



**NIGERIA INFRASTRUCTURE DEBT FUND**  
A Chapel Hill Denham Fund

## Quarterly Investor Report

For Q4 2022

### OVERVIEW

The Nigeria Infrastructure Debt Fund (NIDF) is the first listed infrastructure debt fund in Nigeria registered with and regulated by the Securities and Exchange Commission, Nigeria, and listed on the FMDQ Exchange, Lagos. Its objective is to provide investors with regular, sustained, long-term distributions and to preserve capital over the long-term by generating exposure to Naira-denominated infrastructure debt in Nigeria, which generates regular and predictable long-term cash flows.

### PERFORMANCE

Cumulative performance to 31 December 2022

	2017*	2018	2019	2020	2021	2022
NIDF Total Return	116.1	142.3	168.7	188.5	206.9	234.9
Nigeria CPI	104	115.9	129.7	150.2	173.6	207.1

\* Base value of 100, as on 1 July 2017

### UPDATES FOR THE PERIOD

#### Portfolio summary

As of period ending 31 December 2022, NIDF was exposed to a diversified portfolio of 24 investments. The portfolio had a weighted average annualised yield of 16.6%, a weighted average tenor at disbursement of 8.9 years, and a weighted average remaining life of 5 years.

#### Investments

In Q4 2022, two new infrastructure loans totalling N6.53 billion were approved by the Investment Committee of the Fund. One of these loans have been disbursed and the other will be disbursed on execution of definitive documentation and compliance with disbursement conditions by the borrower.

#### Performance

NIDF continues to consistently outperform its benchmark: the 10-Year FGN bond. The loans are typically priced at 300-450bps over the benchmark on a floating rate basis

#### NIDF Overview

IPO date	28-Jun-17
ISIN	NGCHDNIDF005
Ticker	CHD NIDF
Listing	FMDQ
Year-end	31 December
Distributions	Jan/Apr/Jul/Oct

#### Trading Information

Units in issue	853,576,344
Last traded unit price	N106.81
Par value	N100.00
Net Asset Value per unit	N106.75
NAV	N91.1 billion

#### Distribution

4Q22 distribution	N3.75 per unit
Distribution yield	13.82%
Par value	N100.00
Net Asset Value per unit	N106.75
NAV	N91.1 billion



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### INVESTMENT PORTFOLIO

100%	Naira loans
91%	Senior secured loans
91%	Floating rate loans
2.7%	Construction Exposure
9	Sub-sectors represented in the portfolio
14 years	Longest tenor loan

### OTHER UPDATES

#### Outperformance

NIDF continues to consistently outperform its benchmark: the FGN10Y. Loans are typically priced at 300-450bps over the FGN10Y and are floating rate.

#### Market conditions

NIDF invests principally in asset-backed, project finance loans. This type of financing provides NIDF with:

- Security over the underlying assets;
- Security over the shares of the asset-owning SPV (special purpose vehicle);
- Step-in rights;
- Comprehensive insurance;
- Restrictions on shareholder distributions;
- Debt service reserve account (DSRA); and financial covenants relating to cash flows and leverage.

NIDF addresses two key challenges in Project Finance in Nigeria: providing financing in Naira, not USD, to projects with Naira income streams; and, providing long-term loans to spread the debt repayment over a longer period of time than banks will typically be able to offer.

The Investment Team remains committed to the deployment of capital to high quality credit worthy projects in the face of the persistent macroeconomic challenges, coupled with the uncertainties around the election in the coming weeks.

#### NIDF Parties

Fund Manager	Chapel Hill Denham Management
Joint Trustees	Stanbic IBTC Trustees Limited STL Trustees Limited
Custodian	Citi Nigeria Limited
Registrar	Coronation Registrars Limited
Auditor	PWC Nigeria
Valuation Adviser	KPMG Nigeria

#### Investment Committee

Chair	Philip Southwell
CEO	Anshul Rai
CIO	Bolaji Balogun
Independent	Jeremy Dolphin

#### Advisory Board

Chair	Nominee of the Joint Trustees
NSIA	Aminu Umar-Sadiq
Stanbic IBTC Pension	Olumide Oyetan
AFDB	Wale Shonibare
Progress Trust	Joy Ojokavo
NPF Pensions	Dr. Hamza Sule Wuro Bokki, Ph.D.



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**SUMMARY OF FINANCIAL PERFORMANCE**

<i>Figures in million Naira</i>	<b>FY 2021 (Audited)</b>	<b>Q4 2022 (Unaudited)</b>	<b>FY 2022 (Unaudited)</b>
<b>Total income</b>	8,800	4,491	11,785
<b>Operating expenses</b>	(1,433)	(419)	(1,491)
<b>Net income</b>	7,366	4,073	10,293
<b>Distribution per Unit (Naira)</b>	11	4	14
<b>Cash flow from operations</b>	6,386	4,554	(368)
<b>(Investments made) / Amortisations received - Net</b>	1,412	(13,573)	(5,304)
<b>Cash flow from Financing - Issue of new units</b>	19,442	4	13,682
<b>Distributions paid</b>	7,114	3,516	9,634
<b>Net cash flow for the period</b>	17,302	(12,531)	(1,781)
<b>Net Assets</b>	77,995	91,117	91,117
<b>No. of units (million)</b>	725.31	853.57	853.57
<b>NAV per Unit (Naira)</b>	107.53	106.75	106.75



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