

# APL FUNDING SPV PLC

₺8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034  
under the ₺50 Billion Bond Issuance Programme

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## Final 2025 Bond Rating Review Report

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 **Agusto&Co.**

*Research, Credit Ratings, Credit Risk Management*

# APL FUNDING SPV PLC

**₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034 under the ₦50 Billion Bond Issuance Programme.**

Issue Rating:

**Aaa**

*Highest quality debt issue with minimal credit risk; strongest capacity to pay returns and principal on local currency debt in a timely manner.*

**Outlook:** Stable

**Issue Date:** 31 December 2025

**Expiry Date:** 30 December 2026

*The Issue rating is subject to annual monitoring and review.*

**Previous Issue Rating:** Aaa

**Analysts:**

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## RATING RATIONALE

Agusto & Co. hereby affirms the “Aaa” rating assigned to APL Funding SPV Plc’s (“APL Funding SPV” or “the Issuer”) ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034 (“Series 1 Bond”, “the Bond” or “the Issue”) under its ₦50 Billion Bond Issuance Programme. The rating affirmation reflects the strength of the irrevocable, unconditional and enforceable guarantee provided by Infrastructure Credit Guarantee Company Plc (“InfraCredit” or “the Guarantor”), ensuring the timely payment of coupon and principal obligations on the Bond. The rating of this issue is based solely on the Guarantor, which is rated “Aaa” by Agusto & Co.

On 30 December 2024, APL Funding SPV Plc issued an ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034 under its ₦50 Billion Bond Issuance Programme, with Asiko Power Limited (APL), Gas Terminalling and Distribution Limited (GTDL), Gas Terminalling Storage Company Limited (GTSL) and Gas Terminalling Global Operations Limited (GTGOL) as Co-Obligors. The Bond has a 23% fixed coupon rate, payable semi-annually on 30 June and 30 December over its ten-year tenor. Principal redemption will commence after the expiration of a twenty-four months moratorium and will be amortized through equal semi-annual installments over the remaining tenor of the Issue. The net proceeds, after deducting issuance costs, were applied by Gas Terminalling Storage Company Limited (one of the Co-Obligors) to refinance an existing loan, previously utilized to support the construction of a 5,000MT capacity liquefied petroleum gas (LPG) terminal and a 13,365MT capacity liquefied natural gas (LNG) terminal in Ijora, Lagos State. The Series 1 Bond is secured by the unconditional and irrevocable guarantee of InfraCredit, ensuring the timely payment of principal and coupon to Bondholders in accordance with the terms of the Deed of Guarantee.

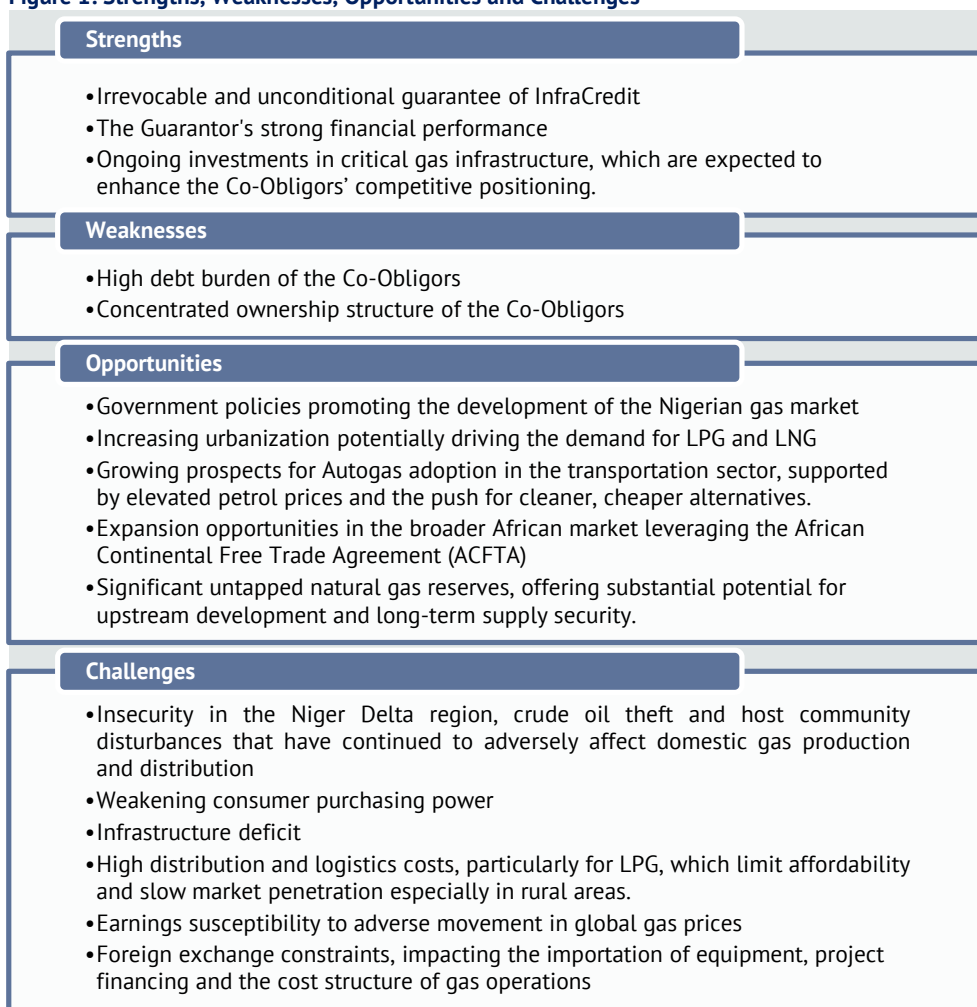
Based on the Trustee’s report dated 28 November 2025, the Company made the first coupon payment of ₦917.5 million to the Series 1 Bondholders without recourse to the guarantee. The next coupon payment is scheduled for 30 December 2025. The Trustee confirmed that there were no breaches of the covenants or pledges stipulated in the Trust Deed

*APL Funding SPV Plc's ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034*

Based on the irrevocable and unconditional guarantee provided by InfraCredit, we hereby attach a **stable** outlook to APL Funding SPV Plc's ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034. However, our rating and outlook on the Bond will be reviewed annually to reflect changes in the guarantee structure and/or the Guarantor's rating.

***This rating report should be read in conjunction with Agusto & Co.'s Corporate Rating Report for Infrastructure Credit Guarantee Company Limited***

**Figure 1: Strengths, Weaknesses, Opportunities and Challenges**



## GUARANTORS' PROFILE

Infrastructure Credit Guarantee Company Plc ("InfraCredit" or "the Guarantor") was incorporated on 20 October 2016 and commenced operations in January 2017. The Guarantor was established to enhance the credit quality of local-currency debt instruments issued to finance eligible infrastructure projects across Nigeria. By providing credit guarantees, InfraCredit lowers borrowing costs for issuers, mobilises long-term capital from institutional investors and supports the deepening of Nigeria's debt capital markets, while contributing to the financing of critical national infrastructure.

InfraCredit was founded through a strategic partnership between the Nigeria Sovereign Investment Authority (NSIA) and GuarantCo Management Company Limited, with initial capital contributions from both shareholders and a US\$25 million callable capital facility provided by GuarantCo. Over time, its shareholder base expanded to include Africa Finance Corporation (AFC), InfraCo Africa Investment Limited, Leadway Assurance Company Limited and AllCO Insurance Plc. These shareholders provide not only financial capital but also governance and regulatory oversight. As part of its medium-term capital growth strategy, InfraCredit executed a rights issue in December 2024, raising ₦18.7 billion from NSIA, AFC and Leadway, which resulted in a dilution of InfraCo Africa and AllCO's shareholding. In June 2024, the callable capital facility from GuarantCo was cancelled and replaced with a re-guarantee arrangement to enhance capital efficiency and enable the Guarantor to support larger transactions with minimal capital strain.

Subsequent to the financial year-ended 31 December 2024, InfraCredit completed a ₦27.13 billion private placement, admitting Mobilist (a UK government-backed investor), Access ARM Pensions and CardinalStone Pensions as new shareholders. To further strengthen its capital base and create exit options for investors, InfraCredit listed its shares on the NASD OTC Securities Exchange on 6 March 2025. The Guarantor's ownership structure now comprises 28.9% Nigerian public or government institutions, 43.8% international financial institutions and 27.3% local institutional investors. In addition to equity capital, InfraCredit continues to access long-term funding from development finance institutions, including a 10-year US\$15 million facility secured from the African Development Bank in September 2024.

## BOND STRUCTURE & ADEQUACY OF PAYMENT ACCOUNT

On 30 December 2024, APL Funding SPV Plc issued an ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034 ("Series 1 Bond", "the Bond" or "the Issue") under its ₦50 Billion Bond Issuance Programme ("the Programme"). The Bond was sponsored by Asiko Power Limited ("APL" or "the Sponsor"), with APL, Gas Terminalling and Distribution Limited (GTDL), Gas Terminalling Storage Company Limited (GTSL) and Gas Terminalling Global Operations Limited (GTGOL) serving as Co-Obligors. The Series 1 Bond was issued at a 23% fixed coupon rate, payable semi-annually on 30 June and 30 December over its ten-year tenor. Principal redemption will commence after the expiration of a twenty-four months moratorium and will be amortized through equal semi-annual installments over the remaining tenor of the Issue.

The net proceeds, after deducting issuance costs, were applied by Gas Terminalling Storage Company Limited

APL Funding SPV Plc's ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034

(one of the Co-Obligors) to refinance an existing loan used to support the construction of a 5,000 metric tonne (MT) capacity liquefied petroleum gas (LPG) terminal and a 13,365MT capacity liquefied natural gas (LNG) terminal in Ijora, Lagos state.

The Bond obligations are serviced through revenues generated from the sale of LPG and LNG as well as other operational cash flows of the Co-Obligors. To this effect, the Co-Obligors are required to deposit into the payment account, monies equal to 50% of the upcoming scheduled coupon and/or redemption amount within one month of the next payment date, while the remaining 50% will be deposited no later than 10 days prior to the next payment date, as stipulated in the Trust Deed, to ensure timely servicing of each scheduled coupon and principal due to Bondholders.

The Bonds are secured by the unconditional and irrevocable guarantee of InfraCredit, ensuring the timely payment of principal and coupon to Bondholders on their due dates, as outlined in the amortization schedule, regardless of any circumstances that may hinder the Co-Obligors from meeting their obligations. If the Co-Obligors fail to fund the payment account as stipulated in the Trust Deed, the Guarantor is obligated to fund the account by the payment date, ensuring that Bondholders are paid in accordance with the provisions of the Deed of Guarantee.

The Series 1 Bond represents a direct, unconditional, guaranteed and unsubordinated obligation of the Co-Obligors and shall at all times rank *pari passu* and rateably without preference among them. The payment obligations of the Obligors in relation to the Bond, as well as those of the Guarantor under the Deed of Guarantee, shall, except as provided by applicable law, always rank at least equally with all their other unsecured, unsubordinated indebtedness and financial obligations, both present and future.

Based on the Trustee's report dated 28 November 2025, the Company made the first coupon payment of ₦917.5 million to the Series 1 Bondholders without recourse to the guarantee. The next coupon payment is scheduled for 30 December 2025, while principal redemption will commence one year following this. The Trustee further confirmed that there were no breaches of the covenants or pledges stipulated in the Trust Deed as at same date.

## OUTLOOK ON BOND REPAYMENT

As at January 2025, Nigeria's proven natural gas reserves were estimated at 210.54 trillion cubic feet (TCF), with a reserve life index of approximately 93 years<sup>1</sup>. This reinforces the country's position as Africa's largest holder of natural gas reserves and places it among the top ten globally. To accelerate monetisation of this resource base, the Government has implemented targeted policy measures, including the VAT Modification Order 2024, which provides VAT exemptions on the sale of feed gas, liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG) and related equipment. These interventions support Nigeria's objective of increasing gas production to 12 billion standard cubic feet (scf) per day by 2030, up from 6.86 billion scf/day in 2024. On the demand side, the push to substitute gas for petrol and diesel in both household energy use and transportation

<sup>1</sup> NUPRC

*APL Funding SPV Plc's ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034*

is gaining traction, particularly as fiscal incentives and energy-transition policies make gas more attractive. While structural challenges persist - including inadequate midstream infrastructure, processing and distribution constraints and continued flaring - government initiatives to expand production, coupled with population growth and rising utilisation of gas for power generation and transportation, continue to underpin the sector's long-term growth prospects.

The Co-Obligors are positioning themselves to capitalise on emerging opportunities in the gas market as they advance the development of their tri-fuel gas terminal in Ijora, which will provide storage capacity for LPG, LNG and propane. The Sponsor of the Bond - Asiko Power Limited (also a Co-Obligor) - has recorded a compound annual growth rate (CAGR) of 81% in revenue over the last three years, supported by access to stable supply sources. The additional storage capacity from the new terminal is expected to further reinforce the Sponsor's supply reliability and support revenue growth. However, we note the emerging pricing pressures in the Nigerian gas market and the resulting impact on the Sponsor's margins. If these pressures persist, the anticipated benefits from the completion and commencement of operations at the terminals could be tempered. Notwithstanding we consider the continuing guarantee from InfraCredit, which ensures full and uninterrupted payment of coupon and redemption of the Series 1 Bond, as a significant enhancement to the Bond's credit quality.

Based on the strength of the credit guarantee by InfraCredit, we hereby attach a **stable** outlook to APL Funding SPV Plc's ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034.

***This bond rating report should be read in conjunction with the 2025 corporate rating report of Infrastructure Credit Guarantee Company Limited (the Guarantor)***

## INFRA CREDIT'S FINANCIAL SUMMARY

### Infrastructure Credit Guarantee Company Plc

<u>BALANCE SHEET AS AT</u>	31 December 2022		31 December 2023		31 December 2024	
	₦'millions		₦'millions		₦'millions	
<b>ASSETS</b>						
1 Cash & Equivalents	2,961	1.4%	2,524	0.7%	7,156	1.4%
2 Government Securities	67,570	32.7%	129,985	34.9%	234,615	44.3%
3 Placements with Financial Institutions	3,358	32.7%	5,178	34.9%	31,858	44.3%
4 Other Debt Securities	4,727	1.6%	27,297	1.4%	23,254	6.0%
5 Quoted/Equity Investments (Net)						
<b>6 CASH &amp; MARKETABLE SECURITIES</b>	<b>78,617</b>	<b>35.8%</b>	<b>164,984</b>	<b>37.0%</b>	<b>296,883</b>	<b>51.6%</b>
7 Net Guarantee Fees Receivable	6,521	3.2%	8,675	2.3%	8,770	1.7%
8 Other Assets	807	0.4%	1,236	0.3%	2,766	0.5%
9 Fixed Assets and Intangibles	460	0.2%	540	0.1%	825	0.2%
<b>10 TOTAL ASSETS</b>	<b>86,405</b>	<b>41.9%</b>	<b>175,434</b>	<b>47.1%</b>	<b>309,244</b>	<b>58.4%</b>
<b>11 OUTSTANDING COMMITMENTS</b>	<b>120,003</b>	<b>58.1%</b>	<b>196,840</b>	<b>52.9%</b>	<b>220,539</b>	<b>41.6%</b>
<b>12 TOTAL ASSETS &amp; COMMITMENTS</b>	<b>206,408</b>	<b>100.0%</b>	<b>372,274</b>	<b>100.0%</b>	<b>529,783</b>	<b>100.0%</b>
<b>CAPITAL &amp; LIABILITIES</b>						
13 TIER 1 CAPITAL (CORE CAPITAL)	<b>43,845</b>	<b>21.2%</b>	<b>92,940</b>	<b>25.0%</b>	<b>158,205</b>	<b>29.9%</b>
14 TIER 2 CAPITAL	32,987		68,107		134,415	
15 TOTAL OTHER LIABILITIES	9,574	4.6%	14,387	3.9%	16,624	3.1%
<b>16 TOTAL CAPITAL &amp; LIABILITIES</b>	<b>86,405</b>	<b>25.9%</b>	<b>175,434</b>	<b>28.8%</b>	<b>309,244</b>	<b>33.0%</b>
<b>17 OUTSTANDING COMMITMENTS</b>	<b>120,003</b>	<b>58.1%</b>	<b>196,840</b>	<b>52.9%</b>	<b>220,539</b>	<b>41.6%</b>
<b>18 TOTAL CAPITAL, LIABILITIES &amp; COMMITMENTS</b>	<b>206,408</b>	<b>100.0%</b>	<b>372,274</b>	<b>100.0%</b>	<b>529,783</b>	<b>100.0%</b>

**APL Funding SPV Plc's ₦8 Billion 10-Year 23% Series 1 Fixed Rate Senior Guaranteed Bond Due 2034**
**Infrastructure Credit Guarantee Company Plc**

<u>INCOME STATEMENT FOR THE YEAR ENDED</u>	31 December 2022		31 December 2023		31 December 2024	
	₦'millions		₦'millions		₦'millions	
19 Guarantee Fee Income	1,950	21.4%	3,514	6.9%	5,208	7.5%
20 Guarantee Fee Expense	(298)	-3.3%	(642)	-1.3%	(1,506)	-2.2%
21 Impairment Charge	-		-		-	
<b>22 NET GUARANTEE FEE</b>	<b>1,652</b>	<b>18.1%</b>	<b>2,872</b>	<b>5.6%</b>	<b>3,702</b>	<b>5.3%</b>
23 Investment Income	3,155	34.6%	4,805	9.4%	13,466	19.4%
24 Other Income/Expenses	4,024	44.1%	42,834	83.7%	50,753	73.1%
<b>25 OPERATING INCOME</b>	<b>8,831</b>		<b>50,511</b>		<b>67,922</b>	
26 Personnel Expenses	(1,480)	-16.2%	(2,059)	-4.0%	(3,585)	-5.2%
27 Depreciation Expenses	(108)	-1.2%	(133)	-0.3%	(147)	-0.2%
28 Other Operating Expenses	(965)	-10.6%	(1,272)	-2.5%	(2,632)	-3.8%
<b>29 TOTAL OPERATING EXPENSES</b>	<b>(2,552)</b>	<b>-28.0%</b>	<b>(3,464)</b>	<b>-6.8%</b>	<b>(6,363)</b>	<b>-9.2%</b>
30 PROFIT (LOSS) BEFORE TAXATION	<b>6,279</b>	<b>68.8%</b>	<b>47,047</b>	<b>92.0%</b>	<b>61,559</b>	<b>88.7%</b>
31 Tax (Expense) Benefit	<b>64,135</b>	<b>0.7%</b>	<b>(668)</b>	<b>-1.3%</b>	<b>(698)</b>	<b>-1.0%</b>
32 PROFIT (LOSS) AFTER TAXATION	<b>6,343</b>	<b>69.5%</b>	<b>46,379</b>	<b>90.7%</b>	<b>60,860</b>	<b>87.7%</b>
<b>33 NET REVENUE</b>	<b>8,831</b>		<b>50,511</b>		<b>67,922</b>	
34 NON-OPERATING INCOME (EXPENSE) - NET						
<b>ADDITIONAL INFORMATION</b>						
35 Type of institution	<b>DGGI</b>		<b>DGGI</b>		<b>DGGI</b>	
36 Number of offices	1		1		1	
37 Contingent Capital (₦'millions)	19,075		22,475		-	
38 Callable Capital (₦'millions)	-		-		-	
39 Realisable capital (₦'millions)	62,920		115,415		158,205	
40 Reguarantees (₦'millions)	-		31,800		67,050	
41 AUDITORS	KPMG		KPMG		KPMG	
42 OPINION	Clean		Clean		Clean	

## RATING DEFINITIONS

<b>Aaa</b>	Highest quality debt issue with minimal credit risk; strongest capacity to pay returns and principal on local currency debt in a timely manner.
<b>Aa</b>	High quality debt issue with very low credit risk; very strong capacity to pay returns and principal on local currency debt in a timely manner.
<b>A</b>	Good quality debt issue with low to moderate credit risk; strong capacity to pay returns and principal on local currency debt in a timely manner.
<b>Bbb</b>	Satisfactory quality debt with moderate credit risk; adequate capacity to pay returns and principal on local currency debt in a timely manner.
<b>Bb</b>	Below average quality debt with moderate to high credit risk; speculative capacity to pay returns and principal on local currency debt in a timely manner.
<b>B</b>	Weak quality debt with high credit risk; speculative capacity to pay returns and principal on local currency debt in a timely manner.
<b>C</b>	Very weak capacity to pay returns and principal. Debt instrument with very high credit risk.
<b>D</b>	In default.

### Rating Category Modifiers

A "+" (plus) or "-" (minus) sign may be assigned to ratings from 'Aa' to 'C' to reflect comparative position within the rating category. Therefore, a rating with + (plus) attached to it is a notch higher than a rating without the + (plus) sign and two notches higher than a rating with the - (minus) sign.

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