

RATING ANNOUNCEMENT

GCR assigns an issue rating of AAA_(NG) to Nigeria Mortgage Refinance Company Plc's NGN11.5 billion Series 1 Fixed Rate Senior Guaranteed Bonds; Outlook Stable

Rating action

Lagos, 10 April 2026 – GCR Ratings (GCR) has assigned a national scale long-term Issue rating of AAA_(NG) to Nigeria Mortgage Refinance Company Plc's NGN11.5 billion Series 1 Fixed Rate Senior Guaranteed Bonds, with the Outlook accorded as Stable.

Rated Issue	Rating class	Rating scale	Rating	Outlook
Nigeria Mortgage Refinance Company Plc's NGN11.5 billion Series 1 Fixed Rate Senior Guaranteed Bonds	Long Term Issue	National	AAA _(NG)	Stable Outlook

Rating rationale

The NGN11.5 billion Series 1 Fixed Rate Senior Guaranteed Bonds (the Series 1 Bonds) is the first issuance under Nigeria Mortgage Refinancing Company Plc's (NMRC or the Issuer) NGN440 billion Medium Term Notes Programme (the Programme). The Programme was registered in 2026 and is backed by NMRC's Board of Directors resolution which authorises bonds issuances under different series, forms, and under varying terms and conditions as deemed fit by the Issuer.

The Series 1 Bonds will constitute direct, secured, unconditional, and guaranteed obligations of the Issuer and is expected to rank *pari passu* at all times, without any preference or priority amongst themselves with all other secured and unsubordinated obligations assumed by the Issuer.

The Series 1 Bonds was issued in March 2026 at a coupon rate of 17.25%, with a ten-year tenor maturing in 2036. Both coupon payment and principal repayment are amortised quarterly in arrears over the tenor of the Series 1 Bonds. The net proceeds from the Series 1 Bonds issuance is expected to be used to refinance mortgage loans originated by participating financing institutions in line with NMRC's ordinary course of business.

The Series 1 Bonds will be fully guaranteed by the FGN, which has agreed to provide an irrevocable and unconditional guarantee in favour of the Bond Trustee for and on behalf of the Series 1 Bondholders to ensure the performance of the Issuer's obligations under the Series 1 Bonds Issuance.

The FGN in its capacity as Guarantor, will guarantee the payment of both the interest and principal obligation of the Series 1 Bonds. The Issuer is expected to fund the master collection account five (5) business days prior to the payment date with the amount due to the Series 1 Bondholders. However, if the Issuer fails to pay the amount due to the Series 1 Bondholders by the payment date, the Bond Trustee will be required to issue a Demand Notice to the Guarantor and the paying agent (the Central Bank of Nigeria or other designated institution) will be obliged to fund the master collection account with the amount due within ten (10) business day after the payment date to ensure the Series 1 Bondholders are paid. The Guarantee will be in force until all payment obligations under the Series 1 Bonds have been fully discharged.

Given that the FGN offers timely and full coverage of all payments due under the Series 1 Bonds through the Deed of Guarantee, the Series 1 Bonds bear the same credit risk as the FGN. As such, the national scale long-term Issue rating of the Series 1 Bonds is equalised with the implied FGN's national scale long-term Issuer rating.

The legal opinion from the solicitor to the Issue, G. Elias, indicates that all transaction documents to which each of the Issuer and the Guarantor is party will constitute legal, valid, binding, and enforceable obligations against each of them under the Nigerian law.

NMRC is the sole mortgage refinance company in Nigeria, with an established track record of over a decade and a well-defined mandate to provide long-term funds for refinancing mortgage loans originated by mortgage lending institutions. In November 2025, GCR affirmed NMRC's national scale long-term issuer rating of AA_(NG) with a Stable Outlook. Details of NMRC's ratings and credit profile can be accessed [here](#).

Outlook statement

The Stable Outlook reflects the implied Outlook of the Guarantor on local currency obligations.

Rating triggers

The issue rating is currently at the rating ceiling. However, a significant default by the FGN on local currency obligations or evidence of material strains on its ability to fulfill committed obligations under the Series 1 Bonds could result in a rating downgrade. Also, a revision in the terms of the Guarantee could impact the rating of the Series 1 Bonds.

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Related criteria and research

Criteria for the GCR Ratings Framework, May 2024

Criteria for Rating Financial Institutions, December 2025

GCR Ratings scales, Symbols & Definitions, May 2023

GCR Country Risk Scores, March 2026

GCR Financial Institutions Sector Risk Score, December 2025

NMRC rating reports (2015-2025)

Ratings history

Nigeria Mortgage Refinance Company Plc's NGN11.5 billion Series 1 Fixed Rate Senior Guaranteed Bonds

Rating class	Review	Rating scale	Rating	Outlook	Date
Long term issue	Initial/last	National	N/A	N/A	N/A

Glossary

Agreement	A negotiated and usually legally enforceable understanding between two or more legally competent parties.
Arrears	An overdue debt, liability or obligation. An account is said to be 'in arrears' if one or more payments have been missed in transactions where regular payments are contractually required.
Bond	A long term debt instrument issued by either a company, institution or the government to raise funds.
Claim	1. A request for payment of a loss, which may come under the terms of an insurance contract (insurance). 2. A formal request or demand (corporate finance).
Commercial Paper	Commercial paper is a negotiable instrument with a maturity of less than one year.
Conditions	Provisions inserted in an insurance contract that qualify or place limitations on the insurer's promise to perform.
Credit	A contractual agreement in which a borrower receives something of value now, and agrees to repay the lender at some date in the future, generally with interest. The term also refers to the borrowing capacity of an individual or company
Deed	A legal document that is signed and delivered, especially one regarding the ownership of property or legal rights.
Downgrade	The rating has been lowered on its specific scale.
Enforceable	To make sure people do what is required by a law or rule et cetera.
Exchange Rate	The value of one country's currency expressed in terms of another.
Financial Institution	An entity that focuses on dealing with financial transactions, such as investments, loans and deposits.
Issuer	The party indebted or the person making repayments for its borrowings.
Legal Opinion	An opinion regarding the validity and enforceable of a transaction's legal documents.
Liability	All financial claims, debts or potential losses incurred by an individual or an organisation.
Medium Term Notes	Debt securities with a tenor ranging from 3 months to 15 years.
Mortgage Loan	A debt instrument where immovable property is the collateral for the loan. A mortgage gives the lender a right to take possession of the property if the borrower fails to repay the loan.
Obligation	The title given to the legal relationship that exists between parties to an agreement when they acquire personal rights against each other for entitlement to perform.
Pari Passu	Side by side; at the same rate or on an equal footing. Securities issued with a pari passu clause have rights and privileges that are equivalent to those of existing securities of the same class.
Paying Agent	An appointed transaction party that is responsible for the payment of Noteholders scheduled interest and principal, as well as other transactional obligations.
Payment Date	The date on which the payment of a coupon or dividend is made.
Policy	The legal document issued by the company to the policyholder, which outlines the conditions and terms of the insurance.
Portfolio	A collection of investments held by an individual investor or financial institution. They may include stocks, bonds, futures contracts, options, real estate investments or any item that the holder believes will retain its value.
Prepayment	Any unscheduled or early repayment of the principal of a mortgage/loan.
Pricing	A process of determining the price of a debt security.
Principal	The total amount borrowed or lent, e.g. the face value of a bond, excluding interest.
Proceeds	Funds from issuance of debt securities or sale of assets.
Provision	The amount set aside or deducted from operating income to cover expected or identified loan losses.
Rating Outlook	See GCR Rating Scales, Symbols and Definitions.
Refinance	The issue of new debt to replace maturing debt. New debt may be provided by existing or new lenders, with a new set of terms in place.
Security	One of various instruments used in the capital market to raise funds.
Tenor	The time from the value date until the expiry date of an instrument, typically a loan or option.

Transaction	A transaction that enables an Issuer to issue debt securities in the capital markets. A debt issuance programme that allows an Issuer the continued and flexible issuance of several types of securities in accordance with the programme terms and conditions.
Trust Deed	A deed of conveyance creating and setting out the conditions of a trust.
Trust	A third party that acts in the best interest of another party, according to the trust deed, usually the investors. Owner of a securitisation vehicle that acts in the best interest of the Noteholders.
Trustee	An individual or firm that holds or administers property or assets for the benefit of a third party.
Unconditional	Not subject to any conditions.

Salient points of accorded rating

GCR affirms that a.) no part of the rating process was influenced by any other business activities of the credit rating agency; b.) the ratings were based solely on the merits of the rated entity, security or financial instrument being rated; and c.) such ratings were an independent evaluation of the risks and merits of the rated entity, security or financial instrument.

The credit ratings have been disclosed to the rated entity.

The ratings above were solicited by, or on behalf of, the rated entity.

The rated entity participated in the rating process via in person interaction and/or via online virtual interaction and/or via electronic and/or verbal communication and correspondence. Furthermore, the quality of information received was considered adequate and has been independently verified where possible. The information received from the rated entity and other reliable third parties to accord the credit ratings included:

- Executed Programme Trust Deed
- Executed Series 1 Trust Deed
- Executed Series 1 Pricing Supplement
- Legal Opinion and
- Other related documents

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