



BANK OF INDUSTRY LIMITED

NON-DEAL ROADSHOW PRESENTATION

January 2024



Presenters

Dr. Olasupo Olusi | *Managing Director / Chief Executive Officer, Bank of Industry*



- Dr. Olusi draws on over 20 years work experience gained across International Development.
- Prior to his appointment, Olusi was a renowned Senior Economist and development financial expert with over 20 years of experience mainly at the World Bank.
- He has worked across several countries advising national governments on economic growth, fiscal policy and debt management, as well as private and financial sector development.
- He has led multi-million-dollar development policy and investment lending projects for the World Bank and the IFC in several countries.
- He is an alumnus of Hull University, United Kingdom (UK) and also obtained a master's degree in International Money, Finance, and Investment, as well as a Doctorate in Finance and Economics from Durham University, United Kingdom, in 2005.

Patience Oniha | *Director General, Debt Management Office Nigeria*



- Ms. Oniha has over 35 years experience in banking and public service. She obtained a B.Sc. Economics, First Class Honours from the University of Benin in 1983 and went on to earn an M.Sc. Finance from the University of Lagos in 1985. She is also a member of the Institute of Chartered Accountants of Nigeria in 1990 and a Fellow in 2008. She is also an Associate Member of the Chartered Institute of Taxation of Nigeria.
- Ms. Oniha began her career at Icon Limited Merchant Bankers in 1986, where she rose to the position of a Manager, before joining First Securities Discount House Limited (now FSDH Merchant Bank Ltd.) in 1992. She rose to the position of General Manager/Director before joining Ecobank Nigeria Limited in 2000. Between 2004 – 2008, Ms. Oniha was in Standard Chartered Bank Nigeria Ltd. as a General Manager.
- After a fulfilling career in the banking sector spanning over 22 years, Ms. Oniha made a career move to the public sector when she joined the DMO in 2008 as Director, Market Development Department. In this capacity, Ms. Oniha brought her banking experience to bear on various aspects of the DMO's activities.
- For sustainable development of the debt capital market, she actively engages with local and foreign investors, regulators and other stakeholders to develop a large and diversified investor base for FGN Securities and Bonds issued by other borrowers.

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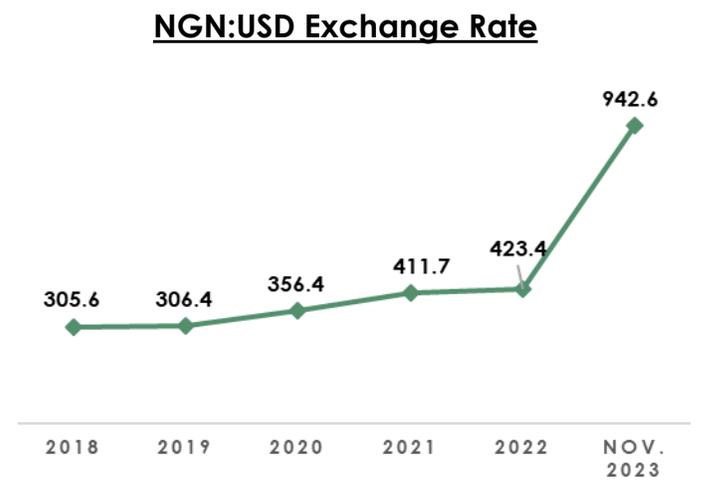
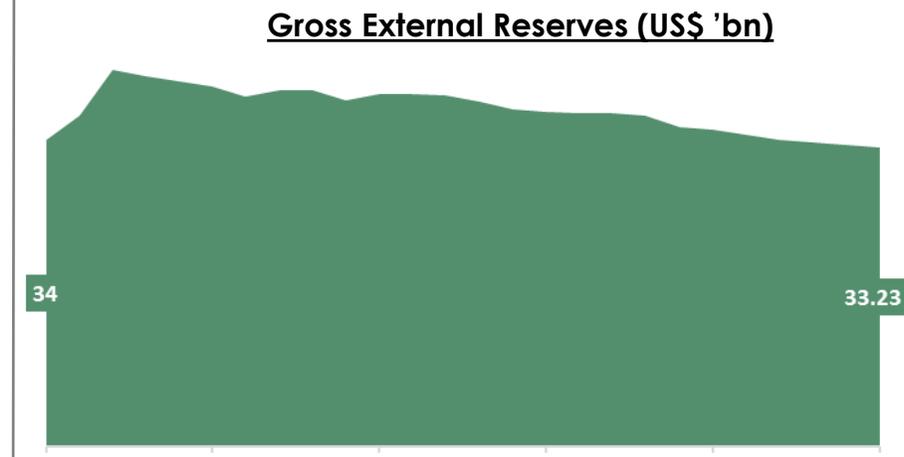
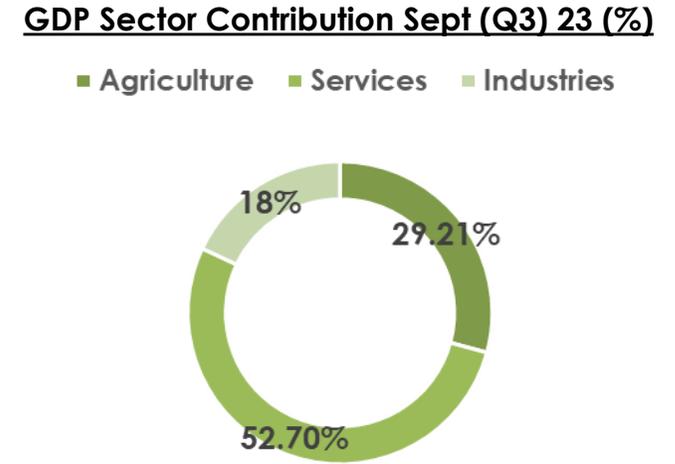
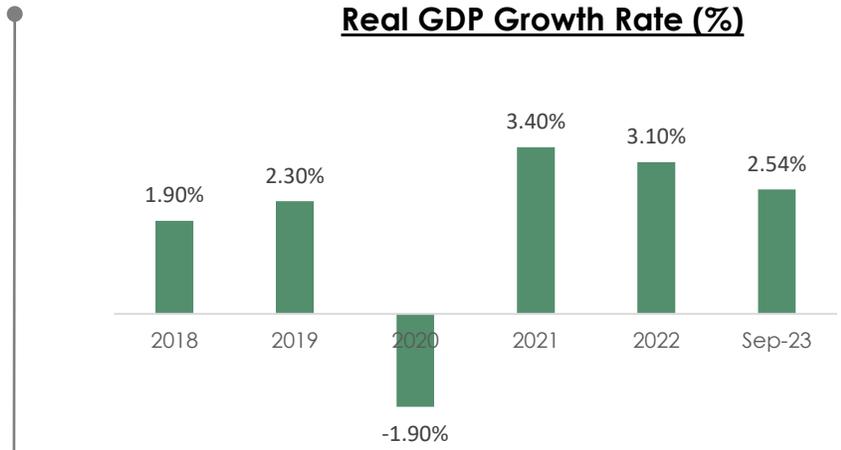
Nigeria Overview:

Macroeconomic, Fiscal and Monetary Indicators and 2024 Debt Financing Plans

Nigeria Overview: Key Country Statistics and Macroeconomic Indicators

KEY DEMOGRAPHIC AND ECONOMIC INDICES AT A GLANCE

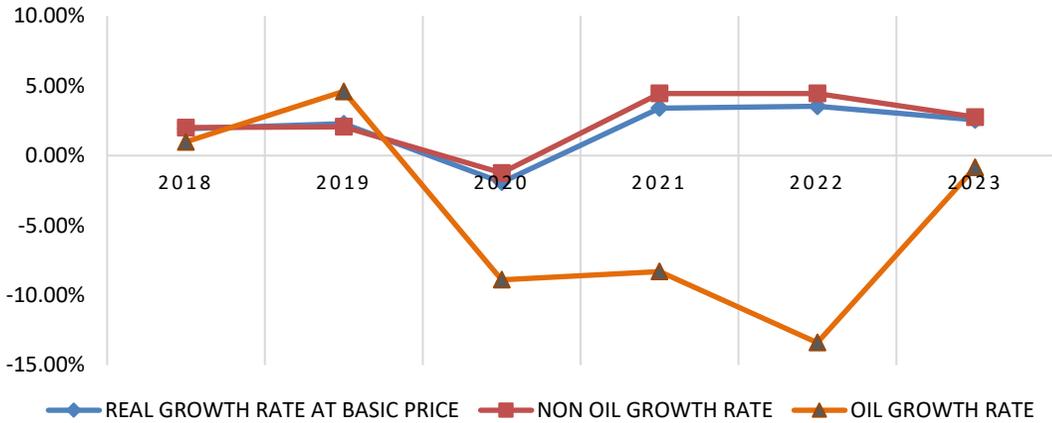
- Population:** 218+m
- Working Population (15-60):** 53.8%
- Monetary Policy Rate:** 18.75% (November 2023)
- Inflation:** 28.2% (November, 2023)
- Total Debt Stock:** N87.9bn (Q3-2023)
- Debt/GDP Ratio:** 39.82% (Q3-2023)
- GDP / GDP per Capita:** US\$ 477bn / US\$ 2,360
- Long-Term Foreign Currency Ratings:** 'Caa1' (positive outlook) by Moody's; 'B-' (stable outlook) by S&P; and 'B-' (stable outlook) by Fitch.



Sources: IMF, United Nations, Central Bank of Nigeria, Rating Agencies, Economic Intelligence Unit, Debt Management Office, Nigeria World Bank, NBS

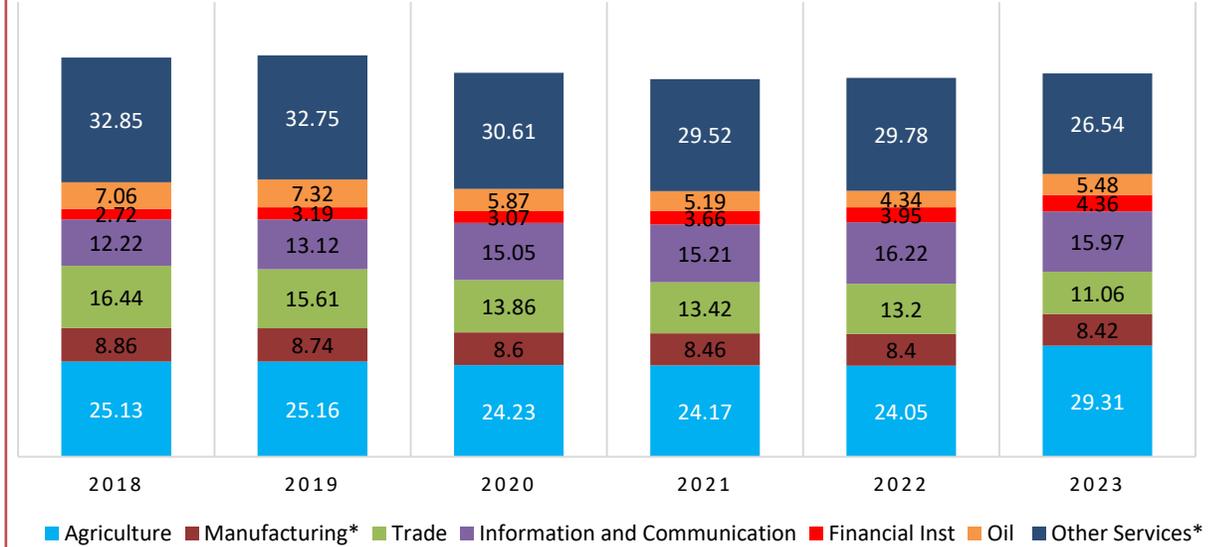
Nigeria Overview: Key Macro-economic Indicators

REAL GDP, OIL AND NON-OIL GROWTH RATES (2018 - Q3/2023)



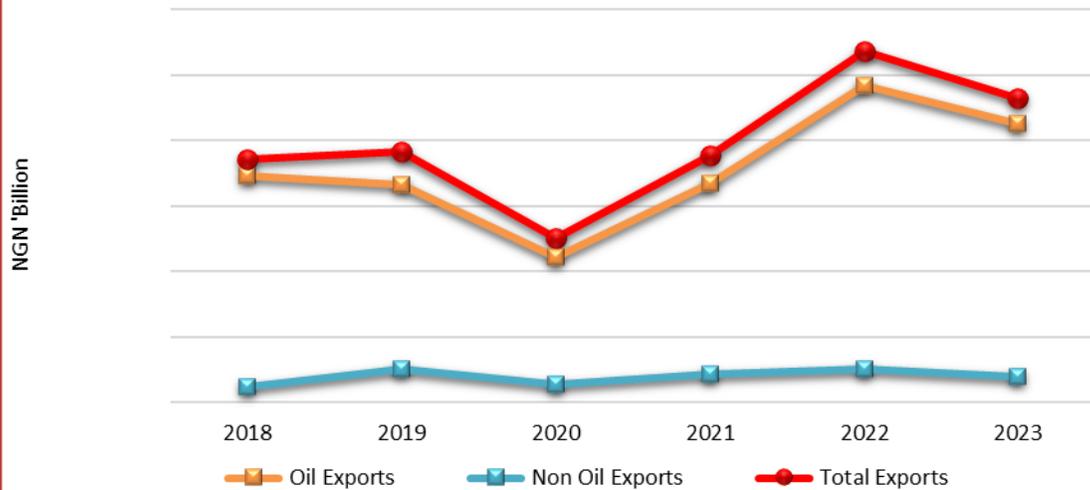
SOURCE: NATIONAL BUREAU OF STATISTICS

GDP COMPOSITION (%) (2018 - Q3/2023)



SOURCE: NATIONAL BUREAU OF STATISTICS

NIGERIA'S OIL AND NON OIL EXPORTS (2018 – Q3/2023)



SOURCE: NATIONAL BUREAU OF STATISTICS

- Crude Oil production reached 1.67mbpd in September 2023 and is projected to average 1.78mbpd in 2024.
- The positive outlook in the recovery of the Oil and Gas Sector, which remains the major source of export earnings indicates that the efforts being made to implement the Petroleum Industry Act 2021, and thereby boost investments, as well as mitigate the production risks in the sector are beginning to yield positive results.
- The NNPC operates as a commercial entity and new regulatory bodies have been established: The Nigerian Upstream Regulatory Commission and The Nigerian Midstream and Downstream Petroleum Regulatory Authority in line with the PIA 2021.

Nigeria Overview: Major Economic Policy Initiatives

May 29 – June 30

Announcement of removal of subsidies on premium motor spirit (petrol/fuel) to create fiscal space

National Assembly approves the securitisation of N22.7 trillion Ways and Means Advances of the Central Bank of Nigeria (CBN) to the Federal Government of Nigeria (FGN).

Removal of the FX controls on 43 items and unification of all the Nigerian FX windows into a single investors and exporters (I&E) window

Nigeria's Monetary Policy Committee (NPC) of the CBN raised Monetary Policy Rate by 25 bps to 18.75%

Q3,2023

Rating agency, S&P, revised Outlook for Nigeria to Stable from Negative on August 4, 2023.

Nomination of Governor of the CBN and Executive Chairman of the Federal Inland Revenue Services (FIRS)

Inauguration of the Presidential Committee on Fiscal Policy and Tax Reforms

Q4,2023

National Assembly (NASS) passed 2023 Supplementary Appropriation Act of N2.177 trillion and approved the 2024 – 2026 Medium Term Expenditure Framework and Fiscal Strategy Paper (MTEF&FSS)

NASS confirmed the nominations of the Governor of the CBN plus four (4) Deputy Governors and Executive Chairman of FIRS

FGN and Labour agreed on wages increases

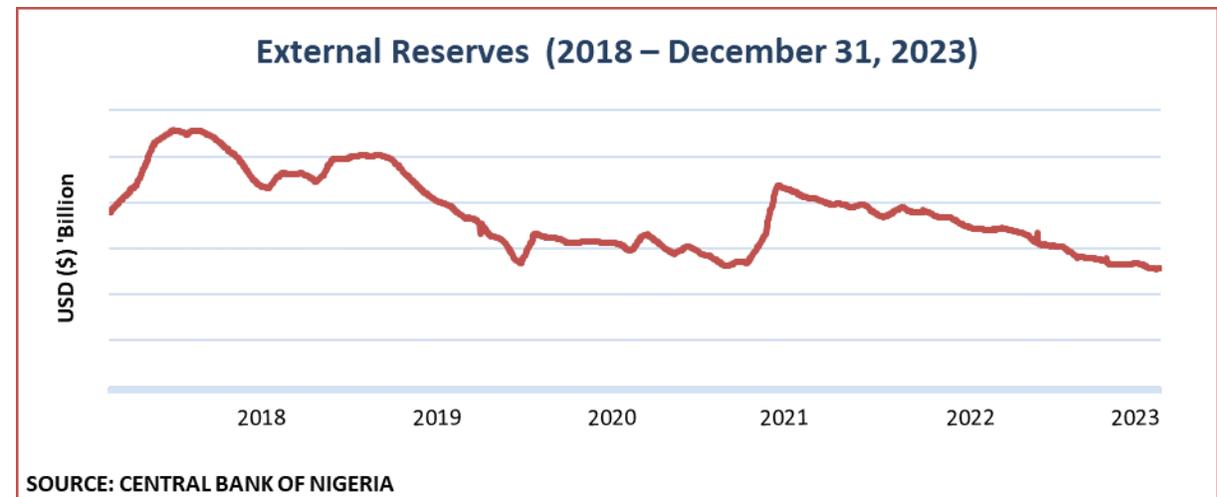
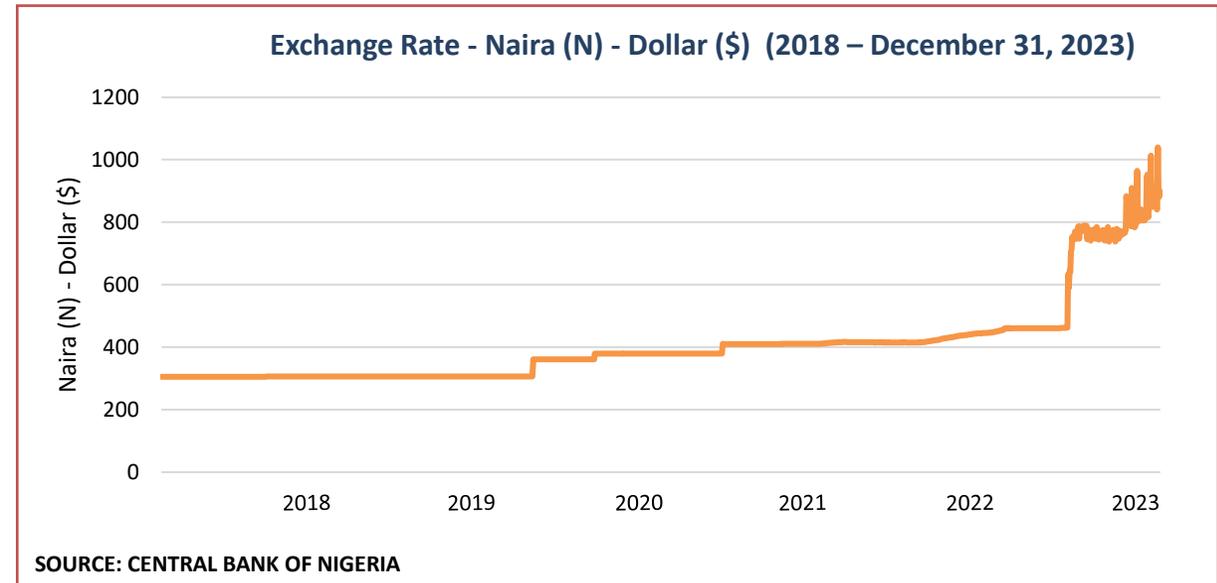
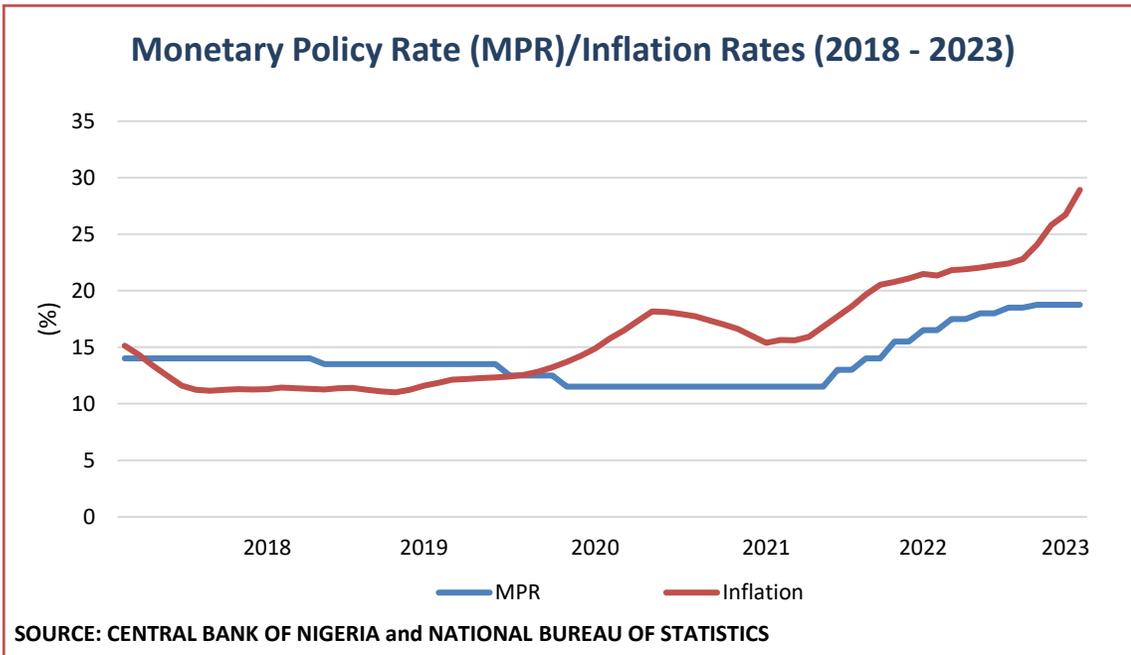
Rating agency, Moody's, revised Outlook for Nigeria to Positive from Stable on December 8, 2023

The President presented 2024 Appropriation Bill to the NASS, which was signed into law on January 1, 2024

Afreximbank announced an initial disbursement of US\$2.25 billion under a syndicated US\$3.3 billion Crude Oil Prepayment Facility sponsored by the Nigerian National Petroleum Company (NNPC) Limited on January 12, 2024

Nigeria Overview: Monetary and External Sector Indicators

The Government's fiscal and monetary reforms have contributed to inflation (28.92% as of December 2023) and the depreciation in the value of the local currency. These are mainly transitory and necessary to put Nigeria on a sustainable fiscal trajectory and economic growth path.

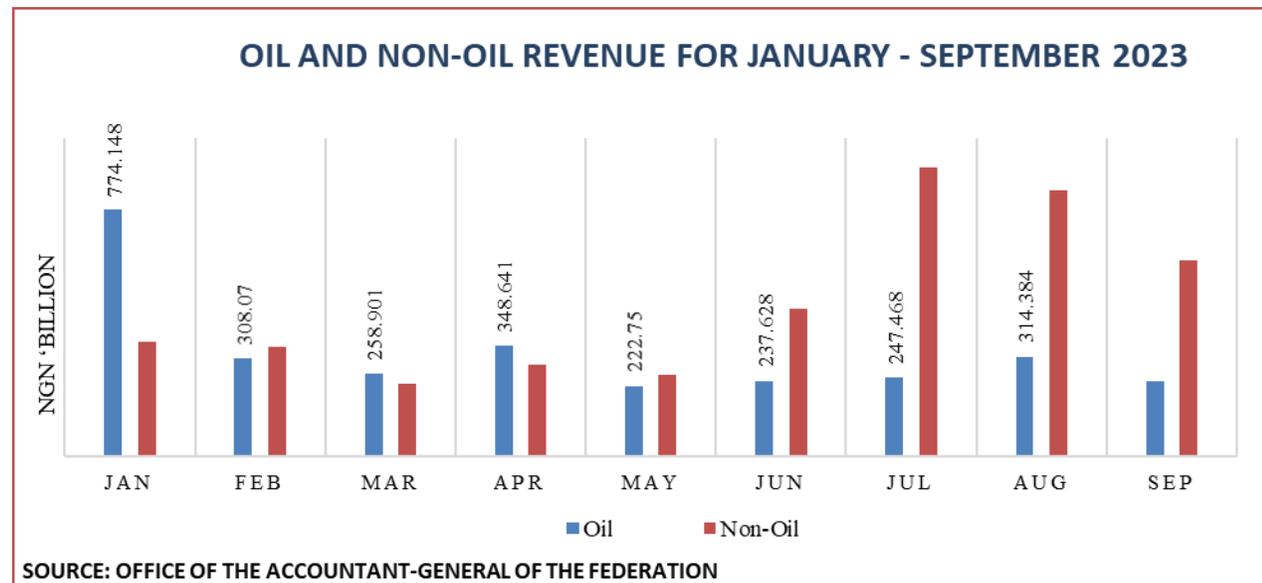
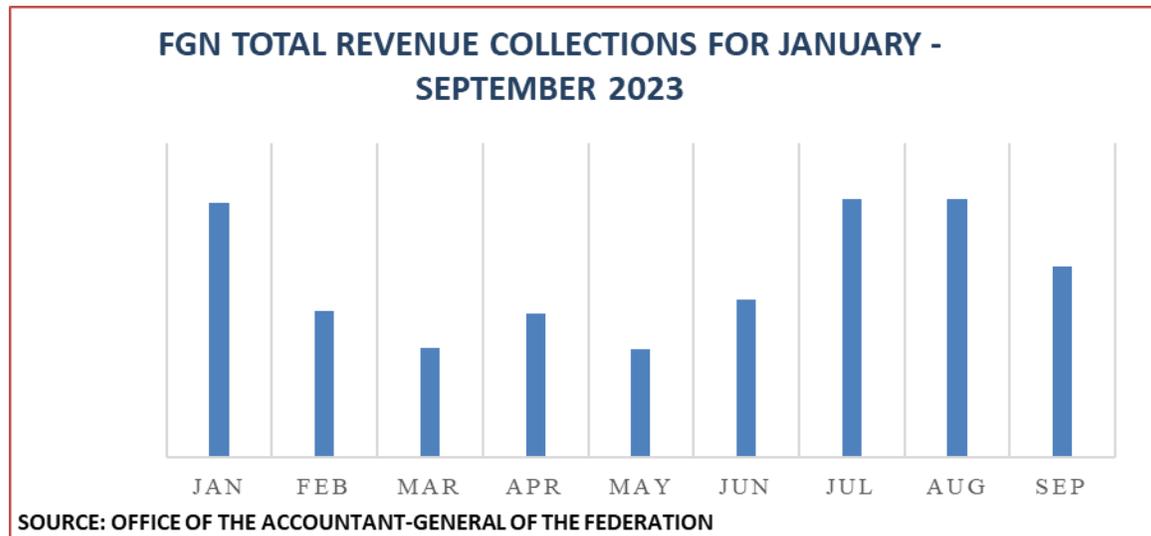
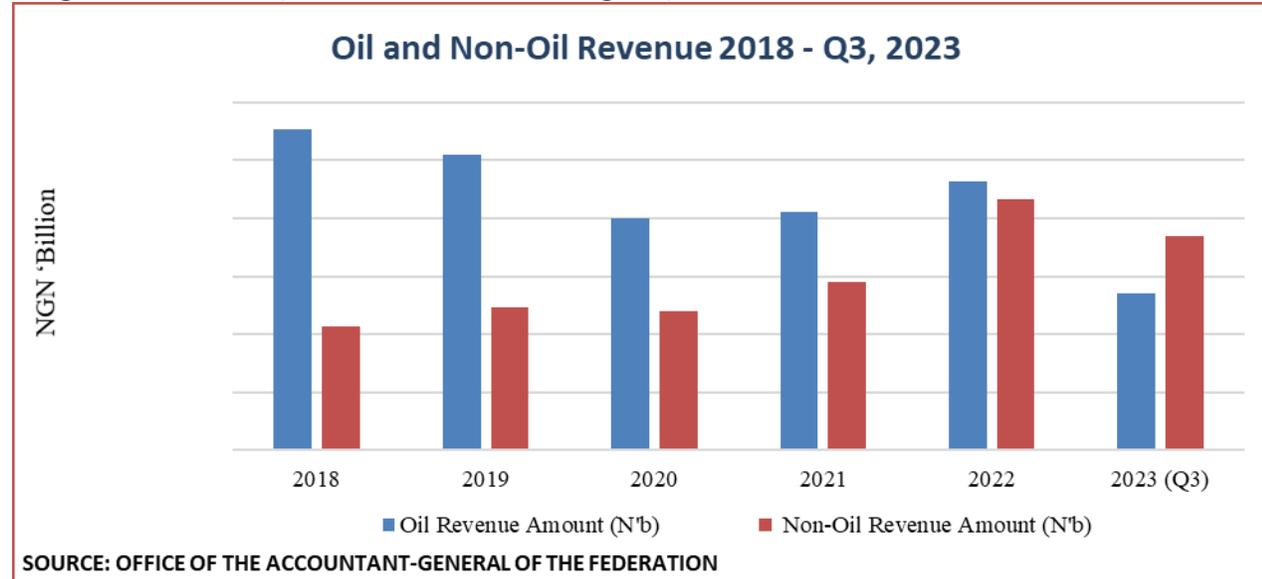


Nigeria Overview: Revenue performance

The Government's efforts at increasing non-oil revenue witnessed a significant leap in 2023, reaching a peak of N3.67 trillion as of Q3, 2023 compared to oil and gas revenue of N2.7 trillion.

The fiscal and tax reforms initiative of the administration include:

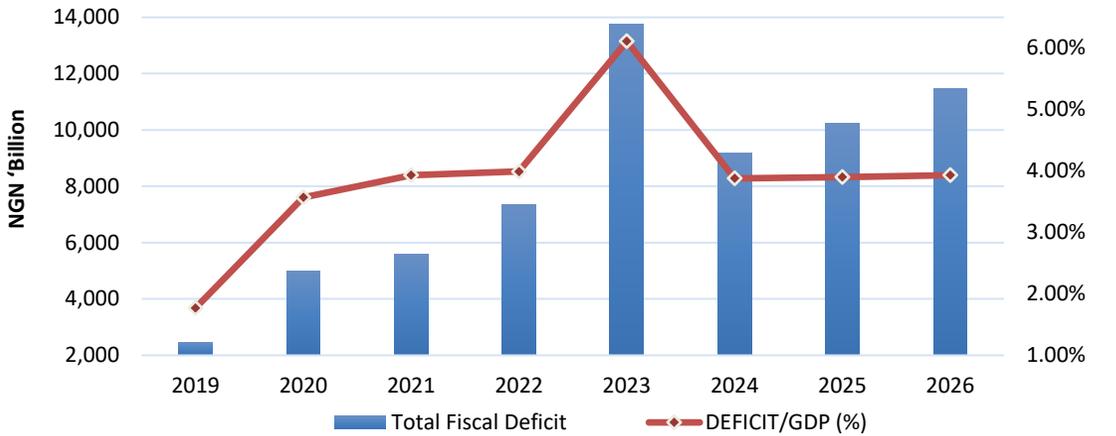
- Targeting Tax Revenue to GDP Ratio of 18% by year 2026.
- Rationalization of Tax Incentives
- Compliance Improvement
- Expanding the Coverage of Tax Automation System
- Comprehensive Customs Modernization
- Curbing Crude Oil Theft



Nigeria Overview: Fiscal Deficit and Debt Service

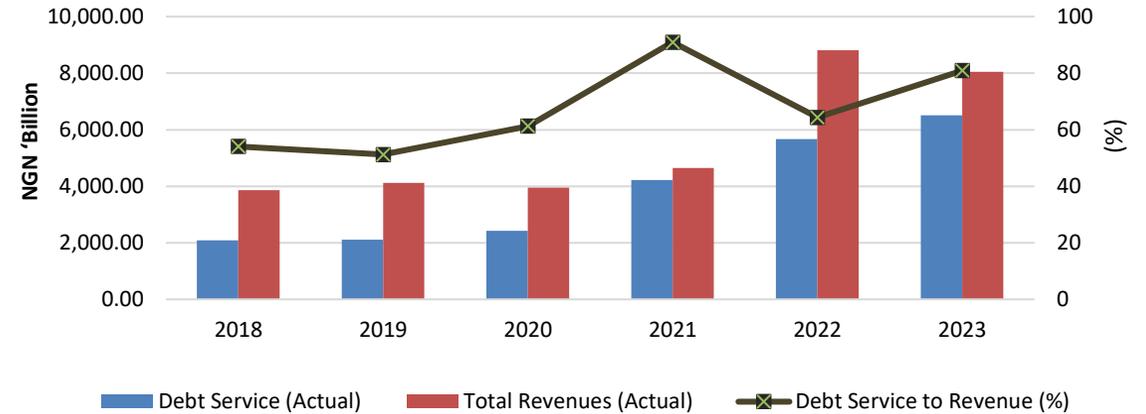
The depreciation of the local currency has had significant impact on external debt service, further weakening the fiscal space. The significant outturn expected in the ongoing revenue mobilization initiatives will moderate the high Debt Service/Revenue Ratio.

Fiscal Deficit versus GDP



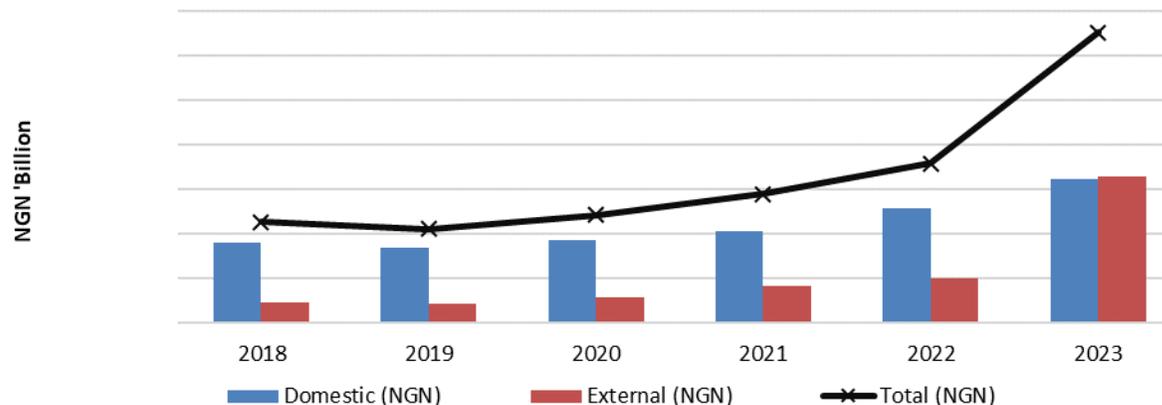
SOURCE: BUDGET OFFICE OF THE FEDERATION/MEDIUM-TERM EXPENDITURE FRAMEWORK
 Note: 2019 – 2023 are actuals, while 2024 -2026 figures are Projections

Debt Service versus FGN Revenue 2018 - Q3, 2023 (N' Billion)



SOURCE: : OFFICE OF THE ACCOUNTANT-GENERAL OF THE FEDERATION /DEBT MANAGEMENT OFFICE

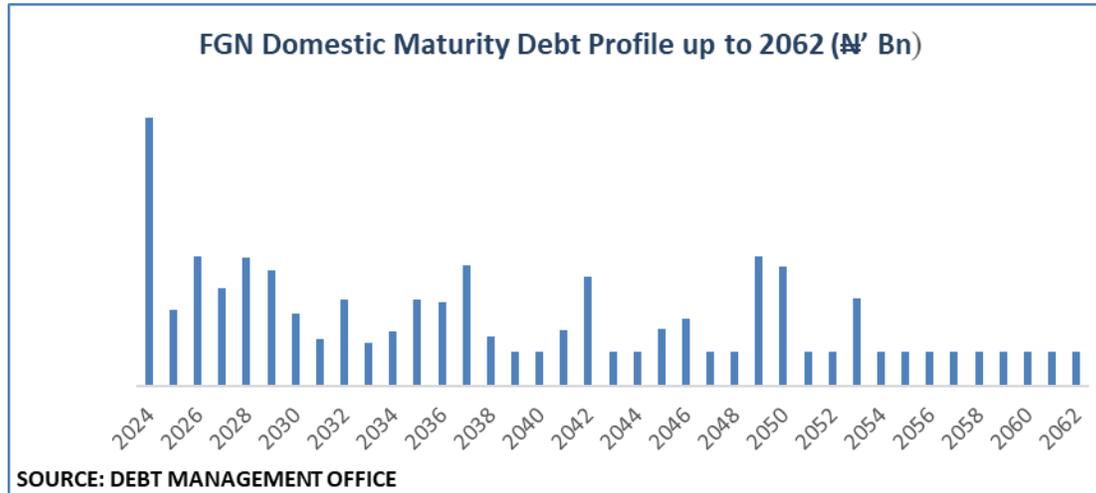
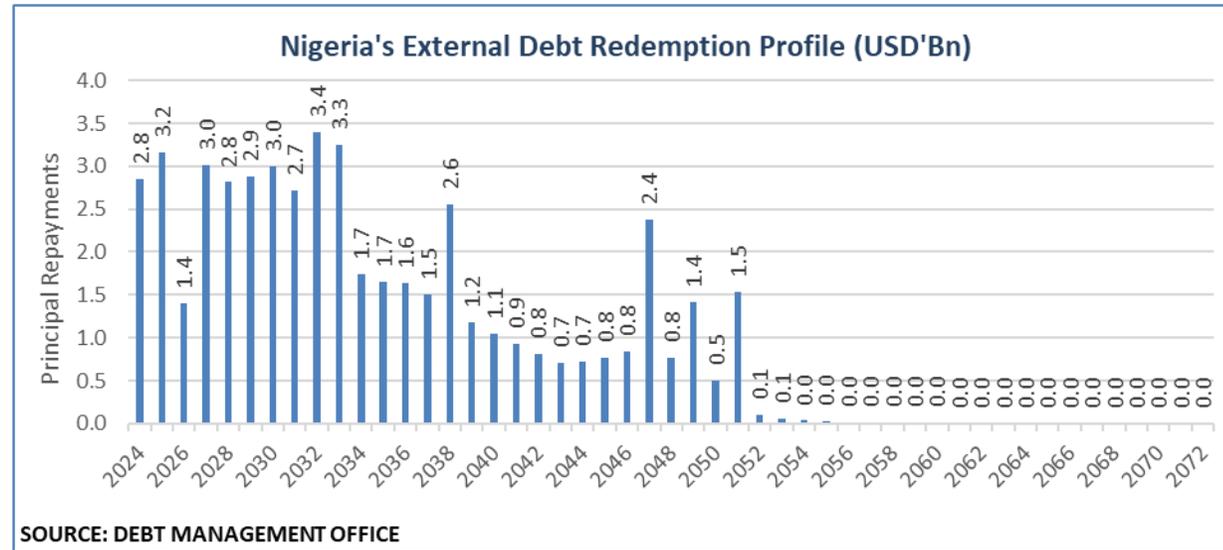
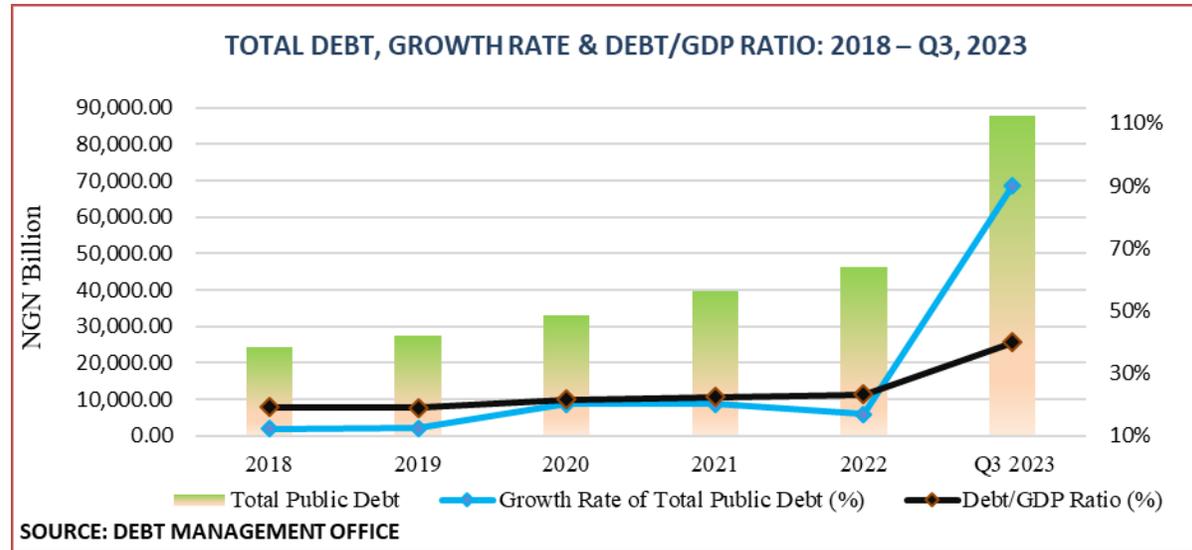
FGN Debt Service Profile (2018 – 2023)



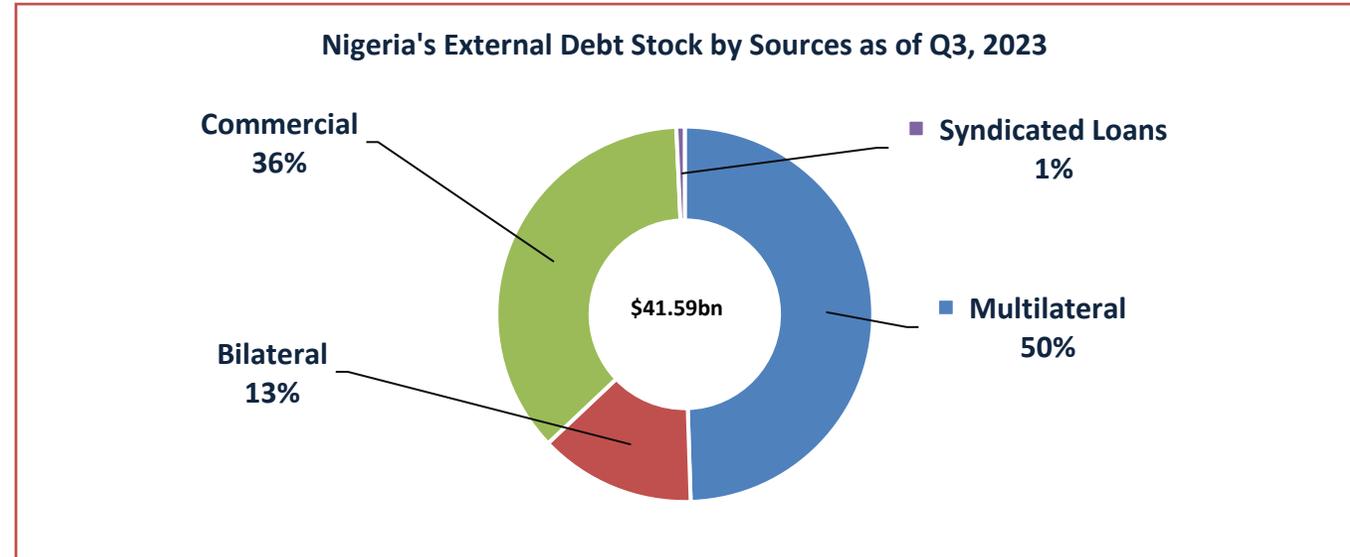
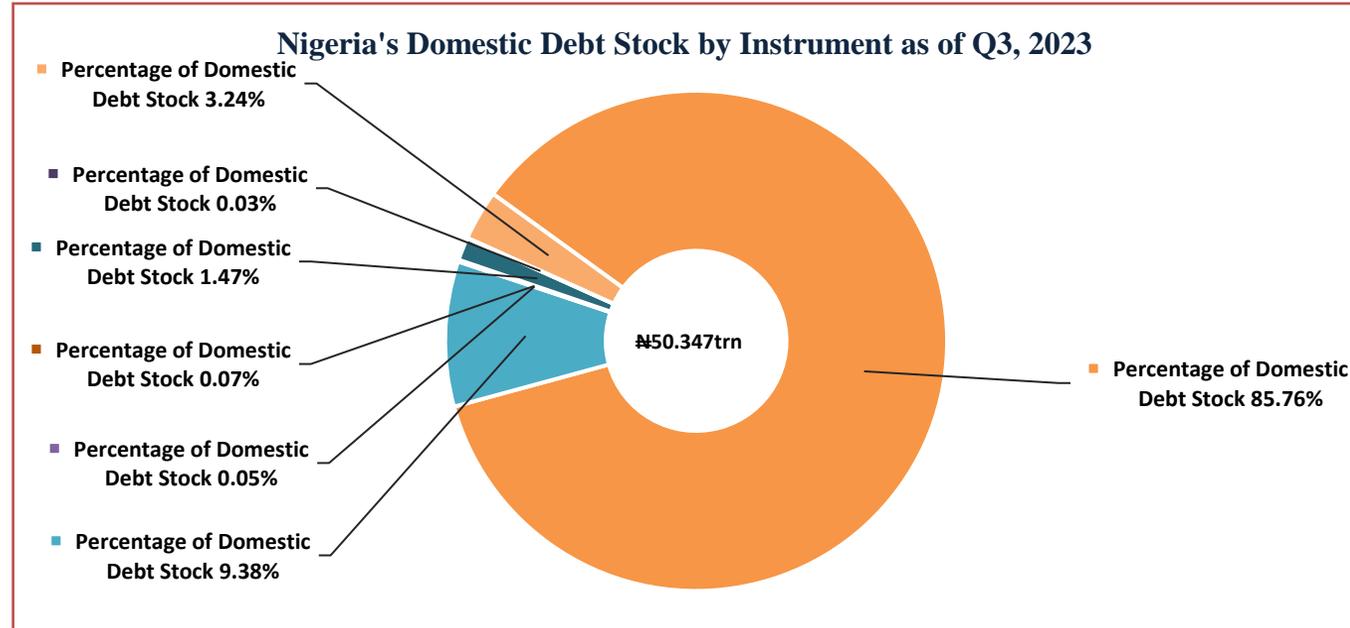
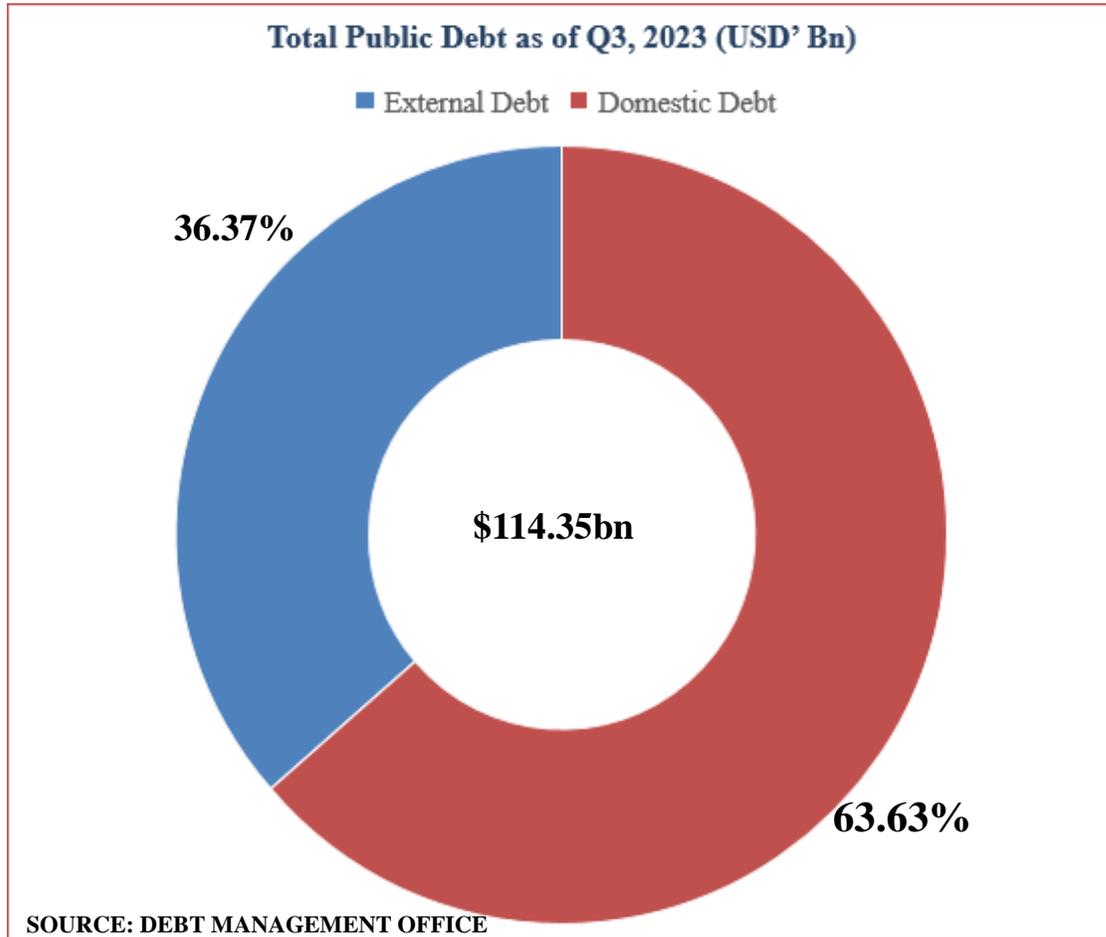
SOURCE: DEBT MANAGEMENT OFFICE

Nigeria Overview: Debt Overview

The Government's debt composition is comprised of domestic debt (63.6%) and external debt (36.4%) as of September 30, 2023. The significant increase in public debt in 2023 was due to the securitization of N22.7 trillion Ways and Means Advances of the CBN to the Government. Maturities are relatively smoothed. With country-specific Debt/GDP ratio at 39.82% (Q3, 2023), an increase to 50% is being processed for approval.



Nigeria Overview: Debt Overview cont'd



Nigeria Overview: 2024 Debt Financing Plan

Below are the sources of funding of the Fiscal Deficit of ₦9.178 trillion in the 2024 Appropriation Act.

Sources	Amount (₦' Billion)
Privatisation Proceeds	298.48
Multi-lateral / Bi-lateral Project-tied Loans	1,051.91
New Borrowings	7,828.52
New Domestic Borrowing	6,060.91
New External Borrowing	1,767.61

- The New Domestic Borrowing of ₦6.06 trillion will be funded through the issuance of FGN Securities: FGN Bonds, Nigerian Treasury Bills, Sukuk, Green Bond and FGN Savings Bond.
- The New External Borrowing of ₦1.76 trillion will be funded mainly through the issuance of Eurobonds and new multilateral and bilateral loans, including Export Credit subject to market and availability, respectively.

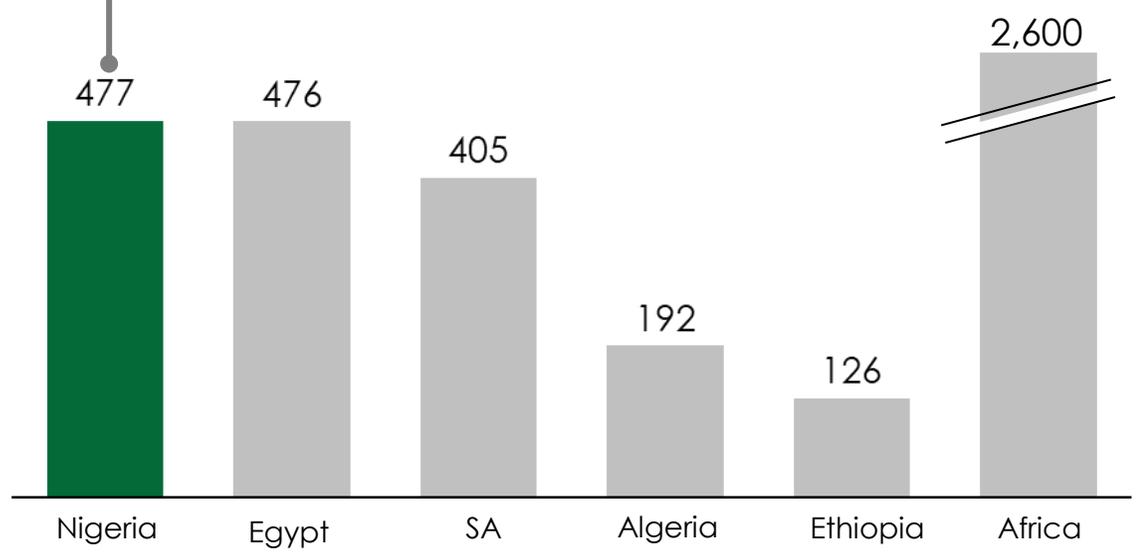
Nigeria Overview: A strong bet for global investors...



Largest in Africa in many indices & Demography: Largest GDP (\$477bn), Largest market (>220m+ population, > 41m MSMEs), Largest working population (>60m)....

Top 5 Africa GDP, Current \$ (B USD, 2022)

Top sector GDP contributors: Agriculture (~25%), IT and Telecoms (~15%) and Mining and Construction (~15%)



... with huge competitive advantages



220m+ growing population, with 70%+ under <30 years old-presenting a strong consumer market and labour potential



Endowed with rich resources ranging from oil and natural gas, to metals like lithium and precious stones like barites, gypsum and marble



Strong regional influence in West Africa and across Africa, as a leading economic powerhouse and a major contributor to regional stability and development initiatives



Vibrant and economically-active Youth population. Highly successful in Tech businesses. Nigeria has so far led the unicorn counts in Africa with five of the seven known unicorns



The largest market in Africa. Nigeria is the largest market in Africa and has the largest workforce as well. The country's minimum wage also creates affordable labour

Source: World Bank national accounts data; World Bank Development Indicators; BCG analysis

Huge investment opportunities exist across various key growth/emerging sectors and segments....

Investment avenues for investors in key sectors ripe for investments ...



Technology / Digital Economy

Rapidly growing **digital economy**, burgeoning **tech talent**, and increasing **internet penetration**, Nigeria has taken the lead in Africa with five out of the seven known unicorns



Agriculture

With **70.8 million hectares** accounting for over **6% of Africa's total arable land**, this presents a compelling investment opportunity for **agri-tech and value chain enhancement**.



Energy and Extractive Industry

Rich in **oil and mineral reserves** and with opportunities for **renewable energy expansion**, present a prime opportunity for foreign direct investment



Manufacturing

Benefiting from a **large domestic market**, sector is ripe for investment, particularly in areas of **technology integration** and **production efficiency**

... and areas with high innovation potential



Energy including Renewables

Opportunities for harnessing abundant **solar, wind, and hydro resources**, leading to the development of **sustainable energy solutions, grid decentralization**, and **increased energy access**



Agri-tech

Opportunities for leveraging technology in areas like **precision farming, supply chain optimization, and digital marketplaces**, aiming to boost **agricultural productivity, enhance food security**, and **empower smallholder farmers**



Creative/ Entertainment Sector

Dynamic music and film, especially **Nollywood, the world's 2nd fastest-growing movie industry**, Nigeria offers lucrative investments in content production, digital distribution, and infrastructure.

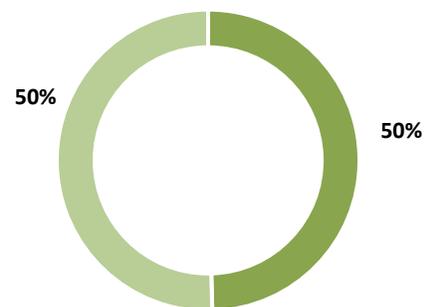
Bank of Industry Overview

Overview of Bank of Industry

Who We Are

Brief History	The DFI has been in operation for over 60 years, with a significant understanding of the Nigerian banking sector. Initially incorporated in 1959 as Investment Company of Nigeria (ICON) and became Bank of Industry (BOI) in 2001. BOI's development mandate is currently guided by the National Development Plan and serves as one of 15 government agencies under the Federal Ministry of Industry, Trade and Investment.
Mission	To transform Nigeria's industrial sector by providing financial & advisory support services to enterprises.
Vision	To be Africa's leading development finance institution operating under global best practices.
Mandate	The Bank is mandated to provide financial assistance for the establishment of large, medium and small projects, and for the development of existing enterprises and its developmental mandate.
Branches	31 offices across 30 states.
Credit Rating (Moody's/Fitch) 2023	Caa1 by Moody's (01.02.2023) (Stable) / B- by S&P (21.11.2022) (Stable). Our ratings are reflective of the sovereign downgrade.
Total Assets	US\$ 4.3bn as at 30 June 2023.
Total Equity	US\$ 831mn as at 30 June 2023.
# of employees	694 as at 30 June 2023.

Shareholder Structure



June 2023
N/\$:763

Core Offerings

- The Bank's core lending products and services include, amongst others:
 - ✓ Short term loans
 - ✓ Medium / long term loans
 - ✓ Revolving credit facilities
 - ✓ Syndications; and
 - ✓ Equipment leasing
- The Bank also serves as a implementation agent for Multilateral and Government programmes e.g. World Bank CARES Programme, IsDB BRAVE Programme, i-DICE, Federal Government's ₦ 75bn MSME Survival Fund for COVID, to name a few.

Primary Drivers of BOI's Developmental Strategy or Objectives

- Affordable Interest Rate
- Innovative Financing Solutions
- Medium to long-term financing / Patient capital
- Sustainability & Environmental Orientation
- Women & Youth Empowerment Programmes
- International Quality for Export Earnings
- Strong focus on supporting MSMEs
- Local Raw Materials/Content Development

Credit Rating: Bank of Industry Ltd.

Caa1 (Stable Outlook)

B- (Stable Outlook)

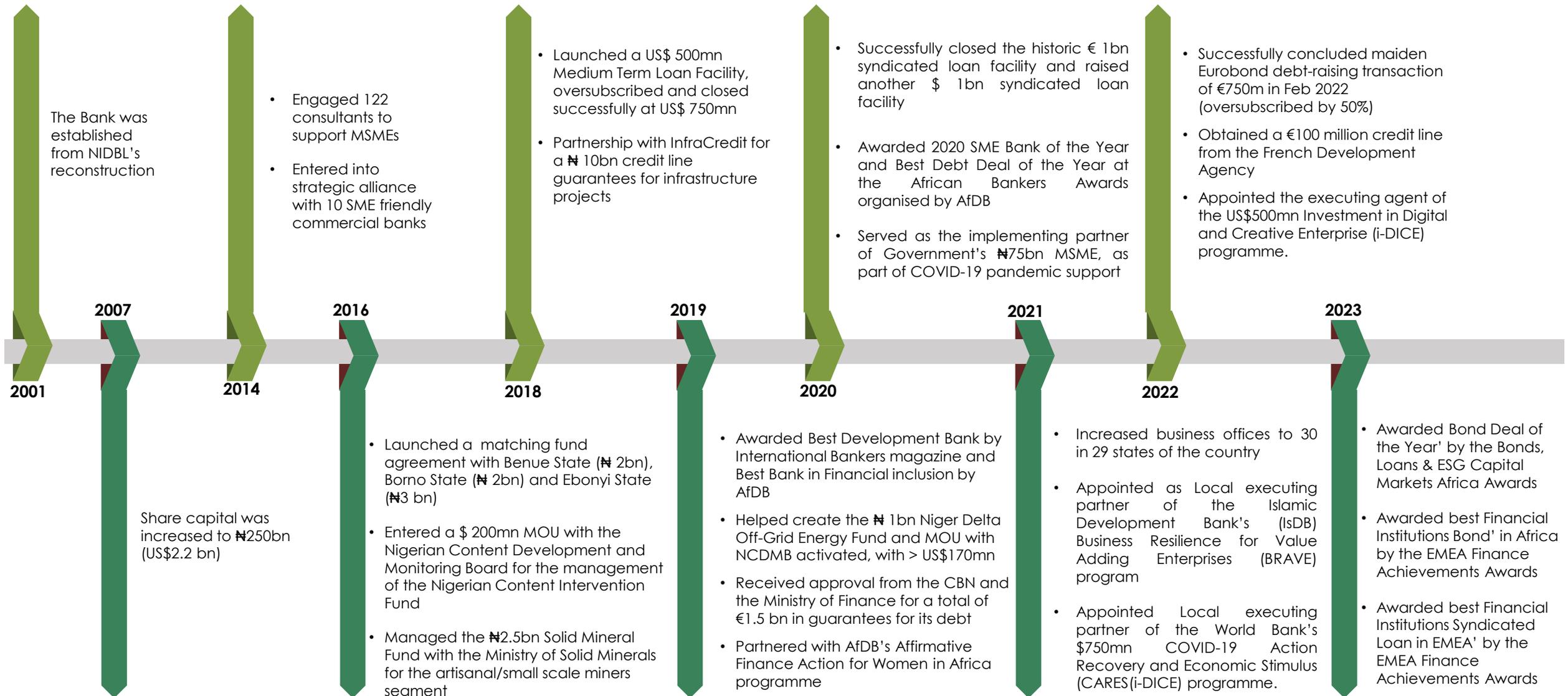
Quality Management Systems

ISO 22301:2019
Business Continuity Management

ISO 9001:2015 Quality Management Systems

ISO 27001
Information Security Management Systems

History and Evolution



BOI raises capital from various sources to be able to effectively achieve its mandate and corporate objectives. The Bank also provides other business support services

Sources of Financing – Deployed to financing Nigeria’s Real Sector

- **International Financial Market:** Syndications, Eurobond, Bilaterals - \$5bn raised in last 5 years
- **Managed Funds:** Management of pool of funds from both Government (FG) & Private institutions (e.g. Nigerian Content Development and Monitoring Board) to intervene in specific segments/sectors
- **Matching Funds:** 50:50 contribution of funds between BOI and strategic partners, especially state governments to provide finance to certain sectors and segment e.g. MSMEs

Business Support Services

- **Business Advisory Services:** The Bank is building its capacity in offering financial advisory services to medium and large enterprises
- **Capacity Building:** BOI leverages its collaboration with over 400 Business Development Service Providers (BDSPs) spread across the Country to offer business support services to MSMEs with respect to.
- **Advocacy:** Provide feedback to Government on challenges faced by the real sector. This forms an important input to policy making

Target Customers

- **Large Enterprises** across key sectors of the economy. Loan amounts of over **₦2bn**
- **SMEs** across key clusters and markets. Serviced through 31 State Offices across the country. Loan value of between **₦20m- ₦2bn**
- **Microenterprises** with obligor limits of **₦20m**. Served through clusters and aggregators

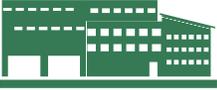
Key Features

- Project Finance, Business Valuation etc.
- Loan application process, business management skills.
- Policy matters, Ease of Doing Business



BOI's Developmental Impact: 2015 – H1 2023

- The Bank's core focus within the attainment of its developmental objectives is to create jobs and enable growth and sustainability for businesses in different sectors of Nigeria's economy.
- BOI supports projects with potential developmental impact.
- The Bank has supported c. 4mn enterprises and created 10.5mn jobs, since 2015.
- The Bank has also focused on emerging sectors that are typically underserved by other financial institutions, e.g. youth segment, renewable energy and entertainment industry.

Enterprises		Disbursements	Enterprises Supported	Estimated Direct & Indirect Jobs Created
	*Micro, Small & Medium Enterprises (includes GEEP, N-Power, MSME Survival Fund, NERF)	\$ 1.06bn (₦ 420.3bn)	4,397,685	5,352,422
	Large Enterprises	\$ 2.97bn (₦ 1,239.1bn)	1,235	5,194,425
Total		\$ 4.03bn (₦ 1,659.4bn)	4,398,920	10,546,847

***Note:**

- ❖ **Government Enterprise Empowerment Programme (GEEP) & N-Power:** Social Investment Programmes, BOI facilitated the disbursement of ₦68.0bn (US\$190.8mn) to 2.9mn beneficiaries, including market women, artisans, agricultural workers & youth. BOI facilitated the disbursement of ₦ 68.0bn (\$ 188.5mn) to 2.9mn beneficiaries.
- ❖ **MSME Survival Fund** – On behalf of the Nigerian Government, BOI facilitated the disbursement of ₦67.5bn (\$151mn) to 1,258,188 MSMEs that were significantly adversely impacted by COVID-19
- ❖ **North-East Rehabilitation Fund (“NERF”):** BOI fund to rejuvenate the economies of the 6 States in North-Eastern Nigeria affected by the adverse impact of insurgency over the years. To date ₦569.3mn (US\$1.6mn) has been disbursed to 56,934 beneficiaries.

Source: BOI Performance Management, Government Enterprise Empowerment Programme Secretariat, N-Power Initiative, MSMS Survival Fund Secretariat

Why Invest in BOI?

Why Invest in BOI?



Nigeria's Leading DFI with Long and Proven Track Record

- Total assets of US\$ 4.3bn in June 2023.
- One of the few Development Finance Institution (DFI) with the mandate to conduct lending operations in support of Nigeria's growing economy and developmental objectives
- Nigeria's largest, oldest and most prominent DFI, with long track record of 60+ years
- BOI is the first Nigerian DFI to access capital from the international capital market, leveraging a sovereign guarantee. In addition, we have a strong repayment track record.



Strong Corporate Governance and Risk Management

- Stable and experienced board members, with over 300 years combined experience
- Robust Enterprise Risk Management Framework and ISO certifications on quality management system, business continuity, information security, etc.
- Adherence to international best practices, disclosures and audits
- Currently working on establishing a Sustainability Framework

Exchange Rates \$/N - Source: CBN, whole-year average

2016	2017	2018	2019	2020	2021	2022	2023
252.7	305.3	305.6	306.4	356.4	411.75	447	763



Trusted Partner with Consistent and Strong Shareholder Support

- Strong support from both shareholders Ministry of Finance Incorporated (MOFI) and Central Bank of Nigeria - CBN), including:
 - direct equity contributions
 - facilitation of government and parliamentary approvals
 - provision of Sovereign and CBN Guarantees; and
 - CBN FX swap lines to mitigate foreign currency risks, amongst others



Robust Balance Sheet and Asset Quality

- Access to lower costs of funding than Commercial Banks
- Credit exposure is further mitigated with collateral, largely comprised of commercial bank guarantees and Government debt securities
- Summary of key performance indicators (June 2023):
 - Total equity: US\$954.7mn
 - NPL ratio: 2.08%, (below CBN's 5% max. threshold)
 - CAR: 62.16%



Diversified Loan Book and Profitable Performance

- Long track record, spanning 60+ years
- Strong year-on-year financial performance, with Profit-Before-Tax (PBT) in Millions of \$ USD

2018	2019	2020	2021	2022	2023 (June 2023)
120	128	100	148	158	146.6

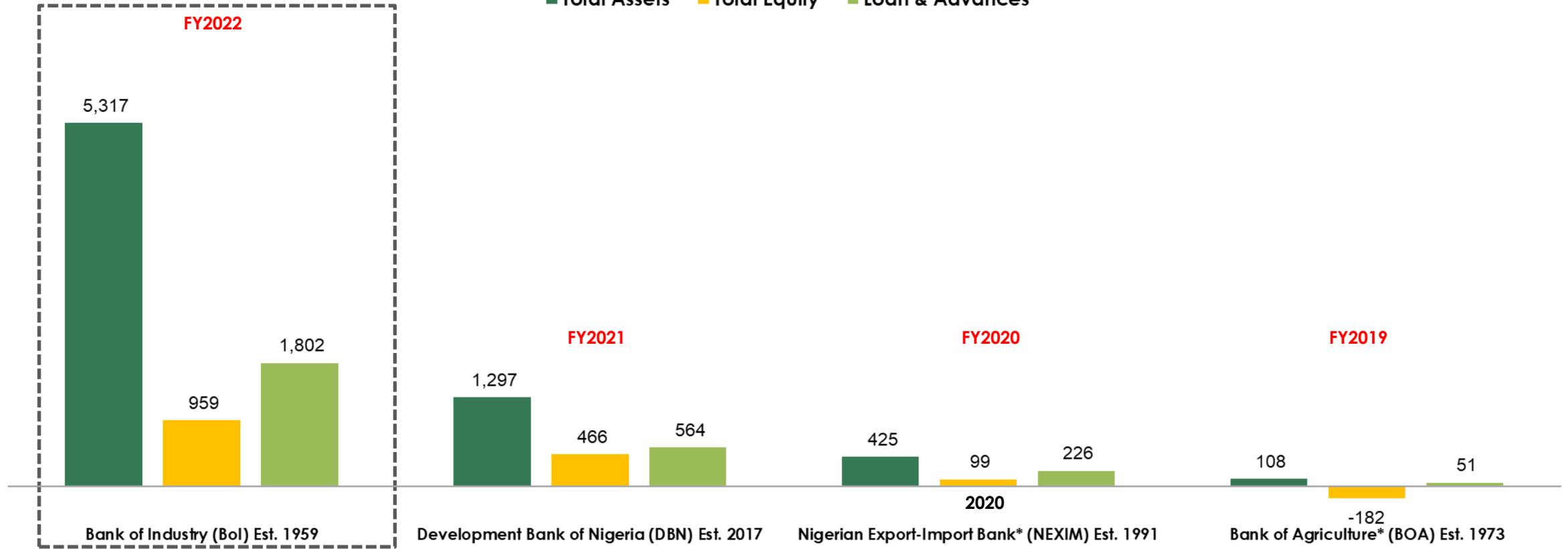
Bank of Industry – Nigeria’s Leading DFI



BOI is the largest, oldest and most prominent DFI in Nigeria, with total assets of c. US\$ 5.31bn as at December 2022

Financial Performance of Nigerian DFIs (US\$'million)

■ Total Assets ■ Total Equity ■ Loan & Advances



Source: BOI Annual Report, CBN Economic Report, DBN Annual Report, CBN 2019 Statistical Report, Punch Newspaper
 *2020 & 2019 figures used for NEXIM and BOA respectively as 2022 information is not available
 2021 Exchange rate: ₦111.75/\$, 2022 Exchange rate: ₦447/\$

Trusted Partner with Consistent and Strong Shareholder Support



- Bank of Industry's main shareholders are *Ministry of Finance Incorporated (MoFI) and the Central Bank of Nigeria (CBN) with 50.44% and 49.56% respective shareholdings.
- BOI receives strong support from both shareholders (MoF and CBN), including direct equity contributions, provision of guarantees and facilitation of government and parliamentary approvals.

Examples of Shareholder Support Demonstrated

- The Bank's Board of Directors comprises of 3 non-Executive Directors representing:
 - Ministry of Finance Incorporated;
 - CBN; and
 - Federal Ministry of Industry, Trade & Investment (FMITI) as well as an Executive Director appointed to BOI by the CBN.
- Anchored by the MoFI, BOI was allocated ₦100bn, initially contributed via debt as direct intervention fund for the textile sector, before being subsequently converted to equity in 2013.
- Between 2010 and 2011, CBN invested ₦535bn in a zero coupon debenture instrument, managed solely by BOI, as part of its intervention programs in the Nigeria economy to support the power and aviation sector, as well as to refinance and restructure facilities to the SME sub-sectors.
- The CBN has supported BOI to secure foreign currency loans in the past, providing a guarantee to the lenders of the US\$750mn Medium Term Facility in 2018 (which has since been repaid); the €1bn CBN Guaranteed Facility and US\$1bn CBN Guaranteed Facility, in 2020 and the €1bn CBN Guaranteed Facility in 2022.
- FGN provided sovereign guarantees for BOI to access USD 100Mn term loan from AfDB and our recently concluded EUR 750Mn maiden Eurobond
- CBN also entered into a foreign currency swap (FX-swap) with BOI concerning the above listed loans.

Trusted Partner to Nigerian, African and Global Institutions

	<ul style="list-style-type: none"> • Implementing Partner for the facilitation of the disbursement of Federal Government's ₦ 75bn MSME Survival Fund to support businesses and households that were significantly affected by the COVID-19 pandemic - ₦ 58.33bn disbursed to 872,184 beneficiaries. • Signed a Custodian Fund Agreement with the Nigerian Export Promotion Council (NEPC), as the implementing partner of its ₦50bn Export Expansion Facility Fund. • The fund aims to provide financial support to organisations in the non-oil export value chain, particularly those adversely impacted by the pandemic.
	<ul style="list-style-type: none"> • Local executing agency of the Islamic Development Bank's (IsDB) Business Resilience for Value Adding Enterprises (BRAVE) program, aimed at supporting women-owned businesses in economically disadvantaged regions. • We have begun the capacity-building phase with 550 women entrepreneurs across the three pilot states – Edo, Kano and Gombe.
	<ul style="list-style-type: none"> • The French Development Agency (AFD) € 100mn line of credit under its Transforming Financial Systems for Climate (TFSC) programme. A blended finance initiative with the Green Climate Fund.
	<ul style="list-style-type: none"> • Appointed as the local executing partner of the World Bank's US\$ 750mn COVID-19 Action Recovery and Economic Stimulus (CARES) intervention project. • IFC has on-boarded BOI as an SOE. Hence, eligible to access financing and capacity-building opportunities. Discussions are ongoing for a \$150m bilateral line of credit.
	<ul style="list-style-type: none"> • Appointed the executing agency of the US\$ 617mn Investment in Digital and Creative Enterprise (i-DICE) programme, a collaboration between the AfDB, ISDB, AFD and the Nigerian Federal Government. • The programme aims to boost innovation, create jobs, encourage entrepreneurship, enhance social development, and achieve economic transformation by fostering growth among Nigerian MSMEs in the Technology and Creative Sector segments. • Currently collaborating with AfDB and other partners on the Special Agro-industrial Processing Zones Program. The partners are expected to mobilize \$520 million for Phase 1

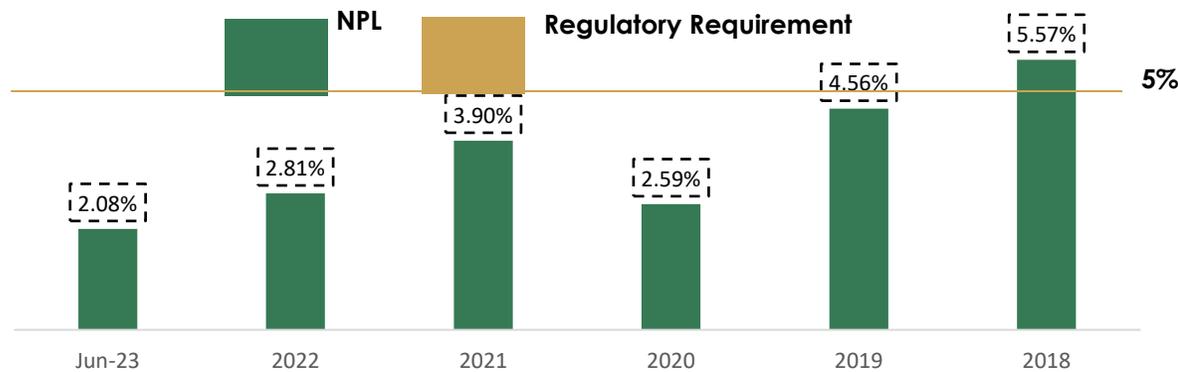
3 Robust Balance Sheet and Asset Quality

- The CBN stipulates that Non-Performing Loans (NPL) should not exceed 5% of a financial institution's Gross Loans and Advances. BOI has maintained a threshold below this guideline for the past three years.
- BOI requires security for all credits guaranteed. The Bank is over-collateralised as at June 2023 with 85.9% of exposure covered by Bank Guarantee
- BOI's is well capitalised with a Capital Adequacy Ratio (62.16%) well above minimum regulatory guideline.

Strong Capital Base with Solid Shareholder Support

USD'mn	Jun 2023	2022	2021	2020	2019
Tier 1 Capital	809.0	872.2	878.92	894.0	893.6
Tier 2 Capital	268.0	287.9	289.94	294.7	294.0
Total Regulatory Capital	1,077.0	1,160.2	1,168.86	1,188.7	1,187.6
Minimum regulatory capital % of RWA	10%	10.00%	10%	10.0%	10.0%
BOI capital % of RWA	62.16%	47.67%	51.13%	48.2%	51.7%

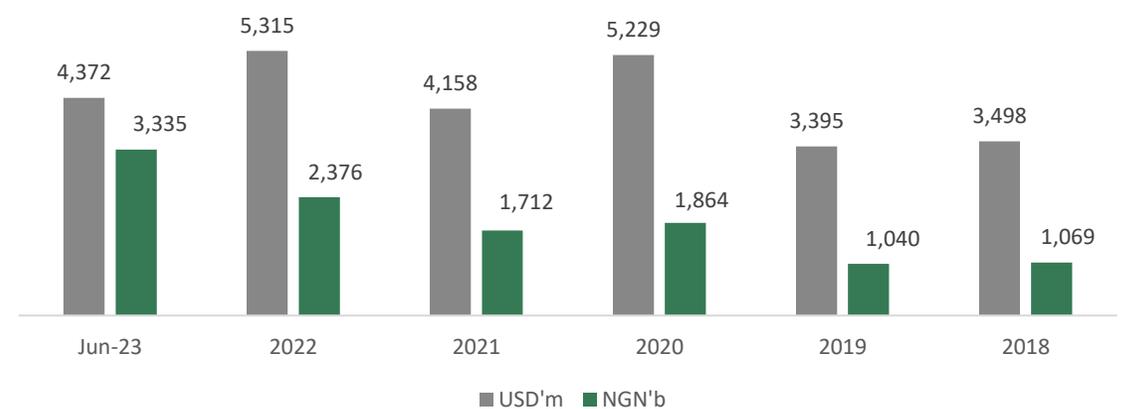
Non-Performing Loans



Collateral Composition (Jun-23)

US\$m	Value	% Contribution
Bank Guarantees	818.00	85.9%
T-Bills & FGN Bonds	100.86	10.6%
Legal Mortgages	23.3	2.4%
Personal Guarantees	8.33	0.9%
Debenture	2.33	0.2%
Total	952.82	100%

Total Asset

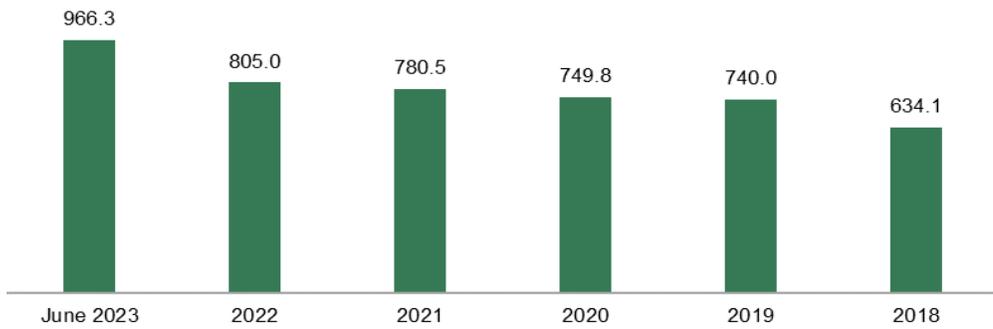


■ USD'm ■ NGN'b

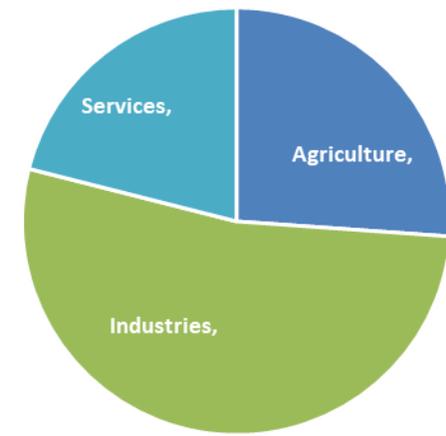
Diversified Loan Book and Profitable Performance

- The Bank has a robust portfolio that cuts across corporate customers, MSMEs customers and financial institutions.
- The Bank maintains a diverse portfolio across various sectors skewed to providing long term loans across essential industries in Nigeria including Agro-processing, Gender business and Renewable Energy
- Despite pursuing a developmental mandate, BOI's profitability has grown consistently over the years as shown by the Net-Interest Income (NII) and Profit Before Tax (PBT)

Net Loan Portfolio (NGN'bn)

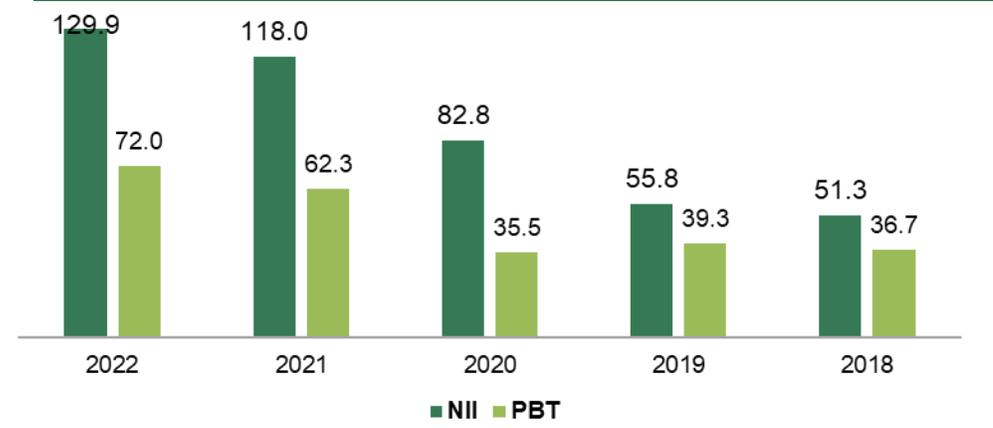


Sectoral Breakdown (Jun-23)



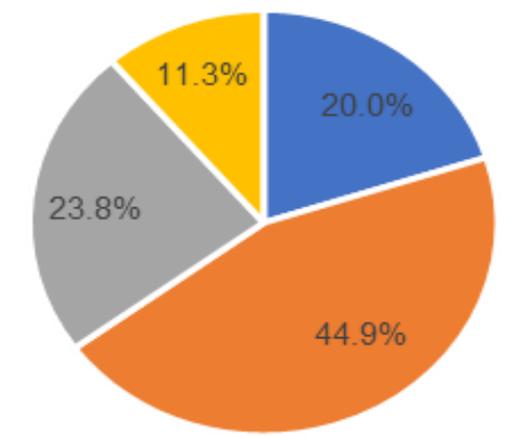
- Agriculture:**
 - Ago Processing
 - Food Processing
- Services:**
 - Creative Industry
 - Financial Institutions
- Industries:**
 - Engineering & Technology
 - Healthcare & Petrochemicals
 - Oil and Gas
 - Solid Minerals
 - Renewable energy
 - Gender Business

Net-Interest-Income and Profit-Before-Tax (NGN'bn)



Loan Tenor Breakdown (Jun-23)

- Less Than 5 Years
- Above 5 Years - Less Than 7 Years
- Above 7 Years - Less Than 10 Years
- Above 10 Years



Environmental, Social and Governance (ESG) Framework

Sustainability is imperative to the achievement of BOI's developmental goals. The Bank also views ESG as a way to better engage with its stakeholders, gain stronger reputation, attract useful partnerships and deliver more positive impact to the economy and society. The Bank embarked on its ESG journey in 2020 and has strived to be an ESG compliant organization since then

- We recently conducted a comprehensive ESG assessment and gap analysis to evaluate current practices across environmental, social, and governance risk within the bank. This will enable us identify strengths, weaknesses, and areas for improvement.
- We are in the process of setting our ESG KPIs which will define specific, measurable, and time-bound goals aligned with our values and long-term vision. This will provide a roadmap for measuring our success.
- We worked with AfDB to put in place our ESG policy and framework which has been approved by the board of the Bank and hosted on our website .
- We are at advanced stages of implementing our Environmental Social Management System. We have updated our exclusion list to align with international best practices, developed a tool kit for categorizing our projects, approved ESG clauses to be included in our loan agreements and have commenced monitoring visits.
- An IFC consultant was engaged to build a categorization tool for the Bank and this has been quite useful in our bid to integrate ESG considerations into our core business operations and decision-making processes to ensure that sustainability becomes an inherent part of our culture.
- We are working with Rand Merchant Bank to develop a Sustainability finance Framework, this will enable us raise sustainable finance. We are also collaborating with Barclays Bank on this process.
- The staff have been trained on ESG practices and this will be a regular practice. We worked with IFC to develop five training modules for the Bank and this has been delivered to ninety staff of the Bank since it commenced in August 2023.
- We are working on getting a sustainability certification and have commenced the implementation of the Sustainability Standards Certification Initiative of the European Organization for Sustainable Development
- We prepared a standard alone sustainability report in 2021 and in 2022 embedded a sustainability report in our annual financial report. We are working on adoption of the new IFRS reporting standards to align with global best practice.

5 Strong Corporate Governance and Risk Management

The Executive Management of the bank has a combined experience of 150 years



Dr. Olasupo Olusi
Managing Director/
Chief Executive Officer



Mabel Ndagi
Executive Director,
Micro Enterprises



Simon Aranonu
Executive Director,
Large Enterprises



Omar Shekarau
Executive Director, Small
& Medium Enterprises



Usen Okon Effiong
Executive Director,
Corporate Services

Regulator



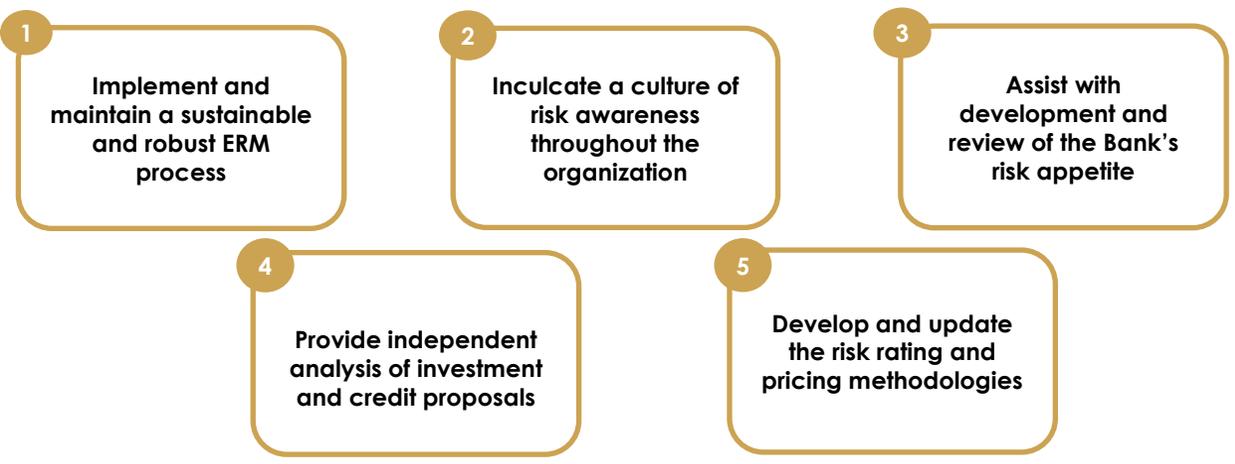
Auditor



The Bank has put in place best practice Enterprise Risk Management framework

- The Bank promotes a responsible approach to risk and ensure that the sustainability of its operations and reputation are not jeopardised whilst pursuing its developmental objectives.
- The Risk Management Division (RMD) is primarily responsible is implementing and monitoring compliance with the Bank's Enterprise-Wide Risk Management Framework, policies, processes and always ensuring the creation of quality risk assets.
- The bank's credit risk profile is discussed below:
 - The Bank's total capital adequacy ratio currently stands at 62.16% as at June 2023, from 47.57% in December 2022, 51.08% in 2021, 48.2% in 2020 and 51.73% as at 31 December 2019. The industry in the Nigerian banking sector was 11.2% as at 30 June 2023.
 - The Bank's non-performing loans ratio stood at 2.40% as at June 2023, a reduction from 3.81% in December 2022, 3.38% as of 31 December 2021 and 2.59% as of 31 December 2020. The industry in the Nigerian banking sector was 4.1% as at 30 June 2023.

The Roles and Responsibilities of the RMD



Summary of Historical Financials

		FY2018	FY2019	FY2020	FY2021	FY 2022	June 2023	FY2018	FY2019	FY2020	FY2021	FY 2022	June 2023
		₦ millions						US\$ millions					
		₦ : US\$ FX Rate						305.6	306.4	356.4	411.75	447.00	763
Income Statement	Net Interest Income	51,274.0	55,845.0	82,789.0	117,965	129,904	67,474	167.8	182.3	232.3	286.5	290.61	88.43
	Other Operating Income/loss	3,148.0	7,251.7	-8,645.8	-13,497.0	-7,013	78,007	10.3	23.7	-24.3	-32.8	(15.69)	102.24
	Impairment Charges	5,155.0	3,984.0	-12,847.0	-9,095.2	-4,345	-18,404	16.9	13.0	-36.0	-22.1	(9.72)	-24.12
	Operating Expenses	-27,039.0	-31,474.0	-27,815.0	-33,670.4	-45,880	22,988	-88.5	-102.7	-78.0	-81.8	(102.64)	30.13
	Profit Before Tax	36,663.0	39,335.0	35,542.0	62,280.2	71,988	104,089	120.0	128.4	99.7	151.3	161.05	136.42
Balance Sheet	Loans and Advances	634,116.0	740,033.0	749,839.0	780,477.3	805,456	951,578	2,075.1	2,415.1	2,103.8	1,895.5	1,801.91	1247.15
	Total Assets	1,069,045.0	1,040,185.0	1,863,753.0	1,712,020.6	2,376,023	3,296,486	3,498.4	3,394.6	5,229.0	4,157.9	5,315.49	4320.43
	Total Liabilities	810,806.0	747,097.0	1,527,270.0	1,327,174.3	1,946,195	2,656,862	2,653.4	2,438.2	4,284.9	3,223.3	4,353.90	3482.13
	Total Equity	258,239.0	293,088.0	336,483.0	384,846.3	428,829	639,624	845.1	956.5	944.0	934.7	959.35	838.30
Ratios	Non-Performing Loan	5.6%	4.6%	2.6%	3.38%	3.81%	2.08%						
	Capital Adequacy Ratio	54.4%	51.7%	48.2%	51.1%	47.67%	62.16%						
	Liquidity Ratio	367.0%	199.0%	486.0%	443%	671%	408%						
	Return on Asset	3.6%	3.7%	2.2%	3.0%	2.55%	6.18%						

NB: June 2023 figures are audited

BOI - Into the Future!

Sustain Capital Raising Efforts

- Continue raising long-tenured funds to support critical sectors of the Nigerian Economy
- Attract credit de-risking tools, such as partial guarantees to scale lending to MSMEs, Gender, Youth etc.

1**3**

Support the development of the Green Economy

Emphasize continued support for the development of Green Enterprises

2

Prioritize High Impact Sectors

Focus on key thematic areas such as Climate and Sustainability, MSMEs, Gender, and Youth Empowerment & Upskilling.

BOI aims to deepen its focus on the following strategic themes in the years ahead.....



Climate Friendly projects

- Deepen partnership with providers of finance for Green projects
- Significantly grow portfolio of climate-friendly projects



Gender Lens approach

- Improve access to finance to women-owned/managed businesses
- Access de-risking tools to support women businesses



Youth Segment

- Revamp and scale-up financing opportunities to the youth segment
- Leverage partnerships with public and private institutions to increase support to the youth segment



MSME

- Continuously ramp up MSME proportion of the bank's loan book.
- Work with various professional/artisanal associations, aggregators to create tailor-made products



Digital/Technology

- Pay significant attention to Tech-based projects
- Create and strengthen existing strategic partnership with key market players, in order to create a veritable source of deal flows



Infrastructure

- Support the infrastructural aspirations of the government through strategic partnerships with both the Private and the Public sector

Sectorial focus I | Accelerate growth of key sectors with high job creation potential by raising long-term funding/patient capital

Illustrative and non-exhaustive

- Agriculture
- Creative industry
- Technology

Opportunities

- Immense untapped potential in local agri-businesses, especially food and non-food processing units
 - Food security is a key component of President Tinubu's 8-point agenda.
-
- Increasing demand for local content on Over-the-Top(OTT) platforms
-
- Cross-sectoral opportunities, especially in FinTech, HealthTech and AgriTech—as internet penetration increases

Planned actions

Bolstering investments in agro-processing, to create jobs and boost domestic food production

Financing creative projects such as movies and music albums through equity stakes
Financial services including loans and equipment leases to SMEs

Setting up a fund dedicated to investments in NextGen technology companies focused on solving critical problems of our time

Cross cutting:
Driving long-term sustainable change

- 1 Climate and Sustainability
- 2 Micro, Small, and Medium Enterprises (MSMEs)
- 3 Gender Equity
- 4 Youth Empowerment and Upskilling
- 5 Digital/Technology

Sectorial focus II | Catalyze investments to sectors with the highest potential for import substitution and export promotion

Illustrative and non-exhaustive


Renewable Energy


Oil and Gas (Natural Gas)


Solid Minerals (Mining and Quarrying)

Opportunities

- Component manufacturing and energy financing solutions
- Waste-to-energy initiatives
- Investments in latest renewable energy technologies

- Scope to leverage Nigeria's extensive natural gas reserves for cleaner energy
- With IOCs divesting assets, there is room for indigenous companies to take a lead

- Potential to boost domestic value addition by leveraging the country's rich natural resource base

Planned actions

- Raising a green fund to finance large scale projects
- Investing in smart grid technologies

- Investing in opportunities across the natural gas value chain
- Laying strategic focus on Modular Refineries investments for Premium Motor Spirits (PMS) import substitution

- Financing domestic processing companies, enhancing local content and value creation
- Supporting local firms looking to grow exports of lithium, gold, etc.

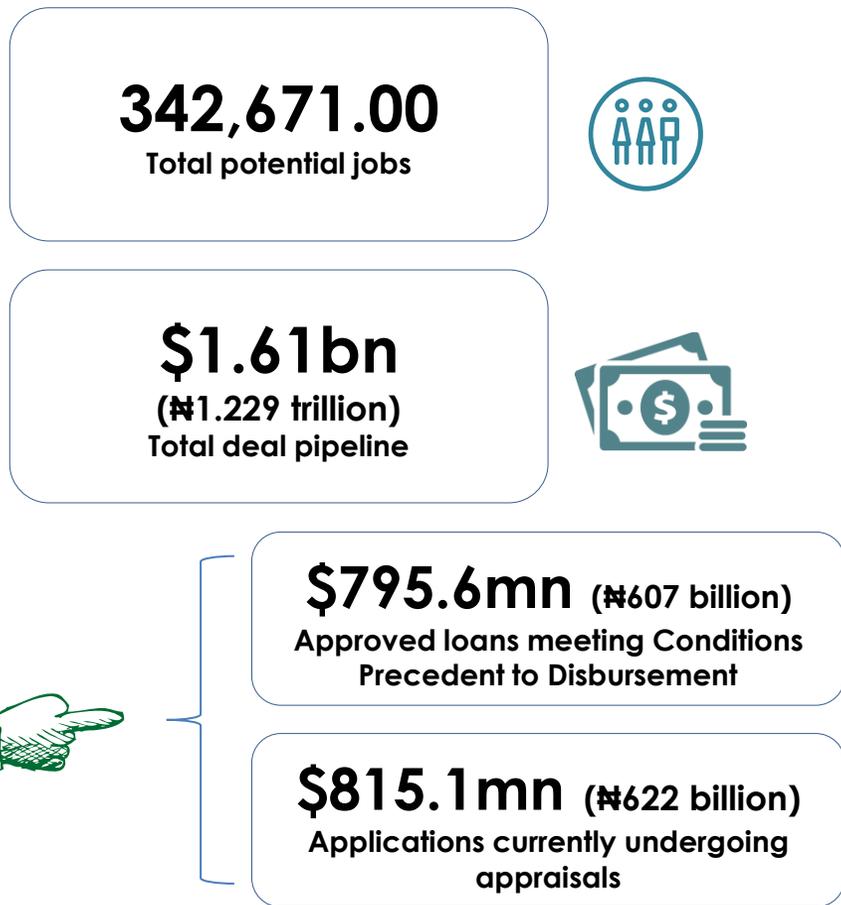
Cross cutting:
Driving long-term sustainable change

- ① Climate and Sustainability
- ② Micro, Small, and Medium Enterprises (MSMEs)
- ③ Gender Equity
- ④ Youth Empowerment and Upskilling
- ⑤ Digital/Technology

Use of Debt Proceeds

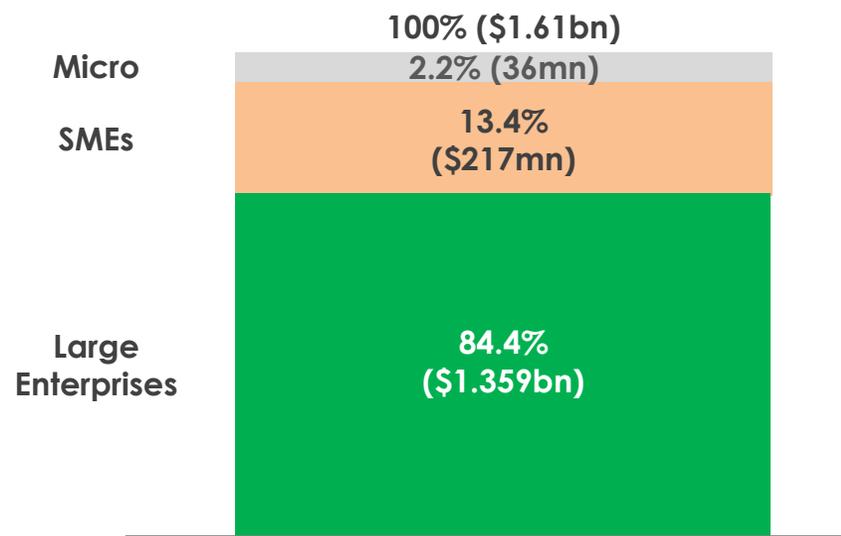
Use of Proceeds - BOI Deal Pipeline Summary

BOI finances both MSMEs and large corporates; Large enterprises receive about 84.4% of the funds that will be disbursed



BOI's business operating model

Micro Enterprise	Formal and informal businesses, as well as co-operatives: This segment typically seek finance of up to \$26,212 (₦20m)
SMEs	Registered SMEs: This segment specifically seeks financing ranging from \$26,212 - \$2,621,232 (₦20m- ₦2bn)
Large Enterprise	Registered Large Enterprise: This segment specifically seeks financing amounts of over \$2,621,232 (₦2bn)



CONVERSION TO DOLLARS @763/\$1 (I&E Window 05/07/2023)



BANK OF INDUSTRY
...transforming Nigeria's industrial sector.

Q&A
THANK YOU!