

# **InfraCo Africa Investment Limited**

Company Registration No 09152403

## **Annual Report**

**For the year ended 31 December 2025**

# INFRACO AFRICA INVESTMENT LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Augustine Pasipamire Makoni Cecilie Sørhus Gilles Vaes
<b>Company secretary</b>	Vistra Company Secretaries Limited
<b>Registered number</b>	09152403
<b>Registered office</b>	6 Bevis Marks London England EC3A 7BA
<b>Independent auditors</b>	BDO LLP Chartered Accountants & Statutory Auditor 55 Baker Street London United Kingdom W1U 7EU

# **INFRACO AFRICA INVESTMENT LIMITED**

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# INFRACO AFRICA INVESTMENT LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

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The Directors present their Report to the members together with the financial statements of InfraCo Africa Investment Limited (the "Company") for the year ended 31 December 2025.

### Directors

The Directors who served during the year were:

Augustine Pasipamire Makoni  
Cecilie Sørhus  
Gilles Vaes

### Principal activities

The principal activities of the Company are to make investments in eligible infrastructure businesses with the objectives of:

- (a) addressing market failures in the supply of capital to early-stage infrastructure projects in eligible countries which can delay and sometimes prevent financial close of viable infrastructure projects; and
- (b) in certain cases, facilitating the accelerated construction and completion of infrastructure projects that satisfy the criteria for bridge investments and/or impact investments.

### Objectives

The Company's objectives are to:

- i. stimulate greater private sector involvement in the financing, construction and operation of infrastructure and related projects; and
- ii. identify, create and structure financeable private sector and public-private partnership investment opportunities, by undertaking development activities in relation to projects which provide benefits to the poor, including girls and women, in accordance with the terms of the Investment Policy.

### Review of operations and financial results

The results of the Company for the year, set out on page 8, show a loss on ordinary activities after tax of USD 10,682,785 (2024: USD 11,159,980). The shareholders' equity of the Company, set out on page 9, is USD 170,764,229 (2024: USD 181,447,014).

### Dividends

The Directors do not recommend the payment of a dividend (2024: USD nil).

### Going concern

The financial statements have been prepared on a going concern basis, which assumes the Company will continue in operational existence for the foreseeable future. The Directors have prepared financial forecasts and projections for a period of at least 12 months from the date of issue of the financial statements, and the Directors have made supported assumptions regarding future funding and share capital to be issued, which the Directors feel is sufficient for the financial statements to be prepared on the going concern basis

# INFRACO AFRICA INVESTMENT LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

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This assessment is supported by the following:

- the Directors' assessment includes the requirement of the Company's shareholders to always hold sufficient contingency cash to cover a specified period of future expected costs. This would cover any potential cash deficit that might arise in the next 12 months; and
- cashflow is controlled by management with considerable oversight and enforced controls in relation to cash disbursement procedures. Commitments to make any future investments are purely contingent on receiving further funding from relevant PIDG Trust members.

### Statement of disclosure to the auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that Director has taken all the steps that ought to have been taken, as a Director, in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Post balance sheet events


On a macroeconomic level, the Company noted the unresolved global conflicts, especially the United States, Israel and Iran and continues to closely monitor global and regional events and actively consider the impact of these on the Company and its investments.

None of these factors have led to any post balance sheet events that would need to be disclosed or reflected in these results following the year ended 31 December 2025.

### Auditors

The auditor for the year was BDO LLP.

This report was approved by the Board and signed on its behalf:

Signed by:  
  
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Augustine Pasipamire Makoni  
Director  
31 March 2026

## **INFRACO AFRICA INVESTMENT LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2025**

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The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with UK adopted international accounting standards. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates which are reasonable and prudent;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INFRACO AFRICA INVESTMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFRACO AFRICA INVESTMENT LIMITED FOR THE YEAR ENDED 31 DECEMBER 2025**

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### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of InfraCo Africa Investment Limited ("the Company") for the year ended 31 December 2025 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# INFRACO AFRICA INVESTMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFRACO AFRICA INVESTMENT LIMITED (Continued) FOR YEAR ENDED 31 DECEMBER 2025

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### Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

### Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and

## **INFRACO AFRICA INVESTMENT LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFRACO AFRICA INVESTMENT LIMITED (Continued) FOR YEAR ENDED 31 DECEMBER 2025**

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regulations;

we considered the significant laws and regulations to be the applicable accounting framework and Companies Act 2006.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### **Fraud**

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
- Detecting and responding to the risks of fraud; and
- Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be valuation of investments and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Reviewing the financial reporting process for post year-end financial reporting journals; and
- Assessing significant estimates made by management for bias in relation to valuation of investments.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# INFRACO AFRICA INVESTMENT LIMITED

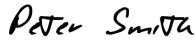
## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFRACO AFRICA INVESTMENT LIMITED (Continued) FOR YEAR ENDED 31 DECEMBER 2025

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### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Peter Smith (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK  
31 March 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# INFRACO AFRICA INVESTMENT LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024
		USD	USD
Income	3	4,827,497	6,586,509
Fair value losses through profit or loss	9	(5,080,421)	(10,727,535)
Project development fees		(842,723)	(364,657)
Fund management fees		(929,962)	(900,158)
Administrative expenses		(8,715,152)	(4,496,153)
<b>Operating loss</b>	<b>4</b>	<b>(10,740,761)</b>	<b>(9,901,994)</b>
Net foreign exchange gains	5	263,625	1,193,902
Net Interest expense	8	(170,270)	(2,229,949)
<b>Loss on ordinary activities before taxation</b>		<b>(10,647,406)</b>	<b>(10,938,041)</b>
Tax on loss on ordinary activities	10	(35,379)	(221,939)
<b>Total comprehensive loss for the year</b>		<b>(10,682,785)</b>	<b>(11,159,980)</b>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 13 to 34 form part of these financial statements.

# INFRACO AFRICA INVESTMENT LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	USD	2025 USD	USD	2024 USD
<b>Assets</b>					
<b>Non-current assets</b>					
Investments at FVTPL	13	67,402,007		91,992,501	
<b>Total non-current assets</b>			<b>67,402,007</b>		<b>91,992,501</b>
<b>Current assets</b>					
Trade and other receivables	11	3,643,750		3,735,001	
Cash and cash equivalents	12	104,767,201		87,887,795	
<b>Total current assets</b>			<b>108,410,951</b>		<b>91,622,796</b>
<b>Total assets</b>			<b>175,812,958</b>		<b>183,615,297</b>
<b>Equity and liabilities</b>					
<b>Capital and reserves</b>					
Share capital	17	197,961,210		178,924,243	
Shares to be issued	17	-		19,036,967	
Retained earnings		(27,196,981)		(16,514,196)	
<b>Total equity</b>			<b>170,764,229</b>		<b>181,447,014</b>
<b>Current liabilities</b>					
Trade and other payables	14	4,521,311		1,668,283	
Current tax liabilities	10	-		-	
<b>Total current liabilities</b>			<b>4,521,311</b>		<b>1,668,283</b>
<b>Non-current liabilities</b>					
Grants payable	15		527,418		500,000
<b>Total liabilities</b>			<b>5,048,729</b>		<b>2,168,283</b>
<b>Total equity and liabilities</b>			<b>175,812,958</b>		<b>183,615,297</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Signed by:

*Augustine Pasipamire Makoni*

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Augustine Pasipamire Makoni  
Director  
31 March 2026

The notes on pages 13 to 34 form part of these financial statements.

# INFRACO AFRICA INVESTMENT LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

		Share Capital	Retained earnings	Shares to be issued	Attributable to owners of the parent
	Note	USD	USD	USD	USD
Balance as at 1 January 2023		163,736,391	(5,354,216)	-	158,382,175
Loss for the year		-	(11,159,980)	-	(11,159,980)
Issue of shares	17	15,187,852	-	-	15,187,852
Shares to be issued	17	-	-	19,036,967	19,036,967
<b>Balance at 31 December 2024</b>		<b>178,924,243</b>	<b>(16,514,196)</b>	<b>19,036,967</b>	<b>181,447,014</b>
Balance as at 1 January 2024		178,924,243	(16,514,196)	19,036,967	181,447,014
Loss for the year		-	(10,682,785)	-	(10,682,785)
Issue of shares	17	19,036,967	-	(19,036,967)	-
<b>Balance at 31 December 2025</b>		<b>197,961,210</b>	<b>(27,196,981)</b>	<b>-</b>	<b>170,764,229</b>

Retained earnings represents all accumulated retained earnings from the statement of comprehensive income.

Shares to be issued represent contributions from members of the Company towards future share issuance.

The notes on pages 13 to 34 form part of these financial statements.

# INFRACO AFRICA INVESTMENT LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 USD	2024 USD
<b>Cash flows from operating activity</b>			
Loss for the year		(10,682,785)	(11,159,980)
Add/(deduct):			
Other foreign exchange gains	5	(263,625)	(1,193,902)
Income receivable	3	(4,827,497)	(6,586,509)
Foreign exchange losses/(gains) on grant payable	15	27,418	-
Change in fair value movement on financial assets	9	5,080,421	10,727,535
Loan interest receivables	8	-	(1,364,999)
Increase in loan interest provision	8	170,270	3,594,948
Income tax payable	10	35,379	221,939
Dividends received		1,229,569	4,535,849
Interest income received		3,527,928	1,936,869
Other income received		70,000	124,442
		<u>(5,632,922)</u>	<u>836,192</u>
Decrease/(increase) in receivables		92,546	(111,596)
Increase/(decrease) in payables		2,853,028	(186,660)
Decrease in accrued income		(1,295)	(10,650)
Changes in movement of working capital		<u>2,944,279</u>	<u>(308,906)</u>
Taxes paid		(35,379)	(221,939)
Tax repayments received		-	201,087
<b>Net cash used in operating activities</b>		<b><u>(2,724,022)</u></b>	<b><u>506,434</u></b>
<b>Cash flows from investing activity</b>			
Receipts from investments	13	25,724,328	-
Payments for investments	13	(6,384,525)	(29,700,081)
<b>Net cash used in investing activities</b>		<b><u>19,339,803</u></b>	<b><u>(29,700,081)</u></b>

**INFRACO AFRICA INVESTMENT LIMITED****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	2025 USD	2024 USD
<b>Cash flow from financing activity</b>			
Issue of ordinary shares	17	-	15,187,852
Shares to be issued	17	-	19,036,967
<b>Net cash generated from financing activity</b>		<b>-</b>	<b>34,224,819</b>
<hr/>			
Net increase in cash and cash equivalents		16,615,781	5,031,172
Cash and cash equivalents at the beginning of the year		87,887,795	81,662,721
Exchange gains/(losses) on cash and cash equivalents	5	263,625	1,193,902
<b>Cash and cash equivalents at the end of the year</b>		<b>104,767,201</b>	<b>87,887,795</b>

The notes on pages 13 to 34 form part of these financial statements.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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### 1. Accounting Policies

#### 1.1 Basis of preparation of financial statements

InfraCo Africa Investment Limited is a private company, limited by shares incorporated in England and Wales. Its registered office and principal place of activity is 6 Bevis Marks, London, EC3A 7BA.

The principal activities of the Company are to make investments in eligible businesses with the objectives of:

- (a) addressing market failures in the supply of capital to early-stage infrastructure projects in eligible countries which can delay and sometimes prevent financial close of viable infrastructure projects; and
- (b) in certain cases, facilitating the accelerated construction and completion of infrastructure projects that satisfy the criteria for bridge investments and/or impact investments.

The financial statements are presented in United States dollars (USD), which is the functional currency of the Company, in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates. In the prior reporting period, the financial statements were presented in pounds sterling (GBP). The change in presentation currency has been applied to better reflect the underlying economic environment in which the Company operates. In accordance with IAS 21, the financial statements have been translated from GBP to USD. Assets and liabilities have been translated at the closing rate at relevant reporting dates, and income and expenses have been translated at the exchange rates at the dates of the transactions (or appropriate average rates). Exchange differences arising on translation have been recognised in other comprehensive income and accumulated in equity. Comparative information has been restated accordingly.

The financial statements have been prepared in accordance with UK adopted international accounting standards which requires the use of certain critical accounting estimates, outlined in Note 2. It also requires management to exercise judgement in applying the accounting policies.

The financial statements have been prepared on a historical cost basis, except for financial instruments which are recognised at fair value through profit or loss (FVTPL).

#### *Basis of consolidation*

In accordance with IFRS 10 “Consolidated Financial Statements” as amended, the Board has determined that the Company meets the definition of an investment entity which is mandatorily exempted from consolidating subsidiaries unless this provides investment-related services and are not themselves investment entities. The services provided by the investment companies are undertaken to maximise the Company’s investment returns and do not represent a separate substantial business activity or substantial source of income.

The Company has been deemed to meet the definition of an investment entity per IFRS 10, supported by the existence of the following operational characteristics:

- the Company has more than one investment (see Note 13);
- it has investors who are not related parties of the entity; and
- it has ownership interests in the form of equity or similar interests (see Note 17).

The Company currently obtains funding from one main funder (the UK Government’s Foreign, Commonwealth and Development Office), to whom it has committed that its business purpose is to invest funds for the returns generated from capital appreciation and investment with a focus on developing local capital markets, generating more local jobs, broadening and deepening local supply chains and capabilities, whilst always championing green growth that supports climate resilience and drives down carbon emissions..

The Company is exposed to, and has rights to, the proportional returns generated by the investment companies. The Company further has the ability to affect the amount of its returns from these investments, which represents elements of control as prescribed by IFRS 10. The fair value method is used to represent the investments’ performance in reporting to the Board, and to evaluate the performance of the investments and to make investment decisions.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 1. Accounting Policies (continued)

#### 1.1 Basis of preparation of financial statements (continued)

The Company typically invests in operational assets with the aim to hold direct/equity investments for no longer than 10 years, as set out in the PIDG Group Risk Appetite Policy. Management considers this to demonstrate a clear exit strategy which is put in place from the start in identifying an off taker. Due to the length of projects and nature of changing risk environments, management have control processes in place to adapt and amend strategies as required.

As a result, under the terms of IFRS 10, the Company should not consolidate these investment companies, but should measure its investment in these companies at FVTPL.

#### Standards, amendments and interpretations

*Adopted in the current year*

There are no new standards impacting the Company that have been adopted in the annual financial statements for the year ended 31 December 2025.

All new and amended standards and interpretations issued by the IASB that apply for the first time in the financial statements for the year ended 31 December 2025 are not expected to impact the Company. This is because they are either not relevant to the Company's activities or require accounting which is already consistent with the Company's current accounting policies. These are listed below.

#### Other standards, amendments and interpretations adopted in the current financial year ended 31 December 2025

The adoption of the following mentioned standards, amendments and interpretations in the current year have not had a material impact on the Company's financial statements.

	<b>Effective date Periods beginning on or after</b>
<i>Amendments to IAS 21: Lack of Exchangeability</i>	1 January 2025

#### Standards, amendments and interpretations in issue but not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided against early adoption. The following are either not relevant to the Company's operations or are currently under assessment for their applicability to the Company's operations:

	<b>Effective date Periods beginning on or after</b>
<i>Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>IFRS 18 Presentation and Disclosure in Financial Statements</i>	1 January 2027
<i>IFRS 19 Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

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### Accounting Policies (continued)

#### 1.1 *Basis of preparation of financial statements (continued)*

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The IASB published the finalised amendments to IAS 1 on classification of liabilities as current or non-current on 31 October 2022. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

The Directors do not consider the amendments to IAS 1 to have had a significant impact on the classification of its liabilities, as the conversion feature in its convertible debt instruments is classified as an equity instrument and therefore, does not affect the classification of its convertible debt as a non-current liability.

#### 1.2 *Going concern*

The financial statements have been prepared on a going concern basis, which assumes the Company will continue in operational existence for the foreseeable future. The Directors have prepared financial forecasts and projections for a period of at least 12 months from the date of issue of the financial statements and the Directors have made supported assumptions regarding future funding and commitments, and share capital to be issued, which the Directors feel is sufficient for the financial statements to be prepared on the going concern basis. The outcome of sensitivity analysis performed on these projections surrounding the funding assumptions and other inputs, combined with funds available as at the reporting date, are consistent with this assessment.

The above assessment is supported by the following:

- the Company has significant liquid cash available at year-end;
- management's assessment includes the requirement of the Company's members to always have contingency cash to cover a specified period of future expected costs; and
- cashflow is controlled by management with considerable oversight and enforced controls in relation to cash disbursement procedures.

#### 1.3 *Revenue and other income*

Due to the nature of the Company being defined as an investment entity and reported under such requirements of IFRS 10, there is no expected revenue from trade within the normal course of business.

Dividend income received from equity investments is recognised through profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investment's carrying amount. Dividend income is recognised when the right to receive payment is established. Where the right to receive a dividend is in doubt, dividends are recorded on the date of receipt.

Other income from the sales of projects is recognised when the Company has transferred the significant risks and rewards of ownership to the buyer, and it is probable that the Company will receive the agreed upon payments.

Provided the amount of other income can be measured reliably and it is probable that the Company will receive any consideration, other income is recognised in the period in which it relates.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

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### 1. Accounting Policies (continued)

#### 1.4 Grants

The Company receives income in the form of grants to cover certain expenditure relating to its projects. Such grants are treated as deferred revenue on receipt and credited to the statement of comprehensive income as the related expenditure is incurred. Grant receipts not yet utilised are included in deferred income as at the Statement of Financial Position (SOFP) date.

For returnable grants, and where the related expenditure is capitalised under an investment agreement, a grant payable is recognised on the SOFP. This is then assessed under IFRS 9, "Financial Instruments", to determine the correct accounting treatment.

#### 1.5 Financial instruments

Management determines the classification of its financial instruments at initial recognition.

Financial assets/liabilities can be classified in the following categories:

- financial assets/liabilities at fair value through profit or loss (FVTPL); or
- financial assets/liabilities at amortised cost.

Due to their short-term nature, the carrying value of trade and other payables approximates their fair value, all other financial liabilities are measured at amortised cost with the exception of the grant liability which is inherently linked to the investment of which it is disbursed against and is therefore measured in line with the asset at FVTPL.

#### **Financial assets at fair value through profit or loss**

This category consists of equity and debt investments held on the SOFP. Assets in this category are recognised at fair value. The Company establishes fair value using valuation techniques in line with the Company valuation policy and International Private Equity and Venture Capital (IPEV) valuation guidelines. These include a Market Approach, for example the Price of Recent Investment (PORI) or comparable multiple, an Income Approach, for example discounted cash flow (DCF) and Cost Approach, Net Assets and Market Price for example determining a multiple of costs at which a market participant would buy an asset or investment. Typically, a combination of techniques is applied in considering a range of fair values on a case-by-case basis.

#### **Loans and receivables and financial liabilities at amortised cost**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, whose recoverability is based solely on the credit risk of the customer and where the Company has no intention of trading the loan.

Both loans and receivables and financial liabilities are initially recognised at fair value including direct and incremental transaction costs. Subsequent recognition is at amortised cost using the effective interest rate method less any provision for impairment.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

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### 2. Critical accounting estimates and judgements

#### *Fair value measurement*

A number of assets and liabilities included in the financial statements require measurement at, and disclosure of, fair value. The Company's valuation methodology is driven by the stages of the investment cycle, split by Development, Construction, and Operation. In all cases, a value based on an appropriate valuation methodology in accordance with IPEV valuation guidelines will be attributed to the investment.

The Company typically invests in operational assets although where certain criteria are met, the Company also provides funds for development to reach operational milestone. For projects in Development, there is usually no identifiable market price for the investments. The fair value is therefore driven by the prospects of the project, and what a market participant would be anticipated to pay for the Company's interest in a project at the reporting date. The Company's valuation policy is to write off the costs incurred prior to the signing of an investment agreement. Projects prior to this are classified as business opportunities and fully expensed through Profit and Loss. At the signing of an investment agreement e.g. a Shareholders' Agreement (SHA) or a Convertible Loan Agreement (CLA), a value based on an appropriate valuation methodology will be attributed to the investment.

In the absence of third party offers, the Board needs to assess the multiple of costs that would be recoverable from a market participant. This multiple of costs is driven by external costs incurred to date applying a risk adjustment and accounting for the time value of money.

For investments that have been partially sold or where there has been a recent offer to purchase, then these investments have been valued accordingly. Fair value is also reviewed against market value where transactions occur close to the reporting date.

IFRS 13 "Fair Value Measurement" requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities is determined on the basis of the lowest level input that is significant to the fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

- Level 1 Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3 Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

One of the Company's investments falls within Level 1, and the rest of the Company's investments fall within Level 3, as they are not traded and contain unobservable inputs. If changes to the input occur, transfers of items between levels are recognised in the period they happen.

Each investment has unique risk factors associated with it which are evaluated on a case-by-case basis. These could range from different geographical, sector and socio-political risks and thus the fair value is assessed on an investment specific basis.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

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### 2. Critical accounting estimates and judgements (continued)

#### *Discounted Cash Flow (DCF) and key judgments*

Where required, management rely on estimated future cashflows of project companies and associated discount factors. This requires significant management judgment both in terms of assessing the expected income and costs going forwards, but also in terms of discount factor applied.

Discount factors are determined on an investment specific basis assessing the considered level of risk at the time. This is updated at each reporting date.

When determining an appropriate discount rate for each investment, the following may be considered:

- the Investment's internal rate of return (IRR) at the original investment date, if available. Any changes in the risk of the Investment since that time would also be considered;
- data points sourced from the Company's other Investments, such as the IRR for comparable Investments, acknowledging differences in risk between the comparable Investments and the subject Investment;
- information on discount rates for comparable instruments available in the public domain; and
- an estimate of the market-based discount rate based on a build-up approach, capital asset pricing model (CAPM) or weighted-average cost of capital (WACC), where relevant.

The discount rate may also include an additional risk premium (ARP), assessed on a case-by-case basis, to reflect risks related to the Investments to the extent they are not already reflected in the CAPM. The methodology applied in the discount factor build-up also drives the risk assessment carried out for investments in Development.

Expected future cash flows also present an area of key judgment and estimate. The DCF valuation model is typically only used to value equity investments in Operation. When an investment is valued under this methodology, projected cash flows are calculated using the best available cash flow information and an appropriate model based on the operations and activity of that Company. This information is then updated at each reporting date and an assessment of discount factor applied is carried out to assess if any significant change in environment might trigger an amended discount factor.

Due to the high-risk nature of the projects and countries invested in, the discount factors are usually high. Investment managers have considerable expertise, oversight and influence in assessing both the future cashflows and the discount factor. This presents a strong control environment around the assessment of these key judgment areas and the impact it has on the Fair Value measurement of the Company's investments. Where the DCF methodology is not deemed appropriate, this will be assessed and documented on a case-by-case basis and a more applicable method will be applied in line with the Company's valuation policy and IPEV guidelines.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. Income

	2025 USD	2024 USD
Dividend income	1,229,569	1,926,219
Grant income	-	54,500
Other income	3,597,928	4,605,790
	<u>4,827,497</u>	<u>6,586,509</u>
Total		

Dividend income relates to dividends receivable from InfraCredit Nigeria of USD 1,082,971 (2024: USD 1,559,340) and from The Acorn Student Accommodation Income Real Estate Investment Trust of USD 146,598 (2024: USD 366,879).

Other income relates to deposit interest income of USD 3,527,928 (2024: USD 4,535,849), directors' fees receivable by the company for services provided to investee companies of USD 70,000 (2024: USD 62,049) and other income of USD nil (2024: USD 7,892).

100% of dividend and other income (2024: 100% and 98.0% respectively) was generated outside the United Kingdom.

### 4. Operating loss

The operating loss is stated after charging/(crediting):

	2025 USD	2024 USD
Gains on foreign exchange	(263,625)	(1,700,900)
Management service fees paid and payable to related entity	8,268,001	3,922,251
Fees payable to the auditor:		
Audit of the financial statements	43,908	35,559
Taxation services	4,204	3,982
	<u>4,204</u>	<u>3,982</u>

### 5. Net foreign exchange differences

	2025 USD	2024 USD
Exchange gains arising on cash and cash equivalents	263,625	1,193,902

The balance above related mainly to unrealised exchange differences arising on the GBP denominated deposit holdings and current accounts. For hedging purposes, amounts are held in bank accounts and money market funds denominated in the currency of the future investments the Company expects to make. Foreign exchange rate risk is detailed in Note 16.

### 6. Employees

Employees consist of Directors only, none of whom are remunerated through the Company.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 7. Directors' remuneration

The Directors did not receive any emoluments during the year (2024: USD nil).

The Directors of the Company listed on the Company Information page are considered to be the key management personnel.

### 8. Interest income

	2025 USD	2024 USD
Interest receivable	-	1,364,999
Interest provision	(170,270)	(3,594,948)
	<u>(170,270)</u>	<u>(2,229,949)</u>

Interest receivable and provisions recognised in year relate to interest accrued under the agreements with Bboxx Limited (England & Wales), Mawingu Networks Limited (Republic of Mauritius) and WindGen Power USA Inc, (USA).

The Company's investments are disclosed in Note 13 to the accounts.

### 9. Fair value losses through profit or loss

	2025 USD	2024 USD
Investments	<u>(5,080,421)</u>	<u>(10,727,535)</u>
Total	<u>(5,080,421)</u>	<u>(10,727,535)</u>

The fair value of investments held by the Company is disclosed in Note 13.

The fair value loss recognised on the Africa GreenCo investment detailed in Note 13 is offset by gain on the fair value of the returnable Technical Assistance (TA) grant liability payable to the PIDG Trust detailed in Note 15. These two instruments are inherently connected and are therefore fair valued in line with one another.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 10. Taxation

#### *Analysis of tax charge for the period*

	2025 USD	2024 USD
<b>Current tax</b>		
UK corporation tax at 25.00% (2024: 25.00%)	-	-
Adjustment in respect of prior periods	-	-
Double taxation relief	-	-
After double taxation relief	-	-
Foreign taxation	35,379	221,939
Total current tax charge	35,379	221,939
<b>Deferred tax</b>		
Origination and reversal of temporary differences	-	-
Total tax charge for the period	35,379	221,939

#### *Reconciliation of tax charge*

	2025 USD	2024 USD
Loss on ordinary activities before tax	(10,647,406)	(10,938,041)
Tax on the profit at the standard UK rate of tax of 25.00% (2024: 25.00%)	(2,661,852)	(2,734,510)
Effects of:		
Expenses not deductible for tax purposes	75,359	193,868
Income not taxable for tax purposes	-	(305,173)
Foreign tax charge	35,379	221,939
Adjustment to tax charge in respect of prior periods	-	-
Movement in deferred tax not recognised	2,586,493	2,845,815
Total tax charge for the period	35,379	221,939

Based on the results of the Company for the year, there is no charge for UK corporation tax.

The Company has estimated tax losses of USD 33,543,756 (2024: USD 23,197,784) available to carry forward against future profits. A deferred tax asset has not been provided for as there was no certainty as to its recoverability.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. Trade and other receivables

	2025 USD	2024 USD
Other receivables	3,536,239	3,466,751
VAT receivable	-	159,444
Prepayments and accrued income	107,511	108,806
	<b>3,643,750</b>	<b>3,735,001</b>

As at 31 December 2025 there were USD nil (2024: USD nil) of trade and other receivables past 3 months due.

Included within Other receivables is a deposit balance of USD 3,563,239 (2024: USD 3,466,751) held by Barclays Bank Plc as security against a hedging facility provided to the Company by the bank as at the year end. The Company had not entered into any financial instruments through the facility as at 31 December 2025.

### 12. Cash and cash equivalents

	2025 USD	2024 USD
Cash and cash equivalents	104,767,201	87,887,795
	<b>104,767,201</b>	<b>87,887,795</b>
Further analysed:	2025 USD	2024 USD
Cash held on deposit	1,386,269	19,999,702
Cash held in Money Market Funds	103,380,932	67,888,093
	<b>104,767,201</b>	<b>87,887,795</b>

### 13. Investments at FVTPL

	2025 USD	2024 USD
Fair value at 1 January	91,992,501	75,249,906
Movement in the year	(24,590,494)	16,742,595
<b>Fair value at 31 December</b>	<b>67,402,007</b>	<b>91,992,501</b>
<i>Movement in the year:</i>		
Additions	6,384,525	29,700,081
Disposals	(25,724,328)	-
Interest accrued	-	1,364,999
Interest expensed	(170,270)	(3,594,948)
Total movement pre fair value adjustment	(19,510,073)	27,470,132
Fair value adjustment	(5,080,421)	(10,727,537)
<b>Movement in the year</b>	<b>(24,590,494)</b>	<b>16,742,595</b>

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 13. Investments at FVTPL (continued)

As at 31 December 2025, the Company recognised investments in eleven companies (2024: nine) on its Statement of Financial Position. The following table sets out the techniques used to measure each of these investments:

Investment	Investment Stage	Valuation technique	Fair Value 2025 USD	Fair Value 2024 USD
Africa GreenCo Group, Zambia	Development	Cost	5,560,910	5,560,910
Infrastructure Credit Guarantee Company Limited, Nigeria	Operation	Market Price	2,375,221	31,775,958
The Acorn Student Accommodation D-REIT, Kenya	Construction	Net Assets	3,247,995	3,218,037
The Acorn Student Accommodation I-REIT, Kenya	Operation	Net Assets	6,888,069	6,578,548
Globology Limited, Kenya	Operation	Cost	144,660	-
Bboxx Limited, England & Wales	Operation	Cost	-	-
Mawingu Telecom, Republic of Mauritius	Operation	PORI	8,717,865	8,169,037
Savant Group Ltd, Republic of Mauritius	Operation	Cost	12,000,010	12,000,010
WindGen Power USA Inc., USA	Operation	Cost	6,715,614	3,180,001
The Dhamana Guarantee Company Ltd, Kenya	Operation	Cost	21,510,000	21,510,000
CLEAR Fund	Operation	Cost	241,663	-
<b>Total</b>			<b>67,402,007</b>	<b>91,992,501</b>

### Equity investment - associated undertakings

The following are associated undertakings of the Company:

Name and principal place of business	Subsidiary / Associate	Class of Shares	Holding
Infrastructure Credit Guarantee Company Limited, Nigeria	Associate	Ordinary shares	3.14%
The Acorn Student Accommodation D-REIT, Kenya	Associate	REIT units	5.97%
The Acorn Student Accommodation I-REIT, Kenya	Associate	REIT units	10.98%
Globology Limited, Kenya	Associate	Ordinary shares	36.90%
Africa GreenCo Group, Zambia	Associate	Ordinary shares	26.28%
Mawingu Networks Limited, Republic of Mauritius	Associate	Ordinary shares	25.72%
Savant Group Ltd, Republic of Mauritius	Associate	Ordinary shares	13.90%
Bbox 2.0 : ABCI NEXUS, Republic of Mauritius	Associate	Ordinary shares	24.00%
WindGen Power USA Inc, USA	Associate	Series C shares	49.30%
Dhamana Guarantee Company Limited, Kenya	Associate	Ordinary shares	62.23%

## INFRACO AFRICA INVESTMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

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#### 13. Investments at FVTPL (continued)

Infrastructure Credit Guarantee Company Limited (InfraCredit Nigeria) is a 3.14% owned associate of the Company. The principal purpose of the Company is to support infrastructure development in Nigeria such as energy, transportation, telecommunication, housing, water distribution and waste management via credit enhancements/guarantees for Naira denominated long-term bonds issued to finance infrastructure projects. As at 31 December 2025, the Company received an amount of USD 25,724,328 due to redemption of 35,000,000,000 units of preference shares.

Acorn Holdings Limited is a property developer and manager of affordable rental housing in Kenya. The company has created two Real Estate Investment Trusts ("REITs"), a Development REIT ("D-REIT") to support housing under construction and an Income REIT ("I-REIT") for operational and income-generating properties. In February 2021, the Company invested USD 9.99m in Acorn's REITs, subscribing to 38,325,000 and 16,425,000 units in the I-REIT and D-REIT respectively. As at 31 December 2025, the Company's shareholding is 10.98% in the I-REIT and 5.97% in the D-REIT.

Globology Limited provides 'Waterbus', the first passenger-focused service to deliver scheduled ferry routes on Lake Victoria. In 2022, the Company invested USD 3.8m in Globology Limited, acquiring a 36.9% shareholding. In 2025 the Company disbursed USD 144,660 of shareholder loan to Globology Limited.

Africa GreenCo Group, Zambia, aims to act as an intermediary off-taker in Zambia to liberalise and stabilise the electricity supply market by purchasing power from Independent Power Producers and selling it onto Zambia Electricity Supply Corporation Limited (ZESCO) and other neighbouring countries. The Company converted USD 0.5m convertible debt held in 2022 alongside direct equity investments totalling USD 5.0m as at 31 December 2025.

During the year ended 31 December 2022, the Company signed a Note Purchase Agreement committing to purchase USD 15m in Convertible Promissory Notes from Bboxx Ltd, which have been acquired in the year. The notes attract interest at 10% per annum. The project manufactures, distributes and finances decentralised solar powered systems in multiple developing African countries.

In 2022 the Company entered into a Convertible Loan Agreement as a lender and a Share Subscription Agreement with Mawingu Networks Limited, a Kenyan based Internet service provider. Under these agreements, the Company has agreed to provide a loan facility in a principal amount of up to USD 3.0m and an investment for the subscription of equity for USD 3.0m respectively. In 2024, further funding of USD 2.0m was provided by the Company through a Simple Agreement for Future Equity (SAFE) to facilitate the expansion of Mawingu services in Tanzania. In 2025, the Company converted the USD 3.0m loan and USD 2.0m SAFE facilities into USD 5.0m equity. As at 31 December 2025, the total equity amount for Mawingu is USD 8.0m

In 2023, the Company signed a subscription agreement committing to provide USD 12.0m of equity investment into Savant Group Ltd (SunCulture), to support the roll-out of solar powered irrigation systems to farmers across sub-Saharan Africa. The full commitment was disbursed by the year ended 31 December 2023.

In 2024, the Company signed a Note Purchase Agreement committing to purchase USD 3.0m in Convertible Promissory Notes from WindGen Power USA Inc. which were acquired in the year. The notes attracted interest at 10% per annum. Subsequently in 2024, the entire USD 3.0m principal amount and accrued interest of USD 0.2m were converted to Series C Shares. The project is a distributed renewable energy platform with the aim of deploying 120 MW of renewable power and battery energy storage across Africa. In 2025, the Company further disbursed USD 3.5m into Series C Shares.

In 2024, the Company completed the financial close of, and USD 20.0m equity investment in, Dhamana Guarantee Company Limited - a credit enhancement facility to promote participation of long-term capital providers in Kenya's debt capital markets.

As at 31 December 2025, there are no further subsidiary or associate undertakings of the Company. The technique applied in arriving at fair value is detailed in Financial Instruments (Note 16).

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 13. Investments at FVTPL (continued)

#### CLEAR Fund investment

During the year ended 31 December 2022, the Company announced an agreement wherein it would commit a USD 43.0m anchor investment into Climate, Energy Access and Resilience (CLEAR), a climate-focused fund advised by Helios Investment Partners (Helios). During the year, the Company incurred costs amounting to USD 929,962 (2024: USD 900,158) in respect of the CLEAR Fund's management fees and fund establishment costs incurred on behalf of the fund partners.

As at 31 December 2025, the CLEAR Fund issued a cash call of USD 241,663 in respect of investment funding required or made its initial investments. Consequently, the CLEAR Fund has an USD 241,663 inherent valuation available as at the reporting date.

### 14. Trade and other payables

	2025 USD	2024 USD
Trade payables	45,116	60,794
VAT payable	243,990	-
Amounts due to related entities	318,711	727,498
Accrued expenses	3,913,494	879,991
	<b>4,521,311</b>	<b>1,668,283</b>

The carrying value of trade and other payables classified as financial liabilities approximates fair value.

### 15. Grants payable

	2025 USD	2024 USD
<b>Fair value at 1 January</b>	<b>500,000</b>	<b>500,000</b>
<i>Movement in the year:</i>		
Received during the year	3,024,418	-
Utilised during the year	(2,997,000)	-
Foreign exchange movement	-	-
Total movement in the year	27,418	-
Fair value adjustment	-	-
<b>Fair value at 31 December</b>	<b>527,418</b>	<b>500,000</b>

As at 31 December 2024, the Company had received a Technical Assistance (TA) grant from the PIDG Trust of USD 500,000 from the PIDG Trust (its ultimate parent company) to be utilised under the CLA to Africa GreenCo Group, Zambia. For this reason, the grant and the CLA are correlated and the financial liability is recognised at Fair Value Through Profit or Loss in line with the associated investment balance. During the year 2025, the Company utilised USD 72,000 of the grant.

During the year 2025, the Company also received TA grant from PIDG Trust of USD 100,000 for Project Sunculture, USD 75,000 for InfraCredit Nigeria, USD 2,750,000 for Project WindGen and USD 80,000 for Project Bboxx which were all fully utilised in the year. The Company also received TA grant from PIDG Trust of USD 19,418 for Project Dhamana which is not utilised in the year.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 15. Grants payable (continued)

IFRS 9 has an option to designate a financial liability as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has elected to take up this option in accounting for the grant payable for year ended 31 December 2025.

### 16. Financial instruments - Risk Management

The Company is exposed through its operations to the following financial risks:

- Credit risk;
- Market risk;
- Interest rate risk;
- Foreign exchange risk; and
- Liquidity risk

In common with other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantitative information in respect of these risks is presented throughout these financial statements.

#### (i) Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade and other receivables, including loan receivables;
- Cash and cash equivalents;
- Investments in unquoted equity securities and loans; and
- Trade and other payables.

	Financial assets at fair value through profit or loss		Other	
	2025 USD	2024 USD	2025 USD	2024 USD
<b>Financial assets</b>				
Cash and cash equivalents	-	-	104,767,201	87,887,795
Trade and other receivables	-	-	3,643,750	3,735,001
Investments in unquoted equity securities and loans	67,402,007	91,992,501	-	-
<b>Total financial assets</b>	<b>67,402,007</b>	<b>91,992,501</b>	<b>108,410,951</b>	<b>91,622,796</b>
	Financial liabilities at fair value through profit or loss		Financial liabilities at amortised cost	
	2025 USD	2024 USD	2025 USD	2024 USD
<b>Financial liabilities</b>				
Trade and other payables	-	-	4,521,311	1,668,283
Grant payable	527,418	500,000	-	-
<b>Total financial liabilities</b>	<b>527,418</b>	<b>500,000</b>	<b>4,521,311</b>	<b>1,668,283</b>

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 16. Financial instruments - Risk Management (continued)

#### (ii) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables, trade and other payables.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value.

#### (iii) Financial instruments measured at fair value

As detailed in Note 2 to the accounts, one of the Company's investments falls within Level 1 and the rest of the Company's investments fall within Level 3, as they are not traded and contain unobservable inputs, except for Market Price Approach.

The Company considers that, typically for projects in Development, a risk-adjusted multiple of external costs disbursed is representative of fair value measurement. This valuation model employs significant unobservable inputs, specifically in determining appropriate risk factors and assessing when costs are expected to be recovered. This requires a high degree of management judgement and estimation. Where possible, other valuation methodologies will be assessed for purpose of arriving at a reliable range of fair values. These include a Market Approach, such as Price of Recent Investment (PORI), or an Income Approach.

For assets in Operation, valuation techniques include discounted cash flow models, comparison with similar instruments for which observable market prices exist and net asset valuation models as well as cost of investment if transaction occurred close to reporting date. Assumptions and inputs used in these valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indices, Earnings Before Interest Taxation Depreciation and Amortisation (EBITDA) multiples and revenue multiples and expected price volatilities and correlations.

The fair value hierarchy of financial instruments measured at fair value is provided below.

	Level 1 USD	Level 2 USD	Level 3 USD
31 December 2025			
<b>Financial assets</b>			
Investments in Development	-	-	5,560,910
Investments in Construction	-	-	3,247,995
Investments in Operation	2,375,221	-	56,217,881
	<u>2,375,221</u>	<u>-</u>	<u>65,026,786</u>
31 December 2024			
<b>Financial assets</b>			
Investments in Development	-	-	5,560,910
Investments in Construction	-	-	6,578,548
Investments in Operation	-	-	79,853,043
	<u>-</u>	<u>-</u>	<u>91,992,501</u>

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 16. Financial instruments - Risk Management (continued)

#### *Project in Development*

The following table presents the fair value of project under Development as at 31 December 2025:

	Valuation technique	Fair value 2025 USD	Fair value 2024 USD
Africa GreenCo Group, Zambia	Cost	5,560,910	5,560,910
		<u>5,560,910</u>	<u>5,560,910</u>

The investment through the Convertible Loan Agreement was converted in 2022 and further equity investments were made in the subsequent financial years. As the project is still in development, the Cost valuation method has been adopted in the year for the investment in Africa GreenCo Group.

#### *Project in Construction*

The following table presents the fair value of project under Construction as at 31 December 2025:

	Valuation technique	Fair value 2025 USD	Fair value 2024 USD
The Acorn Student Accommodation D-REIT	Net Assets	3,247,995	3,218,037
		<u>3,247,995</u>	<u>3,218,037</u>

In February 2021, the Company invested USD 10.0m in Acorn's REITs, subscribing to 38,325,000 and 16,425,000 units in the I-REIT and D-REIT respectively. As at 31 December 2025, the Company's holding is 5.97% in the D-REIT and 10.98% in the I-REIT. The D-REIT oversees the construction of properties which are then transferred to the I-REIT when operational.

For the year ended 31 December 2025, management applied Net Assets valuation techniques in line with the Company's valuation policy in assessing the fair value of this investment that is under construction.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 16. Financial instruments - Risk Management (continued)

#### *Projects in Operation*

For the year ending 31 December 2025, the Company has nine (2024: eight) investments recognised on its Statement of Financial Position which are in Operation:

	Valuation technique	Fair value 2025 USD	Fair value 2024 USD
Infrastructure Credit Guarantee Company Limited	Market Price	2,375,221	31,775,958
The Acorn Student Accommodation I-REIT	Net Assets	6,888,069	6,578,548
Globology Limited, Kenya	Cost	144,660	-
Bboxx Limited, England & Wales	Cost	-	-
Mawingu Networks Limited, Republic of Mauritius	PORI	8,717,865	8,169,037
Savant Group Ltd, Republic of Mauritius	Cost	12,000,010	12,000,010
WindGen Power USA Inc, USA	Cost	6,715,614	3,180,001
The Dhamana Guarantee Company Ltd, Kenya	Cost	21,510,000	21,510,000
CLEAR Fund	Cost	241,663	-
		<b>58,593,102</b>	<b>83,213,554</b>

In line with IFRS 9, and in its capacity as an 'Investment Entity' under IFRS 10, the Company recognise investments at Fair Value Through Profit and Loss. Implementing the Company's valuation policy, a number of techniques were considered at arriving at the fair value of these investments. This included Market Approaches such as Price of Recent Investment, Net Asset Approach and Market Price Approach. A comparison was then drawn between the resulting fair values generated from these methodologies and book value.

The Directors consider that none of the above investment valuations are subject to unobservable inputs and, furthermore, no reasonable alternative assumptions could be applied. As such, no sensitivity analysis has been presented for these investments.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 16. Financial instruments - Risk Management (continued)

#### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. With regards to credit risk arising from the sale of investments, management conducts an internal “know your customer” check on all potential purchasers prior to entering into sales agreements. Holding cash and cash equivalents and deposits with banks and financial institutions also exposes the Company to considerable credit risk. For banks and financial institutions, the risk is mitigated as the Company transacts with institutions with high credit ratings. If possible, cash is deposited with financial institutions that have a long-term credit rating ascribed by major rating agencies of “A” or above. Major rating agencies include Fitch, Moody's and S&P. As of 31 December 2025, all deposits were held with such financial institutions.

#### Cash in bank and short-term deposits

A significant amount of cash is held with the following institutions:

		2025		2024
	Rating	Cash at bank USD	Rating	Cash at bank USD
Barclays Bank plc	A+	4,922,508	A+	23,466,453
Fidelity Institutional Liquidity Fund plc	Aaa-mmff	91,922,953	Aaa-mf	67,888,092
UBS (IRL) Fund plc	Aaa-mmff	11,457,979	Aaa-mmff	-
		<u>108,303,440</u>		<u>91,354,545</u>

Included in the table above, and within the amounts held with Barclays Bank plc, is a balance of USD 3,536,239 (2024: USD 3,466,751) which is held as security in relation to the Company's hedging facility provided by the bank and included within Other receivables, as detailed in Note 11. The total balance in the table above, is greater than the cash and cash equivalents disclosed in the Statement of Financial Position by this amount.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at 31 December 2025 was:

	2025 USD	2024 USD
Trade and other receivables (excluding loans)	3,643,750	3,735,001
Cash and cash equivalents	<u>104,767,201</u>	<u>87,887,795</u>
Total	<u>108,410,951</u>	<u>91,622,796</u>

Management monitors the credit ratings of counterparties regularly and at the reporting date does not expect any losses from non-performance by the counterparties.

#### Market risk

Market risk arises from the Company's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 16. Financial instruments - Risk Management (continued)

#### Interest rate risk

The Company is not susceptible to interest rate risk in that it does not have any borrowings, however its cash and short-term deposit balances held with financial institutions generates interest income which is susceptible to interest rate risk.

The Company has issued loans to projects and these loans attract a rate of interest that is reflective of the market rate in which the project is operating. All interest rates applied to issued debt instruments have fixed interest rates which minimises interest rate risk driven by changing market conditions and the impact of LIBOR migration.

#### Foreign exchange risk

Foreign exchange risk arises when the Company enter into transactions denominated in a currency other than their functional currency. Where possible, the Company will settle the liabilities in the foreign currency.

The Company also holds foreign denominated currency, Great British Pound (GBP), in its bank accounts. As at 31 December 2025, the Company held GBP 1,696,955 (2024: GBP 9,546,672m).

The effect of a 20% strengthening of the GBP against USD at the reporting date on the GBP denominated cash balance at that date would, all other variables held constant, have resulted in an increase in post-tax loss for the year and decrease of net assets of USD 457,047 (2024: USD 2,390,659). A 20% weakening in the exchange rate would, on the same basis, have decreased post-tax loss and increased net assets by USD 457,041 (2024: USD 2,390,659).

With regards to investing activity, all commitments are denoted in, and disbursed in, United States Dollar (USD) with the underlying assets operating in local currencies. This exposes the Company to additional foreign exchange risk as both fair value and investment returns might be impacted by fluctuations in the USD against local currency. Assets are revalued on a monthly basis, however until sale, management deem the foreign exchange risk exposure to be minimal in the longer-term and monitored throughout the investment life cycle.

#### Liquidity risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	USD	USD	USD	USD	USD
<b>At 31 December 2025</b>					
Trade and other payables	4,521,311	-	-	-	-
Current tax liabilities	-	-	-	-	-
Grant payable	-	99,418	428,000	-	-
<b>Total</b>	<b>4,521,311</b>	<b>99,418</b>	<b>428,000</b>	<b>-</b>	<b>-</b>

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 16. Financial instruments - Risk Management (continued)

	Up to 3 months USD	Between 3 and 12 months USD	Between 1 and 2 years USD	Between 2 and 5 years USD	Over 5 years USD
<b>At 31 December 2024</b>					
Trade and other payables	1,668,283	-	-	-	-
Current tax liabilities	-	-	-	-	-
Grant payable	-	500,000	-	-	-
<b>Total</b>	<b>1,668,283</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Capital Disclosures

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and safeguard the interest of shareholders.

The Company manages the capital structure and adjusts it as necessary in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust its returns to shareholders or new share issues. The Company monitors its capital and assets requirements for activities on a monthly basis and manages its financing and capital accordingly.

The capital relates to equity which is wholly contained on the face of the Statement of Financial Position.

### 17. Share capital

	2025 USD	2024 USD
<b>Allotted, called up and fully paid</b>		
158,104,617 ordinary shares of £1 each:	<u>197,961,210</u>	<u>178,924,243</u>
<b>Shares to be issued</b>		
15,204,152 ordinary shares to be issued of £1 each:	<u>-</u>	<u>19,036,967</u>

During the year, 15,204,152 Ordinary £1 shares were issued at par to the Company (2024: 12,130,000).

The cash inflow recognised in the Statement of Cash Flows of USD nil (2024: USD 19,036,967) in relation to the issue of shares in the year represents the total cash received by the company for shares issued in the year of USD 19,036,967 (2024: USD 15,187,852) less amounts received in prior years for the shares of USD 19,036,967 (2024: USD nil).

### 18. Other financial commitments

As detailed in Note 13, the Company has committed USD 43.0 million to the CLEAR Fund. Further details of the amounts paid to date in respect of this commitment are detailed in Note 13. As at 31 December 2025, the Company had received a capital call in respect of investment funding of USD 247,663.

# INFRACO AFRICA INVESTMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025

### 19. Related party transactions

The Board considers the following to be related party transactions:

- transactions and balances between the Company and the PIDG Trust;
- transactions and balances between the Company and affiliated equity investee companies; and
- transactions and balances with entities controlled by the Company's key management personnel.

During the year, the Company incurred expenses of USD 8,268,001 (2024: USD 3,922,251) to related parties. This is in relation to recharged project development costs, other operating expenditure and management fee charge.

	2025 USD	2024 USD
Service Companies within The Private Infrastructure Development Group Holding Company Limited Group	(5,570,616)	-
InfraCo Africa Business Development Limited (formerly known as InfraCo Africa Limited)	(2,697,385)	(3,922,251)

The following balances were receivable / (payable) to related parties as at 31 December 2025 and were included in the Company's statement of financial position:

	2025 USD	2024 USD
InfraCo Africa Business Development Limited (formerly known as InfraCo Africa Limited)	(427,025)	(854,620)
PIDG Management Services Morocco S.A.R.L.A.U	(355,361)	-
The Private Infrastructure Development Group Limited	570,010	-

During the year, the Company also recognised income of dividends receivable of USD 1,082,971 (2024: USD 1,559,340) from InfraCredit Nigeria and USD 146,598 (2024: USD 366,879) from The Student Accommodation I-REIT, as well as and USD 70,000 (2024: USD 62,049) in Directors' fees from InfraCredit Nigeria

### Loan facility arrangements

In 2024, the Company entered a USD 5.0 million loan facility arrangement on commercial terms with the Emerging Africa & Asia Infrastructure Fund (EAAIF) – a Mauritian entity wholly owned by the PIDG Trust. The facility has not been utilised to date.

During the year, there were no other related party transactions with equity investee companies, other than as disclosed in Note 13 on additions to investments.

### 20. Contingent liability and charges

During the year ended 31 December 2022, a charge was registered by Barclays Bank PLC over USD 3.35 million held in a blocked account and generating interest. This charge was created as collateral in respect of hedging facilities provided to the Company by the bank. As at 31 December 2025 the balance held in this account amounted to USD 3,536,239 (2024: USD 3,466,751) and is recognised on the Statement of Finance Position within Other receivables as detailed in Note 11.

# **INFRACO AFRICA INVESTMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2025**

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### **21. Post balance sheet events**

On a macroeconomic level, the Company noted the unresolved global conflicts, especially the United States, Israel and Iran and continues to closely monitor global and regional events and actively consider the impact of these on the Company and its investments.

None of these factors have led to any post balance sheet events that would need to be disclosed or reflected in these results following the year ended 31 December 2025.

### **22. Ultimate parent undertaking and controlling party**

The Company and its associated companies, as controlled by the Private Infrastructure Development Group Trust at 31 December 2024, completed a reorganisation in 2025 approved by the Private Infrastructure Development Group Trust (the PIDG Trust). The Company's immediate shareholder is now InfraCo Project Holding Company Africa Limited, which is 100% held under The Private Infrastructure Development Group Holding Company Limited Group (the PIDG HoldCo), which prepares consolidated accounts. The PIDG HoldCo's immediate and existing joint shareholders are JTC Trust and Fiduciary Services (UK) Limited, IQ EQ Trustees (Mauritius) Ltd and Minimax Ltd as trustees of the PIDG Trust, a trust established under the laws of Mauritius.