



NIGERIA INFRASTRUCTURE DEBT FUND
A Chapel Hill Denham Fund

Quarterly Investor Report

For Q2 2023

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 30 June 2023

	2017*	2018	2019	2020	2021	2022	YTD 23
NIDF Total Return	116.1	142.3	168.7	188.5	206.9	236.5	255.5
Nigeria CPI	104	115.9	129.7	150.2	173.6	207.1	235.9

* Base value of 100, as on 1 July 2017

UPDATES FOR THE PERIOD

Portfolio summary

As of period ending 30 June 2023, NIDF was exposed to a diversified portfolio of 25 investments. The portfolio had a weighted average annualised yield of 18.0%, weighted average tenor at disbursement of 9.2 years, and weighted average remaining life of 5 years.

Investments

In Q2 2023, three new infrastructure loans totalling N21.2 billion was approved by the Investment Committee of the Fund. The loans will be disbursed on execution of definitive documentation and compliance with disbursement conditions by the borrowers. In addition, the Investment Committee also granted preliminary approval for one new infrastructure loan totalling N6.5 billion. This is currently undergoing due diligence.

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	853,817,592
Last traded unit price	N107.58
Par value	N100.00
Net Asset Value per unit	N108.39
NAV	N92.5 billion

Distribution

2Q23 distribution	N3.75 per unit
Distribution yield	14.81%
Par value	N100.00
Net Asset Value per unit	N108.39
NAV	N92.5 billion



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INVESTMENT PORTFOLIO

100%	Naira loans
92%	Senior secured loans
92%	Floating rate loans
22%	Construction Exposure
9	Sub-sectors represented in the portfolio
14 years	Longest tenor loan

OTHER UPDATES

Outperformance

NIDF continues to outperform its benchmark: the FGN10Y.

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.

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>	FY 2022 (Audited)	YTD - 2023 (Unaudited)
Total income	11,785	8,060
Operating expenses	(1,491)	(827)
Net income	10,293	7,232
Distribution per Unit (Naira)	14.10	7.55
Cash flow from operations	580	16,498
(Investments made) / Amortisations received - Net	(5,962)	(13,977)
Cash flow from Financing - Issue of new units	13,622	26
Distributions paid	10,022	6,419
Net cash flow for the period	(1,781)	(3,871)
Net Assets	91,732	92,548
No. of units (million)	853.58	853.81
NAV per Unit (Naira)	106.75	108.39



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