InfraCo Africa Limited

Company Registration No: 05196897

Annual Report

For the year ended 31 December 2024

INFRACO AFRICA LIMITED

COMPANY INFORMATION

Directors	Augustine Pasipamire Makoni Cecilie Sørhus Gilles Vaes
Company secretary	Vistra Company Secretaries Limited
Registered number	05196897
Registered office	6 Bevis Marks London England EC3A 7BA
Independent auditors	BDO LLP Chartered Accountants & Statutory Auditor 55 Baker Street London United Kingdom W1U 7EU

INFRACO AFRICA LIMITED

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INFRACO AFRICA LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors present their Strategic Report together with the financial statements of the InfraCo Africa Group (the “Group”) and InfraCo Africa Limited (the “Company”) for the year ended 31 December 2024.

Principal activities

The principal activity of the Group is that of investing in infrastructure project development in Sub-Saharan Africa. The Group takes on significant transaction risks associated with early stages of the project cycle with the aim of selling its interests to private investors once the development process has been completed.

There have been no significant changes in the nature of these activities during the year.

The Company receives funding through the PIDG Trust, the vehicle used by the Company’s government funders. The governments are those of the UK (Foreign Commonwealth & Development Office, FCDO), the Netherlands (Directorate-General for International Cooperation, DGIS), Switzerland (Swiss State Secretariat for Economic Affairs, SECO), and Global Affairs Canada (GAC).

Objectives

The Group shares PIDG’s mission is to get infrastructure finance moving and multiplying – accelerating climate action and sustainable development where most urgently needed.

The Company’s objectives, as outlined in its latest Funding Agreement with the PIDG Trust, 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 that provide benefits to the poor, including girls and women in accordance with the terms of the PIDG Investment Policy.

Strategy

The Group is included within the current PIDG 2023-30 Strategy (publicly available at: www.pidg.org/about-us/strategy) as part of the ‘PIDG Development Arm’ alongside InfraCo Africa Investment Limited (England & Wales), InfraCo Asia Development Pte. Ltd (Singapore), and InfraCo Asia Investments Pte. Ltd (Singapore).

The PIDG Development Arm provides:

i. Catalytic leadership capital to share the risks of early stage project development with competent sponsors.

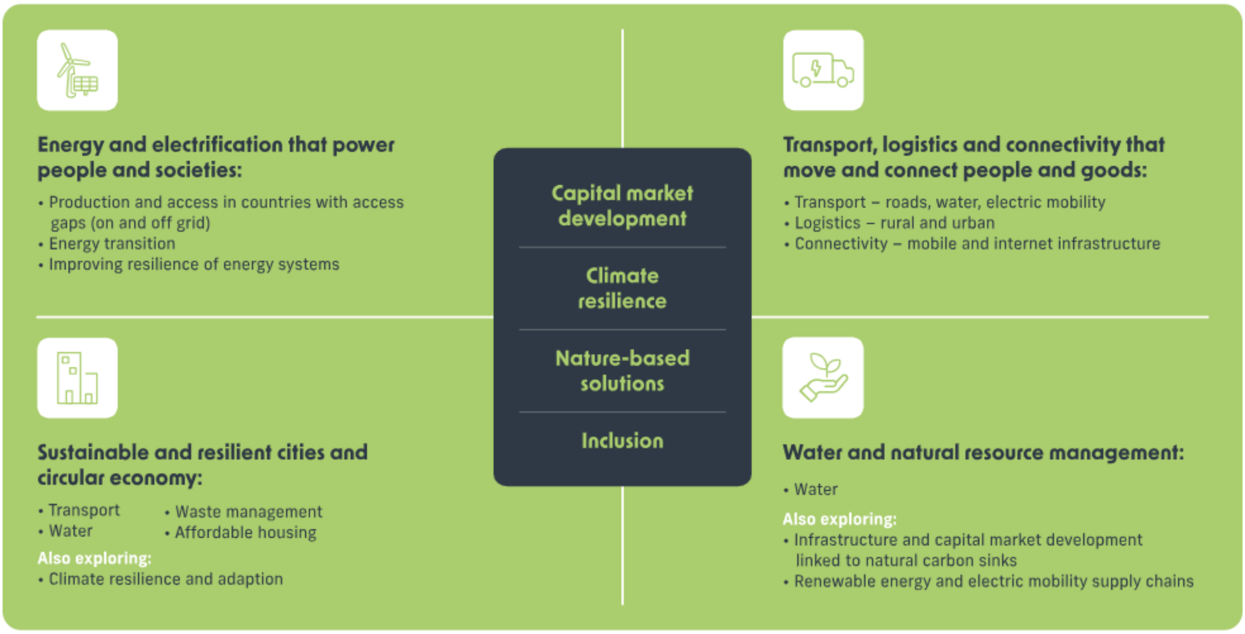
ii. Investment equity in projects and companies at early and later stages.

iii. In-house asset management capability to ensure projects move smoothly through construction into operation.

iv. A high ambition to scale up this work building on the track record of our InfraCos.

Investment themes and broad sector framework

The Group adopts a strategic origination approach in line with the PIDG 2023-30 Strategy, focusing on scaling up impact through a deliberate investment focus on combinations of sectors, geographies and products as detailed in the graphic below.



Key Shifts in strategy

The PIDG 2023-30 Strategy outlines key shifts to rise to the current challenges faced in the markets that the Group operates in, namely:

i. Elevating climate action together with sustainable development as the main purpose of our infrastructure financing and capital market development efforts

ii. Scaling our impact with new ambition and urgency – measured as new and improved access to infrastructure and improved climate resilience – working more systematically in partnership with the private sector and development finance institutions

iii. A more deliberate and coordinated origination and product strategy. Specifically to the Group, this involves: (a) Scaling up project development and early stage work in partnership with others; and (b) Unlocking local currency domestic institutional capital for infrastructure investment, and accelerating the deployment and effectiveness of guarantees and local credit enhancement facilities.

iv. A more strategic focus on project origination. Deliberately targeting impact at scale through growth in selected combinations of geographies/sectors/products.

v. Growing the level of investment that we deliver while balancing financial sustainability with sustainable development impact at scale.

vi. Nurturing a culture of radical collaboration – within the Group and with partners as a solution provider and a bridge between development and private finance.

Investment focus

The Group shall continue to focus on supporting least-developed countries (LDCs) as listed by the United Nations, providing solutions that attract new sources of capital into early-stage project development, and providing a value proposition to other investors and private-sector partners based on our capacity to: raise health, safety, environment and social standards (HSES); implement a climate, nature and gender inclusion lens in infrastructure; and manage and demonstrate sustainable development impact.

Business review

The Group continued to work with several projects in the year towards reaching financial close, commercial operation, or scaling of their operations. During the year, the Company achieved one financial close – a US$1.5m investment in Afresco which provides 'Energy-as-a-Service' within the commerce and industry (C&I) space.

In June 2024 the Company and its partners announced the signing of a Power Purchase Agreement with TANESCO, the state-owned national utility of Tanzania. The PPA signing is a significant milestone for the 4.6MW Lilondi Hydropower project which is expected to be the first of a portfolio of six run-of-river hydro plants to be developed by the partners in Tanzania.

In July 2024 Kong Solaire, jointly owned by the Company and Ivorian developer Africa Via, signed a concession agreement with the Ivorian Ministry of Mines, Petroleum, and Energy, the Ivorian Ministry of Finance and Budget, and Côte d'Ivoire Energies to develop a 50 MWp solar power plant located in a northern region of Côte d'Ivoire under a Build, Own, Operate, and Transfer (BOOT) model. Kong Solaire will be one of the first solar energy projects constructed under this model in Côte d'Ivoire.

The Group continued to support its investment in East Africa Marine Transport - a scheduled roll-on/roll-off freight transport service across Lake Victoria – which celebrated its inauguration in early 2025. The Group also continued to maintain and develop its pipeline of projects through due diligence phases in order to reach new commitments in the year.

Financial results

The results of the Group for the year, set out on page 15, show a loss on ordinary activities after tax of £16,088,319 (2023: £11,617,844). Shareholders' funds of the Group, set out on page 16, were £113,689,422 (2023: £96,367,505).

The Group received income during the year ended 31 December 2024 from recharged costs and management fees to fellow PIDG companies through arms-length engagements totalling £999,213 and £3,529,631 respectively (2023: £428,111 and £1,136,269 respectively).

During the year ended 31 December 2024 the Group received grant income of £746,789 (2023: £2,685,682) from the PIDG Trust, and the incurred corresponding grant expenditure/disbursements in relation to technical assistance funding for its projects.

The Group incurred fair value losses of £7,143,007 (2023: £7,909,938) during the year which was driven by fair value losses on investments amounting to £8,021,831 (2023: £4,535,707) that were driven by: (a) the actual and unrealised-to-date delays faced by the portfolio projects reaching financial close or commercial operations; and (b) foreign exchange gains of £1,274,832 (2023: £2,759,917 loss) which were influenced by the fluctuations of the exchange rate between the Pound Sterling and US Dollar.

Administrative costs in the year amounted to £13,743,276 (2023: £12,408,898), including staff costs of £6,874,986 (2023: £6,212,053).

Principal risks and uncertainties

Conduct and compliance risk

The Group promotes a strong risk culture where employees at all levels are responsible for the management and escalation of risks. Employees are expected to exhibit behaviours that support a strong risk culture in line with the Code of Conduct. The Group's risk culture is shaped by a range of factors including its ownership structure, funding model, operating footprint, mission and business activities in jurisdictions with high levels of geo-political, economic, bribery, corruption, safety and security risks. The Group endeavours not to involve itself with transactions, activities, processes or relationships that are likely to attract negative publicity that cannot be credibly rebutted.

Principal risks and uncertainties (continued)

Conduct and compliance risk (continued)

The assessment of risks that may give rise to reputational impacts form a key component of our strategic business approval processes. The PIDG Investment Policy defines the sectors PIDG plans to operate in and sets out certain excluded sectors. Any deviation requires approval from the members of PIDG Trust. The Company makes investment decisions and faces a reputational risk from poor decisions. It seeks to minimise the incidence and/or impact of this risk through requiring careful due diligence and decision making by senior management, providing appropriate training and through operating robust internal processes.

The Group has adopted PIDG's Code of Conduct and Operating Policies and Procedures (OPPs), which set out the values and behaviours expected from employees within the Group and from other relevant stakeholders, such as project partners.

These include policies on anti-corruption and integrity, conflicts of interest, share dealing and remuneration that are available at www.pidg.org.The anti-corruption and integrity OPP sets our policies and procedures for our employees, stakeholders and project partners in relation to anti-money laundering, bribery and corruption, terrorist financing and fraud which are intended to act not only to set the appropriate standards but also to set mitigating controls to prevent any such incidents occurring.

Complaints and Whistleblowing concerns are recorded using specific processes designed to protect the anonymity of complainants and ensure confidentiality of any relevant reviews or investigations, in line with the Group's whistleblowing policy. In addition, the Group utilises media monitoring software which alerts it to any adverse publicity about the Group. Where necessary, the Group's communications team prepares appropriate responses.

Investment risk

Investments are made in line with the PIDG Investment Policy, available at www.pidg.org.

The Group originates, develops, structures, invests and manages innovative and pioneering projects, expansions to existing projects and/or investments. It takes on early-stage infrastructure investment and development providing management and capital to address early-stage risks and developing bankable projects that can attract debt and equity participation at or before financial close.

PIDG Ltd sets the investment criteria for the PIDG Companies and oversee their investment decisions to ensure that they comply with these criteria, the Group Strategy and PIDG's objectives in general, and that each investment constitutes an efficient and prudent use of resources by the PIDG Company concerned.

Management recognises and balances trade-offs between its work at the frontier and its need to achieve financial sustainability. In doing so, we will ensure that we are risk-aware but not risk-averse. PIDG aims to support viable infrastructure projects that contribute to the elimination of poverty and deliver action on climate resilience and nature. In doing so, PIDG accepts risks that are consistent with its commitment to development impact.

The Group adopts PIDG's risk appetite, which is the amount of risk that PIDG is willing to accept to meet its strategic objectives. It balances the needs of all stakeholders by acting as both a governor of risk and a driver of current and future business strategy. It differs from risk capacity, which is the maximum amount of risk an organisation can assume while still remaining within the constraints implied by funding, leverage and other obligations to stakeholders.

The PIDG Risk Appetite Framework is used to sustain management's dialogue with the PIDG Board and set boundaries around strategy and opportunity seeking behaviour in the organisation. The framework stipulates portfolio-level limits across relevant risk categories, including, inter alia credit risk, concentration risk, liquidity and funding risk, foreign exchange risk and interest rate risk. It is supported by the PIDG Treasury Policy that includes the suite of policies that address, inter alia, bank limits, liquidity and funding risk and market risk (including FX risk and interest rate risk).

Principal risks and uncertainties (continued)

The *Health, safety, environmental and social risk*

Effective management of health, safety, environment, and social (HSES) risks forms a key focus for the Group and PIDG. The PIDG Group has developed a HSES Management System, which requires compliance with the IFC's Environmental and Social Performance Standards and other appropriate best practice guidelines. This system allows all key HSES risks to be identified and managed by the Group to a level that can be considered 'as low as reasonably practicable'. Any incidents are also required to be reported to the PIDG Executive team within 24 hours of the Group becoming aware of it.

The PIDG HSES Committee reviews and advises on safe-guarding practices and sustainability, thereby ensuring relevant issues are discussed, understood, owned and promoted at Board level. This includes advising on areas as broad as human rights through to workplace safety initiatives and campaigns.

Legal risk

The Group faces a risk of loss arising from a failure to act, or to document its agreements, in a legally effective manner. This could arise from lack of awareness or misunderstanding of ambiguity in or reckless indifference to, the way law and regulation apply to the Group. It would primarily be caused by factors such as defective legal agreements or failing to take appropriate measures in law to protect assets.

The Group mitigates these risks by employing trained executives supported by appropriate internal policies and a suitably qualified legal team that seeks specialist external advice when necessary.

Other operational risks

Operational risk includes risks associated with people, processes, systems and external events, both within the Group and across our stakeholders. The Group is committed to ensuring that its people adopt the highest standard of ethical behaviour as this is critical to the way it undertakes our business.

The OPPs enshrine our principles and standards that guide PIDG's culture. These are underpinned by internal procedures and associated controls. Compliance with the OPPs is on a 'comply or explain' basis; any breaches of the OPPs by the Company are recorded and an annual OPP compliance exercise is undertaken. This is presented to both the Audit and Risk Committees with key findings also being submitted to the Board.

Financial instrument - risk management

The Group establishes fair value using valuation techniques in line with the Group 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 a Cost Approach, including 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.

Key financial risks relating to financial instruments are set out in further detail in note 15 of the financial statements.

Liquidity risk

Liquidity risk arise on timing differences between the receipt of funds from the PIDG Trust and the Group's financial obligations to its creditors. The Group's approach to managing this risk is to produce both short and long-term cash flow forecasts in order to ensure that it has access to sufficient liquidity at all times.

In addition, the Group has a loan facility agreement for US$5 million from The Emerging Africa and Asia Infrastructure Fund (EAAIF) to provide sufficient cash reserves to meet liabilities when due, should delay in funds occur, unexpected costs arise, or unpredicted disbursement to projects be required.

Principal risks and uncertainties (continued)

Currency risk

The Group's income from recharges is denominated in the local currency of operation or the currency that the costs are incurred in. Management fees are denominated in Pound Sterling whereas income from projects are largely denominated in the local currency of the investee or US Dollars.

Administrative expenditures are denominated in the local currency of the Group's offices where staff are based – being the United Kingdom, Kenya, and Morocco. Project related expenditure is typically incurred in the local investee's local currency, Pound Sterling, Euros, or US Dollars

The Group's investments are predominantly denominated in US Dollars with some denominated in Euros, however the underlying investees typically operate in African economies and are therefore impacted by material macroeconomic changes that may result in foreign currency exposure to those investments.

The Group mitigates the currency risk through maintenance of cash levels in relevant currencies to meet its obligations and monitoring of project commitments in US Dollars and other currencies. Cash and obligations by currency are also monitored by PIDG's Asset and Liability Committee.

Credit risk

Counterparties include the banks which hold our cash reserves. Credit risk arising from cash balances is managed by depositing cash and money market fund reserves with institutions that have a credit rating of at least investment grade. Limits are set and monitored by PIDG's Asset and Liability Committee.

Macroeconomic and geopolitical risk

Macroeconomic policies and/or geopolitical instability pose inherent risk to the development of projects to which the Company is an investor, or co-developer. Political instability in the regions that the Group operates poses a risk of security of contractual rights or Group's assets. Changes in macroeconomic policies or environments can directly influence the expected future cashflows of the underlying investees, or the potential exit/maturity value of the investment, or the fair value of the investment in the Group's reporting currency at the reporting date. The Group mitigates the risks through due diligence of the jurisdictions that it chooses to operate in and collaboration with local governments.

The ongoing conflict in Ukraine continues to drive stresses in the macroeconomic environment that are adversely impacting our projects. The Directors will continue to work with senior management to closely monitor these emerging risks and assess the impact on operations, PIDG projects and its performance targets in the short and long-term.

Future developments

The Group and its associated companies controlled by the Private Infrastructure Development Group Trust are undergoing a reorganisation which is expected to be completed after the issue of these financial statements, on a date yet to be determined. As at 31 December 2024 the reorganisation had not been approved by the Private Infrastructure Development Group Trust.

As a consequence of this reorganisation, the Company's existing staff shall be transferred to other associated companies and equity in the two operating subsidiaries of the Company shall be transferred to another associated company controlled by the PIDG Trust. The Company will continue its principal activity of investing in infrastructure project development in Sub-Saharan Africa.

As a further consequence of this reorganisation, the direct owner of the entire equity of the Company will change from the Private Infrastructure Development Group Trust to a new holding company, yet to be incorporated in England and Wales. The Private Infrastructure Development Group Trust will remain the ultimate owner. There is expected to be no financial effect on the Company.

Donations and expenditure

There were no political or charitable donations made in the current or prior year.

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

Augustine Pasipamire Makoni
Director
31 March 2025

The Directors present their Annual Report to the members together with the financial statements of the InfraCo Africa Group (the “Group”) and InfraCo Africa Limited (the “Company”) for the year ended 31 December 2024.

Directors

The Directors who served during the year were:

Michael Barry Chilton	- resigned 31 December 2024
Augustine Pasipamire Makoni	- appointed 4 October 2024
Tinashe Makoni	- resigned 10 May 2024
Claudine Lim Hsi-Yun	- resigned 31 December 2024
Cecilie Sørhus	- appointed 4 October 2024
Gilles Vaes	

The Company Secretary who served during the year was Vistra Company Secretaries Limited.

Business review and future developments

A review of the Group’s operations, significant changes, and performance during the year as well as the principal risks to which the Group is exposed is provided in the Strategic Report. The Directors have considered s.172 of the Companies Act 2006 and are aware of their wider responsibilities not only to the Group and its shareholder, but also to a wider group of stakeholders.

Results and dividends

The results for the year are set out in the Consolidated Income Statement on page 15. No dividends were declared or paid by the Company during the year (2023: £nil).

Disclosure in Strategic Report

Information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Report) Regulations 2008 has been included in the Strategic Report.

Going concern

The Company meets its day to day working capital predominantly requirements through issuing share capital. In addition to this, income is received through the sale of development projects and development costs recovered. The Directors have considered the Company's cash flow requirements for the 12 months from the date of issue of the financial statements, and they consider that the Company will continue to have sufficient funds for the foreseeable future. The Directors have made supported assumptions regarding revenues receivable from current investments, 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. The financial statements do not include any adjustments that would result from a withdrawal of funding.

The above assessment is supported by the following:

- the Company has significant liquid cash available at year end and expects further cash from the governments who fund the PIDG Trust over the next 12-month period;

- the assessment acknowledges the agreement with the governments who fund the PIDG Trust for the Company to always have contingent cash available 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. If project spend is delayed, drawdowns of funds available to the Company, both in the form of cash and encashment of UK government promissory notes, will also decelerate. This suggests there is minimal liquidity risk as management are able to respond in a timely manner to market changes by adjusting the Company’s inflow and outflow profile. The Company already has adequate funding to meet all of its contractual commitments over the next 12 months.

Statement of disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Post balance sheet events

As presented in the Consolidated and Company’s Statement of Changes in Equity on page 17, the Company had received funding of £7,591,236 from Switzerland’s State Secretariat for Economic Affairs (SECO) as at 31 December 2024 for shares yet to be issued. In January 2025 7,591,236 Ordinary £1 shares were issued at par by the Company in exchange for the funding received.

Following the year end, in February 2025 the UK government announced plans for the aid spending target to reduce further in 2027 from 0.5% of gross national income (GNI) to 0.3%. The UK is the largest provider of funding to the Group and the wider PIDG group. The Directors and executives of the PIDG group are in ongoing discussions with the Foreign, Commonwealth & Development Office (FCDO) to understand the long-term implications of this decision upon the Group. All future commitments of the Group are fully funded beyond 12 months from the date of issuing these financial statements.

As disclosed in the Strategic Report, the Group and its associated companies controlled by the Private Infrastructure Development Group Trust are undergoing a reorganisation which is expected to be completed after the issue of these financial statements, on a date yet to be determined.

Auditors

The auditor for the year was BDO LLP.

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

Augustine Pasipamire Makoni
Director
31 March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, www.infracoafrica.com. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFRACO AFRICA LIMITED FOR THE YEAR ENDED 31 DECEMBER 2024

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards, and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Infraco Africa Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2024 which comprise Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, Company 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, and as regards the Parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 Group and the Parent 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 Group or ParentCompany'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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Responsibilities of Directors

As explained more fully in the Statement of Director's 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 Group's and the Parent 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 Group or the Parent 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 Group and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

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

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Companies Act.

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;
- 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 Group'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;
- 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 the valuation of investments and management override of controls.

Our procedures in respect of the above included:
- Obtaining an understanding of the Group's controls over journal entries and other adjustments, determining whether such controls are suitably designed and have been implemented.
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year, which did not meet the defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias in relation to valuation of investments;

- Challenging management on the appropriateness of the selection and application of key assumptions in the valuation models including discount rates, inflation rates, tax rates and marketability discount.
- Obtaining and examining the Board minutes throughout the year and up to the date of this report.

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Peter Smith
0F308806BCF046B...

Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
31 March 2025

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

INFRACO AFRICA LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Income	3	5,787,161	5,985,455
Fair value (losses)/gains through profit or loss	8	(7,143,007)	(7,909,938)
Project development fees		(1,974,787)	(3,515,743)
Gain on disposal of investment	9	-	25,289
Administrative expenses		(13,743,276)	(12,408,898)
Operating loss	4	**(17,073,909)**	**(17,823,835)**
Net foreign exchange differences	5	(48,902)	(847,498)
Net interest income	7	1,256,515	7,155,417
Loss on ordinary activities before taxation		**(15,866,296)**	**(11,515,916)**
Tax on loss on ordinary activities	10	(222,023)	(101,928)
Loss for the financial year		**(16,088,319)**	**(11,617,844)**

The Parent Company has taken advantage of section 408 of Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Company's loss for the year was £17,150,438 (2023: £11,137,608).

The amounts above all relate to continuing operations.

There were no other items of comprehensive income.

The notes on pages 23 to 53 form part of these financial statements.

INFRACO AFRICA LIMITED

CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Assets					
Non-current assets					
Property, plant and equipment	**12**	140,920	9,851	197,501	14,556
Right-of-use Asset	**20**	49,668	-	125,538	-
Investments at FVTPL	**11**	77,922,359	77,947,483	77,541,990	77,567,114
Other loan receivables	**13**	6,475,925	6,475,925	6,672,796	6,672,796
Total non-current assets		**84,588,872**	**84,433,259**	**84,537,825**	**84,254,466**
Current assets					
Trade and other receivables	**13**	4,653,514	4,532,510	5,077,178	5,216,673
Cash and cash equivalents	**15**	31,249,338	30,614,225	13,717,885	13,421,543
Total current assets		**35,902,852**	**35,146,735**	**18,795,063**	**18,638,216**
Total assets		**120,491,724**	**119,579,994**	**103,332,888**	**102,892,682**
Equity and liabilities					
Capital and reserves					
Share capital	**17**	272,903,759	272,903,759	247,084,759	247,084,759
Shares to be issued	**17**	7,591,236	7,591,236	-	-
Retained deficit		(166,805,573)	(167,705,623)	(150,717,254)	(150,555,185)
Total Shareholders' Funds - Equity		**113,689,422**	**112,789,372**	**96,367,505**	**96,529,574**
Current liabilities					
Trade and other payables	**14**	4,921,007	5,010,390	5,090,385	4,653,486
Corporation tax liability		44,564	-	28,863	-
Provisions	**18**	1,780,232	1,780,232	1,709,622	1,709,622
Total current liabilities		**6,745,803**	**6,790,622**	**6,828,870**	**6,363,108**
Non-current liabilities					
Lease liability	**20**	56,499	-	136,513	-
Total equity and liabilities		**120,491,724**	**119,579,994**	**103,332,888**	**102,892,682**

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

Augustine Pasipamire Makoni
Director
31 March 2025

The notes on pages 23 to 53 form part of these financial statements.

INFRACO AFRICA LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Share Capital	Retained Deficit	Shares to be issued	Attributable to owners of the parent
		£	£	£	£
Balance at 1 January 2023		231,073,686	(139,099,410)	4,931,372	96,905,648
Loss for the year		-	(11,617,844)	-	(11,617,844)
Issue of shares		16,011,073	-	(4,931,372)	11,079,701
Shares to be issued		-	-	-	-
Balance at 31 December 2023		**247,084,759**	**(150,717,254)**	**-**	**96,367,505**
Balance at 1 January 2024		**247,084,759**	**(150,717,254)**	**-**	**96,367,505**
Loss for the year		-	(16,088,319)	-	(16,088,319)
Issue of shares	**17**	25,819,000	-	-	25,819,000
Shares to be issued	**17**	-	-	7,591,236	7,591,236
Balance at 31 December 2024		**272,903,759**	**(166,805,573)**	**7,591,236**	**113,689,422**

The notes on pages 23 to 53 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2024

	Note	Share Capital £	Retained Deficit £	Shares to be issued £	Attributable to owners of the parent £
Balance at 1 January 2023		231,073,686	(139,417,577)	4,931,372	96,587,481
Loss for the year		-	(11,137,608)	-	(11,137,608)
Issue of shares		16,011,073	-	(4,931,372)	11,079,701
Shares to be issued		-	-	-	-
Balance at 31 December 2023		**247,084,759**	**(150,555,185)**	**-**	**96,529,574**
Balance at 1 January 2024		247,084,759	(150,555,185)	-	96,529,574
Loss for the year		-	(17,150,438)	-	(17,150,438)
Issue of shares	**17**	25,819,000	-	-	25,819,000
Shares to be issued	**17**	-	-	7,591,236	7,591,236
Balance at 31 December 2024		**272,903,759**	**(167,705,623)**	**7,591,236**	**112,789,372**

The notes on pages 23 to 53 form part of these financial statements.

INFRACO AFRICA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023* £
Cash flows from operating activities			
Loss for the year		(16,088,319)	(11,617,844)
Add/(deduct):			
Depreciation of plant and equipment	**12**	65,700	56,785
Amortisation of right-of-use assets	**20**	76,796	76,076
Other foreign exchange gains/(losses)		57,598	858,090
Dividends reversed/(receivable)	**3**	721,362	(1,227,547)
Deposit interest receivable	**3**	(1,204,182)	(494,999)
Gain on disposal of investments	**9**	-	(25,289)
Loss on disposal of fixed assets		(256)	35
Foreign exchange (gains)/losses on financial assets	**8**	(1,274,832)	2,759,921
Change in fair value on investments	**11**	8,021,831	4,535,707
Change in fair value on other loan receivables	**13**	396,008	614,314
Net interest income receivable	**7**	(1,256,515)	(7,155,417)
Interest payable on lease liabilities	**20**	5,531	9,951
Dividends received		(290,727)	763,041
Deposit interest received		1,204,182	513,946
Increase in provisions	**18**	70,610	1,177,763
Tax charge	**10**	222,023	101,928
		(9,273,190)	**(9,053,539)**
Movement in working capital			
Increase in debtors		(6,970)	(3,483,663)
(Decrease)/increase in creditors		(169,378)	509,220
Changes in movement in working capital		(176,348)	(2,974,443)
Taxes paid		(213,291)	(38,931)
Cash used in operations		**(9,662,829)**	**(12,066,913)**

*The comparative figures within the Consolidated Statement of Cash Flows have been revised to include dividends and deposit interest within operating activities. This has no impact to the resulting net increase in cash and cash equivalents in the year

INFRACO AFRICA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

Cash flows from investing activities	**Note**	**2024** **£**	**2023*** **£**
Payments for property, plant and equipment	**12**	(91,629)	(117,149)
Transfer of property, plant and equipment at cost	**12**	82,509	-
Payments for investments		(8,359,442)	(8,619,125)
Repayments of loans, development fees and interest	**11**	2,289,452	1,479,426
Proceeds from sale of investments	**9**	-	25,289
Proceeds from sale of property, plant and equipment		256	-
Net cash used in investing activities		**(6,078,854)**	**(7,231,559)**

Cash flows from financing activities			
Issue of ordinary shares	**17**	25,819,000	11,079,701
Shares to be issued	**17**	7,591,236	-
Principal paid on lease liabilities	**20**	(88,198)	(87,234)
Net cash generated by financing activities		**33,322,038**	**10,992,467**

Net (decrease)/increase in cash and cash equivalents		17,580,355	(8,306,005)
Cash and cash equivalents at the beginning of the year		13,717,885	22,871,388
Exchange losses on cash and cash equivalents	**5**	(48,902)	(847,498)
Cash and cash equivalents at the end of the year		**31,249,338**	**13,717,885**

*The comparative figures within the Consolidated Statement of Cash Flows have been revised to include dividends and deposit interest within operating activities. This has no impact to the resulting net increase in cash and cash equivalents in the year.

The notes on pages 23 to 53 form part of these financial statements.

INFRACO AFRICA LIMITED

COMPANY STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2024

	Note	2024 £	2023* £
Cash flows from operating activities			
Loss for the year		(17,150,438)	(11,137,608)
Add/(deduct):			
Depreciation	**12**	6,915	9,391
Other foreign exchange gains		48,483	783,484
Dividends reversed/(receivable)		721,362	(1,227,547)
Deposit interest receivable		(1,204,182)	(494,999)
Gain on disposal of investments	**9**	-	(25,289)
Loss on disposal of fixed assets	**12**	-	35
Foreign exchange (gain)/loss on financial assets	**8**	(1,274,832)	2,759,920
Change in fair value on investments	**11**	8,021,831	4,535,707
Change in fair value on other loan receivables	**13**	396,008	614,314
Increase in provisions	**18**	70,610	1,177,763
Loan interest receivable	**7**	(1,256,515)	(7,155,417)
Dividends received		(290,727)	763,041
Deposit Interest Received		1,204,182	513,946
Taxes payable	**10**	-	33,870
		(10,707,303)	**(8,849,389)**
Movement in working capital			
Decrease/(increase) in debtors		253,528	(3,725,043)
Increase in creditors		356,904	64,050
Changes in movement in working capital		610,432	(3,660,993)
Net cash used in operating activities		**(10,096,871)**	**(12,510,382)**

*The comparative figures within the Company's Statement of Cash Flows have been revised to include dividends and deposit interest within operating activities. This has no impact to the resulting net increase in cash and cash equivalents in the year

INFRACO AFRICA LIMITED

COMPANY STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2024

	Note	2024 £	2023* £
Cash flows from investing activities			
Payments for property, plant and equipment	**12**	(2,210)	(7,415)
Payments for investments		(8,359,442)	(8,619,125)
Repayments of loans, development fees and interest	**11**	2,289,452	1,479,426
Proceeds from sale of investments	**9**	-	25,289
Net cash used in investing activities		**(6,072,200)**	**(7,121,825)**
Cash flows from financing activities			
Issue of ordinary shares	**17**	25,819,000	11,079,701
Shares to be issued	**17**	7,591,236	-
Net cash generated by financing activities		**33,410,236**	**11,079,701**
Net increase/(decrease) in cash and cash equivalents		17,241,165	(8,552,506)
Cash and cash equivalents at the beginning of the year		13,421,543	22,757,533
Exchange losses on cash and cash equivalents		(48,483)	(783,484)
Cash and cash equivalents at the end of the year		**30,614,225**	**13,421,543**

*The comparative figures within the Company's Statement of Cash Flows have been revised to include dividends and deposit interest within operating activities. This has no impact to the resulting net increase in cash and cash equivalents in the year.

The notes on pages 23 to 53 form part of these financial statements.

1. Accounting Policies

1.1 Basis of preparation of financial statements

InfraCo Africa Limited is a private company limited by shares and registered in England and Wales, registration number 05196897. The registered office is 6 Bevis Marks, 10th Floor, London, England, EC3A 7BA. The principal activity of the Company is that of investing in infrastructure project development in Sub-Saharan Africa.

The financial statements are presented in Pounds Sterling (£), which is also the Company's functional currency, and have been prepared in accordance with UK adopted international accounting standards.

The preparation of financial statements in compliance with adopted international accounting standards in conformity with the requirements of the Companies Act 2006 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in Note 2.

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

Basis of consolidation

In accordance with IFRS 10 "Consolidated Financial Statements" as amended, the Board has determined that the Group 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 Group's investment returns and do not represent a separate substantial business activity or substantial source of income.

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

- the Group has more than one investment (see Note 11);
- it has more than one investor;
- 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 11).

The Group obtains funding from three external members / donors, to whom it has committed that its business purpose is to create viable infrastructure opportunities in Sub-Saharan Africa which balance the interests of host governments and national and international private sector providers of finance by means of assuming the risks and responsibilities of early-stage development of infrastructure projects and later offering opportunities for private sector investment.

The Group is exposed to, and has rights to, the returns generated by the investment companies which are Special Purpose Vehicles (SPVs) incorporated for the sole purpose of managing and operating the Group's development projects. The Group further has the ability to affect the amount of its returns from these SPVs which represents elements of control as prescribed by IFRS 10. The fair value method is used to represent the SPVs' performance in reporting to the Board, and to evaluate the performance of the investments and to make investment decisions.

The Group invests in development projects with the intention of overseeing project lifecycle from development through into construction and then into operation. An off taker is identified at the very start of this lifecycle, before development begins, with clear milestones stipulated in development agreements. This provides the pathway to exit where the Group's aim is to sell after a specified period of time post Commercial Operation Date (COD). Projects will also be sold if other investments with a better risk/reward profile are identified. The Group will typically 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.

1. Accounting Policies (continued)

1.1 Basis of preparation of financial statements (continued)

As a result, under the terms of IFRS 10, the Group should not consolidate these SPVs, but must measure its investment in these companies at Fair Value Through Profit or Loss (FVTPL) in line with the Group valuation policy and International Private Equity and Venture Capital (IPEV) valuation guidelines. The Group has determined that the fair value of the SPVs is measured based on project stage, being Development, Construction or Operation. Necessary disclosures have been included at Note 15.

The Company has two 100% owned subsidiaries: IAWA S.A.R.L.A.U, incorporated in and operating from Casablanca, Morocco and InfraCo Africa (East Africa) Limited, incorporated in and operating from Nairobi, Kenya. Both these subsidiaries are controlled by the Company and invested in for operational rather than investment purposes. They are therefore consolidated into the Group accounts. Unrealised gains on transactions between the Group and its subsidiaries are eliminated in the Group accounts.

Standards, amendments and interpretations

Adopted in the current year

There are no new standards impacting the Group that have been adopted in the annual financial statements for the year ended 31 December 2024.

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 2024 are not expected to impact the Group. This is because they are either not relevant to the Group’s activities or require accounting which is already consistent with the Group’s current accounting policies. These are listed below.

Other standards, amendments and interpretations adopted in the current financial year ended 31 December 2024

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.

	Effective date
	Periods beginning on or after
Non-current Liabilities with Covenants: Amendments to IAS 1	1 January 2024
Supplier Finance Arrangements: Amendments to IAS 7 and IFRS 7	1 January 2024
Lease Liability in a Sale and Leaseback Amendments to IFRS 16	1 January 2024
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024
IFRS S2 Climate-related Disclosures	1 January 2024

1. Accounting Policies (continued)

1.1 Basis of preparation of financial statements (continued)

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:

	Effective date
	Periods beginning on or after
Amendments to IAS 21: Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Directors do not consider the above amendments to have had a significant impact on the financial statements of the Company or Group.

1.2 Going concern

The Company meets its day to day working capital predominantly through issuing share capital to its shareholder, the PIDG Trust. The Trust is funded by its government members. In addition to this, income is received through the sale of development projects and development costs recovered. The Directors have considered the Company's cash flow requirements for the 12 months following the approval date of these accounts and on the basis of this the Directors consider that the Company will continue to have sufficient funds for the foreseeable future. The Directors have made supported assumptions regarding revenues receivable from its current investments, 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 financial statements do not include any adjustments that would result were funding to be withdrawn.

The outcome of sensitivity analysis performed on these projections surrounding the funding assumptions and other inputs, combined with funds and promissory notes 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 together with undrawn promissory notes as disclosed in Note 21;
- 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. Accounting Policies (continued)

1.3 Joint development agreements

In accordance with its principal activity, the Company enters into joint development agreements, in which the Company takes on early-stage development costs and risks of project development. The Company is compensated for its costs by a number of means. Development fees and reimbursement of costs incurred are receivable should funds be available from the disposal of such ventures to third parties during or after the initial development phase, or by securing third party debt finance.

Revenues and amounts recoverable under joint development agreements are only recognised on a fair value basis. By their nature, the outcome of such projects and ventures is subject to a high degree of uncertainty, including the ultimate commercial viability and whether the early-stage development costs will be exceeded by the future proceeds of sale or other revenues.

Where the Company receives revenue in the form of shares or options or other rights to equity, these are recognised as revenue in the profit and loss account based on their fair value. Factors may include that the shares or options are readily marketable and could be disposed of without restriction at the point of receipt.

Where development costs can be linked directly to the receipt of equity, the development costs are included in the fair value of the investment to the extent such costs are covered by the value of the equity. Otherwise, development costs are expensed in the period in which they are incurred.

1.4 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.

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.

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.

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value due to their short-term nature.

Financial assets at fair value through profit or loss

This category consists of investments in subsidiaries and associates, both equity and debt. Assets in this category are recognised at fair value. The Company establishes fair value using valuation techniques in line with the Group 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 a Cost Approach, including 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.

1. Accounting Policies (continued)

1.5 *Financial instruments (continued)*

As required under IFRS 9 "Financial Instruments" the Company also recognises a loan receivable due from Chiansi Farming Company Ltd at FVTPL. The business model in which the asset is held was designed for the purpose of collection at a specified date in the future. Management have performed the Solely Payments of Principal and Interest 'SPPI' test and note the nature of this loan - accruing interest below a market rate and having profit linked elements - means the contractual cash flows do not solely reflect payments of principal and interest of the time value of money and credit risk. The loan therefore fails the requirements for amortised cost classification and is recognised at FVTPL, as disclosed in Note 13.

Financial liabilities at fair value through profit or loss

This category consists of provisions recognised at fair value. The Company establishes fair value using valuation techniques in line with the IFRS 9 "Financial Instruments".

1.6 Subsidiaries

The Company is an investment entity and measures investments (equity and loans) in its subsidiaries at fair value through profit or loss (Note 11) except as noted below. In determining whether the Company meets the definition of an investment entity, management considered the Company's structure as a whole.

The Company has two 100% owned subsidiaries: IAWA S.A.R.L.A.U, incorporated in and operating from Casablanca, Morocco and InfraCo Africa (East Africa) Limited, incorporated in and operating from Nairobi, Kenya. Both these subsidiaries are controlled by the Company and invested in for operational rather than investment purposes. They are therefore consolidated into the Group accounts. Unrealised gains on transactions between the Group and its subsidiaries are eliminated in the Group accounts.

1.7 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2. Critical accounting estimates and judgements

The Company makes certain estimates and judgements regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and judgements.

Fair value measurement

A number of assets and liabilities included in the financial statements require measurement at, and/or disclosure of, fair value.

2. Critical accounting estimates and judgements (continued)

The Group's project lifecycle is categorised as follows: Development, Construction and Operation. For all three stages a value based on an appropriate valuation methodology in accordance with the International Private Equity and Venture Capital Association ("IPEV") valuation guidelines will be attributed to the project. Techniques 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 a Cost Approach, 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.

During the Development phase there is usually no identifiable market price for the investments. The fair value is therefore driven by the prospects of the project and represents what a market participant would pay for the Group'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.

For projects in Construction, the same methodology as for Development projects is applied as a market participant would still be driven by the prospects of the project and the project is usually not yet cash-generating. If appropriate, other valuation techniques will be considered such as PORI or DCF analysis.

For projects in Operation, this typically means substantially all development and construction has been completed and the project has begun to operate and generate income. Where possible, multiple approaches would be considered to triangulate the fair value with an Income Approach being used wherever possible.

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.

In the absence of a recent investment or reliable cashflows 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. Unless specifically stipulated in the agreement (for example through CLA/SHA), the recoverability date is expected to be Financial Close (FC) for Development projects and Commercial Operation Date (COD) for projects in Construction. COD is when the project becomes fully operational and when the Company typically expects to recover a portion of costs incurred to date. Where the Company does not expect to recover costs until exit, this is assumed to be two years post COD when exit strategies are executed. There are exceptions to this when it is agreed in advance costs disbursed won't be recovered until a later date. Recoverability dates and risk factors applied are presented in Note 15.

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 measurements 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.

2. Critical accounting estimates and judgements (continued)

- 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.

All the Group's investments fall within Level 3, as they are not traded and contain unobservable inputs. If it were to occur, transfers of items between levels are recognised in the period they happen.

Each investment has unique risks associated with it which contribute to the risk assessment carried out as part of the fair value analysis. These risks include geographical, sector, technological, resource, counterparty and socio-political, amongst others. For this reason, the fair value is assessed on an investment-by-investment basis. Typically, investments in Development carry a higher risk and thus attracts a higher discount factor. Once a project becomes operational the risk reduces. Sensitivity analysis based on changes in market price are detailed in Note 15.

Discounted Cash Flow (DCF) and key judgments

Where required, management relies 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 a project 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 should also be considered;
- data points sourced from InfraCo'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 estimates. Although considered at all stages of an investment's lifecycle, the DCF valuation model is typically only used to value equity investments in Operation, when an investment first becomes cash-generating and those cashflows can be supported. When an investment is valued under this methodology, projected cashflows are calculated using a third-party provider of cashflow information and an appropriate model based on the operations and activity of that particular investment. 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. Asset managers have considerable expertise, oversight and influence in assessing both the future cashflows and the discount factor. This enhances the control environment around the assessment of these key judgment areas and the impact it has on the FV measurement of the Group'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 Group's valuation policy and IPEV guidelines.

2. Critical accounting estimates and judgements (continued)

The following sets out the techniques typically used to measure each of the Group's investments:

Asset Class	
Investments in Development	- Market or cost approach
Investments in Construction	- Market or cost approach
Investments in Operation	- Income, market or cost approach
Other loan receivables (Chiansi Farming)	- Cost approach

3. Income

	2024 Group £	**2023 Group £**
Grant income	746,789	2,685,682
Recharged costs	999,213	428,111
Management fee income	3,529,631	1,136,269
Dividends receivable	(721,362)	1,227,547
Deposit interest receivable	1,204,182	494,999
Other income	28,708	12,847
Total	**5,787,161**	**5,985,455**

During the year, management were advised that £721,362 of dividends issued by an investee in the prior year were reversed in 2024 in accordance with the investee's local legislation, and that amounts already received by the company (£290,727) were to be reclassified against outstanding shareholder loan amounts payable to the Company.

14.09% of income generated in the year, excluding provisions, relates to non-UK income (2023: 66.83%). Other income predominantly consists of board and committee fee income.

4. Operating loss

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

	2024 Group £	**2023 Group £**
Depreciation of property, plant & equipment	65,699	56,785
Depreciation of right-of-use asset	76,796	76,076
(Gain)/loss on disposal of property, plant & equipment	(256)	35
(Gain)/loss on foreign exchange	(1,225,239)	5,043,080
Gain on disposal of investments	-	(25,289)
Fees payable to the auditor:		
- Audit of the financial statements	56,648	51,880
- Taxation services	5,035	4,410
- All other services	-	-

The foreign exchange movements are predominantly reflective of the combined movement on the investments and loan receivable balance. These balances are materially impacted by the weakening of the Pound Sterling (£) during the year compared to the currencies in investments and loans receivable are denominated in, particularly the US Dollar (US$).

5. Net foreign exchange differences

	2024 Group £	2023 Group £
Exchange gains/(losses) arising on cash and cash equivalents	48,902	(847,498)

These are unrealised exchange differences arising on denoted deposit holdings and current accounts denominated in US Dollars (US$), Euros (€), Kenyan Shilling (KES), and Moroccan Dirham (MAD). Foreign exchange rate risk and sensitivity is detailed in Note 15.

6. Employee benefit expenses

Employee benefit expenses in the year, including that of the Directors and key management personnel, were as follows:

	2024 Group £	2023 Group £
Employee benefit expenses comprise:		
Wages and salaries	5,958,748	5,418,994
Defined contribution pension cost	460,481	387,525
Social security contributions and similar taxes	455,757	405,534
	6,874,986	**6,212,053**

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company. These include the Directors of the Company Information page.

	2024 Group £	2023 Group £
Wages and salaries	1,461,337	1,397,562
Defined contribution pension cost	134,979	109,870
Social security contributions and similar taxes	153,386	156,233
	1,749,702	**1,663,665**

Directors' remuneration

There were four Directors of the Company throughout the current and prior years. During the year, there was one director (2023: one) renumerated by the Group as detailed below, and to whom retirement benefits were accruing under defined contribution schemes. No defined benefit schemes were in place in the current or prior year.

	2024 Group and Company £	2023 Group and Company £
Wages and salaries	289,731	260,975
Defined contribution pension cost	23,223	19,444
Social security contributions and similar taxes	44,237	33,648
	357,191	**314,067**

6. Employee benefit expenses (continued)

The average monthly number of employees, including the Directors, during the year was as follows:

	2024 Group No.	**2023 Group No.**
Employees	56	53

7. Interest income

	2024 Group £	**2023 Group £**
Interest receivable from subsidiary and associated undertakings	5,925,579	4,895,976
Movement in interest receivable provision	(4,669,064)	2,259,441
Net interest receivable	**1,256,515**	**7,155,417**

The Group assesses the recoverability of debt instrument investments as at the reporting date for indications that interest accrued may not be realisable and makes an appropriate provision against such interest accrued. This assessment includes a review of the project's future cashflows and typically contributes to the fair value assessment of the underlying asset.

8. Fair value (losses)/gains through profit or loss

	2024 Group £	**2023 Group £**
Investments	(8,021,831)	(4,535,707)
Loans	(396,008)	(614,314)
Foreign exchange gains/(losses)	1,274,832	(2,759,917)
Total fair value gains/(losses)	**(7,143,007)**	**(7,909,938)**

The foreign exchange gains/(losses) are reflective of the combined movement on the investments and loan receivable balance.

9. Gain on disposal of investment

	2024 Group £	**2023 Group £**
Gain on disposal	-	25,289

During the year ended 31 December 2023, the Company received proceeds of £25,289 from the Official Receiver and Liquidator of EkoRent Africa Limited, in which the Company had a 30.19% shareholding, upon completion of EkoRent Africa Limited's liquidation.

10. Taxation

	2024 Group £	2023 Group £
Foreign tax	221,951	102,126
Prior year adjustment to foreign taxes	72	(198)
Total tax charge	**222,023**	**101,928**

Factors affecting the tax charge for the year:	2024 £	2023 £
Loss before tax	(15,866,296)	(11,515,916)
Tax at the standard UK rate of tax of 25.00% (2023: 23.52%)	(3,966,574)	(2,708,604)
Effect of:		
Non-deductible expenses	883,440	2,464,189
Income not taxable for tax purposes	(149,749)	(270,038)
Profits earned in territories with different statutory tax rates	49,536	28,687
Impact of foreign exchange rates	(116,314)	71,976
Foreign tax credits	84,845	33,870
Prior year adjustment to overseas tax provision	-	(198)
Deferred tax not recognised	3,436,839	482,046
	222,023	**101,928**

Based on the results of the Company for the year, there is no charge for UK corporation tax. In the Budget of 15 March 2023, the Chancellor of the Exchequer confirmed an increase in corporation tax to 25% from 1 April 2023. There was no change proposed in the latest Budget of 30 October 2024.

The Company has estimated losses of £134,692,994 (2023: £120,368,770) available to carry forward against future profits. A deferred tax asset has not been recognised as there is no certainty to its recoverability.

11. Investments at FVTPL

The following table sets out the techniques used to measure each of the Group's investments:

Asset Class	Valuation technique used	Group 2024 £	Group 2023 £
Investments in Development	Market or cost approach	29,442,393	33,557,534
Investments in Construction	Market or cost approach	35,722,921	37,420,099
Investments in Operation	Income, market or cost approach	12,757,045	6,564,357
Total Investments at FVTPL		**77,922,359**	**77,541,990**

11. Investments at FVTPL (continued)

	Group £	Company £
Fair value at 1 January 2023	72,314,916	72,340,040
Movement in the year:		
Additions	8,619,125	8,619,125
Repayments	(1,479,426)	(1,479,426)
Disposals	-	-
Interest accrued	4,895,975	4,895,975
Movement in interest provision	2,259,440	2,259,440
Foreign exchange movement	(4,532,333)	(4,532,333)
Fair value adjustment	(4,535,707)	(4,535,707)
Total movement in the year	5,227,074	5,227,074
Fair value at 31 December 2023	**77,541,990**	**77,567,114**
Movement in the year:		
Additions	13,716,925	13,716,925
Repayments	(2,289,452)	(2,289,452)
Disposals	(5,357,483)	(5,357,483)
Interest accrued	5,925,579	5,925,579
Movement in interest provision	(4,669,064)	(4,669,064)
Foreign exchange movement	1,075,695	1,075,695
Fair value adjustment	(8,021,831)	(8,021,831)
Total movement in the year	380,369	380,369
Fair value at 31 December 2024	**77,922,359**	**77,947,483**

Subsidiary and associated undertakings

The following companies were subsidiary and associated undertakings of the Company during the year:

Company Name	Country of Incorporation	About	Subsidiary/ Associate	Class of Shares	Holding as at 31.12.2024
InfraCo Africa (East Africa) Limited	Kenya	Covers the group's business development activities in East Africa.	Subsidiary	Ordinary Shares	100.00%
IAWA S.A.R.L.A.U	Morocco	Covers the group's business development activities in West Africa.	Subsidiary	Ordinary Shares	100.00%
Kalangala Infrastructure Services Limited	Uganda	Owner and operator offering ferry services, power and water generation and distribution and a toll road on the island of Bugala in Uganda.	Associate	Ordinary and Preference Shares	34.21%
Chanyanya Infrastructure Company Limited	Republic of Zambia	Pilot farming project implemented in the village community of Chanyanya in Zambia.	Subsidiary	Ordinary Shares	80.00%
Chiansi Irrigation Infrastructure Company Limited	Republic of Zambia	The activities of the company comprise external development costs relating to the construction of capital equipment.	Subsidiary	Ordinary Shares	99.00%

11. Investments at FVTPL (continued)

Company Name	Country of Incorporation	About	Subsidiary/ Associate	Class of Shares	Holding as at 31.12.2024
Western Power Company Limited	Republic of Zambia	Hydro project in Zambia.	Subsidiary	Ordinary Shares	54.79%
JCM Matswani Solar Corp Limited	Malawi	Solar plant in the Salima region of Malawi.	Associate	Ordinary Shares	25.00%
Djermaya Holdings Limited	Chad	Solar project in Chad.	Associate	Ordinary Shares	100.00%
East Africa Marine Transport Company Limited	Uganda	Marine transport project in Kenya, Tanzania and Uganda.	Subsidiary	Ordinary and Preference Shares	87.50%
Golomoti JCM Solar Corporation Limited	Malawi	Solar plant in the Golomoti region of Malawi.	Associate	Ordinary Shares	25.00%
Off Grid Power (SL) Limited	Sierra Leone	Solar mini-grid project in Sierra Leone.	Subsidiary	Ordinary Shares	nil%
Liberia Inland Storage and Distribution Services Inc.	Liberia	Storage and distribution facility incorporated in and operating from Liberia.	Subsidiary	Ordinary Shares	70.40%
Bonergie Irrigation SASU	Senegal	Hydro irrigation constructing and operating pump systems in Senegal.	Associate	Ordinary Shares	49.00%
Kudura Power (EA) Limited	Kenya	Solar plant in Kenya.	Associate	Ordinary Shares	40.00%
Rift Valley Geothermal HoldCo Limited	Mauritius	The Holding Company of the Corbetti Geothermal SPV in Ethiopia.	Associate	Ordinary and Preference Shares	67.07%
Mobility for Africa	Zimbabwe	Mobility for Africa provides electric tricycles (Hambas) to rural communities in Zimbabwe, with a specific focus on working with female cooperatives and smallholder groups.	Associate	Ordinary and Preference Shares	40.00%
Equatorial Power BV	Multi-country	EQ involves the development of four new mini-grids and four APHs on Idjwi Island, DRC.	Subsidiary	Ordinary and preference shares	65.00%
Vungu Solar (Private) Limtied	Zimbabwe	Solar plant in Zimbabwe.	Associate	Ordinary Shares	4.00%
Kong Solaire SAS	Côte d’Ivoire	Solar plant in Côte d’Ivoire.	Associate	Ordinary Shares	49.00%
WindGen Power USA Inc.,	USA	Renewable energy platform with the aim of deploying 120 MW of renewable power and battery energy storage across Africa.	Associate	Series B-2 Preferred Stock	10.3%

12. Property, plant and equipment

	Group			Company	
	Computer Equipment £	**Leasehold Improvements £**	**Total £**	**Computer Equipment £**	**Total £**
Cost					
At 1 January 2023	144,517	284,898	429,415	85,192	85,192
Additions	31,098	86,051	117,149	7,415	7,415
Disposals	(850)	-	(850)	(850)	(850)
At 31 December 2023	**174,765**	**370,949**	**545,714**	**91,757**	**91,757**
At 1 January 2024	174,765	370,949	545,714	91,757	91,757
Additions	47,315	44,314	91,629	2,210	2,210
Transfers	-	(82,509)	(82,509)	-	-
Disposals	-	(417)	(417)	-	-
At 31 December 2024	**222,080**	**332,337**	**554,417**	**93,967**	**93,967**
Depreciation					
At 1 January 2023	106,963	185,280	292,243	68,625	68,625
Charge for the year	21,444	35,341	56,785	9,391	9,391
Disposals	(815)	-	(815)	(815)	(815)
At 31 December 2023	**127,592**	**220,621**	**348,213**	**77,201**	**77,201**
At 1 January 2024	127,592	220,621	348,213	77,201	77,201
Charge for the year	22,351	43,349	65,700	6,915	6,915
Disposals	-	(416)	(416)	-	-
At 31 December 2024	**149,943**	**263,554**	**413,497**	**84,116**	**84,116**
Net Book Value					
At 31 December 2023	**47,173**	**150,328**	**197,501**	**14,556**	**14,556**
At 31 December 2024	**72,137**	**68,783**	**140,920**	**9,851**	**9,851**

As at 31 December 2023, the Group had accrued costs in relation to leasehold improvements during ongoing renovation. Upon completion of the renovation in 2024, the accrued costs exceeded the final invoiced amounts. This £82,509 difference is reflected as a transfer in the above table.

13. Trade and other receivables

CURRENT ASSETS	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Trade receivables	750,981	734,762	-	-
Prepayments & accrued income	283,854	203,998	643,700	604,128
Corporation tax asset	-	-	-	-
Other taxation	401,962	398,865	295,242	288,045
Other receivables	3,216,717	3,194,885	4,138,236	3,777,921
Amounts owed by subsidiaries	-	-	-	546,579
Bad debt provision	-	-	-	-
	4,653,514	**4,532,510**	**5,077,178**	**5,216,673**

NON - CURRENT ASSETS	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Fair value loan receivables brought forward	6,672,796	6,672,796	5,514,694	5,514,694
Fair value adjustment	(396,008)	(396,008)	1,772,416	1,772,416
Foreign exchange gain	199,137	199,137	(614,314)	(614,314)
Fair value loan receivables carried forward	**6,475,925**	**6,475,925**	**6,672,796**	**6,672,796**

As at 31 December 2024 there were £nil (2023: £nil) other receivables past 3 months due. Included within trade receivables for the Group and Company are amounts receivable from entities under the same immediate ownership and control of by the Trustees of the PIDG Trust as detailed in Note 22. As at 31 December 2024 these amounts totalled £750,981 (2023: £nil) and £734,762 (2023: £nil) respectively.

Included within other receivables for the Group and Company are amounts receivable from entities under the same immediate ownership and control of by the Trustees of the PIDG Trust as detailed in Note 22. As at 31 December 2024 these amounts totalled £nil (2023: £1,030,590) and £nil (2023: £692,431) respectively.

Included within Other receivables is a deposit balance of £2,768,771 (2023: £2,660,847) held by Barclays Bank Plc as security against a hedging facility provided to the Company by the bank as at the year end. The Group had not entered into any financial instruments through the facility as at 31 December 2024.

Other loan receivables relate to loans disbursed to the Chiansi Farming Company project. As the Group holds no shares in this SPV and has no option to convert into equity, this receivable is deemed to fall outside the scope of an investment under IFRS 10 and has therefore been treated as a third-party loan.

In line with the requirements of IFRS 9, this financial asset is recognised at FVTPL. Fair value is determined through risk assessing the asset considering the date at which this is expected to be recovered and taking into account the time value of money.

The Company holds debt in the form of Income Notes in 80% subsidiary company Chanyanya Infrastructure Company Limited which accrues interest at 5%, as disclosed in Note 21. As at 31 December 2024, the fair value of this receivable is deemed to be £nil (2023: £nil) based on assessment of recoverability.

14. Trade and other payables

	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Trade payables	1,632,669	1,765,417	1,178,805	1,164,158
Grants not yet utilised (Note 16)	1,320,132	1,320,132	1,864,809	1,864,809
Amounts owed to subsidiary and associated undertakings	-	350,336	-	-
Other taxation and social security	196,866	191,383	273,270	222,690
Accruals	1,686,495	1,298,277	1,614,623	1,242,951
Sundry payables	84,845	84,845	158,878	158,878
	4,921,007	**5,010,390**	**5,090,385**	**4,653,486**

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

Included within trade payables for the Company and Group are amounts payable to PIDG Ltd, a company also under the same immediate ownership and control of by the Trustees of the PIDG Trust as detailed in Note 25. As at 31 December 2024 these amounts totalled £1,076,177 (2023: £665,626) and £1,210,856 respectively (2023: £692,204).

Included within trade payables is a balance of £2,417 owed to Kudura Power East Africa Ltd – an investee of the Company as detailed in Note 11 – in respect of HSES advisory work performed.

Included within sundry payables is £nil (2023: £158,479) owed to the PIDG Trust relating to grants repayable.

15. 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.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

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.

15. Financial instruments - Risk Management (continued)

Group financial instruments by category:

	Financial assets at fair value through profit or loss		Financial assets not measured at fair value through profit or loss	
	2024 Group £	2023 Group £	2024 Group £	2023 Group £
Financial assets				
Cash and cash equivalents	-	-	31,249,338	13,717,885
Trade and other receivables	-	-	3,967,698	4,138,236
Other loans receivable	6,475,925	6,672,796	-	-
Investments in unquoted equity securities and loans	77,922,359	77,541,990	-	-
Total financial assets	**84,398,284**	**84,214,786**	**35,217,036**	**17,856,121**

	Financial liabilities at fair value through profit or loss		Financial liabilities at amortised cost	
	2024 Group £	2023 Group £	2024 Group £	2023 Group £
Financial liabilities				
Trade and other payables	-	-	4,921,007	5,090,385
Total financial liabilities	**-**	**-**	**4,921,007**	**5,090,385**

Company financial instruments by category:

	Financial assets at fair value through profit or loss		Financial assets not measured at fair value through profit or loss	
	2024 Company £	2023 Company £	2024 Company £	2023 Company £
Financial assets				
Cash and cash equivalents	-	-	30,614,225	13,421,543
Trade and other receivables	-	-	3,194,885	4,324,500
Other loans receivable	6,475,925	6,672,796	-	-
Investments in unquoted equity securities and loans	77,947,483	77,567,114	-	-
Total financial assets	**84,423,408**	**84,239,910**	**33,809,110**	**17,746,043**

	Financial liabilities at fair value through profit or loss		Financial liabilities at amortised cost	
	2024 Company £	2023 Company £	2024 Company £	2023 Company £
Financial liabilities				
Trade and other payables	-	-	5,010,390	4,653,486
Total financial liabilities	**-**	**-**	**5,010,390**	**4,653,486**

15. Financial instruments - Risk Management (continued)

(i) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes 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.

(ii) Financial instruments measured at fair value

As detailed in Note 2 to the accounts, all the Group's investments fall within Level 3 of the fair value hierarchy, as they are not traded and their valuation contains unobservable inputs.

The Group considers that, typically for projects in Development and Construction, a risk-adjusted multiple of external costs disbursed is representative of fair value measurement. For assets in Operation, valuation techniques include discounted cash flow, comparison with similar instruments for which observable market prices exist and comparable multiples.

The Group's fair value methodology, as documented in the Group valuation policy and supported by IPEV guidelines, is detailed in Note 2 to the accounts.

The fair value hierarchy of financial instruments measured at fair value by the Group is provided below. Additional investments held by the Company, in respect of consolidated subsidiaries, are held at cost of £25,124 (2023: £25,124).

Group	**Level 1** **£**	**Level 2** **£**	**Level 3** **£**
31 December 2024			
Financial assets			
Investments in Development and Construction	-	-	65,165,314
Investments in Operation	-	-	12,757,045
Loan receivables	-	-	6,475,925
	-	**-**	**84,398,284**
31 December 2023			
Financial assets			
Investments in Development and Construction	-	-	70,977,633
Investments in Operation	-	-	6,564,357
Loan receivables	-	-	6,672,796
	-	**-**	**84,214,786**

There were no transfers between levels during the period.

15. Financial instruments - Risk Management (continued)

The following table shows the closing fair values of the asset portfolio held by the Group and categorised by sector:

	2024 £	2023 £
Agriculture	7,598,605	8,411,915
Geothermal Energy	4,076,561	4,008,813
Hydro irrigation	-	-
Hydropower	16,217,518	20,080,087
Logistics	7,998,632	7,229,911
Mini-Grid	1,110,424	18,438,827
Solar Power	18,046,361	21,258,618
Transport	23,839,397	4,786,615
Wind Power	5,510,786	-
	84,398,284	**84,214,786**

Although multiple valuation techniques are considered in arriving at a fair value range on an investment-by-investment basis, the following three methodologies have relied on as at 31 December 2024: Multiple of Costs, Price of Recent Investment (PORI) and Discounted Cash Flow (DCF).

Multiple of Costs method

A summary of assets valued under this methodology as at 31 December 2024 is provided in the table below:

	2024 £	2023 £
Agriculture	7,598,610	8,411,915
Geothermal Energy	4,076,561	4,008,813
Hydropower	16,217,517	20,080,087
Logistics	7,998,632	7,229,911
Solar power	14,002,519	18,438,827
Transport	11,345,453	7,158,779
Mini-grid	1,110,424	600,067
	62,349,716	**65,928,399**

In line with the Group valuation policy, fair value on a Multiple of Costs basis is arrived at through risk assessing the investment portfolio on a case-by-case basis and accounting for the time value of money. This involves determining reasonable recovery dates and risk factors which is inherently subjective, and it yields ranges of possible outputs and estimates of fair value. Professional judgement is therefore required to select the most appropriate point in the range. Discount rates applied to the investments valued using this approach range between 8.75% and 19.02%. Recoverability dates applied to the investments valued using this approach range up to 58 months.

Due to the high level of professional judgement involved, the Company performed a sensitivity analysis to assess the impact fluctuations in these factors may have on the fair value of the investment portfolio. The results of this analysis are set out in the tables below.

15. Financial instruments - Risk Management (continued)

Risk factor applied	**Variance - 5% £**	**Variance + 5% £**
Agriculture	1,544,672	(1,271,867)
Hydropower	2,057,423	(1,816,851)
Logistics	30,971	(30,835)
Solar power	58,953	(55,821)
Transport	2,107,897	(1,668,086)
Mini-grid	56,931	(54,147)
	5,856,847	**(4,897,607)**

Recovery date applied	**Variance - 6 months**	**Variance + 6 months**
Agriculture	509,326	(471,101)
Hydropower	201,248	(197,581)
Logistics	129,145	(126,894)
Solar power	739,093	(690,598)
Transport	113,214	(110,543)
Mini-grid	21,341	(20,938)
	1,713,367	**(1,617,655)**

For the year ended 31 December 2024, the fair value arrived at for certain investments valued under this methodology was deemed to be equivalent to cost. In all these cases, the fair value is considered against other methods including DCF, PORI and Market Multiples to arrive at a range of appropriate fair values where cost is within this range. Where the Company has invested both debt and equity, and the debt attracts a coupon, any interest accrued has been capitalised and contributes to the value of the asset.

A summary of investments fair valued at PORI:

	Fair value 2024 £	**Fair value 2023 £**
Wind power	5,510,786	-
Solar power	4,043,839	-
Transport	-	1,141,800
	9,554,625	**1,141,800**

As at 31 December 2024, the fair value of investments valued using PORI was £ 9,554,625 (2023: £1,141,800). These are investments where there has been a recent transaction either involving the Company or a third party that has been relied on for the purpose of arriving at fair value.

Fair value considers the value at which a market participant would buy the Company’s interest in a project at reporting date. From a risk perspective, this methodology applies a reduced level of professional judgment and estimate where a recent transaction is being relied on, however in all cases, this valuation will be considered against other methods to ensure it represents fair value. Movements between transaction date and valuation date are assessed to ensure there have been no material events that might impact the fair value being equal to PORI.

15. Financial instruments – Risk Management (continued)

A summary of investments fair valued applying DCF:

	Fair value 2024 £	Fair value 2023 £
Transport	12,493,943	12,958,039
Mini-grid	-	4,186,548
Multi-sector	-	-
	12,493,943	**17,144,587**

As at 31 December 2024, the fair value of investments valued using DCF methodology was £12,493,943 (2023: £17,144,587) and comprised one investment (2023: three). Where the DCF method has been relied on in reaching fair value, significant level of judgment is required in calculating a risk adjusted Weighted Average Cost of Capital (WACC). The table below therefore sets out sensitivity analysis for fluctuations to these inputs for the investments fair valued using this method.

	Actual WACC %	Variance - 2.5% £	Variance + 2.5% £	Actual growth rate %	Variance - 1.5% £	Variance +1.5% £
Transport	17.42%	2,158,008	(1,520,379)	3.00%	(1,105,400)	1,362,030

Loan receivables

As detailed in Note 13, the Company also recognises a long-term loan receivable due from Chiansi Farming Company Limited as fair value through profit and loss under IFRS 9. As at 31 December 2024, the fair value of this receivable was £6,475,925 (2023: £6,672,796).

The discount rate of 15.36% (2023: 21.96%) has been determined through analysis of country and company risk profile, including operational sector and company performance.

The effect of a 5% increase in discount factor in the valuation of the asset would result in a decrease of £1,169,356 (2023: £772,029) in the fair value. A 5% decrease in the discount factor would, on the same basis, increase the asset value by £1,431,845 (2023: £891,723).

The repayment dates are stipulated in the agreement between parties. These repayment dates have been applied when determining the multiple of costs disbursed in arriving at the fair value of this loan. The Company has carried out a sensitivity analysis to assess the impact a 6-month accelerated or delayed repayment would have on the fair value of this asset. If repayment occurred 6 months earlier than anticipated, this would lead to an increase in fair value of £516,675 (2023: £774,044) where a delay of 6 months would result in a decrease to the fair value of £478,498 (2023: £693,588).

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.

15. Financial instruments – Risk Management (continued)

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. Where 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.

Cash in bank and short-term deposits

Group and Company cash is held with the following institutions:

	2024 Rating	2024 Group £	2024 Company £	2023 Rating	2023 Group £	2023 Company £
Barclays Bank plc	A+	8,526,990	8,526,990	A+	3,403,833	3,403,833
Fidelity Institutional Liquidity Fund plc	AAA-mf	22,083,196	22,083,196	AAA-mf	12,671,107	12,671,107
ABSA Bank Kenya	BB-	88,716	-	BB-	104,503	-
BMCE Bank (Morocco)	BB	546,397	-	BB	191,839	-
UBS AG	A+	4,039	4,039	-		
		31,249,338	**30,614,225**		**16,371,282**	**16,074,940**

Included in the table above, and within the amounts held with Barclays Bank plc, is a balance of £2,768,771 (2023: £2,653,397) 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 13. The total balance in the table above, is there greater than the cash and cash equivalents disclosed in the Statement of Financial Position by this amount.

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

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to Credit Risk as at 31 December 2024 was:

	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Investments at FVTPL	53,275,380	53,275,380	58,788,677	58,788,677
Other loan receivables	6,475,925	6,475,925	6,672,796	6,672,796
Trade and other receivables	4,653,514	4,532,510	5,077,178	5,216,673
Cash and cash equivalents	34,018,109	33,382,996	13,717,885	13,421,543
Total	98,422,928	97,666,811	84,256,536	84,099,689

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).

15. Financial instruments - Risk Management (continued)

Interest rate risk

The Group is not susceptible to interest rate risk from issuing debt as it is not in receipt of any loans. However, the Group holds debt paid out 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 enters into transactions denominated in a currency other than their functional currency. Where possible, the Company will settle the liabilities in the foreign currency.

The Group also holds foreign denominated currency, Euro (€), United States Dollar ($), Moroccan Dirham (MAD) and Kenyan Shilling (KES) in its bank accounts. As at 31 December 2024, the Company held €8,043,449 and $27,614,910 (2023: €1,016,333 and $10,041,473) as well as the Group holding KES14,370,334 and MAD6,933,102 (2023: KES20,842,013 and MAD2,410,134).

Taking the closing rate as the baseline, and keeping all other variables held constant, the below table sets out the impact a 20% (2022: 20%) fluctuation in the pound sterling against the foreign currencies the Group holds at reporting date would have on the net assets and, in turn, profitability:

	20% increase in £		**20% decrease in £**	
	2024	**2023**	**2024**	**2023**
€	1,329,837	176,231	(1,329,837)	(176,231)
$	4,411,011	1,577,298	(4,411,011)	(1,577,298)
MAD	109,280	38,369	(109,280)	(38,369)
KES	17,743	20,901	(17,743)	(20,901)

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 Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements for a period of at least 180 days.

As at 31 December 2024, the Company has undrawn promissory notes of £32.1 million (2023: £38.4 million) issued in its favour by the UK government which, if needed, can be drawn down on demand.

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
	£	**£**	**£**	**£**	**£**
At 31 December 2024					
Trade and other payables	1,717,514	-	-	-	-
Total	**1,717,514**	**-**	**-**	**-**	**-**
At 31 December 2023					
Trade and other payables	1,337,683	-	-	-	-
Total	**1,337,683**	**-**	**-**	**-**	**-**

15. Financial instruments - Risk Management (continued)

Capital Disclosures

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

The Group manages the capital structure and makes adjustments where 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 Group may adjust its returns to shareholders or new share issues. The Group 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.

16. Reconciliation of movement in grants during the year

	2024 Group and Company £	2023 Group and Company £
Grants not yet utilised		
Opening balance	1,864,809	1,045,387
Received during the year	965,045	2,118,144
Administration fees waived by InfraCo Africa Limited	(106,002)	95,313
Released to profit and loss account	(1,289,540)	(1,249,366)
Foreign exchange translation	(36,820)	(21,270)
Grants refunded	(77,360)	(123,399)
Closing balance	**1,320,132**	**1,864,809**

Total grant income released to the profit and loss account in the year was £1,289,540 (2023: £2,772,482). The difference relates to Service Level Agreement (SLA) income received from the Company's parent, the PIDG Trust, which is separately disclosed in Note 22. This SLA income is used to finance operating expenditure whereas this note discloses movement in deferred project grant income per the Statement of Financial Position.

17. Share capital

	2024 Group and Company £	2023 Group and Company £
Opening allotted and fully paid share capital	247,084,759	231,073,686
Additions – fully paid share capital	25,819,000	16,011,073
Closing allotted and fully paid share capital	**272,903,759**	**247,084,759**
Additions – shares to be issued	7,591,236	-

On 27 December 2024, the Company had received additional Owner funding of £7,591,236 ($9,527,000) from State Secretariat for Economic Affairs (SECO). The issue of shares in relation to this funding was still in progress as at 31 December 2024.

18. Provisions

	2024 Group £	2024 Company £
Balance at 01 January 2024	1,709,622	1,709,622
Additional provision in the year	89,998	89,998
Reduction of provision in the year	(26,622)	(26,622)
Utilisation of provision	-	-
Unwinding of discount	(21,658)	(21,658)
Exchange difference	28,892	28,892
Balance at 31 December 2024	**1,780,232**	**1,780,232**

Provisions recognised in the year relate to estimated future legal fees to be incurred in future periods in relation to commercial disputes in the ordinary course of business.

As at 31 December 2024 there is uncertainty regarding the outcomes, however the Company has a constructive and/or legal obligation to continue litigation. The Company has not recognised a contingent asset in relation to the recovery of these fees due to the uncertainty of likelihood and timing of their recovery as at 31 December 2024.

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £459,843 for the Group (2023: £381,861) and £312,408 for the Company (2023: £242,732) as at 31 December 2024.

20. Operating leases

The recognised right-of-use assets relate to the following types of assets:

Right-of-use assets:	2024 Group £	2023 Group £
Real estate leases	41,385	108,297
Vehicle parking spaces	8,283	17,241
	49,668	**125,538**

20. Operating leases (continued)

Right-of-use Assets	**Real estate leases**	**Vehicle parking spaces**	**Total**
	£	**£**	**£**
At 1 January 2023	180,190	27,525	207,715
Additions	-	-	-
Depreciation	(67,018)	(9,058)	(76,076)
Foreign exchange movements	(4,875)	(1,226)	(6,101)
At 31 December 2023	**108,297**	**17,241**	**125,538**
At 1 January 2024	108,297	17,241	125,538
Additions	-	-	-
Depreciation	(67,585)	(9,211)	(76,796)
Foreign exchange movements	674	252	926
At 31 December 2024	**41,386**	**8,282**	**49,668**

Lease liabilities	**Real estate leases**	**Vehicle parking spaces**	**Total**
	£	**£**	**£**
At 1 January 2023	189,742	27,850	217,592
Additions	-	-	-
Interest expense	8,544	1,407	9,951
Lease payments	(76,947)	(10,287)	(87,234)
Foreign exchange movements	(3,013)	(783)	(3,796)
At 31 December 2023	**118,326**	**18,187**	**136,513**
At 1 January 2024	118,326	18,187	136,513
Additions	-	-	-
Interest expense	4,662	869	5,531
Lease payments	(77,879)	(10,319)	(88,198)
Foreign exchange movements	2,086	567	2,653
At 31 December 2024	**47,195**	**9,304**	**56,499**

The Group leases various offices and vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

There were no new leases identified during the year. Balances brought forward relate to lease contracts identified in subsidiary, InfraCo Africa (East Africa) Limited and IAWA S.A.R.L.A.U. The only identified leases held by the Company fall into the low value category and therefore the Company has elected to apply this exemption.

In identifying the discount rate to apply, there are no rates implicit in the lease agreements and as the Group does not have any external debt, there is no designated incremental borrowing rate. Based on guidance per IFRS 16, the Group has therefore used a rate that would be applied should the Group seek external funding and applied a premium to ensure the rate is risk-reflective and reasonable based on the Group’s operations and structure. This has been carried out for each identified lease.

21. Other financial commitments

As at 31 December 2024, the total remaining commitment across the Company's project portfolio is £20.2m (2023: £20.0). The Company has existing cash of £30.6m (2023: £13.7m) and undrawn promissory notes issued by the UK government of £32.1m (2023: £38.4m) to meet these commitments. Funding provided under project agreements will be subject to a number of conditions surrounding both partner compliance and the meeting of funding obligations by other parties.

The table below details other financial commitments with outstanding commitments as at 31 December 2024:

Date of latest agreement	Agreement	Counterparty	Total Commitment	Disbursed at 31.12.2024	Disbursed at 31.12.2023
28th February 2024	Shareholders' Agreement	Western Power Company Limited, Zambia.	$12.4m	$11.2m	$10.1m
22nd December 2017	Shareholders' Agreement	Rift Valley Geothermal Holdco Limited, Mauritius.	$30.0m	$20.2m	$18.6m
26th November 2018	Convertible Loan Agreement	Project Elan 1 SAS, Cameroon.	$1.7m	$0.1m	$0.1m
21st February 2019	Convertible Loan Agreement	Keren Or Gigawatt Global Limited, Kenya.	$1.1m	$0.1m	$0.1m
21st February 2019	Convertible Loan Agreement	Noga Gigawatt Global Limited, Kenya.	$1.1m	$0.1m	$0.1m
31st March 2020	Shareholders' Agreement	Liberia Inland Storage and Distribution Services Inc., Liberia.	$7.8m	$7.3m	$7.3m
25th August 2021	Loan Agreement	Bonergie Irrigation SAS, Senegal.	€2.0m	€1.6m	€1.6m
22nd September 2022	Shareholders' Agreement	Djermaya Holdings Limited, Chad.	€3.1m	€0.1m	€0.1m
6th March 2023	Convertible Loan Agreement	Afresco B.V, The Netherlands.	$1.5m	$1.3m	$0.7m
29th February 2024	Joint Development Agreement	EDF Renouvelables S.A., France	€3.2m	€1.5m	€nil
12th October 2024	Convertible Loan Agreement	Enterprise Projects Ventures Limited, England & Wales.	€5.0m	€2.0m	€2.0m
13th December 2024	Shareholders' Loan Agreement	Mobility For Africa, Mauritius.	$0.3m	$0.1m	$nil
20th December 2024	Shareholders' Agreement	Vungu Solar (Private) Limited, Zimbabwe	$1.6m	$0.1m	$nil

22. Related party transactions

The Board considers the following to be related party transactions:

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

During the year, the Group received income in the year from related parties to a total of £4,829,787 (2023: £4,087,988). This was in the form of grant income (£746,789; 2023: £2,610,406), management fees (£3,132,563; 2023: £1,049,471) and in return for services (£950,435; 2023: £428,111) as shown in the following table:

	2024 Group £	2023 Group £
The Private Infrastructure Development Group Limited (PIDG Ltd)	536,994	314,081
PIDG Trust	746,789	2,610,406
GuarantCo Management Company Limited	108,230	77,915
InfraCo Africa Investment Limited	3,132,563	1,085,586
InfraCo Asia Development Pte. Ltd	151,542	-
InfraCo Asia Investments Pte. Ltd.	153,669	-
	4,829,787	**4,087,988**

The income received during the year from the PIDG Trust is in the form of grant income from its Technical Assistance Fund (TA) and amounted to £746,789 (2023: £1,087,290) and grant income from the Trust relating to PIDG Ltd Service Level Agreement (SLA) charges of £nil (2023: of £1,523,116). The TA is a grant facility managed and funded by the PIDG Trust, the parent entity of InfraCo Africa Limited. The SLA grant income is offset by expenditure paid to PIDG Ltd, excluding the transfer pricing mark-up and the cost of shared services provided by them.

During the year, the Group incurred expenses of £4,951,331 due to related parties (2023: £3,999,101). This is in relation to PIDG Ltd SLA charges and other operating expenditure:

	2024 Group £	2023 Group £
PIDG Ltd	4,612,675	3,994,419
GuarantCo Management Company Limited	147,330	4,682
InfraCo Africa Investment Limited	34,927	-
InfraCo Asia Development Pte. Ltd	156,399	-
	4,951,331	**3,999,101**

The following balances were owed by/(owed to) related parties at 31 December and were included in the Group's Statement of Financial Position:

	2024 Group £	2023 Group £
PIDG Ltd	(1,069,563)	(354,924)
PIDG Trust	-	(158,479)
GuarantCo Management Company Limited	16,285	43,822
InfraCo Africa Investment Limited	581,027	682,555
InfraCo Asia Development Pte. Ltd	(6,614)	-
InfraCo Asia Investments Pte. Ltd.	153,669	-

22. Related party transactions (continued)

The balance due from the PIDG Trust is made up of TA grants not yet utilised. These funds will be utilised on projects as agreed in the terms of those grants, within time periods specified in grant documents. It also includes the balance owed back to the PIDG Trust as a result of the year-end Service Level Agreement (SLA) true-up.

Further to this, the Board considers transactions and balances with project companies in which the Company holds a controlling interest to be related party transactions, as presented in the table below. The Company also considers entities in which there is significant influence to be related parties however conclude there are none as disclosed in Note 1 under *Basis of Consolidation*.

	Western Power Company Limited	**East Africa Marine Transport Company Limited**	**Off Grid Power (SL) Ltd**	**Inland Storage and Distribution Services Inc.**	**Equatorial Power BV**	**Djermaya Holdings Limited**
Shareholding at reporting date	54.79%	87.50%	-%	70.40%	65%	100%
Interest rate	12.50%	6.50% /12%	5.00%	10.00%	15%	N/A
Fair value movements (in £m's)						
Fair value at 01 January 2024	12.23	16.58	4.19	7.23	1.36	2.46
Additions	1.10	2.78	-	-	-	-
Interest accrued	1.72	0.45	0.24	0.65	0.04	-
Repayments	-	-	-	-	-	-
FX movement	0.29	0.29	(0.07)	(0.02)	0.02	(0.12)
FV movement	0.07	0.17	1.24	0.14	-	(2.34)
Interest provision movement	-	(0.34)	(0.24)	-	-	-
Disposals	-	-	(5.36)	-	-	-
Fair value at 31 December 2024	**15.41**	**19.93**	**-**	**8.00**	**1.42**	-

The Income Notes issued to 80% subsidiary company Chanyanya Infrastructure Company Limited are provided for in full, to an amount of £2,567,487 (2023: £2,446,986), including interest accrued for the year of £77,567 (2023: £79,247). The residual year-on-year movement relates to foreign exchange revaluation.

Under Chiansi Irrigation Infrastructure Company Limited' grant agreements, InfraCo Africa Limited was appointed as grant administrator and manages the disbursements of funds to contractors relating to the construction of capital equipment on behalf of the Competent Authority. No transactions took place in the year (2023: £nil).

100% owned subsidiaries

The Company was recharged £2,765,590 (2023: £1,811,229) of costs by InfraCo Africa (East Africa) Limited during the year. The Company was recharged £1,662,521 (2023: £1,007,193) of costs by IAWA S.A.R.L.A.U during the year.

Loan facility arrangements

During the year, the Company entered a US$5m 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.

23. Contingent liability and charges

During the year ended 31 December 2022, a charge was registered by Barclays Bank PLC over US$3.35m deposit 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 2024 the balance held in this account amounted to £2,768,771 (2023: £2,660,847) and is recognised on the Statement of Finance Position within Other receivables as detailed in Note 11.

A charge is being held over the Company's shares in Kalangala Infrastructure Services Limited. This charge was created to secure the senior debt funding for Kalangala Infrastructure Services Limited.

A charge is being held over one of the Company's accounts in favour of Barclays Bank PLC. This charge relates to a stand-by letter of credit issued by Barclays Bank PLC pursuant to an Engineering Procurement Construction (EPC) contract entered into by East Africa Marine Transport Company Limited. The stand-by letter of credit is for the benefit of the EPC contractor, to guarantee payments under the Vessel Design, Build and Delivery Contract.

A charge has been granted over the Company's rights to be repaid any shareholder loans (or other shareholder support) that it may provide to Djermaya CDEN Energy S.A.S. (being the project company for the Djermaya solar project in which the Company indirectly holds shares) following Financial Close of the project. The charge has been granted to secure the senior debt funding for the Djermaya project company (with BNY Mellon Corporate Trustees Services Ltd acting as offshore security agent for the senior lenders). The original charge was satisfied, and a new charge registered, in the year ended 31 December 2024 as the Company became the sole shareholder in the project's holding company.

24. Events after the reporting date

As presented in the Consolidated and Company's Statement of Changes in Equity, the Company had received funding of £7,591,236 from Switzerland's State Secretariat for Economic Affairs (SECO) as at 31 December 2024 for shares yet to be issued. In January 2025 7,591,236 Ordinary £1 shares were issued at par by the Company in exchange for the funding received.

The Group and its associated companies controlled by the Private Infrastructure Development Group Trust are undergoing a reorganisation which is expected to be completed after the issue of these financial statements, on a date yet to be determined. As at 31 December 2024 the reorganisation had not been approved by the Private Infrastructure Development Group Trust.

As a consequence of this reorganisation, the Company's existing staff will be transferred to other group companies and all the equity in two subsidiaries of the Company will be transferred to another group company. The Company will continue its principal activity of investing in infrastructure project development in Sub-Saharan Africa.

As a further consequence of this reorganisation, the direct owner of the entire equity of the Company will change from the Private Infrastructure Development Group Trust to a new company, yet to be incorporated in England and Wales. The Private Infrastructure Development Group Trust will remain the ultimate owner.

There is expected to be no financial effect on the company.

Following the year end, in February 2025 the UK government announced plans for the aid spending target to reduce further in 2027 from 0.5% of gross national income (GNI) to 0.3%. The UK is the largest provider of funding to the Group and the wider PIDG group. The Directors and executives of the PIDG group are in ongoing discussions with the Foreign, Commonwealth & Development Office (FCDO) to understand the long-term implications of this decision upon the Group. All future commitments of the Group are fully funded beyond 12 months from the date of issuing these financial statements.

25. Ultimate parent undertaking and controlling party

The Company's immediate and existing joint shareholders are SG Kleinwort Hambros Trust Company (UK) Limited and IQ EQ Trustees (Mauritius) Ltd as trustees of the Private Infrastructure Development Group Trust (PIDG Trust), a trust established under the laws of Mauritius. The PIDG Trust does not prepare consolidated accounts. The PIDG Trust has delegated the authority to manage the Company to PIDG Ltd, which is also a 100% owned subsidiary of the of the PIDG Trust.