

**MINISTRY OF FINANCE INCORPORATED (MOFI) REAL  
ESTATE INVESTMENT FUND**

---

**Final Rating Report**

---

 **Agusto&Co.**

*Research, Credit Ratings, Credit Risk Management*

# MOFI REAL ESTATE INVESTMENT FUND (MREIF)

₦100 Billion Series 2 (“Commercial Series”) Issuance under the ₦1 Trillion MOFI Real Estate Investment Fund

Rating:

# Aaa

*This refers to a Closed End Fund that possesses the best financial condition and strongest capacity to meet obligations as and when they fall due relative to all other issuers in the same country.*

## RATING RATIONALE

**Outlook:** Stable

**Issue Date:** 21 April 2026

**Expiry Date:** 20 April 2027

**Previous Rating:** Aaa

**Industry:**

Real Estate Investment Fund

**Analysts:**

**Daniella Omubo-Dede**

[danielladede@agusto.com](mailto:danielladede@agusto.com)

**Wonuola Kunle-Bello**

[wonuolabello@agusto.com](mailto:wonuolabello@agusto.com)

**Agusto & Co. Limited**

UBA House (5th Floor)

57, Marina

Lagos

Nigeria

[www.agusto.com](http://www.agusto.com)

Agusto & Co. hereby affirms the “Aaa” rating assigned to the Ministry of Finance Incorporated’s (“MOFI” or “the Sponsor”) ₦100 billion Series 2 units (“Series 2” or “the Issue”) under the ₦1 trillion Real Estate Investment Fund (“MREIF” or “the Fund”). The rating is hinged on the Sponsor’s provision of ₦150 billion in subordinated seed capital, which provides a 150% coverage of the Series 2 funding and a sufficient buffer against potential losses. The rating also reflects the Fund’s adequate capacity to meet its financial obligations promptly, underpinned by its good cash-generating profile and continued access to funding from periodic mortgage income, guarantee fees, investment income from liquid assets and potential refinancing activities. However, should the Fund Manager be unable to meet the redemption requests of the Series 2 Investors within the redemption window, the Sponsor has undertaken to provide liquidity support of up to ₦250 billion. The liquidity support has been documented in a Sponsor Support Agreement executed jointly between MOFI, the Fund Manager and the Trustee. Therefore, the Sponsor’s financial capacity and position as a wholly owned agency of the Federal Government of Nigeria (“FGN”) was taken into consideration.

While we recognise the unique position of MOFI as an agency of the FGN, Agusto & Co. remains concerned about the absence of consolidated audited accounts in the Sponsor’s 65 years of operations<sup>1</sup>. In addition, the potential for political interference, which could lead to changes in the governance structure of the Sponsor as well as the newly established processes for the MREIF which are yet to be tested remain rating negatives.

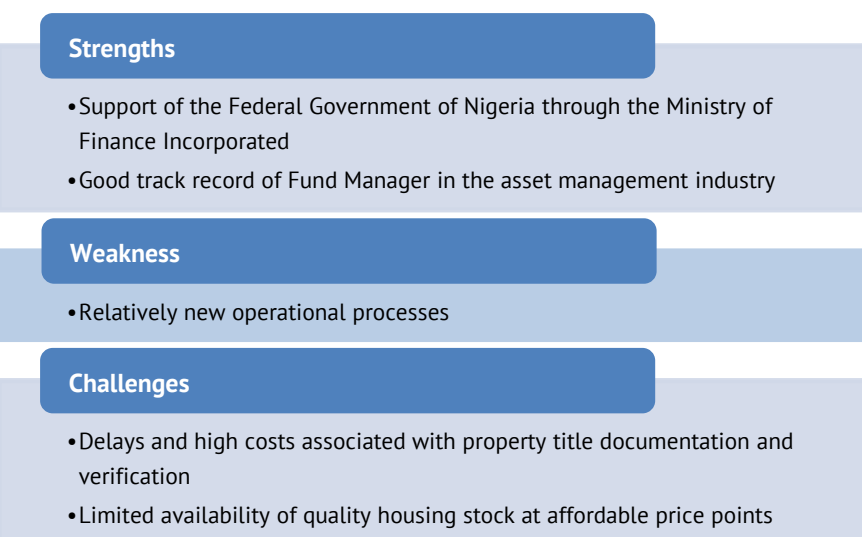
MREIF is a ₦250 billion closed-end collective investment scheme established to expand access to long-term, affordable mortgage financing through eligible

<sup>1</sup> We note that the Sponsor’s financial statements are currently being audited and are expected to be made available upon completion

financial institutions (EFIs) and to support private sector developers via offtake guarantees. During the review period, the Fund invested 25.74% of its portfolio in mortgage securities and 1.85% in other real estate-related assets, including offtake guarantees. The bulk of the portfolio, 72.41%, was held in short-term money market instruments as mortgage uptake remains sluggish due to challenges related to property title documentation and registration delays. The Fund’s closed-end structure results in predetermined redemptions and payouts, enabling effective planning to meet obligations. Nonetheless, we note that this structure limits liquidity for investors, which may increase price volatility when trading large units on an exchange.

In the 10 months ended 31 December 2025, MREIF reported revenue of ₦36.5 billion. In line with the Fund’s operating model, MREIF recorded a direct cost-to-revenue ratio of 19%, translating into a gross profit margin of 81%. The Fund also achieved an operating profit margin of 79.5%, while the post-tax profit margin remained high at 79%, largely attributable to the absence of interest-bearing obligations and an income model primarily driven by interest income from financial assets.

**Figure 1: Strengths, Weakness and Challenges**



## PROFILE OF THE FUND

**Table 1: Series 2 Information**

<b>Fund Sponsor</b>	<b>Ministry of Finance Incorporated</b>
Fund Manager	ARM Investment Managers Limited
Fund Type	Closed-End Unit Trust Scheme
Base Currency	Nigerian Naira (₦)
Fund Size (Series 2)	₦100 billion
Inception Date	March 2025
Domicile/Law	Nigeria/Nigerian
Trustees	STL Trustees Limited
Custodian	First Nominees Nigeria Limited
Fund Tenor	99 Years (with a redemption window provision that can be activated after 8 years, and a put option that can be exercised after 3 years)
Benchmark	Yield on the Federal Government of Nigeria's 10-year Bond +75 basis points

Source: Executed Shelf Prospectus and Series 2 Term Sheet

MOFI Real Estate Investment Fund (“MREIF” or “the Fund”) is a naira denominated closed-end unit trust scheme managed by ARM Investment Managers Limited (“ARM IM” or “the Fund Manager”). The objective of the Fund is to provide long-term, risk-adjusted returns to unitholders through investments in residential mortgages, financial instruments, and other real estate-related assets. MREIF also aims to promote home ownership by facilitating access to long-term, low-cost mortgage financing through eligible financial institutions (EFIs), while supporting housing supply by improving access to finance for qualified private sector developers through the provision of offtake guarantees. The Fund, which was launched in March 2025, is a public private initiative sponsored by the Ministry of Finance Incorporated (“MOFI” or “the Sponsor”) under a ₦1 trillion Fund Programme, with an initial fund size of ₦250 billion. In the pilot phase, MREIF issued ₦100 billion preferred units (Series 2) at ₦1 per unit to qualified institutional investors, while the Sponsor, who also serves as the Series 1 unitholder, provided ₦150 billion in subordinated seed capital. The Fund has a tenor of 99 years and is listed on the Nigerian Exchange Limited (NGX). As at 31 December 2025, the Fund's net asset value stood at ₦270.28 billion.

Mortgage loans financed through MREIF have a target lending rate of 9.75%, subject to macroeconomic conditions, and may be eligible for refinancing by the Nigeria Mortgage Refinance Company (NMRC) at the option of the Fund Manager. The Series 1 units earn a return of at least 1%, while the series 2 units have a return target equivalent to the yield on FGN 10-year bonds plus 75 basis points, enabling the Fund to achieve a blended mortgage lending rate of 9.75%. Operationally, the Fund has completed transactions in 22 states across Nigeria, concentrated largely in the South West and North Central regions, with the highest transaction volumes recorded in Abuja, Lagos and Nasarawa States. As at 31 December 2025, 25.74% of the Fund had been deployed to mortgage assets. While mortgage creation has been slower than expected due to property title documentation challenges and registration delays, we note that the Fund Manager has indicated plans to

intensify advocacy efforts and partnerships with state governments and development agencies to drive mortgage participation and supply across other states.

---

## FUND STRUCTURE AND ENHANCEMENTS

MREIF through the Fund's custodian, First Nominees Nigeria Limited, provides credit facilities to EFIs to enable the origination of residential mortgage loans for qualified individuals in line with the underwriting standards of the Nigeria Mortgage Refinance Company (NMRC). EFIs may subsequently refinance these mortgage loans through NMRC, which should enhance the Fund's liquidity and capacity to create even more mortgage assets. We note that the Fund is yet to engage NMRC for refinancing given the relatively low pool of mortgage assets within its portfolio.

Mortgage facilities are created for completed housing units in line with the EFIs' risk acceptance criteria, with EFIs bearing the associated credit risk and responsible for property due diligence, loan disbursement, repayment monitoring, and collections. During the review period, the Fund Manager engaged TSL Engineering Limited as project manager and Diya Fatimilehin & Co as the technical partner. Both firms provide technical due diligence and risk assessments that support the selection of offtake guarantee projects under the MREIF. ARM IM also leverages the platform provider, Q-Shelter, to conduct pre verification for properties listed on the MREIF portal, including title and survey checks, litigation searches, and physical inspections, before they are made available to potential home seekers. However, these checks are complemented by independent due diligence conducted by participating banks prior to mortgage asset creation. EFIs register a legal mortgage over each beneficiary's property as security for the loan and subsequently assign their rights in the mortgage to the Fund's Trustee under the MREIF structure, enforceable in the event of default.

The Fund provides off-take guarantees to developers as a form of credit enhancement to facilitate access to funding for the construction of housing units. However, the off-take guarantee may only be called upon where completed housing units that meet predefined building specifications remain unsold to end users. To mitigate this risk, the Fund Manager may procure project-specific insurance to cover the Fund's obligations in the event that the offtake guarantee is triggered as a result of low offtake. Off-take guarantees accounted for a low 1.8% of the Fund size as at 31 December 2025.

The closed-end nature of the Fund results in predetermined redemptions and pay-outs from the MREIF, enhancing the Fund's ability to meet its obligations through effective planning. While this structure may constrain investor liquidity—potentially elevating price risk during large-scale transactions—the recent listing on the Nigerian Exchange (NGX) mitigates these liquidity concerns without impacting the predictability of cash flows into and out of the Fund. In addition, we recognise that investors in the Fund are well-informed institutions, and restricted liquidity aligns with MREIF's long-term strategic objectives.

### Enhancements

### Seed Funding and Subordination

Series 1 units, which have been fully subscribed by the Sponsor, are subordinated to Series 2 units, thereby granting Series 2 unitholders a degree of protection in the event of a default, including a first lien on the Fund’s underlying assets. The income distribution waterfall is structured to prioritise returns to Series 2 unitholders before providing distributions to the Series 1 unitholder, the Sponsor.

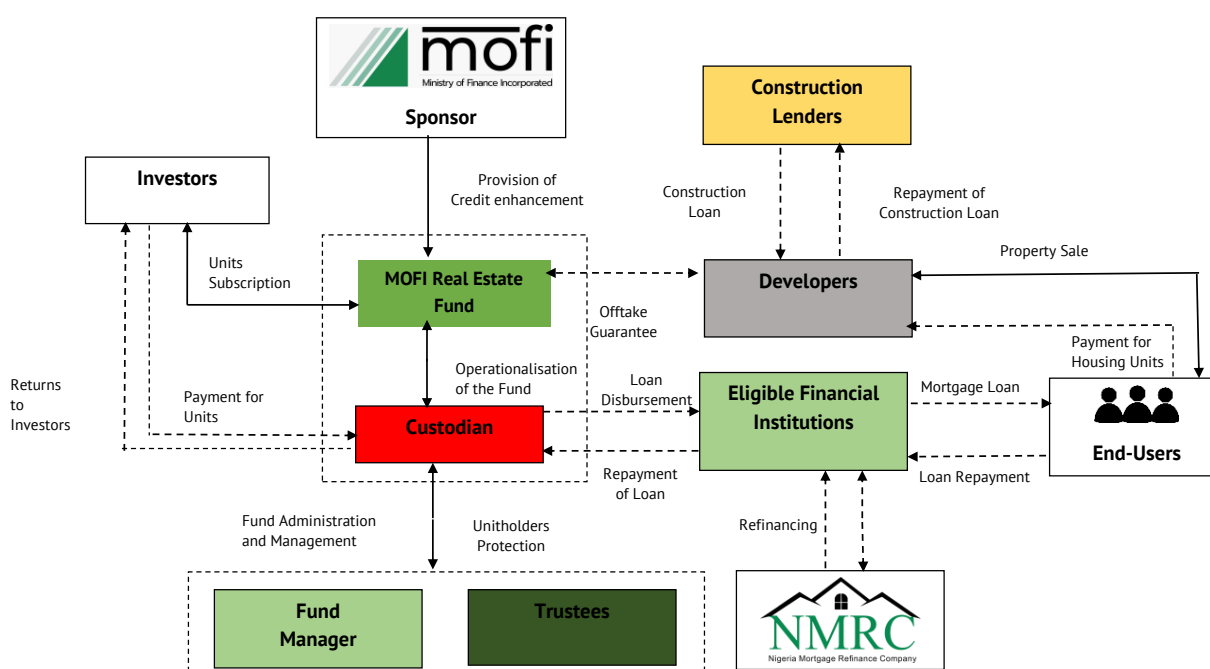
### Step-In Obligations of the Sponsor

Series 2 unitholders have the option to redeem units eight years from the issue date, with a two-year redemption window. If the Fund lacks sufficient liquidity to meet these redemption requests, the Sponsor will step in to provide the required liquidity. Notably, the Sponsor has committed to providing up to ₦250 billion to enable the Fund Manager to fulfil redemption obligations for senior unitholders in cases where ARM IM is unable to complete the buy-back of units within the stipulated 24 months from the notice. The Sponsor’s step-in obligations, along with other commitments, including the provision of seed funding, subordination of units held in the Fund, and technical assistance, are documented in the Sponsor Support Agreement executed jointly by MOFI, the Fund Manager, and the Trustee. The ₦250 billion liquidity support represents a 2.5x coverage ratio over the Series 2 units, which we consider adequate. Furthermore, we consider the Sponsor to have a strong capacity to meet obligations as and when they fall due.

### Put Option

MREIF also provides Series 2 unitholders with a put option (the right to sell), which becomes exercisable after an initial three-year lock-in period, subject to the satisfaction of clearly communicated triggers.

Figure 2: Fund Structure



---

## FUND MANAGER PROFILE

ARM Investment Managers Limited (“ARM IM” or “the Manager”) is a fund and portfolio manager licensed by the Securities and Exchange Commission (SEC) and a wholly owned subsidiary of ARM Traditional Asset Management Holding Company (TAM Holdco). TAM Holdco is, in turn, a subsidiary of Asset & Resource Management Company Limited (now ARM HoldCo). ARM HoldCo is a financial service holding company with four other subsidiaries in the trusteeship, securities trading, investment banking and real estate businesses. ARM IM is the fifth largest asset management company in Nigeria with over ₦1.09 trillion in assets under management (AuM) as at 31 December 2025.

ARM IM, rated **AA(IM)** by Agosto & Co, is led by Mrs Kai Orga, who serves as the Managing Director. As at 31 December 2025, the Fund Manager had a staff strength of 187 professionals and continued to rely on the centralized support of ARM HoldCo for information technology, risk management, internal audit, internal control, financial control, compliance, treasury, legal and corporate strategy under a shared service arrangement. ARM IM is governed by a seven-member board of directors, chaired by an independent non-executive director. ARM IM has a good operational track record, is a member of an established financial services group and has good decision-making committees. However, consistent with trends observed across asset management firms in Nigeria, the Fund Manager continues to experience significant staff turnover across key functions.

ARM IM is headquartered at 1, Mekuwen Road, Off Oyinkan Abayomi Drive, Ikoyi, Lagos, with branch offices in Port Harcourt, Abuja and Ibadan. The Fund Manager also has two investment centres located in Lagos and Onitsha.

---

## FUND SPONSOR PROFILE

The Ministry of Finance Incorporated (“MOFI” or “the Sponsor”) is a statutory institution established under Sections 2 and 3 of the Ministry of Finance Incorporated Act of 1959 as an asset-holding company under the Ministry of Finance. MOFI acts as the investment vehicle of the Federal Government of Nigeria and serves as the sole manager of all Federal Government investments, interests, estates, easements and rights. The Sponsor’s primary mandate is to oversee public financial management, provide fiscal oversight, and foster sustainable development through strategic investments across various sectors, thereby promoting economic growth and supporting social development initiatives.

The Corporation’s portfolio was valued at ₦23.2 trillion as at 31 December 2023 and comprises 19 entities across key sectors, including infrastructure, financial services, and energy and extractives including the Development Bank of Nigeria, Bank of Industry and the Nigerian National Petroleum Corporation (NNPC). MOFI is wholly owned by the Federal Government of Nigeria (FGN) and has its registered office situated at Tower 2, BOI House, Plot 256, Off Herbert Macaulay Way, Central Business District, Abuja.

MOFI operates within a structured governance framework comprising a Governing Council, a Board of Directors, and an Executive Management Team. The Governing Council is chaired by the President of the Federal Republic

of Nigeria, with the Minister of Finance and Coordinating Minister of the Economy serving as Vice Chair. The Board, led by Dr Shamsuddeen Usman, comprises six non-executive directors—including three independent members—and four executive directors.

## INVESTMENT STRATEGY AND ASSET ALLOCATION

The Fund’s stated strategy in line with its social objective is to invest up to 75% of its portfolio in mortgage securities and a maximum of 25% in real estate-related assets, including offtake guarantees. In addition, MREIF is required to maintain between 10% and 25% of its portfolio in liquid assets, including Treasury bills and other short-term money market instruments, to ensure adequate liquidity in the event that offtake guarantees are called.

**Table 2: Asset Allocation for MREIF**

Asset Type	Approved Allocation	Current Allocation
<b>Mortgage Assets</b>	0%-75%	25.74%
<b>Real Estate-Related Assets (Offtakes)</b>	0%-25%	1.85%
<b>Liquid Assets</b>	10%-25%	72.41%

Source: Executed Programme Prospectus, ARM IM

As at 31 December 2025, total disbursements to 18 approved Eligible Financial Institutions (EFIs)—consisting of 10 commercial banks and eight mortgage banks—amounted to ₦69.5 billion. This allocation represents 25.7% of the Fund’s total portfolio, with commercial and mortgage banks accounting for 10.1% and 15.6%, respectively. Furthermore, 1.8% of the portfolio was allocated to offtake guarantees. The residual 72.41% was maintained in liquid assets, specifically Treasury bills and fixed deposits with commercial banks actively engaged in mortgage loan origination.

During the review period, mortgage origination and fund deployment were constrained by low property stock due to the prevalence of inadequate title documentation required for mortgage origination, as well as the high cost and lengthy process of title perfection and registration. Demand also remained constrained by affordability due to escalation in property prices and inadequate equity from potential home buyers. In addition, the small capital base of some primary mortgage banks constrained their ability to scale origination.

For offtake guarantees, MREIF provides credit enhancements to prequalified developers to support construction financing. These guarantees are capped at 15% of net asset value and are only triggered where completed units remain unsold. As at 31 December 2025, the Fund had issued guarantees to three qualified and experienced developers valued at ₦9 billion across three projects, supporting a total of 475 housing units under construction. Offtake guarantees accounted for just 1.85% of MREIF’s portfolio, reflecting a cautious approach to construction related exposures given the higher execution and market risks. Nonetheless, we note that the pipeline remains active, with six additional projects totalling c.₦19 billion in indicative offtake value at various stages of negotiation.

---

## SUMMARY OF THE FUND'S FINANCIAL PERFORMANCE

### ANALYSTS' COMMENTS

*We have reviewed and analysed the audited financial statements of the Ministry of Finance Incorporated Real Estate Investment Fund ("MREIF" or "the Fund") for the 10 months ended 31 December 2025.*

#### ***Satisfactory profitability underpinned by income-generating investments and low operating costs***

In the 10 months ended 31 December 2025 (10M'2025), MREIF reported revenue of ₦36.5 billion, driven primarily by interest income from short-term money market instruments, including Treasury bills, fixed deposits and repurchase agreements, which accounted for 96% of the total revenue. The Fund also generated additional ₦1.4 billion in interest income from its mortgage portfolio, valued at ₦69.5 billion as at 31 December 2025. MREIF's operating expenses, mainly comprising management, supervisory and marketing fees, accounted for 20.1% of revenue in 10M'2025. Consequently, the Fund reported a pre-tax profit margin of 79.9%, reflecting its relatively low operating cost structure. Overall, MREIF posted annualised pre-tax return on assets (ROA) of 13%, while its annualised return on equity (ROE) stood at 13.9%, below the average inflation rate and treasury bill yields of 23.3% and 17.5%, respectively in 2025. Going forward, the planned expansion of the Fund's mortgage asset portfolio is expected to support earnings growth through a larger and more stable income base, albeit with some moderation in overall yields, given the typically lower returns on mortgage assets relative to short-term instruments.

Overall, we consider MREIF's profitability satisfactory.

#### ***Low leverage profile supported by a debt-free and equity-funded structure***

The Fund maintained a debt-free capital structure, with no interest-bearing obligations recorded during the review period. As at 31 December 2025, total liabilities stood at ₦17.7 billion, comprising deferred income (86.4%) and accrued liabilities (13.6%).

Consistent with MREIF's strategy, the Fund's total assets were primarily financed by unitholders' equity (99%) and non-interest-bearing liabilities (1%), reflecting a strong equity cushion. As at 31 December 2025, MREIF's net debt-to-total assets ratio was less than 1%, underscoring its minimal reliance on debt. Given the Fund's robust equity base and intention to maintain a largely equity-funded structure, we expect MREIF to sustain its low leverage profile. Nonetheless, we recognise that in line with the provisions of the Fund's Programme Trust Deed, the Fund may borrow up to 15% of gross asset value to support short-term liquidity. However, given the current portfolio composition and anticipated modest growth in mortgage asset creation, we do not expect MREIF to utilise this borrowing capacity in the short to medium term. In our view, the Fund's overall leverage is low.

#### ***Strong liquidity position with adequate coverage of short-term obligations***

MREIF generates cash flows from periodic mortgage income, guarantee fees, investment income from liquid assets, the disposal of intervention assets, and refinancing activities, which are held with the custodian. Following the deduction of operating costs, the residual cash is distributed by seniority, with Series 2

unitholders receiving their target return first, followed by Series 1 unitholders, while any excess cash is shared pro-rata between both classes.

In the 10 months ended 31 December 2025, MREIF's liquid assets stood at ₦202.1 billion, comprising short-term investments and bank placements, which accounted for 62.9%, and cash balances at 37.1%. The Fund's liquid assets were sufficient to cover dividend distributions to unitholders of ₦22.8 billion in the ten months from March to December 2025 by 8.3x, which we consider good.

Given MREIF's stable income streams, largely fixed capital base, and continued reallocation of funds into short-term financial instruments to generate steady returns, we do not anticipate material liquidity constraints in meeting its obligations or funding planned investments. In our opinion, the Fund's overall liquidity profile is good.

---

## INVESTMENT AND OPERATIONAL RISK MANAGEMENT

Investment risk management for the MREIF is the responsibility of a dedicated team led by a professional with over 10 years of experience. The team's activities are overseen by an Investment Committee responsible for providing strategic oversight and ensuring adherence to the Fund's investment objectives and risk parameters. We note that an Advisory Board was established during the review period to provide additional oversight and stakeholder representation. The Board comprises representatives of the trustees, the Fund Manager, the Sponsor and institutional investors in the Fund, consistent with industry best practices for closed-end funds.

The investment process begins with deal sourcing by the Fund Manager in collaboration with eligible financial institutions (EFIs) that meet the Fund's predefined criteria. EFIs are selected based on a combination of external credit ratings and internal credit assessments, including the CAMEL methodology, as well as other key considerations such as market share and exposure to foreign currency risk. Based on these assessments, financial institutions are assigned scores and categorised into six tiers, with corresponding exposure limits established by the Fund Manager and approved by the Investment Committee for each tier.

The Fund receives mortgage loan applications through its MREIF platform, a web-based portal that serves as an initial screening tool. Using built-in prompts, the portal gathers preliminary information—such as employment details and pension data—to assess whether applicants meet the basic prequalification criteria, after which applicants can choose preferred mortgage providers and request property inspections. Applications that meet the preliminary criteria are then forwarded to the developer for further review. Following satisfactory checks, the developer issues an offer letter to the applicant, who may accept or reject the terms. Once accepted, the applicant is required to submit additional information, including proof of employment, income statements, and retirement savings account (RSA) details, for review by the EFI. Upon confirmatory due diligence, the mortgage lender uploads an approval letter to the platform, which is sent to the applicant to accept or reject the final terms.

In addition, we note that ARM IM permits off platform origination by EFIs, which bear the credit risk and conduct due diligence before onboarding eligible transactions into the Fund.

Investment risk is primarily managed by restricting credit exposure to financial institutions maintaining investment-grade credit ratings. However, during the review period, 10% of total disbursements (representing 5.8% of net assets) were directed toward mortgage banks with no publicly available investment-grade ratings. Despite this exposure, the Fund remains compliant with its internal risk framework, which permits lending to speculative or unrated counterparties up to a ceiling of 10% of Net Asset Value (NAV). Furthermore, the Fund adheres to a single obligor limit of 20% for eligible financial institutions or investment vehicles.

For offtake guarantees, MREIF restricts its exposure to projects sponsored by pre-qualified real estate development partners that meet the Fund's eligibility criteria which include land bank availability, capacity to raise financing, net asset value, minimum unit requirements, track record, and the number of housing units previously delivered. Upon satisfactory review of the transaction and supporting documentation, an investment application memorandum—detailing the expected financial returns and associated risk exposure—is presented to the Investment Committee (IC) for approval. Following disbursement to EFIs and the execution of offtake agreements, the performance of the Fund is monitored on an ongoing basis, with reports shared with the IC quarterly. The fund management team also conducts semi-annual valuations of MREIF to track the performance of the underlying real estate projects, while the Custodian provides quarterly reports on MREIF's financial position to the Trustees. We note that an external valuation of the Fund was conducted by Deloitte Nigeria in March 2026.

Overall, we consider the investment and risk management processes for the MREIF adequate.

---

## OUTLOOK

Nigeria is currently facing a significant housing shortage, driven by rapid urbanization, population growth, and macroeconomic challenges. MOFI is strategically positioned to address these issues by providing sustainable solutions along the real estate value chain and supporting developers in accessing construction finance.

MOFI continues to play a key role in promoting economic growth and optimising the value of government-owned assets. The Ministry of Finance Incorporated Real Estate Investment Fund ('MREIF') focuses on mobilising capital to support private sector investment in housing development and improve access to affordable housing. This initiative contributes to mitigating Nigeria's housing shortage and infrastructure shortfalls, while creating employment opportunities.

With earnings derived from interest income and investments in mortgage and real estate-related assets, we expect MREIF's financial performance to strengthen as the Fund's asset base expands. Cash flow generation should also improve as the mortgage portfolio matures, supporting distributions to unitholders, while leverage is expected to remain low given the Fund's predominantly equity-funded structure. On this basis, we assign a **stable** outlook to the Fund's rating.

## FINANCIAL SUMMARY

<b>STATEMENT OF COMPREHENSIVE INCOME</b>	<b>31-Dec-25</b>	
	<b>₱'000</b>	
INTEREST INCOME	36,544,624	100%
INTEREST EXPENSE	(6,941,856)	-19%
GROSS PROFIT	29,602,768	81%
OPERATING PROFIT	29,206,232	79.9%
PROFIT BEFORE TAXATION	29,206,232	79.9%
TAX (EXPENSE) BENEFIT	(522,842)	-1.4%
PROFIT AFTER TAXATION	28,683,390	78.5%
DIVIDEND	(26,148,005)	-71.6%
<b>PROFIT RETAINED FOR THE YEAR</b>	<b>2,535,385</b>	<b>6.9%</b>

<b>STATEMENT OF FINANCIAL POSITION</b>	<b>31-Dec-25</b>	
	<b>₱'000</b>	
<b>ASSETS</b>		
CASH & EQUIVALENTS	74,822,873	27.7%
MORTGAGE LOANS	68,166,040	25.2%
INVESTMENT SECURITIES	127,298,198	47.1%
<b>TOTAL ASSETS</b>	<b>270,287,111</b>	<b>100%</b>
<b>LIABILITIES &amp; EQUITY</b>		
LONG-TERM LIABILITIES	0	0%
SHORT-TERM LIABILITIES	17,751,726	6.6%
<b>TOTAL LIABILITIES</b>	<b>17,751,726</b>	<b>6.6%</b>
SHAREHOLDERS' EQUITY	252,535,385	93.4%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>270,287,111</b>	<b>100%</b>

<b>KEY RATIOS</b>	<b>31-Dec-25</b>
<b>PROFITABILITY</b>	
GROSS PROFIT MARGIN	81%
RETURN ON ASSETS	10.8%
RETURN ON EQUITY	11.6%
<b>CASH FLOW</b>	
OCF AS % OF REVENUE	-196%
<b>LEVERAGE</b>	
TOTAL LIABILITIES TO EQUITY	7%

AUDITORS	ERNST & YOUNG
OPINION	CLEAN

## APPENDIX

Table 3: Composition of MREIF's Investment Committee

Name	Position
Mrs Funmi Oyetunji	Chairman/Independent Member
Mr Ibrahim Dikko	Independent Member
Dr Armstrong Ume Takang	Representative of the Sponsor - Ministry of Finance Incorporated
Mr Mounir Bouba	Representative of the Fund Manager - ARM Investment Managers
Mrs Funmi Ekundayo	Representative of the Trustees – STL Trustees Limited

Source: ARM Investment Managers Limited

Table 4: Composition of MREIF's Advisory Board

Name	Position
Mr Mounir Bouba	Representative of the Fund Manager - ARM Investment Managers
Dr Armstrong Ume Takang	Representative of the Sponsor - Ministry of Finance Incorporated
Mrs Abimbola Suleiman	Investor Representative
Mr Olumide Oyetan	Investor Representative
Mrs Funmi Ekundayo	Representative of the Trustees – STL Trustees Limited

Source: ARM Investment Managers Limited

Table 5: MOFI's Investee Companies as at 31 December 2023

Companies	Percentage of Ownership Interest
<b>Subsidiaries</b>	
Development Bank of Nigeria (DBN)	60%
Family Homes Funds Ltd	51%
Bank of Industry (BOI)	50%
<b>Joint Venture Companies</b>	
Nigerian Import and Export Bank (NEXIM)	50%
The Nigerian National Petroleum Company (NNPC)	50%
<b>Associate Companies</b>	
Nigeria Sovereign Investment Authority (NSIA)	46%
Abuja Electricity Distribution Company Plc (AEDC)	40%
Eko Electricity Disco	40%
Nigeria Deposit Insurance Corporation (NDIC)	40%

<b>Companies with Simple Interest</b>	
<b>Shelter Afrique Development Bank</b>	17%
<b>Nigeria Mortgage Refinance Company (NMRC)</b>	16%
<b>Transcorp Hilton Hotel Plc</b>	10%
<b>The Royal Eswatini Sugar Corporation</b>	10%
<b>African Development Bank (AFD)</b>	9%
<b>African Re-Insurance Corporation</b>	8%
<b>Islamic Development Bank (ISDB)</b>	8%
<b>African Export-Import Bank (AFREXIM)</b>	4%
<b>International Islamic Trade Finance Corporation</b>	1%
<b>International Finance Corporation (IFC)</b>	1%

Source: Ministry of Finance Incorporated

## RATING DEFINITION

<b>Aaa</b>	This is the highest rating category. It indicates a Fund that possesses the best financial condition and strongest capacity to meet obligations as and when they fall due relative to all other issuers in the same country.
<b>Aa</b>	This is a Fund that possesses very good financial condition and strong capacity to meet its obligations as and when they fall due relative to all other issuers in the same country.
<b>A</b>	This is a Fund with good financial condition and capacity to meet its obligations relative to all other issuers in the same country.
<b>Bbb</b>	This refers to Funds with satisfactory financial condition and capacity to meet its obligations as and when they fall due relative to all other issuers in the same country.
<b>Bb</b>	This refers to Funds with satisfactory financial condition but limited capacity to meet obligations as and when they fall due relative to all other issuers in the same country.
<b>B</b>	This refers to a Fund that has weak financial condition and weak capacity to meet obligations as and when they fall due relative to all other issuers in the same country.

<b>C</b>	This refers to an obligor with very weak financial condition and very weak capacity to meet obligations as and when they fall due are relative to all other issuers in the same country.
<b>D</b>	In default.





[www.agusto.com](http://www.agusto.com)

© Agosto & Co.  
UBA House (5th Floor)  
57 Marina Lagos  
Nigeria.  
P.O Box 56136 Ikoyi  
+234 (1) 2707222-4  
+234 (1) 2713808  
Fax: 234 (1) 2643576  
Email: [info@agusto.com](mailto:info@agusto.com)