

**INFRA CREDIT ISSUES MAIDEN GUARANTEE, SUPPORTS THE FIRST 10-YEAR CORPORATE INFRASTRUCTURE BOND IN THE NIGERIAN DEBT CAPITAL MARKETS**

**Lagos, Nigeria:** InfraCredit, a 'AAA' rated infrastructure credit enhancement facility established by the Nigeria Sovereign Investment Authority in collaboration with GuarantCo (a Private Infrastructure Development Group company), is pleased to announce its inaugural guaranteed bond transaction, successfully connecting infrastructure as an asset class to the long-term local currency debt capital markets in Nigeria.

With InfraCredit's guarantee, Viathan Group through Viathan Funding Plc, a special purpose vehicle established to raise debt capital, successfully accessed the debt capital markets for the first time by issuing a NGN 10.0bn 16.0% Series 1 Senior Guaranteed Fixed Rate Bond Due 2027 (the "Viathan Bonds") backed by the irrevocable and unconditional guarantee of InfraCredit and accorded 'AAA' long term national scale rating by GCR and Agosto & Co.

The Viathan Bonds will be the first corporate infrastructure bonds issued in the Nigerian debt capital markets with a tenor of 10 years, extending the yield curve for corporate debt issuances.

By leveraging on InfraCredit's financial strength and high credit ratings, the Viathan Bonds was subscribed by sixteen (16) institutional investors comprising at least 12 pension funds and 2 insurance companies, committing a total of NGN10.5 billion out of the total issue size of NGN10 billion, translating to a 105% subscription; the Viathan Bonds priced at an 82bps premium to the 10-year sovereign benchmark bond (NIGB 16.288 03/17/2027 Govt) using the 60-day yield average adapted for the bookbuild exercise. The 'AAA' rated bonds will be listed on FMDQ OTC Securities Exchange.

Viathan Group develops and operates captive and embedded (off-grid) power solutions for governmental, commercial and residential off-takers across Nigeria, using natural gas as fuel with a combined generation capacity of 50MW.

Nigeria's aggregate electricity need has been estimated at about 160,000 Mega Watts (MW) to satisfy the local electricity demand. With an installed capacity of 12,132 MW, only an estimated 7,000 MW of installed capacity is operational. Of these, only between 3,000 MW to 5,000 MW are actually being generated due to unavailability of gas, breakdowns, water shortage and grid constraints which has led to acute shortage of power across the country. Nigeria's transmission grid is estimated to cover a maximum 40% of the country, with annual self-generating capacity outside the national grid put at over 15,000 megawatts.

The net proceeds of the Bonds will be utilized by Viathan Group to expand its generation capacity by 7.5MW, construct a 104,800 scm/day Compressed Natural Gas (CNG) Plant and refinance short term bank debts.

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Commenting on the development, the CEO of Viathan Engineering Limited, Mr. Ladi Sanni said, “the success of the bond issuance has significant implication for Viathan’s capacity expansion strategy; with 10-year funding at relatively lower borrowing cost, Viathan Group is better positioned to efficiently execute its capacity expansion plan in captive power generation and increase its diversification into gas processing”.

According to the Chief Executive Officer of InfraCredit, Chinua Azubike, “We are pleased to support Viathan Group’s business expansion programme in the captive power market, by enabling them to raise long term local currency funding with favorable terms. The success of our maiden guarantee transaction is a significant milestone, demonstrating strong investor confidence, diverse investor base and market acceptance of our credit standing and ‘AAA’ guarantee. This transaction will create a new investable asset class to match the long-term maturity structure of pension fund and insurance companies’ assets”.

Speaking on the success of the transaction, the Chairman, InfraCredit, Uche Orji said, “the success of this transaction aligns with the overall objective of InfraCredit’s sponsors, the Nigeria Sovereign Investment Authority and GuarantCo, in establishing InfraCredit to serve as a catalyst for facilitating private investment into infrastructure from pension funds and other long-term private institutional investors in order to support sustained economic growth in Nigeria.”

Renaissance Capital (Nigeria) was the Lead Issuing House and Lead Bookrunner for the transaction.

*This announcement is for information purposes only. No money, securities or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted.*

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### Note to the Editor

#### About InfraCredit

InfraCredit is a 'AAA' rated infrastructure credit enhancement facility established as a commercial entity by the Nigeria Sovereign Investment Authority and GuarantCo to provide guarantees to enhance the credit quality of local currency debt instruments issued to finance eligible infrastructure assets in Nigeria. InfraCredit will act 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. GuarantCo is part-of the Private Infrastructure Development Group (PIDG), the PIDG also supported the establishment of InfraCredit through its Technical Assistance Fund. For more information please visit [www.infracredit.ng](http://www.infracredit.ng)

#### About Viathan

The Viathan Companies own and operates five (5) fully operational independent power generation plants, and one gas distribution company located across Lagos and Ogun state with a combined generation capacity of up to c.50MW. The Viathan Group's operating model is focused on acquiring and/or building scalable and modular power plants that are captive/embedded, in order to provide power solutions to local authorities, state-owned entities, corporates and residential clusters using natural gas (CNG or piped gas) as fuel. The Viathan Companies are beneficially owned by Synergy Private Equity ("SPEF") through Synergy Viathan Holdings. SPEF is private equity fund domiciled in Mauritius and focused on making investments in select high growth sectors in Nigeria and Ghana. SPEF has committed capital of over US\$100m and has invested in 10 companies in Nigeria and Ghana across various sectors. For more information please visit [www.viathan-ng.com](http://www.viathan-ng.com)

#### About NSIA

The Nigeria Sovereign Investment Authority, a corporate body established by the Nigeria Sovereign Investment Authority (Establishment, etc.) Act 2011, is mandated to manage funds in excess of budgeted hydrocarbon revenues. Its mission is to play a leading role in driving sustained economic development for the benefit of all Nigerians through building a savings base for the Nigerian people, enhancing the development of Nigeria's infrastructure and providing stabilisation support in times of economic stress. NSIA operates three mandate funds: the Stabilisation Fund, the Future Generations Fund and the Nigeria Infrastructure Fund. For more information please visit [www.nsia.com.ng](http://www.nsia.com.ng)

#### About GuarantCo

GuarantCo was established to mobilise local currency investment for infrastructure projects and support the development of financial markets in low income countries. GuarantCo is part of the Private Infrastructure Development Group (PIDG). GuarantCo is supported by the governments of the UK, Switzerland, Sweden, the Netherlands and Australia and is rated AA- by Fitch and A1 by Moody's. For more information please visit [www.guarantco.com](http://www.guarantco.com)

#### About PIDG

The Private Infrastructure Development Group (PIDG) encourages and mobilises private investment in infrastructure in the frontier markets of sub-Saharan Africa, south and south-east Asia, to help promote economic development and combat poverty. Since 2002, PIDG has supported 154 infrastructure projects to financial close and provided 222 million people with access to new or improved infrastructure. PIDG is funded by donors from seven countries (UK, Switzerland, Australia, Norway, Sweden, Netherlands, Germany) and the World Bank Group. For more information please visit [www.pidg.org](http://www.pidg.org).

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