-	1	-	(1)	-	1
Effect of movement in exchange rate	(41)	(50)	(29)	(102)	(1)	(58)	(281)
Balance as at 31 December 2023	**99**	**122**	**46**	**219**	**21**	**92**	**599**
Accumulated depreciation							
Balance as at 1 January 2023	**102**	**170**	**121**	**203**	**-**	**75**	**671**
Depreciation for the year	26	26	14	56	-	22	144
Disposal	-	-	(2)	-	-	-	(2)
Effect of movement in exchange rate	(61)	(96)	(66)	(122)	-	(46)	(391)
Balance as at 31 December 2023	**67**	**100**	**67**	**137**	**-**	**51**	**423**
Balance as at 1 January 2024	**67**	**100**	**67**	**137**	**-**	**51**	**422**
Depreciation for the year	14	11	2	34	-	10	71
Effect of movement in exchange rate	(27)	(39)	(26)	(54)	-	(20)	(166)
Balance as at 31 December 2024	**54**	**72**	**43**	**117**	**-**	**41**	**327**

Carrying amounts							
Balance as at 31 December 2023	**38**	**28**	**6**	**124**	**3**	**98**	**296**
Balance as at 31 December 2024	**45**	**50**	**3**	**102**	**21**	**51**	**272**

(i) There were no capitalised borrowing costs related to the acquisition of property and equipment during the year (2023:Nil).

(ii) There were no impairment losses on any class of property and equipment during the year (2023:Nil).

(iii) There are no restriction on the Company's title to its property and equipment during the year (2023:Nil).

(iv) All property and equipment are non-current assets.

15 Right of use asset

In thousands of Dollars	31 December 2024	31 December 2023
Cost		
Balance as at beginning of the year	230	475
Addition to right-of-use asset	188	-
Derecognition of to right-of-use asset	(141)	-
Effect of movement in exchange rate	(89)	(245)
Balance at end of the year	**188**	**230**
Accumulated Depreciation		
Balance as at beginning of the year	94	146
Charge for the year	21	34
Derecognition of accumulated depreciation on right-of-use asset	(68)	
Effect of movement in exchange rate	(38)	(86)
Balance at end of the year	**9**	**94**
Carrying amount	**179**	**136**
Amounts recognised in profit or loss		
Interest on lease liabilities	11	28
Depreciation charge of right-of-use assets	21	-
Current	-	-
Non-Current	**179**	**136**

During the year, there was a cash outflow of USD 140 thousand in respect to the lease and USD 14 thousand of withholding tax on the lease payment in the period (2023: Nil).

16 Intangible assets

Purchased software

In thousands of Dollars	31 December 2024	31 December 2023
Cost		
Balance as at beginning of the year	197	227
Additions	4	88
Effect of movement in exchange rate	(76)	(118)
Balance at end of the year	**125**	**197**
Accumulated Amortisation		
Balance as at beginning of the year	62	92
Charge for the year	7	26
Effect of movement in exchange rate	(24)	(56)
Balance at end of the year	**45**	**62**
Carrying amount	**80**	**135**

All intangible assets are non-current. The Company does not have internally generated intangible assets.

The Company's intangible assets are not impaired.

No commitment in respect of the Company's intangible assets.

17 Financial guarantee liability

In thousands of Dollars	31 December 2024	31 December 2023
Opening balance	10,891	16,011
Amortised guarantee liability during the year	(2,659)	(2,468)
Addition during the year	2,610	5,602
Effect of movement in exchange rate	(4,199)	(8,254)
Financial guarantee liability	6,643	10,891
Current	1,880	1,960
Non-current	4,763	8,930
	6,643	**10,891**

Financial guarantee liability represents the present value of guarantee fees receivable less the cumulative amount of guarantee fee income recognised. See Note 27 for the guarantees issued by the Company.

18 Deferred tax asset

In thousands of Dollars	31 December 2024	31 December 2023
Property and equipment	(105)	(87)
Tax losses	-	-
Allowance for expected credit losses	417	487
	312	**400**

Deferred taxes are calculated on all temporary differences under the liability method using a statutory tax rate of 33% (2023: 30%).

(a) Movements in temporary differences during the year:

In thousands of Dollars	"1 January 2024"	Recognised in profit or loss	Effect of movement in exchange rate	31 December 2024
Property and equipment	(87)	(53)	36	(105)
Tax losses	-	-	-	-
Allowance for expected credit losses & other deferred tax items	487	122	(192)	417
	400	**69**	**(156)**	**312**

(b) Movements in temporary differences 1 January 2023 to 31 December 2023:

In thousands of Dollars	1 January 2023	Recognised in profit or loss	Effect of movement in exchange rate	31 December 2023
Property and equipment	129	(219)	3	(87)
Tax losses	742	(526)	(216)	-
Allowance for expected credit losses & other deferred tax items	158	586	(257)	487
	1,029	**(159)**	**(470)**	**400**

19 Other liabilities

In thousands of Dollars	31 December 2024	31 December 2023
Financial liabilities		
Due to GuarantCo (see note (i) below)	-	354
Accruals (see note (ii) below)	473	975
	473	**1,329**
Non financial liabilities		
Employee liabilities (see note (iii) below)	533	520
Other payables (see note (iv) below)	100	125
Output VAT	320	393
Deferred revenue	1,131	
	2,084	**1,038**
Total - Other Liabilities	**2,557**	**2,367**
Current	2,557	2,130
Non current	-	354
	2,557	**2,367**

(i) This represents guarantee fee payable in respect of callable capital provided by GuarantCo now cancelled.

(ii) This represents the payables in respect of services rendered to the Company by different professional services firms and vendors.

(iii) This represents statutory deductions payable to the Governments such as Pay As You Earn(PAYE), pension, Nigeria Social Insurance Fund (NSITF), National Housing Fund (NHF) and Withholding Tax (WHT).

(iv) This represents ordinary dividend (net of WHT) declared during the year to all ordinary shares ranking for dividends for the interim period ended 30 June 2024.

20 Employee benefit obligation

In thousands of Dollars	31 December 2024	31 December 2023
Long term incentive scheme (see note (i) below)	489	540
Employee liabilities (see note (ii) below)	117	117
Short term incentive scheme (see note (iii) below)	309	443
	915	**1,100**

(i) Effective from 1 January 2024, the Long-term incentive (LTI) scheme represents a long-term bonus scheme instituted for all currently employed permanent employees on the level of Vice President (VP) – Chief Executive Officer (CEO) level with at least five (5) year of service and no pending disciplinary action. The annual LTI award is computed as 2.5% of profit before tax for the year after deducting net unrealized exchange gains, if all required targets are met. The deferral year is set at 3 years, at the end of which, employees may cash out or choose to hold their award for longer. Pay-outs from the plan will be taxed according to the applicable tax laws in the Federal Republic of Nigeria.

In thousands of Dollars	31 December 2024	31 December 2023
Opening Balance	540	554
Accruals during the year	187	397
Payment during the year	(24)	-
Effect of movement in exchange rate	(214)	(411)
	489	**540**

(ii) This represents performance pay provisions, vacation allowance, car allowance, mortgage subsidy allowance and provisions for other staff benefits.

(iii) Prior to 1 January 2024, the STI computation was based on 10% of profit before tax. Effective from 1 January 2024, the STI award related computation varies from 3.5% - 7.5% of profit before tax after adjustment for net unrealized exchange differences depending on meeting the key performance indicators (KPIs) agreed with the Board. Payment of the STI is at the full discretion of the Board. It was applied retrospectively to 2023.

In thousands of Dollars	31 December 2024	31 December 2023
Opening Balance	443	-
Accruals during the year	253	649
Payment during the year	(207)	-
Effect of movement in exchange rate	(179)	(206)
	309	**443**

21 Lease liabilities

In thousands of Dollars	31 December 2024	31 December 2023
Opening balance	128	226
Addition to lease liabilities	102	-
Lease payment	(154)	-
Interest on lease liabilities	11	28
Effect of movement in exchange rate	(44)	(126)
	42	**128**

The above lease is a 5-year lease effective November 2019, with an option to extend for another 5 years. During the year 2024, the Company recognised a gain of USD14 thousand (2023:nil) on derecognition of the right-of-use asset and presented the gain as part of 'Gain on sale of property, plant and equipment'. See note 5. Management also entered into a new lease for a 5-year period from October 2024 to September 2029 and has prepaid for three (3) years.

In thousands of Dollars	31 December 2024	31 December 2023
Non-current	42	94
Current	-	34
	42	**128**

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored by the Company's Finance function.

22 Share capital

	In thousands of Dollars	31 December 2024	31 December 2023
(a)	**Authorised**		
	50,255,079,725 shares of USD 0.003284 each (2023: 50,000,000,000 shares of USD 0.003284 each)	**165,041**	**164,204**

Ordinary shares

Issued and fully paid

15,255,079,725 shares of USD 0.002652 each (2023: 6,215,390,843 shares of USD 0.002652 each)		
Movement in the year		
Opening balance	12,131	9,275
Issue of ordinary shares	5,790	2,855
	17,920	**12,131**

(b) Authorised, issued and fully paid irredeemable preference shares

Preference Shares (irredeemable)	**22,250**	**22,250**

Irredeemable preference shares have no repayment date and there is no obligation on the part of the Company to repay the capital. Dividend payment on irredeemable preference shares is discretionary based on the recommendation of the Board and subject to the approval of the shareholders.

(c) Preference shares (redeemable)

Authorised, issued and fully paid redeemable preference shares

Opening balance	59,467	57,921
Capitalisation of preference dividends (see note 23a)	-	1,545
	59,467	**59,467**

There were no issues of preference shares or capitalization of preference shares during the year. At the Board Meeting of the Company, held on 27 March 2023, the Board approved the declaration and capitalization of dividend of USD 1,576 thousand (USD 1,545 thousand net WHT); NSIA: USD 547 thousand (exempted from WHT), AFC: USD 715 thousand (exempted from WHT), InfraCo: USD 288 thousand (i.e. USD 258 thousand net of WHT of 10%) and Leadway USD 26 thousand (i.e. USD 23 thousand net of WHT of 10%).

The terms of the redeemable preference shares confer on the Company the discretion to use its best effort to provide an exit option for AFC and InfraCo Africa Investment Limited and Leadway Assurance as soon as practicable. Dividend payment on redeemable preference shares is discretionary based on the recommendation of the Board and subject to the approval of the shareholders. Redemption is solely at the option of the Company.

(d) In December 2016, the Company signed a Callable capital Funding Facility Agreement of USD50,000,000 Naira equivalent with GuarantCo Limited .

The Callable Capital Funding Facility Agreement with GuarantCo Limited (the "Callable Capital") was the unfunded second loss component of the Company's capital structure and acted as a liquid credit backstop to the Company's paid in share capital (the "Core Capital"). The Callable Capital was a 15-year unconditional and irrevocable obligation of GuarantCo and could be called on demand by the Company to replenish the Company's Core Capital if at any time the Company determines that as a result of actual or expected credit losses on its guaranteed portfolio, its Core Capital will become impaired by 80%. The Callable capital agreement became effective on 12 December 2017 and USD25 million was available based on the terms of the agreement while the balance of USD 25 million was cancelled in 2021. On 30th June 2024, the outstanding balance of USD25 million was also cancelled.

31 December 2024	**Number of ordinary shares held**	**Number of preference shares held**	**Total number of shares held**
Shareholders:			
Nigeria Sovereign Investment Authority (NSIA)	6,517,989,417	10,187,280,172	16,705,269,589
Africa Finance Corporation (AFC)	4,360,193,641	9,952,067,699	14,312,261,340
InfraCo Africa Investment Limited (InfraCo)	1,214,703,876	9,807,852,155	11,022,556,031
Leadway Assurance Company Limited	1,280,986,652	1,461,531,905	2,742,518,557
AIICO Insurance Plc	1,881,206,139	-	1,881,206,139
Closing balance	**15,255,079,725**	**31,408,731,931**	**46,663,811,656**
Shares held in trust:			
United Capital Trustees Limited (UCTL)	-	3,591,268,069	3,591,268,069
	15,255,079,725	**35,000,000,000**	**50,255,079,725**

31 December 2023	Number of ordinary shares held	Number of preference shares held	Total number of shares held
Shareholders:			
Nigeria Sovereign Investment Authority (NSIA)	1,239,493,751	10,187,280,172	11,426,773,923
Africa Finance Corporation (AFC)	1,239,493,751	9,952,067,699	11,191,561,450
InfraCo Africa Investment Limited (InfraCo)	1,214,703,876	9,807,852,155	11,022,556,031
Leadway Assurance Company Limited	640,493,326	1,461,531,905	2,102,025,231
AIICO Insurance Plc	1,881,206,139	-	1,881,206,139
Closing balance	**6,215,390,843**	**31,408,731,931**	**37,624,122,774**
Shares held in trust:			
United Capital Trustees Limited (UCTL)	8,784,609,157	3,591,268,069	12,375,877,226
	15,000,000,000	**35,000,000,000**	**50,000,000,000**

During the Board meeting on 29 July 2024, the Board approved the rights issue for the issuance of ordinary shares of 9,039,688,882 (5,278,495,666 ordinary shares to NSIA, 3,120,669,890 ordinary shares to AFC and 640,493,326 ordinary shares to Leadway) to existing shareholders at a price of USD 0.001 per share. Included in the shares issued out were all of the 8,784,609,157 ordinary shares previously held in trust on behalf of the company by United Capital.

On 27 December 2024, the Company increased its share capital from USD 164,204 thousand to USD 165,041 thousand by creation of additional USD 837 thousand ordinary shares of USD 0.0032 each.

On 14 December 2023, AIICO Insurance Plc was admitted as shareholder acquiring 5% shares of 1,881,206,139 units of ordinary shares valued at USD 0.002 per share for a consideration of USD 2,924,749. AIICO Insurance Plc is a publicly quoted company limited by shares, incorporated under the CAMA 2020 and having its registered address at AIICO Plaza, Plot PC 12, Churchgate Street, Victoria Island, Lagos and with registered company number 7340.

Also, during Board meeting on 27 October 2023 the Board approved the payment of ordinary dividends of USD 879 thousand for all ordinary shares ranking for dividends for the interim year ending 31 December 2023. The ordinary dividends were capitalized by issuing additional dividend shares to the beneficiary shareholders.

(e) Share premium

In 2024, 9,039,688,882 units of ordinary shares of USD 0.00064 each were allotted to existing share holders at USD 0.001 per share, giving rise to a share premium of USD 6,195,039. The gross proceed from the issue of shares amounted to USD 11,984,975. See breakdown below.

In 2023, the gross proceeds from the 1,881,206,139 units of ordinary shares allotted to AIICO PLC at USD 0.002 per share were USD 2,924,749.

In thousands of Dollars	Ordinary Shares	Share Premium	Total
5,278,495,666 ordinary shares of USD 0.00068 each to NSIA	3,363	3,598	6,961
3,120,669,890 ordinary shares of USD 0.00068 each to AFC	2,013	2,154	4,168
640,493,326 ordinary shares of USD 0.00068 each to Leadway	413	442	856
Gross proceeds	**5,790**	**6,195**	**11,985**

In thousands of Dollars	Ordinary Shares	Share Premium	Total
1,881,206,139 ordinary shares of USD 0.0005 each to AIICO	1,976	948	2,925
Gross proceeds	**1,976**	**948**	**2,925**

Movement in the year	31 December 2024	31 December 2023
Opening balance	1,228	280
Addition	6,195	948
Expenses on share issued (see i below)	(14)	-
Balance at the end of year	**7,409**	**1,228**

(i) Amount relates to transaction cost on additional share capital issued during the year

23 Retained earnings

In thousands of Dollars	31 December 2024	31 December 2023
Balance as at 1 January	8,129	5,767
Preference dividend	(9,205)	(1,577)
Ordinary dividend (See note 23a)	(309)	-
Ordinary dividend declared (See note 23c)	(1,204)	(919)
	(2,589)	**3,272**
Profit for the year	6,771	5,515
Translation difference	3,710	(658)
Balance at the end of year	**7,892**	**8,129**

At the 30th Board meeting of the Company, held on 4 March 2024, the Board approved the declaration and cash payment of ordinary and preference dividend for existing shareholders as at 31 December 2022 and 31 December 2023. See below for details (amount includes WHT):

(a) **Dividend Paid**

At the 30th Board meeting of the Company, held on 4 March 2024, the Board approved the declaration and cash payment of ordinary and preference dividend for existing shareholders as at 31 December 2022 and 31 December 2023. See below for details (amount includes WHT):

31 December 2024	Preference dividend	Ordinary dividend	Total dividend
Shareholders:	**$000**	**$000**	**$000**
Nigeria Sovereign Investment Authority (NSIA)	3,129	65	3,194
Africa Finance Corporation (AFC)	4,155	66	4,221
InfraCo Africa Investment Limited (InfraCo)	1,531	50	1,581
Leadway Assurance Company Limited	390	34	424
AIICO Insurance Plc	-	94	94
Total	**9,205**	**309**	**9,513**

(b) **Dividend Declared**

At the 33rd Board Meeting of the Company, held on 11 November 2024, the Board approved the declaration and cash payment of ordinary dividend for existing shareholders for the interim period ended 30 June 2024. See below for details (amount includes WHT):

	Ordinary dividend
Shareholders:	**$000**
Nigeria Sovereign Investment Authority (NSIA)	240
Africa Finance Corporation (AFC)	240
InfraCo Africa Investment Limited (InfraCo)	235
Leadway Assurance Company Limited	124
AIICO Insurance Plc	364
Total	1,204

24 Unsecured subordinated long term loans

In thousands of Dollars	31 December 2024	31 December 2023
Unsecured subordinated long-term loan at amortised cost		
Opening	71,557	71,539
Additons (see (i) below	14,860	
Accrued Interest	4,254	4,407
Interest repayment	(4,025)	(6,074)
Effect of movement in exchange rate	129	1,685
	86,775	**71,557**
Current	4,254	4,407
Non-current	82,521	67,150
	86,775	**71,557**

(i) In addition to the USD 26 million, USD 35 million, and USD 10 million unsecured subordinated loans KfW provided in 2019 and 2018 and AfDB in 2020 at simple interest rates of 5.25%, 6%, and 4.07% respectively, Africa Development Bank (AfDB) advanced an unsecured subordinated 10-year loan of USD 15 million at a 7.21% simple interest rate in September 2024. Included in the additions is an amount of USD 140,237 transaction cost on the loan.

25 Translation reserves

(a) Translation reserves represent foreign currency difference arising from the translation of the results from the functional currency of Naira to the presentation currency of US Dollar.

(b) Movement in translation reserves

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		**5,574**	**1,087**
Cash and cash equivalent	29(r)	3,958	3,535
Investment securities	29(a)	4,582	1,663
Financial guarantee liability	29(c)	(8,895)	(8,254)
Trade and other receivables	29(d)	236	254
Prepayments	29(r)	(102)	(32)
Guarantee fee receivable	29(e)	3,514	7,291
Other liabilities	29(f)	(913)	(2,023)
Employee benefit obligation	18(b)	(151)	428
Unsecured Subordinated Capital	29(n)	129	1,685
Property and equipment	29(k)	114	227
Right of use asset	29(m)	64	245
Intangible asset	29(l)	(52)	118
Deferred tax asset	29(o)	157	490
Lease liability	29(p)	(44)	(126)
Current tax liability	29(q)	(249)	(356)
Retained earnings	25(b)	(3,710)	(658)
Share capital		8,072	-
Share premium		522	-
		7,232	4,487
At the end of the period		**12,806**	**5,574**

26 Related parties transactions

(a) Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes associates, joint ventures and the Company's pension schemes, as well as key management personnel.

(i) Parent and ultimate controlling party

Until 20 December 2018, the parent and ultimate controlling party of the Company was Nigeria Sovereign Investment Authority (NSIA). Thereafter, the Company is owned by NSIA, Africa Finance Corporation (AFC), InfraCo Africa Investment Limited and Leadway Assurance Company Limited (See Note 9 of Directors' Report for details of shareholdings).

(ii) Transactions with related party

Related party transactions and outstanding balances as at year end are as follows:

Related entity	Nature of transactions	Note	31 Dec. 2024 ($'000)	31 Dec. 2023 ($'000)
Guarantco	Payables - fee accrual in respect of callable capital provided by GuarantCo.	18	-	354

27 Contingent liabilities, litigations and claims

As at 31 December 2024, the Company had issued the following Guarantees which represent contingent liabilities outstanding:

Client	Guaranteed amount	Outstanding balance Dec 2024	Outstanding balance Dec 2023	*Amount due within 12 Months	*Amount due over 12 months	Issue date
Viathan Funding Ltd	6,456	3,372	6,821	956	2,416	15 December 2017 - 14 December 2027
North South Power	5,487	4,660	7,918	239	4,421	28 February 2019 - 27 February 2034
GEL Utility	8,393	7,580	12,842	360	7,219	28 August 2019 - 27 August 2034
Transport Services Ltd (TSL)	7,747	5,810	11,032	968	4,842	6 October 2020 - 5 October 2030
North South Power II	881	368	885	176	192	18 May 2021 - 30 June 2027
Viathan Funding Ltd II	983	492	1,040	197	295	30 September 2021 - 30 March 2028
Lagos Free Zone Company	6,779	6,779	11,032	-	6,779	16 September 2021 - 16 September 2041
GPC Energy and Logistics	12,912	11,915	21,013	1,130	10,785	23 November 2021 - 23 November 2031
LFZC II Funding SPV Plc	16,139	16,139	26,266	-	16,139	10 March 2022 - 16 March 2042
PAN African Towers Limited	6,456	6,217	10,507	526	5,691	2 February 2022 - 2 February 2032
Asiko Power Limited	968	788	1,490	140	648	13 April 2022 - 30 April 2029
Gas Terminalling Ltd	2,260	2,222	3,677	452	1,770	31 October 2022 - 31 October 2029
Darway Coast	516	516	841	77	439	30 September 2022 - 30 September 2029
GLNG	420	420	683	63	357	28 September 2022 - 30 September 2029
Transport Services Ltd (TSL) II	3,228	3,228	-	3,228	-	28 September 2022 - 30 September 2029
GLNG	3,228	3,228	5,253	110	3,118	14th June 2023 - 14th June 2033
Falcon Incorporation Limited	1,937	1,937	3,152	258	1,679	31 May 2023- 30 April 2030
LFZC III Funding SPV Plc	11,298	11,298	18,386	-	11,298	29 March 2023 - 16 March 2043
Victoria Island Power	5,939	5,939	9,666	1,080	4,859	7th June 2023 - 30th June 2030
Hotspot Network Limited	617	617	1,003	44	573	31 July 2023 - 31 July 2030
GLNG III	134	69	187	46	23	31 July 2023 - 30 June 2026
Coleman Technical Industries Limited	6,456	5,918	10,507	1,076	4,842	12th July 2023 - 30 July 2030
Abuja Steel Mill	6,456	6,456	10,507	430	6,025	30 September 2023- 31 August 2030
Victoria Island Power II	2,453	2,453	3,992	2,453	-	19 September 2023 - 31 December 2025
Me Cure Industries Plc	3,228	3,228	4,203	269	2,959	10 July 2024 - 30 June 2031
Me Cure Industries Plc II	3,228	3,228	2,627	-	3,228	7 October 2024 - 30 September 2031

Modern Shelter Systems	1,937	1,695	3,152	484	1,210	28 November 2023 to 31 January 2028
Victoria Island Power III	1,937	1,937	3,152	1,937	-	21 December 2023 - 30 June 2025
ACOB Lighting Tecnology Ltd	487	487	793	-	487	31 December 2023 - 31 December 2030
Gas Terminalling II	5,487	5,487	-	5,487	-	21 December 2023 - 31 January 2025
GNLG IV	2,582	2,582	-	538	2,044	29 February 2024 - 28 February 2029
GLNG V	3,228	3,228	-	3,228	-	5 April 2024 - 5 April 2025
Modern Shelter II	1,614	1,614	-	403	1,210	25 March 2024 - 30 June 2028
Prado Power	1,259	1,259	-	-	1,259	23 April 2024 - 23 April 2025
Falcon Incorporation Limited II	1,291	1,291	-	54	1,237	31 October 2024 - 30 September 2031
Victoria Island Power IV	6,456	6,456	-	6,456	-	30 October 2024 - 30 April 2025
Ladol Integrated Logistics Free Zone Enterprise	819	819	-	82	737	9 December 2024 - 30 June 2030
Viathan Funding Ltd III	646	646	-	646	-	5 December 2024 - 5 March 2025
	152,341	**142,376**	**201,557**	**33,594**	**108,781**	

There were no claim against the Company as at 31 December 2024 (2023:Nil) in respect of the issued guarantees.
There was no litigation against the Company during the financial year ended 31 December 2024 (2023: Nil).
*Amount due within and over 12 months is not inclusive of interest charged.

28 Events after reporting date

Following the completion of the Rights Issue on December 27, 2024, and the public listing of the Company on December 12, 2024, the Company is currently in the process of listing on the NASD and concurrently raising additional capital through a N27 billion Private Placement.

29 Statement of cash flow notes

(a) Purchase and redemption of investment securities

In thousands of Dollars	Note	31 December 2024	31 December 2023
At the beginning of the year		165,248	156,793
Interest Income (See note 3)		14,510	13,405
Interest received		(10,501)	(9,076)
Effect of movement in exchange rate		(4,582)	(1,663)
Impairment loss on investment securities (see note 4)		(719)	(1,241)
Closing balance	10	(166,474)	(165,248)
Cash outflow/(inflow)		**(2,518)**	**(7,023)**

(ai) Interest received

In thousands of Dollars		31 December 2024	31 December 2023
Interest receivable on investment securities beginning of the year		-	-
Interest income (see note 3)		14,510	13,405
Interest receivable on investment securities		(3,512)	(73)
Effect of movement in exchange rate		(497)	(4,256)
Cash inflow		**10,501**	**9,076**

(b) Changes in financial guarantee liability

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the period		10,891	16,011
Net movement (cash outflow)		(49)	3,134
Effect of movement in exchange rate		(4,199)	(8,254)
At the end of the year	**17**	**6,643**	**10,891**

(c) Changes in trade and other receivables

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		639	576
Impairment loss on other assets (see note 4)		(310)	(133)
Net movement (cash outflow)		1,157	450
Effect of movement in exchange rate		(236)	(254)
At the end of the year	**12**	**1,250**	**639**

(d) Changes in guarantee fee receivable

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		9,114	14,143
Net movement (cash inflow)		62	2,263
Effect of movement in exchange rate		(3,514)	(7,291)
At the end of the year	**11**	**5,662**	**9,114**

(e) Changes in other liabilities

In thousands of Dollars		31 December 2024	31 December 2023
Balance at the beginning of the period		2,367	3,843
VAT paid during the year		1,204	-
Net movement (cash inflow)		(101)	664
Effect of movement in exchange rate		(913)	(2,023)
At the end of the year	**19**	**2,557**	**2,484**

(f) Movement in ordinary share capital

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the period (see note 22)		12,131	9,275
Net movement (net inflow)		5,790	2,855
At the end of the year	**22a**	**17,920**	**12,131**

(g) Movement in irredeemable preference shares

In thousands of Dollars		31 December 2024	31 December 2023
Irredeemable preference shares at the beginning of the year (see note 22b)		22,250	22,250
Net movement (net inflow) dividend capitalisation		-	-
At the end of the year	**22b**	**22,250**	**22,250**

(h) Movement in redeemable preference shares

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the period (see note 22(c))		59,466	57,921
Dividend capitalisation		-	1,545
Issue of redeemable preference shares (see 22 (e))		-	-
At the end of the year	**22c**	**59,466**	**59,466**

(i) Gain on disposal of property and equipment

In thousands of Dollars	31 December 2024	31 December 2023
Cost (see note 14)	-	2
Accumulated depreciation (see note 14)	-	(2)
Net book value	-	-
Sales proceed	-	-
Gain on disposal of property and equipment	**-**	**-**

(j) Movement in property and equipment

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		296	533
Depreciation		(71)	(144)
Additions		161	136
Disposal		-	(2)
Effect of movement in exchange rate		(114)	(227)
At the end of the year	**14**	**272**	**296**

(k) Movement in intangible asset

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		135	135
Amortisation		(7)	(26)
Additions		4	88
Reclassification		-	-
Effect of movement in exchange rate		(52)	(62)
At the end of the year	**16**	**80**	**135**

(l) Movement in Right of Use Asset

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		136	329
Charge for the period		(21)	(34)
Additions		-	(56)
Reclassification		-	-
Effect of movement in exchange rate		64	(103)
At the end of the year	**15**	**179**	**136**

(m) Movement in Unsecured Subordinated Capital

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		71,557	71,539
Addition		14,860	-
Interest expenses (see note (3)(b))		4,254	4,407
Repayment (see note 22)		(4,025)	(6,074)
Effect of movement in exchange rate		129	1,685
At the end of the year	**24**	**86,775**	**71,557**

(n) Movement in Deferred Tax Asset

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		400	1,049
Addition		(20)	(159)
Effect of movement in exchange rate		(68)	(490)
At the end of the year	**18**	**312**	**400**

(o) Movement in Lease Liability

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		128	226
Additions to lease liabilities		102	
Payment		(154)	
Unwinding of discount (see note 3b)		11	28
Effect of movement in exchange rate		(44)	(126)
At the end of the year	**21**	**42**	**128**

(p) **Movement in Current Tax Liability**

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		630	215
Charge for the year see note 8(a):			
Minimum tax		-	94
Current tax		535	776
Net movement (cash outflow)		(341)	(99)
Effect of movement in exchange rate		(249)	(356)
At the end of the year	**8(c)**	**575**	**630**

(q) **Changes in prepayments**

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year		259	-
Net movement (cash outflow)		66	291
Effect of movement in exchange rate		(102)	(32)
At the end of the year	**12**	**223**	**259**

(r) **Movement in employee benefit**

In thousands of Dollars	31 December 2024	31 December 2023
At the beginning of the year	540	554
Accrual	426	397
Net movement (cash outflow)	(231)	-
Effect of movement in exchange rate	64	(411)
At the end of the year	**798**	**540**

(s) **Movement in retained earnings**

In thousands of Dollars	31 December 2024	31 December 2023
At the beginning of the year	8,129	5,767
Preference dividend paid	(9,205)	
Ordinary dividend paid	(309)	(2,495)
Dividend payable	(1,204)	-
Profit for the year	6,771	5,515
Effect of movement in exchange rate	3,710	(658)
At the end of the year	**7,892**	**8,129**

(t) **Effect of movement in exchange rates on cash held**

In thousands of Dollars		31 December 2024	31 December 2023
At the beginning of the year - Translation reserves	25(b)	5,574	1,087
Investment securities	29(a)	4,582	1,663

Financial guarantee liability	29(c)	(8,895)	(8,254)
Trade and other receivables	29(d)	236	254
Prepayments	29(r)	(102)	(32)
Guarantee fee receivable	29(e)	3,514	7,291
Other liabilities	29(f)	(913)	(2,023)
Employee benefit obligation	18(b)	(151)	428
Unsecured Subordinated Capital	29(n)	129	1,685
Property and equipment	29(k)	114	227
Right of use asset	29(m)	64	245
Intangible asset	29(l)	(52)	118
Deferred tax asset	29(o)	157	490
Lease liability	29(p)	(44)	(126)
Current tax liability	29(q)	(249)	(356)
Retained earnings	29(t)	(3,710)	(658)
Share capital		8,072	-
Share premium		522	-
At the end of the year - Translation reserves	25(b)	(12,806)	(5,574)
Effect of movement in exchange rates on cash held		**(3,958)**	**(3,535)**

30 Financial risk management

(a) Introduction

This note presents information about the Company's exposure to different types of risks, the objectives, systems, policies and processes for identifying, measuring and managing risks, and the Company's management of capital. The Company's activities expose it to a variety of risks, and those activities principally involve creation of financial assets and liabilities. Risk taking is the core of the company's business and operational risks amongst others are an inevitable consequence of being in the financial services industry. The Company's aim is to achieve an appropriate balance between risk and return, and minimise potential adverse effects on the Company's financial performances. The Company has therefore built its business around sound risk management practices, so that as it actively seeks opportunities to create value for its clients and stakeholders, there is also a deliberate, concerted effort to preserve value. The Company has adopted encompassing Risk Management & Guarantee Policies that consider risk from a comprehensive and integrated standpoint.

(b) Risk management objectives

The primary objective of risk management is to ensure efficient risk/return decision-making, reduce volatility in operating performance, improve operational efficiency as well as the quality of service delivery and ensure that the Company's risk profile is transparent to all stakeholders.

Risk Management practices at the Company centre around building a sustainable business where an acceptable risk profile is consistently maintained, given risk capacity and tolerance levels per time.

Therefore, its approach is driven by the following key objectives:

Business sustainability: This represents resiliency over time. It involves the organisation's ability to survive significant internal and external shocks.

Accountability: This represents the directors' obligations to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner.

Risk/reward alignment: This is an optimization concept that seeks to achieve maximum possible return for each unit of risk taken.

Operational efficiency: This represents the Company's ability to deliver services in the most cost-effective manner possible while maintaining the highest feasible quality standards.

(c) Risk management framework

The Company's risk management philosophy is premised on the belief that aggressive and yet guarded risk attitude will ensure sustainable growth in shareholders value and corporate reputation. To this end, the Board and Management are committed to establishing and sustaining tested practices in risk management. The Board of Directors determines the Company's goals in terms of risk by issuing a risk policy. The policy both defines acceptable levels of risk for day-to-day operations, as well as the willingness of the Company to incur risk, weighed against the expected rewards.

The risk policy is detailed in the Risk Management & Guarantee Policies, which is a structured approach to identifying opportunities, assessing the risk inherent in these opportunities and managing these risks proactively in a cost effective manner. It is a top-level integrated approach to events identification and analysis for proper assessment, monitoring and identification of business opportunities. Specific policies are also in place for managing risks in the different risk areas of credit, market, liquidity and operational risks.

The evolving nature of risk management practices necessitates regular review of the effectiveness of each enterprise risk management component. In the light of this, the Company's Risk Management & Guarantee Policies is subject to continuous review to ensure effective and cutting-edge risk management. The review is done in either or both of the following ways:

(i) Continuous self evaluation and monitoring by the Risk Management Unit; and

(ii) Independent evaluation and reviews.

The Head, Credit Risk has the primary responsibility for risk management and for the review of the Risk Management & Guarantee Policies. All amendments to the Company's Risk Management & Guarantee Policies require the Board's approval. The unit also has the responsibility to enforce the risk policy of the Company by constantly monitoring risk, with the aim of identifying and quantifying significant risk exposures and acting upon such exposures as necessary.

The different risk exposures faced by the Company are summarized into the broad risk categories below;

Risk type	Description	Loss characteristics
Market risk	The risk of loss due to unfavourable movements in the prices of assets.	This could result in loss of value to the Company's investment portfolio.
Credit risk	The risk of loss arising from counterparty's inability or unwillingness to fulfil contractual obligations to the Company.	This could result in impairment in the Company's credit assets and could invariably affect its short to long-run liquidity needs.
Liquidity risk	The risk that the Company will not be able to meet its financial obligations as they fall due.	This could result in significant business disruption or could hinder normal operations of the Company.

Operational risk	The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events such as violent events like natural disaster, fire, flooding, terrorist actions.	This could result in significant business disruption or loss of financial resources of the Company.

(d) Valuation of financial instruments

The Company measures fair values for disclosure purposes using the following fair value hierarchy that reflects the nature and process used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques based on significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instrument being valued and the similar instrument.

(i) Market risk

Market risk is the risk that changes in market prices, such as interest rate, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Company's income or the value of its holdings of financial instruments. In guaranteeing certain debts of its client companies, the Company also becomes indirectly exposed to the market risks of those companies. The objective of market risk management is to control and bring market risk exposures within acceptable parameters to ensure the Company's solvency, while optimising the return on risk.

The Company's market risk management practice seeks to achieve an appropriate balance between risks and returns in its investment decisions thereby reducing volatility to its earnings. The Company has no trading financial instruments.

Interest rate risk:

Interest rate risk is the risk of loss in the fair value of investment positions due to unfavourable movements in interest rate spreads. The Company's exposure to interest rate risk is majorly from its financial assets such as money market placements, treasury bills, Eurobonds and financial liabilities such as the unsecured subordinated long term loan from KFW and AFDB.

The investment policy of the Company restricts its investment portfolio to 60% in highly rated/liquid securities with weighted average duration of 2 years and 40% in highly rated/liquid securities with weighted average duration of 5 years.

The table below summarizes the Company's interest rate gap position, analysed by the earlier contractual re-pricing or maturity date is as follows:

31 December 2024			Interest bearing instruments				Non-interest bearing instruments
In thousands of Dollars	Note	Carrying amount	Less than 3 months	3 months - 6 months	6 months - 1 year	Over 1 year	
Assets							
Cash and cash equivalents	9	25,187	25,187	-	-	-	-
Investment securities	10	166,474	-	15,012	28,621	122,841	-
Guarantee fee receivable	11	16,439	322	259	562	15,296	
Trade and other receivables	12	1,245	-	-	-	-	1,245
		209,345	**25,509**	**15,271**	**29,183**	**138,137**	**1,245**
Liabilities							
Financial guarantee liability	17	6,643	-	-	-	-	
Other liabilities	19(a)	19	-	-	-	-	19
Lease liability	21	42	-	-	-	-	
Unsecured subordinated long term loan	24	86,775	1,180	1,206	3,542	80,847	-
		93,479	1,180	1,206	3,542	80,847	19
Total interest re-pricing gap		**115,866**	**24,329**	**14,065**	**25,641**	**57,290**	**1,226**

31 December 2023			Interest bearing instruments				Non-interest bearing instruments
In thousands of Dollars	Note	Carrying amount	Less than 3 months	3 months - 6 months	6 months - 1 year	Over 1 year	
Assets							
Cash and cash equivalents	9	8,075	8,075	-	-	-	-
Investment securities	10	165,248	28,587	34,222	44,643	57,796	-
Guarantee fee receivable	11	9,114	-	-	-	-	9,114
Trade and other receivables	12	633	-	-	-	-	633
		183,070	**36,662**	**34,222**	**44,643**	**57,796**	**9,747**
Liabilities							
Financial guarantee liability	17	18,124	-	-	-	-	18,124
Other liabilities	19(a)	1,219	-	-	-		1,219.00
Lease liability	21	128	-	-	-	128	-
Unsecured subordinated long term loan	24	73,618	1,351	37	1,858	71,723	-
		93,089	1,351	37	1,858	71,851	19,343
Total interest re-pricing gap		**90,785**	**37,382**	**15,312**	**18,164**	**22,326**	**(2,271)**

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Company's financial assets and liabilities to various standard and non-standard interest rate scenarios. An analysis of the Company's sensitivity to an increase or decrease in market interest rates, assuming no asymmetrical movement in yield curves and a constant financial position, is as follows:

In thousands of Dollars	**31 December 2024**	**31 December 2023**
Profit or loss & equity		
Increase by 2%	2,098	2,035
Decrease by 2%	(2,098)	(2,035)

(ii) Credit risk

Credit risk is the risk of loss arising from claims on guarantees provided by the Company as a result of default by obligors and also the risk of loss arising from counterparty's inability or unwillingness to fulfil contractual obligations to the Company. Other key areas where the Company is exposed to credit risk are:

- **Cash and cash equivalents:** The risk of these exposures are tied to the financial health of the Company's banking counterparties.
- **Investment securities:** The risk of this exposure is also tied to the financial health of the counterparty or financial institution.
- **Other assets:** These exposures represent receivables due from clients and related parties.
- **Guarantee fee receivables:** These exposures represent receivables due from Viathan Funding Plc relating to the guarantee fees due from the financial guarantee contract.

Management of credit risk

The Company has instituted a set of credit and investment policies governing underwriting and investment criteria and a robust credit evaluation and approval process in its bid to mitigate credit risk. The following principles form the basis of the Company's credit risk management with respect to its guarantee contracts:

- appropriate risk diversification within its eligible transactions;
- thorough risk assessment at the credit appraisal stage of the guarantee process;
- risk-based pricing and risk mitigation strategies;
- continuous risk monitoring at the individual counterparty level as well as the portfolio level; and
- avoidance of undesirable risks to the extent possible.

The Credit Guarantee Policy of the Company also details the use of other approved credit mitigant facilities such as reinsurance from highly rated counterparties, refinancing creditworthy brownfield eligible infrastructure related assets, co-guaranteeing transactions with other entities, partial guarantees, tranching of debt issuances and guaranteeing the senior debt tranche, non-acceleration of guarantee obligations, guaranteeing long term amortising debt and avoiding 'bullet maturities' and ensuring adequate cover on the nature and type of security package. The Board of Directors has overall responsibility for all aspects of Risk Management within the Company.

The table below shows the exposure of credit risk based on financial assets held by the Company:

In thousands of Dollars	Note	31 December 2024	31 December 2023
Cash and cash equivalents	9	25,187	8,075
Investment securities	10	166,474	165,248
Guarantee fee receivable	11	5,662	9,114
Trade and other receivables	12	1,245	633
Total exposure to credit risk		**198,568**	**183,070**

With respect to proprietary management of investment portfolio, the Company only transacts with financial institutions and other counterparties that are rated the equivalent of investment grade. Where the counterparties have minimum of investment grade rating, they are considered to have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Furthermore, although the value of trade receivables are grossly insignificant at the end of the year, the Company reviews the recoverable amount of each trade receivable on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made in line with IFRS 9. In this regard, the directors of the Company consider that the Company's credit risk with respect to trade receivables is significantly reduced. Trade receivables consist of receivables for upfront fees from clients in respect of due diligence on proposed guarantee of infrastructure bonds.

The credit risk on liquid funds is grossly immaterial because the counterparties are banks with high credit-ratings assigned by reputable credit-rating agencies. Thus, no loss allowance was recognized on cash and bank balances at the end of the reporting period.

As noted above, the Company is exposed to credit risk in relation to financial guarantees given to customers which are companies engaged in infrastructure development. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantees are called on. As at 31 December 2024, there was nil expected credit losses (2023: nil).

Collateral held as security and other credit enhancements

The Company holds collateral or other credit enhancements to mitigate credit risk associated with financial guarantee contracts. Below shows the nature and value of collaterals held as securities for the guarantee contracts issued as at 31 December 2024:

Viathan Funding Limited (Viathan)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	12,634	15,388
Reserve account (Bank balance)	4	5
Total value of the collateral held	**12,638**	**15,393**
Outstanding value of the guarantee at the end of the year	(4,509)	(7,861)
Excess of collateral over outstanding value of the guarantee	**8,129**	**7,532**

Other than the reserve account and bank balances; the valuation for Viathan's assets was undertaken by Jide Taiwo & Co. (FRC/2012/0000000000254). This valuation falls in category 3 of the fair value hierarchy.

North South Power Company Limited (NSP)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	40,542	76,435
Reserve account (Bank balance)	1,400	2,219
Total value of the collateral held	**41,942**	**78,654**
Outstanding value of the guarantee at the end of the year	(5,028)	(15,836)
Excess of collateral over outstanding value of the guarantee	**36,914**	**62,818**

Other that the reserve account and bank balances; the valuation for NSP's assets was undertaken by Deloitte & Touche (Tope Odukoya- FRC/2012/ICAN/00000000422). This valuation falls in category 3 of the fair value hierarchy.

GEL Utility Limited (GEL)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	12,950	21,076
Reserve account (Bank balance)	1,816	2,689
Total value of the collateral held	**14,766**	**23,765**
Outstanding value of the guarantee at the end of the year	(7,580)	(12,842)
Excess of collateral over outstanding value of the guarantee	**7,186**	**10,923**

Other than the reserve account and bank balances; the valuation for GEL Utility's assets was undertaken by Jide Taiwo & Co. (FRC/2012/0000000000254). This valuation falls in category 3 of the fair value hierarchy.

Transport Services Limited (TSL)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	36,198	33,940
Reserve account (Bank balance)	1	254
Total value of the collateral held	**36,199**	**34,194**
Outstanding value of the guarantee at the end of the year	(9,038)	(11,032)
Excess of collateral over outstanding value of the guarantee	**27,161**	**23,162**

Other than the reserve account and bank balances; the valuation for TSL's assets was undertaken by Ubosi Eleh + Co. (FRC/2014/NIESV/00000001493). This valuation falls in category 3 of the fair value hierarchy.

Lagos Free Zone Company (LFZC)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	215,152	350,151
Reserve account (Bank balance)	-	-
Total value of the collateral held	**215,152**	**350,151**
Outstanding value of the guarantee at the end of the year	(34,216)	(37,298)
Excess of collateral over outstanding value of the guarantee	**180,936**	**312,853**

Other than the reserve account and bank balances; the valuation for LFZC's assets was undertaken by Knight Frank (FRC/2013/0000000000584). The valuation report was signed by Sunny Akpodiogaga. This valuation falls in category 3 of the fair value hierarchy.

GPC Energy & Logistics Limited (GPC)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	26,514	43,150
Reserve account (Bank balance)	465	685
Total value of the collateral held	**26,979**	**43,835**
Outstanding value of the guarantee at the end of the year	(11,915)	(21,013)
Excess of collateral over outstanding value of the guarantee	**15,064**	**22,822**

Other than the reserve account and bank balances; the valuation for GPC's assets was undertaken by Pat Obianwu & Co. (FRC/2014/NIESV/00000007136) signed by ESV. Patrick Obianwu. This valuation falls in category 3 of the fair value hierarchy.

Asiko Power Limited (Asiko)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	6,307	2,759
Reserve account (Bank balance)	265	116
Total value of the collateral held	**6,572**	**2,875**
Outstanding value of the guarantee at the end of the year	(8,497)	(1,490)
Excess of collateral over outstanding value of the guarantee	**(1,925)**	**1,385**

Other than the reserve account and bank balances; the valuation for Asiko's assets was undertaken by Jude Okokor & Co. (FRC/2014/NIESV/00000006456). This valuation falls in category 3 of the fair value hierarchy.

PAN African Towers Limited (PAT)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	23,524	30,477
Reserve account (Bank balance)	817	498
Total value of the collateral held	**24,341**	**30,975**
Outstanding value of the guarantee at the end of the year	(6,217)	(10,507)
Excess of collateral over outstanding value of the guarantee	**18,124**	**20,468**

Other than the reserve account and bank balances; the valuation for PAT's assets was undertaken by United Capital Investment Banking signed by Babatunde Obaniyi. This valuation falls in category 3 of the fair value hierarchy.

Darway Coast (Darway)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	1,661	1,681
Reserve account (Bank balance)	1,161	1,728
Total value of the collateral held	**2,822**	**3,409**
Outstanding value of the guarantee at the end of the year	(516)	(841)
Excess of collateral over outstanding value of the guarantee	**2,306**	**2,568**

Other than the reserve account and bank balances; the facility size has been taken as the collateral size.

Green Liquefied Natural Gas Limited (GLNG)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	10,638	8,119
Reserve account (Bank balance)	734	513
Total value of the collateral held	**11,372**	**8,632**
Outstanding value of the guarantee at the end of the year	(9,527)	(5,936)
Excess of collateral over outstanding value of the guarantee	**1,845**	**2,696**

Other than the reserve account and bank balances; the valuation for GLNG's assets was undertaken and signed by Biodun Odeleye & Co. This valuation falls in category 3 of the fair value hierarchy.

Abuja Steel Mills Limited (Abuja Steel)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	20,242	32,942
Reserve account (Bank balance)	106	135
Total value of the collateral held	**20,348**	**33,077**
Outstanding value of the guarantee at the end of the year	(6,456)	(11)
Excess of collateral over outstanding value of the guarantee	**13,892**	**33,066**

Other than the reserve account and bank balances; the valuation for Abuja Steel's assets was undertaken and signed by Osas and Oseji (FRC/2012/0000000000522). This valuation falls in category 3 of the fair value hierarchy.

Mecure Industries Plc (MeCure)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	26,128	13,002
Reserve account (Bank balance)	199	-
Total value of the collateral held	**26,327**	**13,002**

Outstanding value of the guarantee at the end of the year	(6,456)	(7)
Excess of collateral over outstanding value of the guarantee	**19,871**	**12,995**

Other than the reserve account and bank balances; the valuation for MeCure's assets was undertaken and signed by Adefila & Partners. This valuation falls in category 3 of the fair value hierarchy.

Coleman Technical Industries Limited (Coleman)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	72,215	117,527
Reserve account (Bank balance)	-	-
Total value of the collateral held	**72,215**	**117,527**
Outstanding value of the guarantee at the end of the year	(5,918)	(11)
Excess of collateral over outstanding value of the guarantee	**66,297**	**117,516**

Other than the reserve account and bank balances; the valuation for Coleman's assets was undertaken and signed by Idowu Shada & Co. This valuation falls in category 3 of the fair value hierarchy.

Victoria Island Power Limited (Elektron)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	16,785	29,930
Reserve account (Bank balance)	-	-
Total value of the collateral held	**16,785**	**29,930**
Outstanding value of the guarantee at the end of the year	(16,785)	(13,655)
Excess of collateral over outstanding value of the guarantee	**-**	**16,275**

Modern Shelter Systems and Services Limited (Modern Shelter)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	10,303	3,152
Reserve account (Bank balance)	92	-
Total value of the collateral held	**10,395**	**3,152**
Outstanding value of the guarantee at the end of the year	(3,309)	(3,152)
Excess of collateral over outstanding value of the guarantee	**7,086**	**-**

Prado Power (Prado)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	1,259	-
Reserve account (Bank balance)	89	-
Total value of the collateral held	**1,348**	**-**
Outstanding value of the guarantee at the end of the year	(1,259)	-
Excess of collateral over outstanding value of the guarantee	**89**	**-**

Falcon Corporation Limited (Falcon)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	3,228	3,152
Reserve account (Bank balance)	179	158
Total value of the collateral held	**3,407**	**3,310**
Outstanding value of the guarantee at the end of the year	(3,228)	(3,152)
Excess of collateral over outstanding value of the guarantee	**179**	**158**

Hotspot Network Limited (Hotspot)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	617	2,007
Reserve account (Bank balance)	76	133
Total value of the collateral held	**693**	**2,140**
Outstanding value of the guarantee at the end of the year	(617)	(1,003)
Excess of collateral over outstanding value of the guarantee	**76**	**1,137**

ACOB Lighting Technology Limited (ACOB)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	487	793
Reserve account (Bank balance)	36	-
Total value of the collateral held	**523**	**793**
Outstanding value of the guarantee at the end of the year	(487)	(487)
Excess of collateral over outstanding value of the guarantee	**36**	**306**

LADOL Integrated Logistics Free Zone Enterprise (LADOL)

In thousands of Dollars	31 December 2024	31 December 2023
Open Market value of property held	1,380	-
Reserve account (Bank balance)	-	-
Total value of the collateral held	**1,380**	**-**
Outstanding value of the guarantee at the end of the year	(819)	-
Excess of collateral over outstanding value of the guarantee	**561**	**-**

In respect of the nature and value of collaterals held as securities for the respective guarantee contracts issued as at 31 December 2024 detailed above:

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its investment securities.

There was no change in the Company's collateral policy during the period.

Overview of the Company's exposure to credit risk

As at 31 December 2024, the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from:

- the carrying amount of the respective recognised financial assets as stated in the statement of financial position; and
- the financial guarantee disclosed in the notes below.

In order to minimise credit risk, the Company has tasked its Board and Management Credit Committees to develop and maintain the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by reputable independent rating agencies where available and, if not available, the Credit Committees use other publicly available financial information and the Company's own records to rate its major customers and other debtors. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company's current credit risk grading framework comprises the following categories:

Internal credit rating	Description	Basis for recognising expected credit losses (ECLs)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL.
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit impaired.

In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired.
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off.

The tables below detail the credit quality of the Company's financial assets and financial guarantee contracts (off-balance sheet) as well as the Company's maximum exposure to credit risk by credit risk rating grades. Current credit ratings were assigned by Agusto & Co., GCR, Fitch and S&P.

31 December 2024	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount (i)	Loss allowance	Net carrying amount (i)
Cash and cash equivalents	9	AAA - CCC *	Performing	12-month ECL	25,214	(27)	25,187
Investment securities	10	A1 - AAA*	Performing	12-month ECL	168,051	(1,577)	166,474
Guarantee fee receivables	11	A - BBB+ *	Performing	12-month ECL	5,662	-	5,662
Trade and other receivables	12	A - BBB+ *	Performing	12-month ECL	1,692	(447)	1,245
Total exposure to credit risk					**200,619**	**(2,051)**	**198,568**

31 December 2023	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount (i)	Loss allowance	Net carrying amount (i)
Cash and cash equivalents	9	AAA - BB+ *	Performing	12-month ECL	8,092	(17)	8,075
Investment securities	10	A1 - AAA*	Performing	12-month ECL	166,685	(1,437)	165,248
Guarantee fee receivables	11	A - BBB+ *	Performing	12-month ECL	9,114	-	9,114
Trade and other receivables	12	A - BBB+ *	Performing	12-month ECL	873	(240)	633
Total					**184,764**	**(1,694)**	**183,070**

**Assigned by Fitch, Agusto and GCR*

Incorporation of forward-looking information

The Company uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. The Company uses external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

The Company applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome. The Company has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. The Company has not made changes in the estimation techniques or significant assumptions made during the reporting period.

The table below summarises the principal macroeconomic indicators included in the economic scenarios used at 31 December 2024 for the years 2025 to 2026

	2025	2026
Crude oil price (USD)	75.57	74.50
Prime Lending rate (%)	29.30%	26.75%

Source: Fitch Solutions

Below is the disclosure of scenario probability weightings applied in measuring ECL for both 2023 and 2024

	Probability of Default	
Scenarios	**2024**	**2023**
Best Case	33.33%	41.04%
Base Case	27.50%	28.36%
Worst Case	29.17%	31.60%

Measurement of expected credit losses (ECLs)

The key inputs used for measuring ECL are: probability of default (PD); loss given default (LGD); and exposure at default (EAD).

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. The calculation is based on external rating model, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures. The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact PD.

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. LGD models for unsecured assets consider time of recovery, recovery rates and seniority of claims. The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original EIR of the instrument.

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

The Company measures ECL considering the risk of default over the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if contact extension or renewal is common business practice.

Concentration of credit risk

Most of the financial assets which are exposed to credit risks are from transactions with counterparty companies in the banking industry in Nigeria and public sector (Federal Government of Nigeria). The credit risk that the Company is exposed to as a result of the financial assets is considered low as the counterparties have consistently been rated above average by reputable credit rating agencies such as Fitch, Agusto, GCR and Standard & Poor's (S&P). These counterparties include the Federal Government of Nigeria, Stanbic Bank, Access Bank, Ecobank, United Bank for Africa, Zenith Bank and GuarantCo . As at the reporting date, none of these financial assets have shown objective evidence of impairment.

Concentration by sector

			Cash Equivalents		Investment Securities	
In thousands of Dollars	Rating	Location	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial Institutions						
Stanbic IBTC Bank PLC	AAA */AAA**	Nigeria	10,720	459	15,012	-
Access Bank Plc	Aa */B-***	Nigeria	14,304	6,165	2,145	-
United Bank for Africa Plc	Aa- */ AA+**/B-***	Nigeria	-	-	-	-
Ecobank Nigeria Limited	BB**/CCC***	Nigeria	1	1	-	28,680

Guaranty Trust Bank	B-***	Nigeria	94	233	-	-
Standard Chartered Bank	A+ ***	Nigeria	45	755	-	-
			25,164	**7,613**	**17,157**	**28,680**
Sovereign/ Government						
Federal government of Nigeria	B- ***	Nigeria	-	-	150,894	138,006
Total					**168,051**	**166,686**

Concentration by product

In thousands of Dollars	31 December 2024	31 December 2023
Bank balances	4,620	2,635
Placement with banks	20,594	5,457
Treasury bills	2,145	-
Eurobonds	15,012	28,680
FGN bonds	150,894	138,006
Total	**193,265**	**174,777**

* Assigned by Agusto
** Assigned by GCR
*** Assigned by Fitch

Concentration by region

In thousands of Dollars	31 December 2024	31 December 2023
Nigeria	193,265	174,777
Total	**193,265**	**174,777**

Guarantee fee receivables at amortised cost

Concentration by sector

In thousands of Naira	Internal Rating	External Rating	Location	31 December 2024	31 December 2023
Power Sector					
Viathan Funding Limited	BB+		Nigeria	36	123
North South Power Company Limited	A-	AA**	Nigeria	159	342
GEL Utility Limited	BBB	BBB+*/BBB**	Nigeria	267	562
Asiko Energy Holding Limited	BBB+		Nigeria	24	64
Victoria Island Power	BBB		Nigeria	297	789
				783	**1,880**
Transport sector					
TSL	BB+		Nigeria	184	448
GPC	BBB+		Nigeria	313	711
				497	**1,159**

ICT Telecommunications					
PAN African Towers Limited	A-	A-*/BBB **	Nigeria	361	792
Hotspot Network Limited	BBB-		Nigeria	38	88
				399	**880**
Gas-to-Power					
GLNG	BBB		Nigeria	319	445
				319	445
Gas-to-Clean Cooking					
Gas Terminalling Limited	BBB+		Nigeria	68	178
Falcon Incorporation Limited	BBB		Nigeria	152	192
				220	**370**
Social Infra (Health sector)					
Me Cure Industries Plc III	BBB+	BBB+ **	Nigeria	401	-
				401	**-**
Social Infra (Health sector)					
Modern Shelter Systems	BBB		Nigeria	101	122
				101	**122**
Logistics					
LFZC	BBB-	BBB**	Nigeria	2,342	3,047
LADOL	BBB		Nigeria	-	-
				2,342	**3,047**
Manufacturing					
Coleman Technical Industries Limited	A-	A-*/BBB **		166	432
Abuja Steel Mills	A-			285	656
				451	**1,088**
Renewable Energy					
Darway	BBB		Nigeria	21	53
ACOB Lighting Tecnology Limited	BBB-		Nigeria	29	69
Prado Power			Nigeria	99	-
				149	**122**
Total				**5,662**	**9,114**

* Assigned by Agusto
** Assigned by Fitch
*** Assigned by GCR

Concentration by region

In thousands of Dollars	31 December 2024	31 December 2023
Nigeria	5,662	9,114
	5,662	**9,114**

Financial guarantee contracts (off balance sheet)

In thousands of Dollars	31 December 2024	31 December 2023
Viathan Funding Ltd	3,372	10,507
North South Power	4,660	8,931
GEL Utility	7,580	13,658
Transport Services Ltd (TSL)	5,810	12,608
North South Power II	368	1,433
Viathan Funding Ltd II	492	1,600
Lagos Free Zone Company	6,779	11,032
GPC Energy and Logistics	11,915	21,013
LFZC II Funding SPV Plc	16,139	26,266
PAN African Towers Limited	6,217	10,507
Asiko Power Limited	788	1,576
Gas Terminalling Ltd	2,222	3,677
Darway	516	841
GLNG	420	683
Transport Services Ltd (TSL) II	3,228	5,253
GLNG	3,228	5,253
Falcon Incorporation Limited	1,937	3,152
LFZC III Funding SPV Plc	11,298	18,386
Victoria Island Power	5,939	9,666
Hotspot Network Limited	617	1,003
GLNG III	69	219
Coleman Technical Industries Limited	5,918	10,507
Abuja Steel Mills	6,456	10,507
Victoria Island Power III	2,453	3,992
Me Cure Industries Plc III	3,228	4,203
Me Cure Industries Plc IV	3,228	2,627
Modern Shelter Systems	1,695	3,152
Victoria Island Power III	1,937	3,152
ACOB Lighting Tecnology Ltd	487	793
Gas Terminalling II	5,487	8,931
GLNG IV	2,582	-
GNLG V	3,228	-
Modern Shelter II	1,614	-
Prado Power	1,259	-
Falcon Incorporation Limited II	1,291	-
Victoria Island Power IV	6,456	-
Ladol Integrated Logistics Free Zone Enterprise	819	-

Viathan Funding Ltd III	646	-
	142,376	**215,128**

On December 30, 2024, Asiko Power Limited issued an N8 billion capital market bond, guaranteed by InfraCredit. The bond proceeds were intended to refinance the N8.5 billion Gas Terminaling 2 bridge facility. However, as of December 31, 2024, Asiko Power Limited had not yet received the bond proceeds. Consequently, the transaction was not recognized as finalized in the financial statements, but this disclosure was made to reflect the status.

Loss allowance by financial instrument

In thousands of Dollars	Note	31 December 2024	31 December 2023
Cash and cash equivalent	9	27	17
Investment securities at amortised cost	10	1,577	1,437
Trade and other receivables	12	447	240
		2,051	**1,695**

(A) Analysis of movement in loss allowance

The tables below analyse the movement of the loss allowance during the period per class of assets.

In thousands of Dollars	Trade and other receivables 12-month ECL	Guarantee fee receivable 12-month ECL	Cash Equivalents 12-month ECL	Investment Securities 12-month ECL	Total
As at 1 January 2023	310	-	140	1,218	1,669
New financial assets originated or purchased	133	-	147	2,459	2,739
Financial assets that have been derecognised	(310)	-	(140)	(1,218)	(1,667)
Impairment loss/(write back) for the year (see note 4)	133	-	7	1,241	1,381
Effect of movement in exchange rate	(202)	-	-	(1,022)	(1,223)
As at 31 December 2023	240	-	147	1,437	1,826
New financial assets originated or purchased	310	-	164	2,156	2,630
Financial assets that have been derecognised	(240)	-	(147)	(1,437)	(1,824)
Impairment loss for the year (see note 4)	310	-	17	719	806
Effect of movement in exchange rate	(103)	-	-	(579)	(683)
As at 31 December 2024	**447**	**-**	**27**	**1,577**	**1,950**

(i) For financial guarantee contract, the gross carrying amount represents the maximum amount the Company has guaranteed under the contract. No impairment allowance was recognised in the profit or loss (2023: nil).

(ii) For trade receivables, the Company has estimated impairment based on loss rates, days past due and applying experienced credit judgement. The estimation resulted in an impairment loss of USD 310 thousand (2023: USD 133 thousand) which has been recognised in profit or loss.

(iii) The loss allowance of USD 719 thousand (2023: USD 1,241 thousand) on investment securities measured at amortised cost is determined based on the credit ratings of the institutions in which the securities are held and is recognised in profit or loss.

(iv) The loss allowance of USD 17 thousand (2023: USD 7) on cash and cash equivalents is determined based on the credit ratings of the institutions in which the cash are held and is recognised in profit or loss.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will be unable to efficiently meet both expected and unexpected current and future cash flow without affecting either its daily operations or its financial condition.

The key objectives for the Company's liquidity risk management are to ensure that the liquidity position is strong enough to enable the Company carry out its core activities for a defined period of time under stressed market conditions without access to new funding, secure the highest possible credit rating by rating agencies and to fulfil the ratio requirements as specified in the capital requirements of the contingent capital facility where applicable.

Management of liquidity risk

The Company's Risk Management Framework is designed to ensure that the Company would always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring prohibitive finance costs.

In the management of its liquidity risk position, the Company employs the following:

- Conducting the liquidity stress tests of the Company's guarantee portfolio quarterly to ensure that the sufficient liquidity can be raised by the Company to service contingent guarantee claims. The outcome of the stress test is reported to and approved by the Board of Directors.
- Maintaining a contingency funding plan.

Residual contractual maturities of financial assets

The table below analyses the Company's non-derivative financial assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows at maturity date.

31 December 2024

In thousands of Dollars	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 3 months	3 months to 6 months	6 months to 12 months	Over 12 months
Cash equivalents	9	25,187	25,214	25,214	-	-	-
Investment securities	10	166,474	180,413	3,365	15,450	31,338	130,260
Guarantee fee receivable	11	5,662	5,662	322	259	562	4,520
Trade and other receivables	12	1,245	1,692	1,692	-	-	-

		198,568	**212,981**	**30,592**	**15,709**	**31,899**	**134,780**
Financial guarantee liability	17	6,643	6,643	435	497	975	4,735
Other liabilities	19(a)	473	473	473	-	-	-
Lease liability	21	42	42	-	-	22	20
Unsecured subordinated long term loan	24	86,775	89,645	637	-	5,224	83,784
Gap (assets-liabilities)		104,635	116,178	29,047	15,212	25,678	46,241
Cumulative liquidity gap				**29,047**	**44,259**	**69,937**	**116,178**

31 December 2023

In thousands of Dollars	Note	Carrying amount	Gross nominal	Less than 3 months	3 months to 6 months	6 months to 12 months	Over 12 months
Cash and cash equivalents	9	8,075	8,092	8,092	-	-	-
Investment securities	10	165,248	157,633	2,534	2,976	7,695	144,427
Guarantee fee receivable	11	9,114	9,114		-	886	8,228
Trade and other receivables	12	633	873	873	-	-	-
		183,070	**175,712**	**11,499**	**2,976**	**8,581**	**152,656**
Financial guarantee liability	17	10,891	10,891	-	-	886	10,005
Other liabilities	19(a)	1,329	1,329	1,329	-	-	-
Lease liability	21	128	128	-	-	-	128
Unsecured subordinated long term loan	24	71,557	89,645	208	-	205	89,232
Gap (assets-liabilities)		99,165	73,719	9,962	2,976	7,490	53,291
Cumulative liquidity gap				**9,962**	**12,938**	**20,428**	**73,719**

(v) Operational risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events such as violent events like natural disaster, fire, flooding, terrorist actions, etc. This definition includes legal risk but excludes strategic and reputational risk.

The Company's Operational Risk Management (ORM) Policy provides a firm-wide definition of Operational Risk and codifies the core governing principles for Operational Risk Management. The Policy outlines the crucial elements of an ORM framework which include:

- clear strategies and oversight by the Board of Directors and Senior Management.
- a strong operational risk and internal control culture (including, among other things, the set of individual and corporate values, attitudes, competencies and behaviour that determine a firm's commitment to and style of operational risk management) and effective internal reporting.
- commitment to effective corporate governance, including, among others, segregation of duties, avoidance of conflicts of interest, clear lines of management responsibility, accountability and reporting, as reflected in the Company's corporate governance documents. All levels of staff must understand their responsibilities with respect to operational risk management.
- foundational structures which are relied upon to minimize and effectively respond to operational risk, with emphasis on Strategies, People, Processes, Systems and Controls.
- effective monitoring and internal reporting, and high standards of ethics and integrity; and
- contingency and business continuity plans.

The objective of ORM policy at InfraCredit is to establish and maintain a sound ORM program to where possible prevent, and where not possible, mitigate, identify, measure, assess, monitor, over-come and report on operational risk by:

- providing an organization-wide definition of operational risk,
- defining InfraCredit's risk appetite, strategy and policies in regard to operational risk,
- establishing the Operational Risk governance structure, and the roles and responsibilities of personnel and committees,
- defining relevant operational risk processes, including identification, assessment and/or measurement, monitoring, control/mitigation and reporting; and defining the tools used to guard against operational risk, such as: data collection, Risk & Control Self- Assessments (RCSAs), cultivating a process-driven work environment, training, technology, tracking key risk indicators and Business Continuity Management.

The management of operational risk in InfraCredit is undertaken at three distinct levels, each with clearly defined roles and responsibilities as follows:

- the first line of defence is the responsibility of each business unit to develop processes and identify, measure, monitor and manage risks in their respective business units.
- the second line of defence includes the principal stewards of the Credit Risk, Market Risk and Operational Risk Policies, Compliance & Internal Control, the Asset Liability Committee (ALCO) and the Management Risk Oversight Committee (MROC), which have heightened responsibility to monitor and report on key risk areas of the business.
- the third line of defence is Internal Audit, which inter alia undertakes reviews of the adequacy of ORM processes and their effectiveness across all functions and core business processes of the Company.

(vi) Capital management

The strategy for assessing and managing the impact of the business plans on both core and contingent capital forms an integral part of the Company's strategic plan. The fundamental driver in determining capital adequacy for a credit guarantor is the sufficiency of capital to cover the expected losses on the portfolio given an assumed worst case expected loss scenario with adequate consideration given to the leverage levels and the ability of the Company to access its capital - both the invested qualifying capital and if necessary, the unfunded contingent capital facility to make payment for losses under a financial guarantee.

The strategy and approach to capital management is to operate with a conservative policy which is centred around ensuring that the capital structure of the Company is resilient and able to absorb losses and recapitalize from internal cashflows without external fundings.

The Company is not exposed to any externally imposed capital requirement.

The Company is expected to maintain an appropriate level of qualifying capital to support issuance of its guarantees and maintain an acceptable external rating.

Qualifying capital is defined as:

- the amount of qualifying core capital, plus
- unfunded contingent capital, less
- loss provisions, and
- any other non-credit guarantee related liabilities.

Qualifying core capital means an amount equal to:

- the cash value of all permitted investments together with all cash and bank balances; plus
- any cash balance; less
- projected operating expenses for the immediately succeeding quarter; less
- projected expected guarantee payments for the immediately succeeding quarter.

The Company's capital risk is measured and monitored using capital leverage ratio. Capital leverage ratio is "Notional amount guaranteed" divided by (÷) "Qualifying capital".

"Notional amount guaranteed" means an amount equal to:

- the aggregate value of the maximum liability set out in the credit guarantees, less
- the value of the relevant utilized approved credit risk mitigant facilities.

In thousands of Dollars	31 December 2024	31 December 2023
Qualifying capital		
Investment securities	166,474	165,248
Cash and bank balances	25,187	8,075
Projected operating expenses	(939)	(1,106)
Qualifying core capital	**190,722**	**172,216**
Unfunded contingent capital	0	25,000
Other non-credit guarantee related liabilities	(3,174)	(3,242)
Qualifying capital	**187,548**	**193,974**
Notional amount guaranteed		
Amount guaranteed	142,375	201,557
Re-guarantee (USAID) & ATI and ATIDI	(41,696)	(11,266)
Accrued interest	2,747	4,291
Credit risk mitigant/reserve account	(7,726)	(10,752)
Notional amount guaranteed	**95,700**	**183,830**
Net capital leverage ratio	**0.51**	**0.95**
Gross capital leverage ratio	**0.77**	**1.06**

Based on the Capital Management Policy, the Company's capital leverage ratio shall not be higher than "5" (five) within the fourth year anniversary from 31 December 2020 and thereafter, "7.5" (seven point five). The Company has kept its leverage ratio in line with its Capital Management Policy.

	31 December 2024	31 December 2023
Qualifying capital		
Share capital	17,920	12,131
Cummulative irredeemable preference capital	22,250	22,250
Cummulative redeemable preference capital	59,467	59,467
Share premium	7,409	1,228
Share premium	7,892	8,129
Retained earnings	(12,806)	(5,574)
Qualifying capital	**102,132**	**97,630**
Notional amount guaranteed		
Amount guaranteed	142,375	201,557
Re-guarantee (USAID) & ATI and ATIDI	(41,696)	(11,266)
Accrued interest	2,747	4,291
Credit risk mitigant/reserve account	(7,726)	(10,752)
Notional amount guaranteed	**95,700**	**183,830**
Gross capital leverage ratio- Equity	**1.42**	**2.11**
Net capital leverage ratio- Equity	**0.94**	**1.88**

31 Category of financial instruments and fair values

The table below sets out the Company's classification of each class of financial assets and liabilities.

31 December 2024

In thousands of Dollars	**Note**	Carrying amount	Amortised cost	Other financial liabilities (amortised cost)	Fair value
Cash and cash equivalents	9	25,187	25,187	-	25,187
Investment securities	10	166,474	166,474	-	169,771
Guarantee fee receivable	11	5,662	5,662	-	5,662
Trade and other receivables	12	1,245	1,245	-	1,245
Total financial assets		**198,568**	**198,568**	**-**	**201,865**
Unsecured subordinated long term loan	24	86,775	-	86,775	86,775
Financial guarantee liability	17	6,643	-	6,643	6,643
Other liabilities	19(a)	473	-	473	473
Total financial liabilities		**93,891**	**-**	**93,891**	**93,891**

31 December 2023

In thousands of Dollars	Note	Carrying amount	Amortised cost	Other financial liabilities (amortised cost)	Fair value
Cash and cash equivalents	9	8,075	8,075	-	8,075
Investment securities	10	165,248	165,248	-	154,408
Guarantee fee receivable	11	9,114	9,114	-	9,114
Trade and other receivables	12	633	633	-	633
Total financial assets		**183,070**	**183,070**	**-**	**172,230**
Unsecured subordinated long term loan	24	71,557	-	71,557	71,557
Financial guarantee liability	17	10,891	-	10,891	10,891
Other liabilities	19(a)	1,329	-	1,329	1,329
Total financial liabilities		**83,777**	**-**	**83,777**	**83,777**

PROXY FORM FOR THE 8TH ANNUAL GENERAL MEETING OF INFRASTRUCTURE CREDIT GUARANTEE COMPANY PLC TO BE HELD AT LAGOS CONTINENTAL HOTEL, PLOT 52A KOFO ABAYOMI STREET, VICTORIA ISLAND, LAGOS, ON FRIDAY, 11TH APRIL 2025, AT 12:00NOON (WAT)

I/We .... being a Member/Members of Infrastructure Credit Guarantee Company PLC (the "Company") hereby appoint .... of .... or failing him/her, the Chairman of the meeting, as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at Lagos Continental Hotel, Plot 52A, Kofo Abayomi Street, Victoria Island, Lagos on Friday, 11th April 2025, at 12:00noon (WAT), and at any adjournment thereof.

Dated this .... day of 2025

Signature: ....

Name: ....

S/N	Resolutions	For	Against	Abstain
1	To declare Dividends			
2	To elect and re-elect Directors			
3	To authorize the Directors to fix the remuneration of the Auditor			
4	To disclose the remuneration of the Managers			
5	To elect Shareholders' Representatives to the Audit Committee			

Please mark "X" appropriately in the table above, to indicate how you wish for your votes to be cast on the resolutions set out. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

NOTES:

1. A Member is entitled to attend and vote at the Annual General Meeting of the Company. He/She/They are also entitled to appoint a proxy to attend and vote in his/her/their stead, and in this case, this Form may be used to appoint a proxy.

2. Provision has been made on this form for the Chairman of the Company to act as a proxy for any Member who is unable to appoint a proxy to attend the meeting. If you wish to appoint a person other than the Chairman of the Company as your proxy for the meeting, please complete the blank spaces on the Form with the name of your appointed proxy.

3. This Form must be duly completed and signed by the Member of the Company. If the Member is a corporate entity, this Form must be under its common seal or duly signed by an authorized officer of the entity.

4. For the instrument of proxy to be valid for this meeting, it must be stamped in accordance with the provisions of the Stamp Duties Act, CAP S8. Laws of the Federation of Nigeria, 2004. The duly completed and signed Proxy Form must be deposited at the office of the Registrar, CardinalStone Registrars Limited, 335/337 Herbert Macaulay Street, Sabo, Yaba, Lagos, or by email to registrars@cardinalstone.com, not less than 48 hours before the time fixed for the meeting. The instrument of proxy shall be stamped at the instance of the Company.

5. In the case of Joint Members, any of such Member may complete the Form, but the names of all Joint Members must be stated.

Affix
Current
Passport Photograph

Write your name at the back of your passport photograph

InfraCredit
Securing Infrastructure Finance

CARDINALSTONE
REGISTRARS

E-DIVIDEND MANDATE ACTIVATION FORM

Instruction:
Please complete all sections of this form to make it suitable for processing and return to the address below:

The Registrar,
CardinalStone Registrars Limited
335/337, Herbert Macaulay Way
Sabo, Yaba, Lagos
P.M.B 1007 Sabo, Yaba
Nigeria

I/We hereby request that henceforth, all my/our dividend payment(s) due to me/us from my/our holdings in all the companies ticked at the right-hand column be credited directly to my/our bank detailed below.

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname/Company Name First Name Other Names

Address:

City State Country

Previous Address (if any)

CHN (if any)

Mobile Telephone 1 Mobile Telephone 2

Email Address

Signature (s)

Company Seal (If applicable)

Joint/Company's Signatories

This service costs N150.00 per approved mandate per company

TICK	NAME OF COMPANY	SHAREHOLDER'S ACCOUNT NO.
	ACORN PETROLEUM PLC	
	AFRIK PHARMACEUTICALS PLC	
	AG MORTGAGE BANK PLC	
	AG LEVENTIS PLC	
	BANKERS WAREHOUSE PLC	
	CARDINALSTONE FIXED INCOME ALPHA FUND	
	EVANS MEDICALS PLC	
	FCMB BOND 1	
	FCMB BOND 2	
	FCMB BOND 3	
	FCMB GROUP PLC	
	FIDSON BOND	
	G.CAPPA PLC	
	GUINEA INSURANCE PLC	
	INFRASTRUCTURE CREDIT GUARANTEE COMPANY PLC- ORDINARY SHARES	
	INFRASTRUCTURE CREDIT GUARANTEE COMPANY PLC- PREFRENCE SHARES	
	INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC (IPI)	
	JOS INT. BREWERIES PLC	
	LAFARGE AFRICA PLC	
	LAFARGE BOND 1	
	LAFARGE BOND 2	
	LAPO BOND 1	
	LAPO BOND 2	
	LAW UNION & ROCK INS. PLC	
	LEGACY EQUITY FUND	
	LEGACY DEBT FUND	
	LEGACY MONEY MARKET FUND	
	LEGACY USD BOND FUND	
	LIVESTOCK FEEDS PLC	
	MORISON INDUSTRIES PLC	
	NAHCO BOND	
	NAHCO AVIANCE PLC	
	NPF MICROFINANCE BANK PLC	
	OKOMU OIL PALM PLC	
	PREMIER PAINTS PLC	
	ROYAL EXCHANGE PLC	
	SKYE BANK PLC	
	TOTALENERGIES MARKETING NIGERIA PLC	
	TRANS-NATIONWIDE EXP. PLC	
	UBN PROPERTY COMPANY PLC	
	UNION BANK OF NIGERIA PLC	

CARDINALSTONE REGISTRARS
Head Office: 335/337, Herbert Macaulay Way, Sabo, Yaba, Lagos.
Port Harcourt: FCMB Building 85, Aba Express Way by Garrison Junction, Port Harcourt, Rivers.
Abuja: FCMB Building 252, Herbert Macaulay Way, Central Business District, Abuja.
Website: www.cardinalstoneregistrars.com, **E-mail: registrars@cardinalstone.com**
Help Desk Telephone No./Contact Centre Information for Issue Resolution or Clarification: Lagos Head Office: +234 201 712 0090, Port-Harcourt: +234 903 450 1565, Abuja: +234 908 182 8746

InfraCredit

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