AFRICA50

Investing in Infrastructure for Africa's Growth

2021 Annual Report

Resilient Recovery

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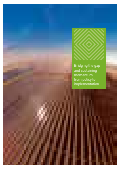
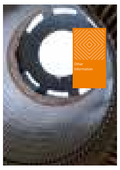



Transmission Lines PPP Power project in Kenya

Kenya Power Transmission Lines is an Independent Power Transmission (IPT) project under development by Africa50 and PowerGrid Corporation of India, as mandated by the Government of Kenya (GoK)

For more information please see page 43

Our approach to reporting

Dear shareholders and stakeholders,

Welcome to the 2021 edition of our annual report. The report provides an account of Africa50's progress and achievements in contributing to Africa's growth through project development and investment in infrastructure.

The primary theme for the report is "Resilient Recovery" and is inspired by the forecasted post-COVID recovery in African countries.

The central portion of the report features three themes:
1) At the forefront of Africa's energy transition
2) Accelerating recovery by enhancing access in Africa through infrastructure
3) Infrastructure investment trends in Africa

The report is written primarily for our stakeholders, to give them insights into Africa50's performance to date and future plans in the context of the strategic mandate given to Africa50 by our shareholders. The report's contents are the result of consultations across the organization and with stakeholders. Additional information is also provided in other publications such as the 2021 Africa50 Sustainability Report and on our website. We trust that you will find this report informative.

This annual report can also be viewed at **www.africa50.com**

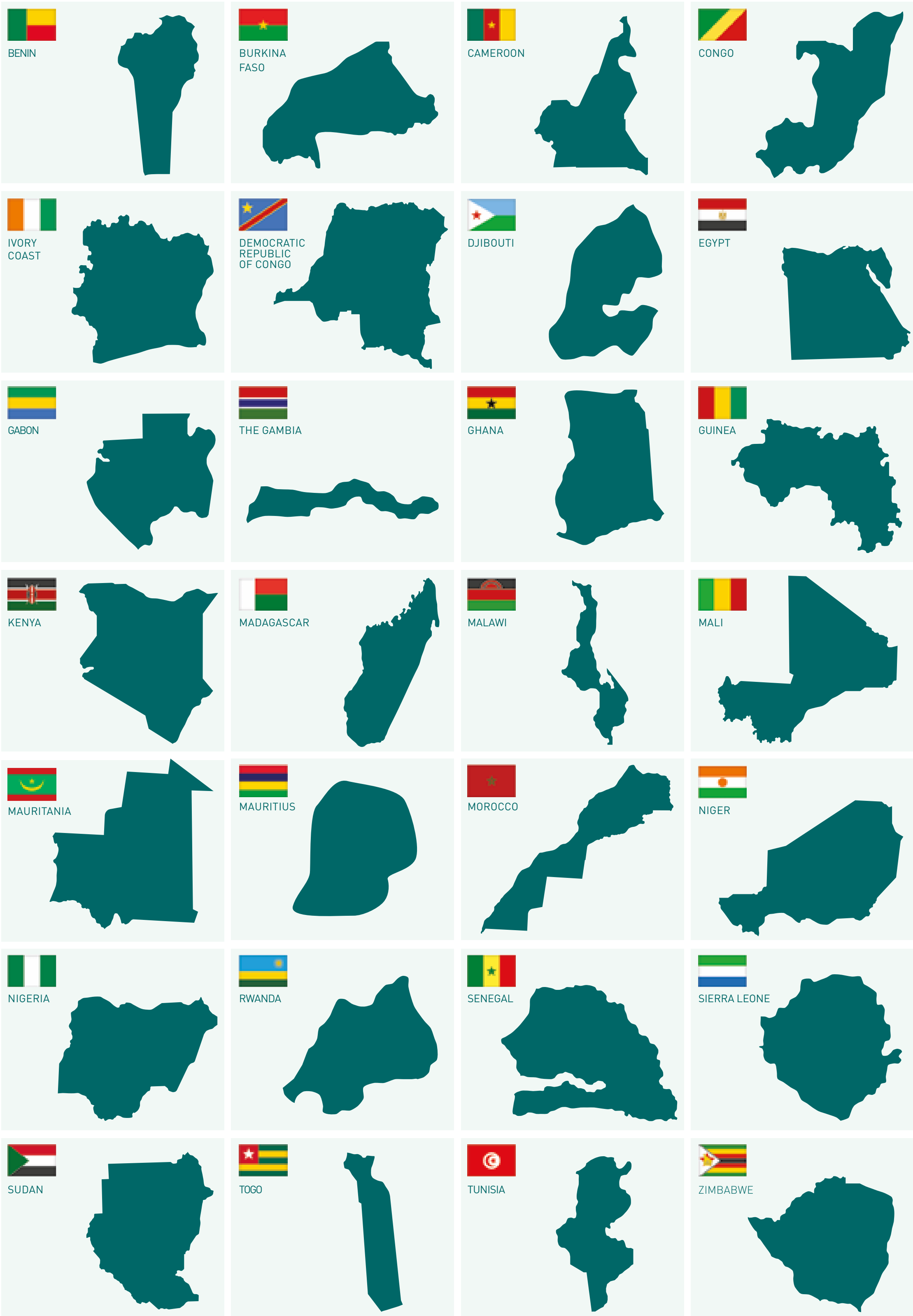
Africa50 - Project Development (PD) and Africa50 - Project Finance (PF) are two individual but complementary legal entities with separate and independent balance sheets. This report highlights their achievements and progress for the year-ended 31 December 2021. Unless indicated otherwise, this report refers to both entities collectively as "Africa50"

Poa! Internet ICT project in Kenya

Poa! Internet is an internet service provider delivering reliable internet to under-served communities in Kenya at very low rates. It currently has over 12,000 home internet customers, as well as tens of thousands of street Wi-Fi customers across Nairobi.

For more information please see page 50

Our shareholders – the following countries



28 African Countries | African Development Bank (AfDB) | The Central Bank of West African States, and the Bank Al-Maghrib

US$881 **million of committed capital**

Our core sectors

Africa50, along with its partners, remains a key catalyst in unlocking investment opportunities in African infrastructure.

Africa50, with its access to proprietary deal flow from its shareholder countries and in-house expertise to develop projects to bankability, continues to be a solid partner for African governments and project developers to unlock opportunities in the continent's infrastructure space.

POWER

TRANSPORT AND LOGISTICS

ICT

MIDSTREAM GAS

Initial core sectors pre-recalibrated strategy approved in 2021

Africa50 has to date catalyzed over US$4.1 billion of capital from private investors and DFIs into these critical infrastructure sectors

HEALTHCARE INFRASTRUCTURE

EDUCATION

FINTECH

Additional core sectors post-recalibrated strategy approved in 2021

Africa50, through its recalibrated strategy is focusing on these additional infrastructure sectors

WATER AND SANITATION

Additional focus sectors via Africa50 Infrastructure Acceleration Fund (IAF)

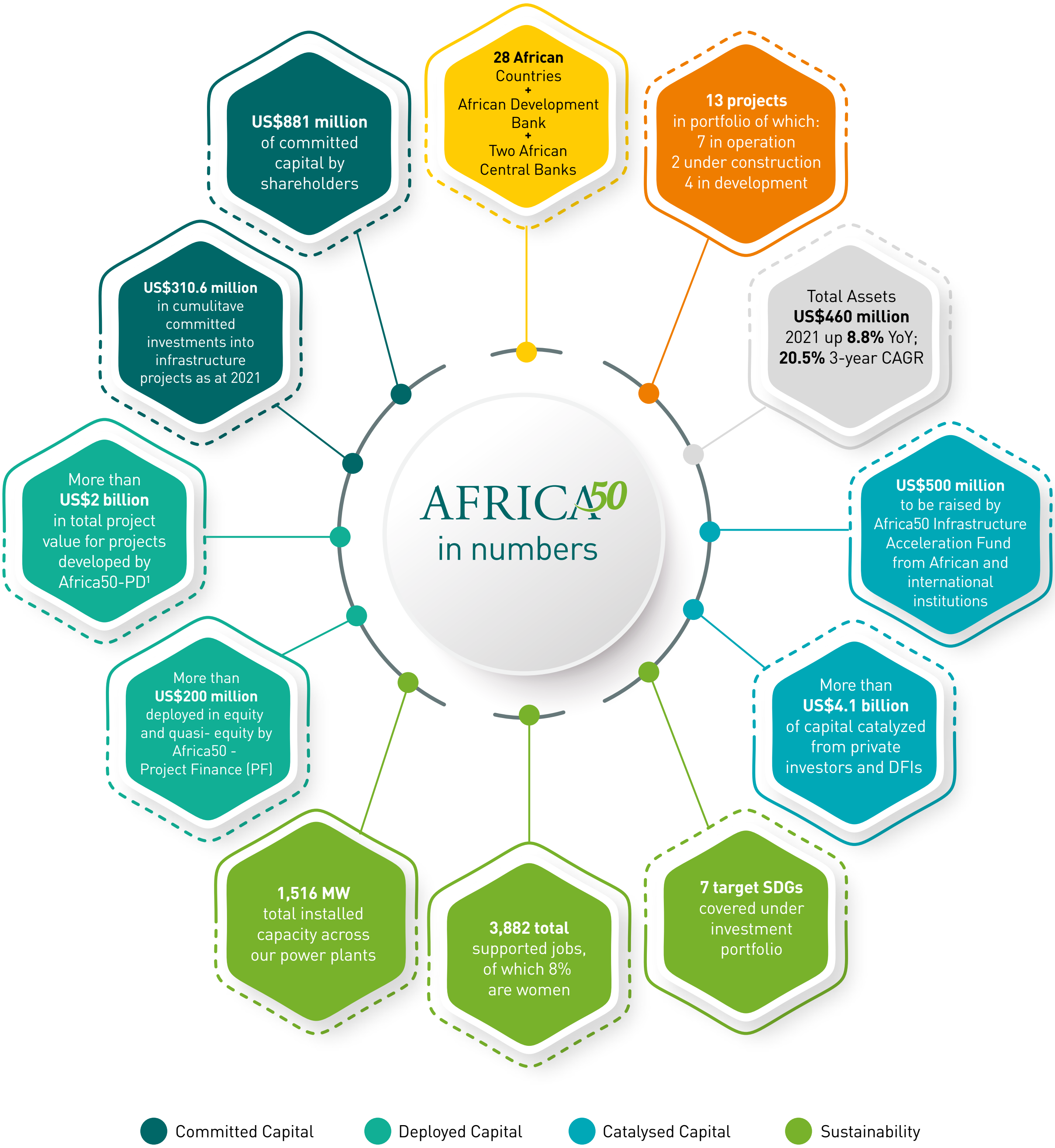
Through the Infrastructure Acceleration Fund, Africa50 will focus on these sectors

About Africa50

Our Vision Statement

By 2030 Africa50 is a **leading infrastructure investment platform** with all African countries as shareholders. It accelerates delivery of critical private projects and Public Private Partnerships and mobilizes significant capital globally. In doing so, it will positively impact the lives of millions of Africans...

...**Africa50 is the partner of choice** for governments and private investors and attracts distinguished and talented professionals who are passionate about making a difference on the continent



[1] Three projects, Scatec Egypt, Nachtigal, and Malicounda exited to Africa50-PF

Message from the Chairman

> Now more than ever, the continent needs strong, innovative and bold responses to accelerate the recovery while building resilience to future shocks and achieving higher and more inclusive growth.

In 2021, Africa realized most of its hopes for economic recovery. The continent's GDP growth rate reached 6.9%, after contracting by 1.6% in 2020. This recovery from the worst recession in more than half a century was underpinned by a rebound in commodity prices, world trade, and the rollback of some pandemic-induced restrictions.

Africa once again proved to be resilient.

However, recovery remains fragile. Russia's war in Ukraine presents new challenges as rising prices and shortages in the availability of key commodities like fuel, wheat and fertilizer threaten Africa's recovery.

We must take quick action to alleviate these shortages stemming from the war. The African Development Bank's recently approved US$1.5 billion African Emergency Food Production Facility will significantly help to mitigate the effects on food security. It will provide 20 million smallholder farmers with certified seeds, and fertilizers. This will allow them to rapidly produce 38 million tons of food, an increase in value of about US$12 billion in two years.

The continent needs strong, innovative, and bold responses that should focus on industrialization, diversification, integration and acceleration of development. It can achieve this by implementing and leveraging the African Continental Free Trade Area (AfCFTA). This will help foster local and regional supply chains and increase value-addition to the abundant commodities that Africa produces.

Meaningful value addition, however, can only be achieved through manufacturing. Africa50 is establishing some of the transport links that are crucial for implementing the AfCFTA, such as developing a bridge between Brazzaville in the Republic of Congo and Kinshasa in the Democratic Republic of Congo.

Message from the Chairman (continued)

We must also harness digital technologies to promote service industries and create jobs. And we must address Africa's disproportionate vulnerability to climate change by scaling-up climate finance and ensuring a just and equitable energy transition. It is important to drive a climate-resilient, sustainable, and inclusive recovery.

African countries need about US$432 billion to address the socio-economic impacts of the Covid-19 pandemic and to support economic recovery in 2022 and 2023; and more than a decade to catch-up on pre-Covid-19 poverty targets. To adequately implement its Nationally Determined Contributions (NDCs) —established at the 2015 global climate summit in Paris—Africa will need cumulative climate finance of up to US$1.6 trillion between 2020 and 2030. This translates into an average of US$128 billion annually during this period.

As of 2018, the African Development Bank estimated that the continent would also require between US$67.6–US$107.5 billion annually to bridge its infrastructure financing gap. In essence, we must urgently mobilize significant capital. To accelerate this capital mobilization, Africa requires traditional funding sources from international development partners and multilateral institutions. But it must also tap its vast domestic resources —especially the almost US$2 trillion held by institutional investors—and unleash the enormous power of the private sector. We must prioritize financial innovation and private investments, as governments alone cannot address this deficit.

Africa50, as one of the major investors in infrastructure in Africa, is a key partner in mobilizing these resources for infrastructure across the continent. It has the convening power to bring together many stakeholders, including the private sector investor, development finance institutions and infrastructure developers. The launch of Africa50's Infrastructure Acceleration Fund in 2021 is providing added momentum for institutional investors to participate in African infrastructure.

Power generation is a significant part of Africa50's projects and I am pleased to see that we are increasing access to cleaner, more affordable electricity and contributing to Africa's green transition. Africa50 is also speeding up the digitalization of African economies, which proved essential during the pandemic. The Kigali Innovation City project, which will have a regional economic multiplier effect, is moving forward expeditiously.

Through its investments in tech firms Poa! Internet and PAIX Data Centers, Africa50 is helping to expand access to digital connectivity and increase the continent's data storage capacities. These storage capacities are critical to drive inclusive growth and bolster productivity. Furthermore, by investing in these innovative firms with pan-African aspirations, Africa50 is increasing its continental reach.

These are just a few examples of how Africa50 is turning crisis into opportunity and helping our continent move forward again. We can be proud of what we have achieved despite the constraints imposed by the Covid-19 crisis. This would not have been possible without the dedication of Africa50's employees who, despite working mostly virtually for two years, have been remarkably effective and resilient. They were ably guided by the Senior Leadership Team, our Board of Directors and our shareholders. I thank them all for their hard work and their unrelenting commitment to Africa's development.

Dr. Akinwumi A. Adesina
Chairman, Africa50 Board of Directors
President of the African Development Bank Group

The team from Poa! Internet

ICT

Investment overview of ICT investments made in 2021

Poa! Internet

Poa! Internet, the winner of Africa50's 2019 Innovation Challenge, which improves last-mile internet connectivity, is an internet service provider that connects underserved communities in Kenya. An equity investment by Africa50 spearheaded Poa! Internet's third funding round which raised a total of US$28 million.

The capital will support the company's growth plans across Kenya and its roll-out into other markets in East Africa. Since starting operations in 2016, Poa! Internet has grown to over 12,000 home internet customers, as well as tens of thousands of street Wi-Fi customers.

PAIX - Pan African Internet Exchange Data Centers

PAIX is a provider of cloud- and carrier-neutral colocation data center services. In 2021 Africa50 finalized its investment of US$20 million in PAIX Data Centers, with disbursement in 2022. This forms the first tranche of PAIX's Series B financing by Africa50, which will be used to fund the company's expansion into new African markets beyond its current locations in Accra and Nairobi. The new equity financing secured from Africa50, as PAIX's first institutional investor, is a milestone for the company and in line with Africa50's commitment to invest in businesses that support Africa's digital transformation.

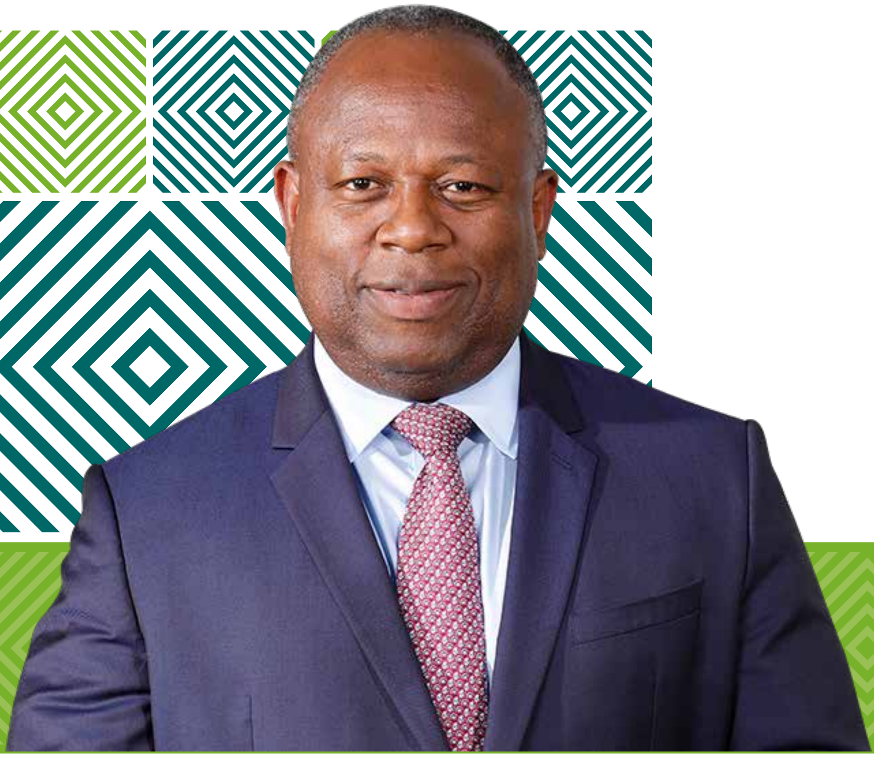
8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

17 PARTNERSHIPS FOR THE GOALS

Message from the CEO



> With the launch of the Infrastructure Acceleration Fund in 2021, Africa50 will add momentum to its fundraising initiatives, giving institutional investors a new vehicle to participate in African infrastructure development.

Poised to meet the challenge that lies ahead

The guiding theme of this year's annual report, "Resilient and Accelerated Recovery", is not just a hope, it is our concrete objective - an objective that I am confident we can achieve if we work together. Africa50 will continue to develop and implement sustainable and impactful infrastructure projects that hasten our continent's recovery from the pandemic and anchor its long-term sustainable development. In this quest, we are grateful for the unflagging support of our Board of Directors and Chairman, Dr. Akinwumi Adesina, and our valued shareholders. A special mention goes to our management and staff who, despite having to work mostly virtually during the year, remained committed to our mandate and maintained our momentum.

Our investments in calendar year 2021 were impacted by the extenuating circumstances, but some projects reached new milestones, and three pipeline projects came to fruition late in the year or in early 2022. Two investments are in ICT, which proved so important during the pandemic: in the regional co-location data center platform PAIX, and in the low-cost internet service provider Poa! Internet. The other is an equity stake in Mozambique's CTRG gas-fired power plant. Meanwhile, the Malicounda power plant in Senegal in which we invested in 2019 and for which we later secured a US$92 million bridge loan, will be commissioned before the end of 2022.

Other highlights last year include the unveiling of the master plan for Kigali Innovation City, for which we are the lead developer, and signing of an MOU with the Millennium Challenge Corporation for the next phase of our joint Millennium Impact for Infrastructure Accelerator. This is a promising initiative for accelerating project development – a critical continental need.

Message from the CEO (continued)

As borders have reopened, we are working with our shareholders and sponsors on a solid project pipeline across diverse sectors. We continue to challenge ourselves to support them in finding new ways to finance infrastructure. For example, we are pleased to work with the global leader in transmission, Power Grid of India, to develop the first PPP for transmission lines in Africa, a project approved by our Investment Committee in November 2021.

We are particularly excited about the launch of our private equity fund, the Africa50 Infrastructure Acceleration Fund (IAF). This will help us fulfill our mandate of leveraging African and global institutional capital to bridge the financing gap on our continent. The fund's target capitalization of US$500 million will greatly increase our reach. We have been able to attract respected professionals with extensive investment experience in Africa and globally.

Through participating in events with key stakeholders such as the African Development Bank, the World Bank, the United Nations, the African Union, the World Economic Forum, and the European Union, we have continued our advocacy on crucial infrastructure themes. These include new ways to finance infrastructure - such as asset recycling and institutional capital mobilization, improving project development to increase our success rate, and the promotion of natural gas as cleaner energy for a just energy transition.

Our media profile also continued to grow last year, with interviews and articles published by major outlets such as Foreign Policy Magazine, the Financial Times, the Wall Street Journal, the Atlantic Council, Brookings Africa, Jeune Afrique, and Newsweek. Another highlight was the publication of our report with Casablanca Finance City: "Developing Infrastructure in Challenging Times".

Our annual report this year has special features on promoting Africa's recovery and the energy transition.

I am pleased to report that Africa50's finances remain sound. In 2021, Africa50 Project Finance's income benefited from a strong performance of its portfolio, with dividend distributions, reimbursement of capital from Room2Run and Scatec Egypt, and unrealized gains on assets such as Azura-Edo and MPG Tobene.

And finally, with the opening up of travel, I was fortunate to be able to be granted audiences with several Heads of State, from both shareholder and non-shareholder countries, to discuss ongoing and future cooperation.

The progress made last year, despite the pandemic, gives me hope for continued strong performance in 2022. We have further consolidated our reputation as a critical player in the African infrastructure landscape as a project developer, investor, and thought leader. We could not have done this without our dedicated staff, board, and shareholders. I thank you again and look forward to working with you to promote our continent's recovery and long-term development through infrastructure.

Our strategic pillars

Africa50 delivers value to stakeholders across the entire project lifecycle through three distinct and synergistic vehicles

DEVELOP
A Pipeline of Bankable Infrastructure Projects

Africa50 - Project Development
Develops a pipeline of investment ready projects, as a lead or minority sponsor, through its partnerships with governments and private sector, and provides financing for greenfield and brownfield projects

ACCELERATE
Private Investment into African Infrastructure

Africa50 - Project Finance
Typically takes minority stakes in projects and invests equity and quasi-equity alongside strategic partners, with equity ticket sizes of below US$40 million, as well as in growth capital transactions

MOBILIZE
Public and Private Sector Funding

Africa50 Infrastructure Acceleration Fund
Is a recently launched private equity infrastructure fund that will take majority and minority stakes and invests equity and quasi-equity in operational businesses, with equity ticket sizes of over US$40 million

Africa50's track record

Since inception, Africa50 has proven its capabilities through developing and investing in a sizeable portfolio as well as mobilizing public and private sector funding[2]

2017

- Closing of first project
- Tunisia, Democratic Republic of Congo and Guinea (Conakry), join Africa50, bringing the number of country shareholders to 26

- Scatec / Benban (Egypt)

2018

- Mauritius and Rwanda become shareholders
- Portfolio expands with two projects

- Nachtigal (Cameroon)
- Room2Run (Pan-African)

2019

- Zimbabwe becomes a shareholder
- Investment teams successfully close 6 more projects

- Azura-Edo (Nigeria)
- Kigali Innovation City (Rwanda)
- Volobe (Madagascar)
- Genser (Ghana)
- Malicounda (Senegal)
- Tobene (Senegal)

2020

- US$800,000 contributed towards Covid-19 relief support
- Partnered with Africa Centres for Diseases Control and Safe Hands Initiative for procurement of Covid-19 personal protective equipment and first responder deployment

2021

- Launch of Infrastructure Acceleration Fund, a fund aimed at catalyzing infrastructure investment flows targeting private and institutional investors
- First exit, Genser Energy, concluded

2022

- Partnered with Power Grid India to pioneer Africa's first transmission PPP project
- Diversified portfolio of 13 projects

- Poa! Internet (Kenya)
- PAIX (Pan-African)
- Central Térmica de Ressano Garcia (CTRG) (Mozambique)

[2] Projects presented are a snapshot of the overall portfolio. Please refer to page 37 for investment portfolio review.

Africa50's value proposition

Africa50 is a unique pan-African financial institution created by African countries specifically to help address the slow pace of infrastructure development and investment on the continent and the huge infrastructure financing deficit that currently exists.

Experienced investment team with a demonstrable track record of deal-making in Africa and internationally

Close relationships with African country shareholders and the AfDB, both critically important to infrastructure development and the financing process in Africa

Access to competitive finance, including long-term debt from the AfDB and the broader Development Finance Institution (DFI) community and commercial banks

Access to proprietary deal flow generated from project development activities, and through ongoing dialogue with African country shareholders

Jurisdiction-specific potential risk mitigation through high-level public-sector engagement

Robust governance and **efficient decision-making** matched by speed of execution

Our business model

Africa50's – Project Development Focus

Positioned to develop a pipeline of bankable projects...

Invests project development capital

Helps to accelerate the project development process

Exits investments at financial close to Africa50 PF or other investors

Develops projects, as lead or minority sponsor, which meet the following criteria:

- Sound technical and financial fundamentals
- Strong development impact
- Alignment with government priorities
- Preferably located in shareholder countries

by...

Gaining access to a **proprietary** and **strategic pipeline** of projects for development

Ensuring alignment with country economic development goals and strategic priorities

Building trusted partner relationships with governments and private sector players to bring projects to bankability

Contributing human resources to drive or support the development activities

Crowding in the **private sector**

Ensuring projects are developed in accordance with sound ESG frameworks

Africa50's – Project Finance Focus

Invests equity and quasi-equity alongside strategic partners

Accelerate private investments into projects and infrastructure companies, seeking to deliver a double bottom line

Build a portfolio of investments based on a diversified target portfolio

Access and execute on a structured origination (sourcing deals both from PD and 3rd party sponsors) and a robust underwriting process

Finances projects by focusing on:

- Investing in infrastructure projects at or near financial close as well as in growth capital transactions
- Seeking attractive risk-adjusted returns while creating social and development impact
- Sourcing projects externally and through Africa50 – Project Development
- Catalyzing external capital from other commercial investors and institutions to mobilize long-term savings

and as a result...

Source and underwrite commercially attractive investments that help close the infrastructure and development gap in Africa

Drive value creation and optimization through robust ESG and portfolio monitoring frameworks / maintaining active influence through investment holding periods

Generate liquidity through dividends and exits

Recycle capital from returns generated from portfolio investments

Raise additional capital from the public/private sector

Africa50 Infrastructure Acceleration Fund spurs infrastructure investments by mobilizing institutional and private investor capital

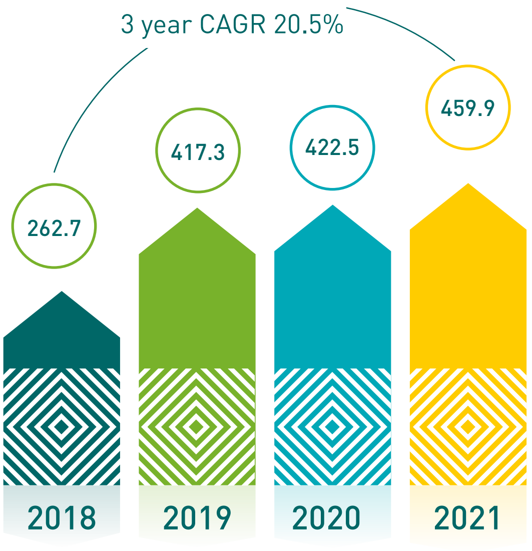
AFRICA50
INFRASTRUCTURE
ACCELERATION FUND

Africa50 Infrastructure Acceleration Fund is a recently launched private equity infrastructure fund through which Africa50 is mobilizing large scale and long-term institutional capital from African and international institutions. The fund will make equity and quasi-equity investments, and take mostly majority stakes in infrastructure projects across the continent. The Fund is also designed to benefit from synergies derived from leveraging Africa50's strong relationships and networks with African governments and other institutions (African and international), and the track record, capabilities and deal pipeline that are accessible through Africa50 – Project Development and Africa50 – Project Finance.

- Pan-African Infrastructure focus
- **12-year closed-ended fund** targeting **US$500 million of capital commitments**
- Managed by a **high-calibre team of entrepreneurial investment professionals** drawn from Africa50 and externally, with considerable global and Africa infrastructure investing experience
- **Leverage Africa50 competitive advantages** (e.g., project origination, government-related stakeholder management, minority investing)
- Internationally accepted **environmental, social and governance (ESG) practices** integrated into the Fund's investment decision-making and portfolio management processes
- Intended that at first close the **Fund will purchase seed assets from Africa50's existing investment portfolio** at an independently set valuation
- **Africa50** intends to make a **cash commitment to the Fund** (subject to a maximum exposure cap at final close, based on the amount raised at first close)

Financial highlights: Africa50 - PD and Africa50 - PF[3]

Total Assets (US$m - 2018-2021)



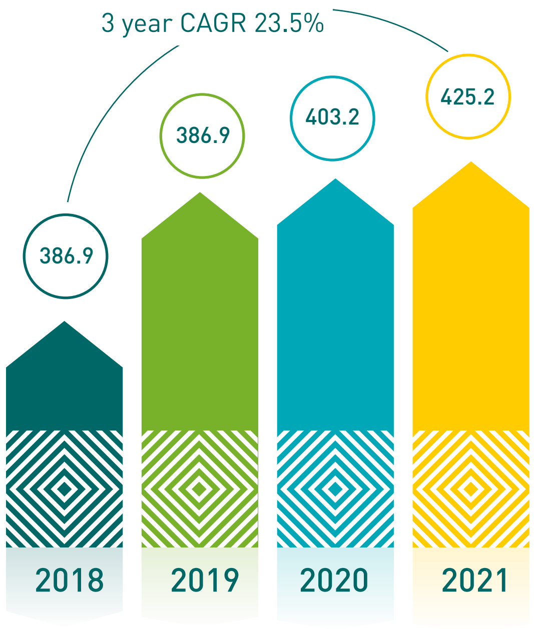
Total Assets

Total Assets: 8.8% YoY

US$460 million 2021

US$423 million 2020

NAV (US$m - 2018-2021)



Net Asset Value

Net Asset Value: 5.5% YoY

US$425 million 2021

US$403 million 2020

[3] These numbers are management aggregations and not a consolidation of PD and PF

Investment highlights

Investment Highlights: Africa50 - Project Development

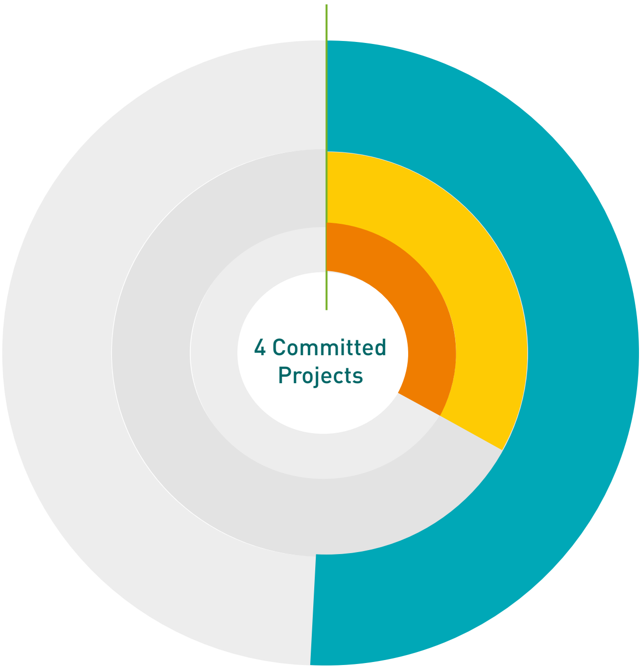
Since inception, estimated total project value for projects developed by Africa50 Project Development is more than US$2 billion.

Highlights for the year include:

- The unveiling of the Kigali Innovation City master plan, for which Africa50 is the lead developer.
- Signature of an MOU with the Millennium Challenge Corporation for the next phase of the joint Millennium Impact for Infrastructure Accelerator, a promising mechanism for improving project development.
- Signing of a joint development agreement (JDA) with Power Grid Corporation of India Limited (POWERGRID), to continue the development, financing, construction, and operation of transmission lines under a public-private partnership (PPP) framework in Kenya - a first project of its kind on the continent.

PD has developed 3 projects to financial close and has 4 portfolio projects under development. These include Gbessia International Airport, Kigali Innovation City, Volobe hydropower plant and Kenya Transmission PPP.

PD Committed Projects by Sector[4]



2 projects in the power sector

1 project in the transport sector

1 project in the ICT sector

[4] Commitment document has been signed

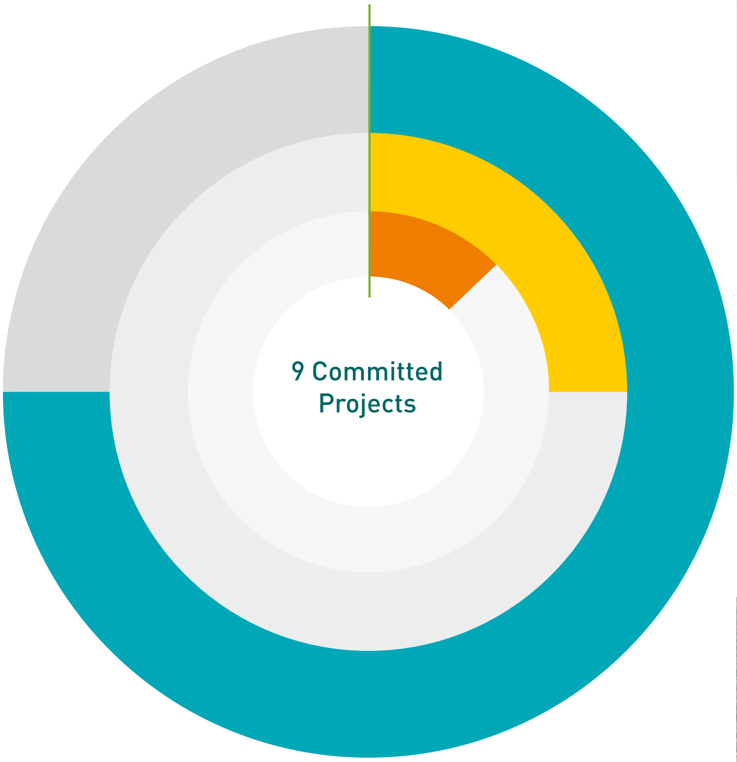
For more information please see pages 40 to 43

Investment Highlights: Africa50 - Project Finance

Since inception, Africa50 - Project Finance (PF) has deployed more than US$200 million of equity and quasi-equity, investing in infrastructure projects at or near financial close as well as in growth capital transactions. PF has acquired minority stakes in nine investments including Malicounda, Nachtigal, Azura-Edo, Tobene, Poa! Internet, Room2Run, Scatec, PAIX[5] and CTRG[6].

Scatec Egypt, Malicounda and Nachtigal were projects developed by PD from early stage and thereafter exited to PF.

PF Committed Projects by Sector[7]



- 6 projects in the power sector
- 2 projects in the ICT sector
- 1 investment in a risk protection agreement

For more information please see page 44 to 52

[5] Project on boarded to portfolio in February 2022
[6] Project on boarded to portfolio in April 2022
[7] First PF disbursement has occurred

Our sustainable business

Our sustainable business

In 2021, we are proud to have supported impact and managed ESG risks across our portfolio.

3 projects
Supporting renewable energy production

1,516 MW
Total installed capacity across our power plants

964 GWh
Clean energy generated, equivalent to the energy supply of 836,000 households

3,882
Total of supported jobs, from which 8%[8] are women

0.6 million tCO2
approximately avoided, supporting Africa to meet its climate commitments

PAIX Data Center
expanded its data storage capacity in Ghana and Kenya

12,000
Home internet customers served by Poa! Internet at a 90% lower rate than alternative mobile internet providers

The Masterplan - in line with IFC performance standards - for Kigali Innovation Center was publicly launched. Design work for green building elements include green spaces, solar power, and the use of building material with efficient thermal qualities

0
Major environmental incidents reported

0
Governance incidents reported

10
Africa50 board seats across our portfolio

2
Social incidents recorded at Nachtigal and Azura Edo, which were managed promptly

[8] Compared to an average of 11% in the construction and energy supply sectors across Africa (Source: ILO 2019)

Our impact objectives

IMPACT OBJECTIVES	TARGET SDGs	GOALS
To attract investors in the public and private sector by using innovative deal structuring and financial appraisal models which will de-risk investments; and ultimately strengthen our partnerships with stakeholders and improve capital efficiency of investor funds.	7 AFFORDABLE AND CLEAN ENERGY 17 PARTNERSHIPS FOR THE GOALS	CATALYSING INVESTMENT
To leverage physical and ICT infrastructure in a way that encourages and facilitates social and economic integration between countries and communities in Africa.	8 DECENT WORK AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES	REGIONAL INTEGRATION
To invest in infrastructure that promotes and supports economic growth and sustainable development, and increases the financial stability of African governments by supporting the growth of the tax base and improvement of the trade balance.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION	ECONOMIC DEVELOPMENT AND GROWTH
To make products and services (energy, water, health etc.) affordable and reliable to African countries and drive positive social outcomes.	10 REDUCED INEQUALITIES	IMPROVED LIVELIHOODS

For more information on our sustainable business, please access the sustainability report at **www.africa50.com**

Azura-Edo Power project in Nigeria

Azura-Edo is a 461MW open-cycle gas turbine plant that sells power under a 20-year PPA to the Nigerian Bulk Energy Trader

For more information please see page 44

Features on resilient recovery

At the forefront of Africa's energy transition

Accelerating recovery by enhancing access in Africa through infrastructure

Infrastructure investment trends in Africa

At the forefront of Africa's energy transition

The devastating effects of climate change on African economies and the livelihoods of people demand an urgent response by all countries

Africa is experiencing the adverse economic effects of extreme weather patterns, droughts, and climate vulnerable infrastructure. Indeed, the interdependence between climate change and development impact has never been felt more acutely. Most countries have therefore ratified their commitments under the Paris Climate Agreement and many already boast impressive renewable energy projects. However, climate commitments must be balanced with pressing development needs as they journey towards net zero.

While progress has been made in electrifying the continent, approximately 600 million Africans still do not have access to reliable electricity. This is unacceptable, especially when, despite representing about 17% of the world's population, Africa has contributed only 2% to energy-related greenhouse gas (GHG) emissions.[9] In 2018, for example, sub-Saharan Africa's GHG emissions stood at only 0.76 metric tons (Mt) a year per capita, while Latin America emitted an average of 2.65 Mt and East Asia 6.36 Mt.[10]

Moreover, Africa receives only 4% of global power generation investment. To achieve reliable supply of electricity for all its citizens the continent requires a fourfold increase of its investment in power to around US$120 billion a year through 2040, with about half for networks to get the power to where it is needed most.[11] The goal of investments should be to create a balanced and just energy mix which promotes economic development while limiting emissions and transitioning to renewables. And with such a significant energy deficit, the speed and scale of investments across the continent must be accelerated - a key focus for Africa50.

As countries strive concurrently towards economic development and net zero, they have little option but to use the most viable energy sources available to them. The good news is that, thanks to ample renewable resources, technological improvements, and fewer legacy systems, Africa can pursue less carbon-intensive development than other regions. To achieve this, all renewable energy sources should be tapped, from solar, wind, and geothermal, to hydropower.

[9] IEA 2019 Africa Energy Outlook
[10] World Bank
[11] IEA, Africa Energy Outlook, 2019

At the forefront of Africa's energy transition (continued)

Natural gas is crucial for the energy transition

Natural gas must also play a major role in the transition. The resources are abundant, and north and west Africa are exploiting them on a large scale, but we need to make it a continental effort. Gas is a relatively clean power source that is also an essential building block for liquid fuels like propane, for industrial products like fertilizer, plastics and pharmaceuticals. In other words, natural gas can power not just Africa's energy transition but also its industrialization and sustainable development.

With about 7% of the world's known gas reserves spread over almost half of its countries,[12] Africa is endowed with yet another resource bonanza. However, to fully profit from it, countries must develop the appropriate infrastructure, especially for midstream transmission and distribution. At present, limited infrastructure restricts gas use to locations such as cities with ports or large industrial facilities and power plants near gas fields.

There are multiple approaches to addressing these constraints, including building centralized facilities that use gas to produce final products such as electricity or industrial products that can be distributed with existing infrastructure. Another is to use innovative technologies to build infrastructure that is smaller, cheaper, and more flexible than the vast distribution networks in more advanced economies.

Gas-fired power generation must be a priority since electricity supply and economic growth are strongly correlated. Gas is a viable, relatively clean transition fuel for power generation, producing 40% less GHG emissions than heavy fuel oil,[13] and can serve as baseload power for intermittent renewables. While it is urgent to build new midstream gas infrastructure, even if sub-Saharan Africa tripled its electricity consumption using only natural gas, the additional CO2 would be equivalent to just 1% of global emissions.[14] Natural gas can also have a substantial impact on reducing emissions if used to convert existing oil-fired plants, which account for 39% of all power generation.[15]

Natural gas to improve health and recovery through industrialization and agricultural development

According to the IEA, in sub-Saharan Africa almost 490,000 premature deaths per year are linked to household air pollution from the lack of access to clean cooking facilities, with women and children the worst affected. With the number of people relying on traditional biomass cookstoves projected to grow to 660–820 million by 2030, finding cleaner options must be part of Africa's energy transition. Gas-derived propane, whose emissions are around 50% lower than charcoal or firewood,[16] is a solution within reach. Aside from cutting down on emissions and respiratory ailments, increasing its use would also rein in rampant deforestation.

Equally important, both for the continent's development and to build the necessary demand to attract energy investment, are other gas byproducts such as ethane and ethylene, which serves as a precursor for plastics and chemicals. Such gases and their value-added end products could further support industrial growth in Africa and thus contribute to sustainable economic recovery.

Since the agricultural sector only constitutes 15% of Africa's GDP, using natural gas for fertilizer production is another significant opportunity, especially with the food crisis due to the war in Ukraine. Producing fertilizer locally would make it more accessible and cheaper, circumventing supply chain constraints and reducing cost of inputs for agricultural production. For example, gas that is now flared off during oil production, especially at inland sites, could be turned into feedstock, bypassing expensive transportation of imported products that can quadruple the price.

Demand for LNG is also surging due to the fuel crisis, unlocking new opportunities for countries to develop their resources. Several existing LNG producers are African, led by Nigeria, Algeria, Egypt, and Libya, and more countries are coming online, as a result of being able to leverage new technologies such as floating LNG plants. However, it is critical that African government ensure that gas reserves exploitation is balanced between local consumption requirements and export opportunities.

Further development of Africa's natural gas reserves should be stimulated by regional integration aspirations and AfCFTA. At present, the small size and distance between existing energy markets are hurdles for investors, limiting demand and economies of scale.

[12] Deloitte, 2018
[13] The Role of Natural Gas in The Global Climate Agenda, Gas Exporting Countries Forum, 2018
[14] WEF
[15] BP Energy Outlook 2020 (gas presently accounts for 29.7% of generation and coal 22.1%)
[16] Towards Universal Access to Clean Cooking Solutions in Sub-Saharan Africa, Netherlands Environmental Agency

At the forefront of Africa's energy transition (continued)

Financing the transition

Africa's energy transition will require not just changes in energy policy, but massive investments – as much as US$226 billion to meet its 2030 renewable energy targets under the Paris Agreement,[17] almost four times more than the 2020 level of US$55 billion.[18] However, at present the continent draws only about 2% of global renewables investment, less than for thermal generation.[19] And with government resources being limited, especially as a result of the pandemic, we need to mobilize more donor and DFI funding and private capital. For the latter, we must make renewable energy projects more attractive and expand the pool of potential investors and funding sources.

As with all infrastructure investments, making renewable energy projects more attractive for private capital starts with improving the enabling environment. This necessitates opening up the power sector to new players and assuring that regulations promote rather than hinder investment. Moreover, public sector off takers and utilities should be efficient and solvent, and governments must be capacitated to negotiate and administer public private partnership and independent power production agreements.

The next step is to assure adequate project preparation and development, both by governments and developers. A recent study found that 80% of infrastructure projects in Africa fail in the project preparation/development stage,[20] so this is crucial. It involves formulating detailed feasibility studies and business plans, deploying enough early-stage risk capital, smoothing out the permitting process, and allocating risks equitably. ESG standards should also get increased attention, especially in the context of climate change and long-term climate resilient sustainability.

In addition to improving the bankability of energy projects, we must find new funding sources. One solution is asset recycling. This lets governments unlock the capital they invested in profitable infrastructure assets (including thermal power plants) by offering them to private investors as concessions. They can then use the freed-up capital to fund new green energy projects to help them meet their climate targets while providing additional power.

And finally, we need to tap new kinds of investors, for example impact and institutional investors, including domestic ones. The assets under management by African institutional investors alone are approaching US$2 trillion. Securing just a fraction of this could help bridge the renewable energy funding gap. Infrastructure, including power generation, is an attractive alternative investment for them, since it offers low volatility and steady cash flows. Renewables should be a particularly attractive sector for these investors since their beneficiaries are increasingly demanding climate activism.

Climate change is another opportunity to get it right from the start

Africa's energy transition must not ignore another transition – that from a largely rural, agrarian economy to an urban, industrialized economy. Limiting emissions while undergoing these transitions remains a challenge to most African economies. However, if done right, policymakers can leverage climate change by using green technologies to improve and increase industrialization, leapfrogging high-emitting technologies to build a low-carbon manufacturing base, as well as ensuring a greening of urban centers. McKinsey estimates that over the next three decades this will require about US$2 trillion in manufacturing and power investments, while creating 3.8 million jobs. US$600 billion is needed to decarbonize existing manufacturing and power plants, while the remaining US$1.4 trillion would create new low-emitting businesses that replace, supplement or improve high-emitting sectors such as petroleum refining and cement making.[21] In addition, on a rapidly urbanizing continent where many power and transport systems have not been built yet, investments in climate-smart infrastructure from the start can help cities create jobs while limiting emissions and assuring long-term sustainability.

[17] IRENA, 2017
[18] IRENA/AfDB report 2021
[19] IRENA/AfDB report 2021
[20] McKinsey 2021
[21] McKinsey 2021

Accelerating recovery by enhancing access in Africa through infrastructure

While social sectors such as health and education have proven crucial during the COVID crisis, physical infrastructure sectors such as transportation, power, and ICT, have the greatest economic multiplier effect

Post COVID pandemic, prevention measures are giving way to sustainable recovery. "Building back better" has become the refrain, which means promoting a greener, infrastructure-led recovery. This requires balancing the pillars of sustainable development - the social, the economic, and the environmental. Using the UN's sustainable development goals as a guide, this should lead to more inclusive, resilient, and sustainable economies.

Balancing immediate social needs with long-term economic goals and environmental stewardship is particularly challenging in Africa, where rising debt levels, volatile commodity prices, or political instability can scupper long-term plans. The continent faces not just the challenge of recovering from its first recession in 25 years, but the need to build resilience to future shocks. For this we need new strategies and, although donor funding and debt relief can help, the focus must be on more on internal solutions, since the continent's external partners face their own travails.

Recovery measures vary by country, but should include diversifying economies, building human capital, improving the investment climate, and using the latest technologies to address the myriad of challenges. Most recovery measures depend, directly or indirectly on improved infrastructure, the lifeblood of any economy. Given budgetary constraints, countries must focus on the sectors and technologies with the highest impact. While social infrastructure sectors such as health and education have proven crucial during the crisis, physical infrastructure sectors such as transportation, power, and ICT, have the greatest economic multiplier effect. These sectors connect Africans to each other and to the world economy, nurturing the recovery and long-term growth.

Accelerating recovery by enhancing access in Africa through infrastructure (continued)

Promoting digitalization to leapfrog development constraints

ICT, digitization, and innovative technologies must rank at the top of any economic recovery program. The pandemic showed that internet access has become essential in many sectors, and that the digital economy has become the new normal. Countries with the necessary infrastructure backbone and providing connectivity to the population will do better in the post COVID economy.

The foundations are there. Many African countries are already using digital health care, banking technology, and commerce, and providing access to government services online. Success is dictated by the efficacy of the internet. AfDB estimates that for every 10% increase in broadband penetration in middle and low- income countries, GDP increases by 1.4%.

However, approximately 70% of Africans remain unconnected, either for lack of coverage or lack of reliable access. And even when there is access there are other barriers, such as a lack of digital literacy and relevant services, or affordability and security. Some of these can be eliminated by reducing sector specific taxes and import duties, simplifying the investment approval process, issuing technology neutral licenses, and providing affordable spectrum. Indeed, the pandemic is a unique opportunity for policymakers and regulators to examine what works and to fix what does not.

Some of the barriers require large scale investments in ICT infrastructure. This includes local data centers that can host local content and services securely and cheaply, and an extensive and reliable broadband backbone. To make the continent more resilient we must improve inter- and intra-continental internet connectivity via submarine, terrestrial, or satellite technology. And this then must connect with end users.

Since expansion of traditional infrastructure in Africa is not keeping pace with growing needs, digitally enhanced solutions should contribute to bypassing the constraints. For example, small scale, off-grid solar power systems can obviate the need for grid electricity, drones can substitute for road transport for last mile delivery, and mobile finance for bricks and mortar banking. The hope is that other sectors can follow the leapfrogging experience of mobile telephony. In 2020 mobile penetration reached almost 50% in Africa, from a low base of 5% in 2005. Similar success across other sectors could accelerate economic development and enhance economic resilience.

The latest digital advances such as AI, the Internet of Things, Big Data, 3D printing, and robotics can help Africa leapfrog hurdles in many sectors, from health and education to manufacturing. For example, AI enabled conversational apps, eye-tracking devices, and voice technology can allow illiterate consumers to use digital devices without a keyboard. 3D printing can manufacture replacement parts that are hard to get, and AI can allow patients to get diagnosed via cell phones, compensating for a lack of doctors or clinics.

Digitalization can also make existing and future bricks and mortar infrastructure such as transport and power generation more efficient and inclusive. ICT can furnish the tools for smart grids to improve electricity distribution, to analyze traffic patterns and improve street lighting, and to see where the greatest needs are in water and sanitation.

Accelerating recovery by enhancing access in Africa through infrastructure (continued)

This will enhance productivity and help internet-based service sectors grow, providing much-needed employment and tax revenues.

Improving transport to facilitate trade and integration

While digital pathways connect Africa virtually and enable the growth of and trade in services, transport infrastructure connects Africa physically and enables manufacturing and the trade in goods. Although the pandemic led to a 5.3% drop in global trade in 2020, the recovery in merchandise trade has been strong, with an expected increase of 8% in 2021.[22] Intra-African trade, which has been low historically, was rising prior to COVID, and should follow this trend. This will be accelerated by successful implementation of the African Continental Free Trade Area (AfCFTA). By 2035 this agreement could increase the volume of total exports from Africa by almost 30% and intra-regional exports by more than 80%.[23] Freer trade will also promote regional value chains the continent needs to speed up industrialization and employment growth while building resilience to future external shocks.

However, to make free trade work we must dramatically improve regional infrastructure, especially transportation links. Only 2% of the approximately US$100 billion invested in African infrastructure in 2018 was for regional projects.[24] Studies indicate that inadequate transport infrastructure adds around 30-40% to the cost of goods traded among African countries, and more so for the 16 that are landlocked.

To promote trade, transport improvements must extend to logistics hubs and border crossings. In its 2018 report on the efficiency of customs clearance procedures, the World Bank ranked sub-Saharan Africa last, with a score of only 2.27 (out of 5), well below the world average of 2.67 and high-income countries (3.32). However, on the positive side, 9 of the 10 best performing Low Income Countries were African, proving that modern logistics can be put in place on the continent.

While transport in Africa has largely been funded by governments and donors, viable opportunities for private investment are growing. There are revenue generating opportunities in railroads, seaports, and logistics hubs, with many ports and rail lines already being upgraded. In addition, most airports are reaching capacity and will require expansion. And although rural roads will continue to require public funding, some privately funded toll roads and bridges are becoming feasible due to traffic increases.

Connecting people to viable energy sources

What ICT is to trade in services and transport to trade in goods, access to energy is to the whole economy. Whether as fuel for transport and cooking, or electricity for factories and homes, improved access to energy can accelerate the recovery and assure long-term sustainable development. The needs are enormous: About 600 million Africans still do not have access to electricity and around 900 million lack access to clean cooking.[25]

The most pressing necessity is increased power generation and getting the power to where it is needed. Africa lags behind other regions, but this, once again, gives it the chance to get it right from the start. While the traditional, centralized generation and power grids of more developed regions are still needed, they must be balanced by other solutions. According to one IEA scenario, grid extension and densification would be the least cost option for nearly 45% of the population, but mini grids should serve 30%, and stand-alone systems 25%. LPG should be used by more than half of those gaining access to clean cooking in urban areas, while improved cookstoves should be the preferred solution in the countryside.[26]

Investment in electricity grids has been hampered by government control. Only ten countries have unbundled utilities with either an independent transmission system operator or a legally unbundled transmission system. Twenty-nine countries, however, allow private-sector participation to varying degrees.[27]

[22] WTO Press Release, March 2021
[23] AfDB, Africa Economic Outlook, 2019
[24] ICA report, Infrastructure Financing Trends in Africa, 2018
[25] IEA African Energy Outlook, 2019
[26] IEA African Energy Outlook, 2019
[27] IEA Electricity Market Report, December 2020

Accelerating recovery by enhancing access in Africa through infrastructure (continued)

The role of distributed generation - smaller power stations and mini grids at specific load centers - will become more common and substantially increase access to electricity. For example, where economic activity is concentrated in extractives, agriculture, and forestry, often far from conventional grids, mini grids are an economical solution. Off-grid or mini-grid access will continue to expand since it is cheaper in many regions. Rwanda, for example, found that it would cost an average of US$2,000 per on-grid connection, about ten times the cost of an off-grid system.

Off-grid connections may outstrip on-grid connections in a few years, leapfrogging power lines much like mobile phones bypassed fixed-line networks. For countries where financial resources are limited, off grid, being modular, offers the benefit of a progressive rollout with potentially quicker payback periods than on grid, resulting in lower investment costs. However, off grid cannot solve all of Africa's power problems. Some systems are being scaled up for small businesses and industries, but on-grid power is still necessary for heavy industry. And per kwh, off-grid power is still more expensive than on grid, although this gap is narrowing.

> The most pressing necessity is increased power generation and getting the power to where it is needed.

The move towards integrated grids through increased investment in transmission projects is another solution that should be promoted to link grids and regions. At present the five regional power pools in Africa have little overlap and integration. There are few connections between them, so only 8% of power is traded regionally, of which almost 90% is within the southern African power pool. However, countries have agreed to work toward strengthening interconnections and regional coordination within and across power pools and to harmonize policies and systems. Such pooling of energy resources could mean savings of US$50 billion for generation, leading to lower energy prices.[28]

In summary, if we can provide Africa with the ICT tools to profit from the digital revolution, with the transport links to profit from the AfCFTA, and with the energy supply to provide power, we are well on our way to recovery from the pandemic and long-term sustainable development.

[28] APP release

Malicounda Power project in Senegal

Malicounda is a 120 MW combined-cycle HFO power plant convertible to gas, which is located about 85 km from Dakar, Senegal. The project site is part of a 15-hectare site of agricultural land

For more information please see page 46

Infrastructure investment trends in Africa

The pandemic has further widened the infrastructure financing gap in Africa, with international banks pulling back and rising pressure on public spending in donor countries lowering multilateral and bilateral lending.

Although DFIs continued to be the main providers of long-term infrastructure finance in 2021, some were faced with higher capital requirements and pulled back from project finance deals. To compensate, they have taken on a stronger convening role of other financiers, such as local and regional banks, specialized infrastructure funds, and private equity investors. Being able to mitigate political risk and access government protections more easily than others, they are well-placed to lead the evolving multi-source funding ecosystem of debt, equity, and blended finance.

The World Bank's Private Participation in Infrastructure (PPI) Report for 2021 shows that private investment in infrastructure worldwide is slowly recovering to pre-pandemic levels. However, there is still hesitancy among private sponsors and financiers due to the uncertain macroeconomic outlook, with a shift in investment towards markets that are considered safer and countries that have weathered the pandemic well. Concerns about credit quality, the liquidity of borrowers, and the financial health of counterparties, especially in developing countries, continue. The growing political tensions in 2022 could further raise investors' concerns and lower commitments.

Given the unfavorable worldwide macroeconomic climate in 2021, Sub-Saharan Africa's private investment commitments in infrastructure were surprisingly high, with US$5.2 billion across 26 projects. While this is a 17.1% decrease from 2020 and a 3% decrease from the five-year average, the investments were spread more broadly. 19 countries attracted projects, compared to 16 in 2020, and a five-year average of 14. Botswana, Ethiopia and Eswatini, for example, recorded their first PPI transactions since 2011, 2014, and 1998, respectively. SSA was also the region with the largest portion of internationally sponsored projects, with 19 projects out of the 26 (73%).

The leading investment destination was the Democratic Republic of Congo, with US$1.1 billion, although US$1 billion was for a single project, the Port of Banana concession. Mozambique received US$652 million for the Temane Gas-Fired Plant, making it the largest PPI recipient in 2021 in terms of GDP at 4.7%. Other countries with PPI transactions in 2021 included Angola (US$190 million), Burkina Faso (US$112 million), Chad (US$71 million), Côte d'Ivoire (US$701 million), Gabon (US$209 million), Ghana, Kenya (US$98 million), Madagascar, Malawi, Mali (US$56 million), Nigeria (US$108 million), Uganda (US$230 million), South Africa (US$826 million) and Zambia (US$336 million). In North Africa, Morocco and Egypt were the only countries to attract PPI investments in 2021.

Africa50's structured strategic journey

Consolidation and driving for growth (2021 – 2023)

Guided by our recalibrated strategy, we are now embarking on delivering the next phase of our strategic journey by building on our achievements delivered during the foundational phase. The next phase of our strategy focuses on consolidating and driving growth of the business

Focus on growth - drive and upscale Africa50's growth by extracting synergies across the Africa50 investment platform

Capital raising - priority focus on private capital raising increasing class A and B capital base, including the launch of the first sponsored fund and other sponsored investment vehicles. Continued focus on increasing Class A and B shareholder capital base

Broadening the core sector focus - include other economically viable and impactful sectors, such as healthcare, education, and fintech

Flexibility on deal sizes - maintain current ticket sizes but consider smaller or larger ticket sizes on a case-by-case basis where advantageous

Investment instruments / horizons - consider faster capital rotation / shorter investment horizons while being mindful of the risk of exiting investments at sub-optimal levels

Project Development Financial sustainability - ensure long-term financial sustainability

Portfolio investment review

Portfolio investment review

Investment and development portfolio

In a little over 5 years, Africa50 successfully developed a diversified investment and development portfolio, and exited one project. We currently have 7 assets in operation, 2 under construction, and 4 in development. 3 of the operational assets were developed by Africa50 from early-stage through financial close, construction, and eventually to operation.

Africa50's investment portfolio

Gbessia: Airport concession in Guinea

Room2Run: Credit risk transfer of a Pan-African portfolio of AfDB infrastructure and other private sector loans

Genser: Captive thermal power plants with natural gas pipeline network in Ghana [29]

Nachtigal: 420MW hydroelectric plant in Cameroon

Volobe: 120MW greenfield hydroelectric plant in Madagascar

Azura Edo: 461MW thermal power generation plant in Nigeria

Kigali Innovation City: ICT Technopark in Rwanda

Scatec / Benban: 400MW DC from 6 greenfield solar power plants in Egypt

Two transmission line PPPs in Kenya, totaling approximately 240 kilometers

Poa! Internet: Internet service provider targeting widespread deployment of affordable, unlimited high speed broadband connection in Kenya

Two Congo Bridge: Connecting the two closest capitals in the world Kinshasa and Brazzaville

Melec PowerGen (MPG) / Tobene: 115MW Combined-cycle HFO power plant convertible to gas in Senegal

Malicounda: 120MW thermal power plant conversion from HFO to gas in Senegal

Central Térmica de Ressano Garcia (CTRG): 175MW gas-fired power plant in Mozambique

PAIX: A regional platform of modern co-location data centers in Kenya and Ghana

In operation — Under construction — In development — Exited

[29] Exited Genser Energy in January 2021

Portfolio investment review (continued)

Africa50 - Project Development (PD) portfolio investments

Name	Country	Sector
Gbessia International Airport	Guinea	Transport
Kigali Innovation City	Rwanda	ICT
Volobe	Madagascar	Power
Kenya Transmission PPP	Kenya	Power

Exits

Name	Country	Sector
Malicounda	Senegal	Power
Nachtigal	Cameroon	Power
Scatec / Benban	Egypt	Power

Africa50 - Project Finance (PF) portfolio investments

Name	Country	Sector
Azura-Edo	Nigeria	Power
Central Térmica de Ressano Garcia (CTRG)	Mozambique	Power
Malicounda	Senegal	Power
Melec PowerGen (MPG) / Tobene	Senegal	Power
Nachtigal	Cameroon	Power
PAIX[30]	Pan-African	ICT
Poa! Internet	Kenya	ICT
Room2Run	Pan-African	Other sectors
Scatec / Benban	Egypt	Power

Exits

Name	Country	Sector
Genser Energy	Ghana	Midstream gas / Power

[30] Project onboarded to portfolio in February 2022

Gbessia International Airport
Africa50 - Project Development

Guinea

TRANSPORT

Background

Equity is held by the Government of Guinea, Aéroports de Paris, and Africa50. Total project costs are estimated at €120 million.

Development impact

Productivity:

- Intended to introduce private sector management of the airport to improve operational efficiency.
- Should mobilize significant private sector investment (equity and debt).
- Concession includes full training plan and knowledge transfer to build capacity of airport employees.
- Expected to yield additional tax revenues and dividends to the Government of Guinea.

Environment:

- Airport will be fully compliant with the latest International Civil Aviation Organization (ICAO) standards, the IFC Performance Standards and Health and Safety Guidelines.
- An Environmental and social management system (ESMS) will be developed for the airport, which will comply with the IFC Performance Standards.
- The Airport's greenhouse gas emissions will be measured and monitored using the ESMS.

Employment:

- Estimated 150 jobs during construction and 30 jobs during operations.

Project summary

Sector of Activity	Transport
Type of Investment	Common Equity
Deal Partners	The Government of Guinea, Aéroports de Paris

Project updates

- Further to the political situation the sponsors are discussing the future of the partnership and the Concession Agreement.
- Project development ongoing, project company has been established.
- Transition between the previous and the new concessionaire is ongoing.
- EPC contractor for the new terminal and associated infrastructures selected.
- Early works contract (perimeter fence) signed, and work commenced. Being funded by equity from the shareholders.
- Reviewing project with a new base case (i.e., new traffic profile and anticipated restrictions/sanitary controls) because of the COVID pandemic.

Kigali Innovation City
Africa50 - Project Development

Rwanda

ICT

Background

Kigali Innovation City (KIC) is a US$300 million flagship project of the Government of Rwanda (GoR). It includes a technopark and commercial and residential spaces. KIC is expected to house international universities, technology companies, biotech firms, and commercial and retail real estate on 62 hectares.

Development impact

Productivity:

- KIC is expected to generate US$150 million in ICT exports annually.
- KIC should attract over US$300 million in foreign direct investments.

Environment:

- The project will incorporate international and local green and sustainable design guidelines. It will efficiently manage water through the development of a wastewater treatment plant.
- It will also include adequate green spaces which help prevent atmospheric damage and excessive heating.

Employment:

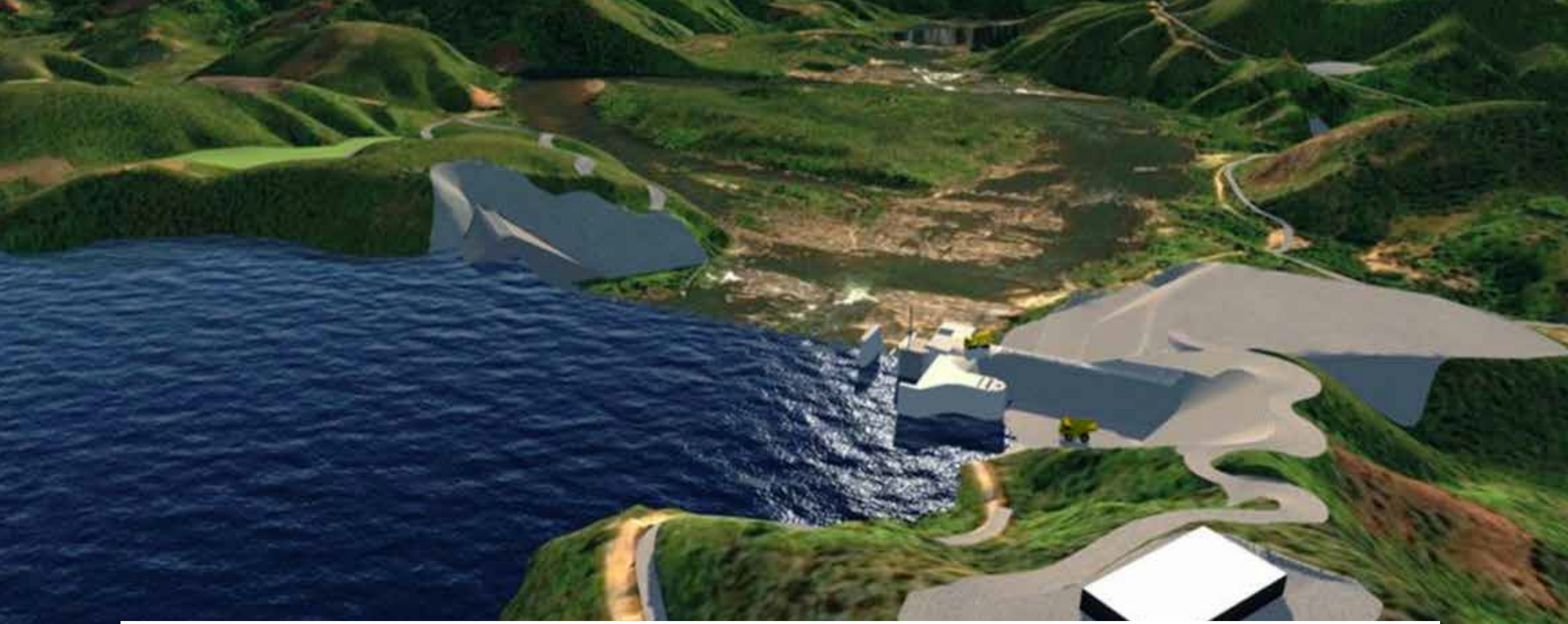
- KIC is projected to create over 50,000 jobs upon its completion.
- Over 2,600 students are expected to graduate annually from its universities over 30 years, adding to Rwanda's and Africa's pool of tech-savvy entrepreneurs.

Project summary

Sector of activity	ICT
Type of investment	Common equity
Deal partners	Rwanda Development Board (RDB)

Project updates

- Shareholders Agreement executed with RDB in December 2021.
- Project Company created. The CEO has been recruited.
- Ongoing discussions with the RDB on the Implementation Agreement.
- Works on the construction of a first building, which is a catch-all term for a visitor center, an incubator for ICT startups and office buildings, are ongoing.
- An update of the project's feasibility study was completed by Jones Lang LaSalle in January 2021.
- Branding work for the project is ongoing with support from Grid Worldwide, a global branding and marketing firm. Completion of the branding work expected in Q3 2022.



Volobe
Africa50 - Project Development

Madagascar

POWER

Background

Volobe is a 120MW hydropower plant situated on the Ivondro river, 40 kilometers from Toamasina, Madagascar, to be operated under a 35-year concession. It also includes the construction of a transmission line, refurbishment of the access road, and infrastructure for the neighbouring villages.

Development impact

Productivity:

- Volobe seeks to provide reliable and affordable electricity access to over two million Malagasy, thereby contributing to the country's transition towards renewable energy.
- When operational, the project is expected to increase the country's electricity generation capacity by approximately 20%.
- The plant will displace expensive and polluting diesel generation, resulting in cost savings of more than 25% for Jirama, the Malagasy state-owned utility company.
- Potential cost savings for Jirama to be derived through the substitution of the energy source are expected to be around €100 million per year.

Environment:

- The plant will help satisfy base load power requirements, facilitating the integration of intermittent renewable power into the country's network.
- The environmental and social impacts of the project are limited for a project of this nature.

Employment:

- The project is expected to create up to 1,000 direct jobs during construction.

Project summary

Sector of activity	Power
Type of investment	Common equity and shareholder loan
Deal partners	Jovena (Axian Group), SN Power, and Colas

Project updates

- PPA and concession under discussion.
- Project development of long lead workstreams ongoing, E&S impact assessment and resettlement plan, procurement of EPC contractor(s).

Kenya Transmission PPP
Africa50 - Project Development

Kenya

POWER

Background

Development, under the Privately Initiated Investment Proposal regime (PIIP), of two transmission line PPPs, totaling approximately 240 kilometers and associated substations. Power Grid Corporation of India Limited (POWERGRID) selected as technical and minority equity partner. Total project costs expected to be approximately US$300 million.

Development impact

Productivity:

- The eventual operation of the Lessos – Loosuk and Kisumu – Musaga lines would improve power system reliability and promote electricity access in the Western region.

Environment:

- As part of the Environmental Social Impact Assessment (ESIA), the Inception Phase has been completed and the report prepared. The Inception Phase includes:
    - A ground truthing process: it has been found that the Lessos-Loosuk transmission line traverses the territory of two ethnic groups who are listed as Indigenous People. Further assessment is being conducted on the subject.
    - A high-level stakeholder engagement and sensitization.

Employment:

- Creation of direct and indirect job opportunities during the construction of the transmission lines.
- Technical skills would be transferred to locals and KETRACO during the project's construction and operation phases from the EPC contractor and POWERGRID.
- Enhance private sector participation in transmission projects in Kenya and Africa.

Project summary

Sector of activity	Power
Type of investment	Common equity
Deal partners	KETRACO and POWERGRID

Project updates

- Joint Development Agreement (JDA) between Africa50 and POWERGRID signed in December 2021.
- Technical viability of the two lines agreed by Ketraco has been confirmed.
- Ground truthing exercise undertaken by POWERGRID, with support from KETRACO. Transmission line routes optimized, and alternative substation land identified.

Azura-Edo
Africa50 - Project Finance

Nigeria

POWER

Background

Azura-Edo was the first large privately financed IPP built in Nigeria since the reform of the country's power sector. The project sells power under a 20-year PPA to the Nigerian Bulk Energy Trader. Phase 1 of the 461MW open-cycle gas turbine plant was completed eight months ahead of schedule and commenced commercial operations in 2018.

Development impact

Productivity:

- Azura-Edo provides relief to a sector that has suffered from widespread and regular power outages caused by insufficient generation capacity, forcing millions of people to rely on costly and polluting diesel generators for their power supply.
- The plant provides power to an estimated 14 million people.

Environment:

- The plant draws from the country's reserves of natural gas, a cleaner-burning transition fuel.
- In 2019, Azura-Edo avoided 60,810 tons of CO2 emissions.

Employment:

- Azura-Edo and its various partners directly employed up to 1,000 people during the construction of the power station, with many jobs created in and around the communities as a result of more power being available to local businesses and government.

Project summary

Sector of activity	Power
Type of investment	Common Equity
Deal partners	Actis and Amaya Capital

Project updates

- Business operational performance has not been materially impacted by the pandemic; Fair operational performance in 2021 supported by 92.8% availability vs. budget of 97.3%[31]; and 88.3% dispatch factor vs. budget of 80%.
- Azura continues engaging with the Federal Government of Nigeria and other key stakeholders to find a long-term solution to Nigeria's ongoing FX liquidity issues.

[31] CO2 emissions

Malicounda
Africa50 - Project Finance

Senegal

POWER

Background

Malicounda is a 120 MW combined-cycle HFO power plant convertible to gas, which is located about 85 km from Dakar, Senegal. The project site is part of a 15-hectare site of agricultural land.

Development impact

Productivity:

- The plant will increase the generating capacity of the country by 17%, while reducing generation costs by about 14%.
- If the savings are passed on to consumers this could result in a 3-7% fall in tariffs and a 1-3% rise in GDP.

Environment:

- The plant is expected to help satisfy baseloads, facilitating the integration of intermittent renewable power into the country's network.
- This type of combined-cycle power plant produces higher output at higher efficiencies (up to 55%) with lower emissions than the older open-cycle plants presently being used, which dissipate 67% of potential power as waste. Emissions will be below IFC guidelines.
- When converted to gas the plant is expected to form part of the evolution of Senegal's energy mix from diesel (currently about 75% of total generation capacity) to renewables, reducing emissions.
- Estimated savings of c. 17.5 million tons of CO^2 per year.

Employment:

- 750 jobs created as of December 2020, more than 50% being locally sourced resources.
- The potential cost and efficiency savings are expected to allow firms to increase production at no additional cost, potentially enabling the creation of 76,000 jobs over the long term.
- The combined cycle configuration helps to significantly reduce fuel costs, saving 8% of the cost of fuel or ~US$3.4 million/year for the country.

Project summary

Sector of activity	Power
Type of investment	Common equity
Deal partners	Melec PowerGen (MPG) and Senelec

Project updates

- €116 million in senior debt being raised with financial close expected in Q3 2022.
- Construction is almost complete, with Commercial Operation Date (COD) expected in Q3 2022.
- Africa50 and the other sponsors have secured for the company a bridge loan of US$92 million from local commercial banks to cover project capex needs until debt financial close is achieved.

Melec PowerGen (MPG)
Africa50 - Project Finance

Senegal

POWER

Background

Africa50's first investment through a new baseload power platform called Azura Power Limited (APL). Tobene Power is a 115 MW combined cycle heavy fuel oil plant based in Senegal which was acquired from Matelec Power Gen (MPG). The asset is convertible to gas and has a 20-year power purchase agreement with Senelec. The senior lenders pool includes the IFC, FMO, the Emerging Africa Infrastructure Fund, and the West African Development Bank.

Development impact

Productivity:

- Tobene, which accounts for ~10% of Senegal's electricity supply, has substantially contributed to closing the electricity supply gap since 2016.

Environment:

- Africa50's commitment to convert Tobene Power from HFO to gas will substantially reduce the asset's CO^2 footprint and will support Senegal's transition to a more environmentally sustainable future while also driving down the marginal cost of power.

Employment:

- Tobene power's operations provides local employment, tax revenues, and purchase of local goods and services, all of which contribute to labour output.

Project summary

Sector of activity	Power
Type of investment	Common equity and preferred equity[32]
Deal partners	Actis and Amaya Capital

Project updates

- Management and shareholders continue to pursue the gas conversion roadmap for Tobene, through continued engagement with Senelec, and the Government of Senegal to seek gas-to-power solutions which drive value for Tobene and the entire Senegalese power sector.

[32] Africa50's preferred equity instrument was converted to a preference loan in April 2022

Central Térmica de Ressano Garcia (CTRG)[33]
Africa50 - Project Finance

Mozambique

POWER

Background

Africa50's second investment through a new baseload power platform called Azura Power Limited (APL). CTRG is a 175MW gas fired power plant based in Mozambique. An economic interest in the asset was acquired from Sasol.

Development impact

Productivity:

- The project has improved access to electricity for Mozambicans: 175MW of gas fired generation capacity that serves as a critical asset, providing ~15% of nationally supplied power.
- CTRG supports Mozambique's gas to power strategy, a country with significant onshore and offshore gas reserves (150 Tcf), the third-largest reserve volume in Africa.

Environment:

The company has:

- The company has a solid ESG Management System based on International standards and an Environmental and Social Action Plan.
- No material incidents have been reported since inception.

Employment:

- Significant local job creation with 500+ temporary job opportunities created during the construction phase and ~50 permanent employment opportunities created during operational phase.

Project summary

Sector of activity	Power
Type of investment	Shareholder loan
Deal partners	Actis and Amaya Capital

Project updates

- Disbursement to fund the acquisition occurred in April 2022.

[33] Project under the umbrella of MPG

Nachtigal
Africa50 - Project Finance

Cameroon

POWER

Background

Nachtigal is a 420MW run of river hydropower plant located on the Sanaga River, 65km north east from Yaoundé in Cameroon. The project was developed by Nachtigal Hydro Power Company, whose shareholders are EDF, IFC, the Republic of Cameroon, Africa50, and STOA. The total project cost is estimated at €1.2 billion and construction is expected to last 57 months. The project reached financial close in December 2018. The AfDB is a lender to the project.

Development impact

Productivity:

- The plant is expected to increase Cameroon's generation capacity by more than 25%, improving access to electricity for consumers.
- The lower prices from hydropower are expected to improve the long-term financial sustainability of the sector, making electricity more accessible to the poor, and saving consumers about US$100 million over a seven-year period.

Environment:

- The plant is expected to help raise the share of renewables in Cameroon's energy mix to 75% and avoid the emission of one million tons of CO^2 annually.

Employment:

- The project is expected to create up to 2,490 direct jobs during construction (78 employees and 2,412 contractors) of which 90%+ are locally sourced.

Project summary

Sector of activity	Power
Type of investment	Common equity
Deal partners	Electricité de France (EDF), International Finance Corporation (IFC), STOA Infra&Energy Fund, Government of Cameroon

Project updates

- Construction started in January 2019 and has been delayed for approximately 11 months compared to the target COD, expected at financial close, due to the COVID pandemic situation. Target COD is expected in Sept. 2024.
- Works progressively resumed after the force majeure declarations in connection with COVID, and are now at normal pace.

PAIX
Africa50 - Project Finance

Pan-African

ICT

Background

Equity investment into a pan-African carrier-neutral data centre platform. PAIX has operating assets in Ghana (2018) and Kenya (2021), with assets in Senegal and Cote d'Ivoire currently under development. The company envisions to become the leading carrier-neutral data centre operator on the continent.

Development impact

Productivity:

- Constitutes the enabling infrastructure to increase internet access and lower data costs for African consumers which will in turn facilitate new economic opportunities and higher productivity.
- Increases performance of highly latency- and uptime-sensitive service offerings, particularly for local companies in the financial services sector.
- Allows for harmonization of regional data sovereignty and security regulations across the continent.
- The use of colocation services by enterprise companies will reduce their IT costs, thus freeing up capital to be redeployed in core activities.

Environment:

- The company adopted an updated ESG action plan which is currently being implemented
- Africa50 is working on alternative ways to adopt renewable energy as back up power for the data center which currently uses diesel.
- Increasing efficiencies (power consumption and cooling systems) through various levers will be one of the core value creation initiatives.

Project summary

Sector of activity	ICT
Type of investment	Equity investment
Deal partners	PAIX

Project updates

- Disbursement occurred in February 2022.
- Implementation of value creation plan is well underway with particular focus on post-completion requirements, the set up of ESG policies etc.
- The board granted approval for the extension of the Accra site for an additional 100 cabinets consisting of 700kW.
- Negotiations and due diligence are well advanced for a site in Dakar, Senegal. The team is also working on obtaining provisional building permit for the site.

Poa! Internet
Africa50 - Project Finance

Kenya

ICT

Background

Investment in an internet service provider which targets widespread deployment of affordable, unlimited high speed broadband connection. The company is looking to expand its services in Kenya and across East Africa.

Development impact

Productivity:

- The business expands broadband access to low- and medium-income households. The company's solution is 90% cheaper than alternative providers and allows for expanded use cases such as accessing the internet for work and education purposes.
- The business improves connectivity at schools without access, which constitute about 75% of the schools in Kenya.

Environment:

- The company adopted an updated ESG action plan which is currently being monitored.

Employment

- Supporting the education sector with 45 schools connected to POA!'s network as of end of Q1 2022.
- Empowering and promoting local economies through access to job opportunities and facilitating working conditions through online meetings, access to a broader range of data and resources.
- Driving financial gains as funds usually used to buy data bundle, visit cyber cafes, and purchase or rent movies are now channeled to other uses for households and businesses.
- Poa!'s target market is households with low to middle income, and its current customers reported revenues ranging from US$180 to US$930 per month. Going forward, Poa! aims at broadening its target market by offering a lower price point through (i) supporting internet reselling model or (ii) offering a sub US$10/ month product.

Project summary

Sector of activity	ICT
Type of investment	Series C preference equity
Deal partners	Novastar

Project updates

- Disbursement occurred in December 2021.
- The operating performance as at Q1 2022 was in line with the budget expectations.
- The company is raising a US$8.5 million debt facility which is expected to close by end of H1 2022.

Room2Run
Africa50 - Project Finance

Pan-African

Background

Room2Run is an investment into a Risk Protection Agreement related to a US$1 billion portfolio of seasoned pan-African loans held by the African Development Bank (AfDB). Structured as a synthetic securitization by Mizuho International, it transfers the mezzanine credit risk on a portfolio of approximately 47 AfDB non-sovereign loans in the power, transportation, financial, and manufacturing sectors across Africa.

Africa50 invested into Room2Run alongside Newmarket Capital (formerly known as Mariner Investment Group), a US investment firm.

Development impact

Productivity:

- Room2Run provides a template for attracting private capital from institutional investors into developing economies in a commercially viable way, which should help increase investment in the infrastructure and productive sectors of those economies.

Environment:

- Additional renewable energy projects are expected to lower greenhouse gas emissions across Africa while increasing energy access.

Employment:

- Ability to unlock capital from AfDB's balance sheet means that capital can be redeployed into more infrastructure investments.
- In the long term, increased investment, stimulated through Room2Run, should increase job creation and employment.

Project summary

Sector of activity	Infrastructure and financial services
Type of investment	Credit risk transfer
Deal partners	African Development Bank, Newmarket Capital

Project updates

- The investment continues to perform well with no defaults in the underlying AfDB portfolio.
- Africa50 anticipates pressure on borrowers in the portfolio due to the effect of the COVID pandemic.
- The team continues to actively monitor news related to the projects and entities in the underlying credits.

Scatec Egypt
Africa50 - Project Finance

Egypt

POWER

Background

Scatec Egypt is a 400 MWDC portfolio of utility scale PV power plants, developed under Round 2 of the Egyptian feed-in tariff (FiT) program. The portfolio consists of six projects, all located in the Benban site allocated by the Egyptian government to accommodate 41 FiT projects.

Development impact

Productivity:

- The plants have increased Egypt's generation capacity, helping to address growing user demand.
- They will also contribute to reducing dependency on imported oil and gas, improving energy security.

Environment:

- The production of 870 GWh per year of clean energy is expected to avoid 350,000 tons of CO^2 emissions, enabling Egypt to meet its climate commitments.

Employment:

- Africa50's six projects created about 1,000 construction jobs (out of the 4,500 jobs created for all 41 plants at the Benban site) and a quarter of the 250 permanent operations jobs.

Project summary

Sector of activity	PV Power Plant
Type of investment	Common equity
Deal partners	Scatec Solar, Norfund

Project updates

- The six power plants reached commercial operation in 2019 and the project is operating well.
- The impact of COVID has been very limited and the plants have continued operating normally.
- A US$334.5 million green bond was issued in April 2022 to refinance the existing debt, which provides the company with extended tenor and reduced interest rate and will make distributions to shareholders more resilient. The bond was issued in two tranches, one subscribed by DFIs, and the other by institutional investors, with credit enhancement by MIGA and EBRD. It is a landmark transaction as the first infrastructure bond and first private green bond issued on a project finance basis in Africa.

Enterprise risk management

Enterprise risk management

Africa50 remains committed to strong governance and to managing its enterprise risk in a robust manner. In 2020 the Africa50 Board of Directors approved the new Enterprise Risk Management Policy and a Risk Appetite Statement in accordance with internationally established standards contained in the COSO Enterprise Risk Management Framework.

Risk Appetite Statement - During the year, the Board considered the nature and extent of the principal risks that the organization is willing to take to achieve its strategic objectives (its 'risk appetite') and for maintaining sound risk management and internal control systems. It will review and monitor the organization's risk appetite on an annual basis to ensure that it is appropriate to the business environment in which Africa50 operates and consistent with internal policies.

Enterprise Risk Management Policy - Africa50's Enterprise Risk Management Policy emphasizes the importance of enterprise risk management in strategic planning and performance across all departments and functions so that Management is able to take informed risk-based decisions in conducting Africa50's business activities. Africa50's risk management framework provides for the identification, assessment, prioritization, assignment and addressing of risk issues and responses in addition to continuously reviewing, revising, communicating and reporting risk matters. Africa50's key enterprise risks are being managed and monitored regularly and reviewed by the Enterprise Risk Management and Finance Committee which in turn reports to Africa50's Board of Directors.

Risk management framework

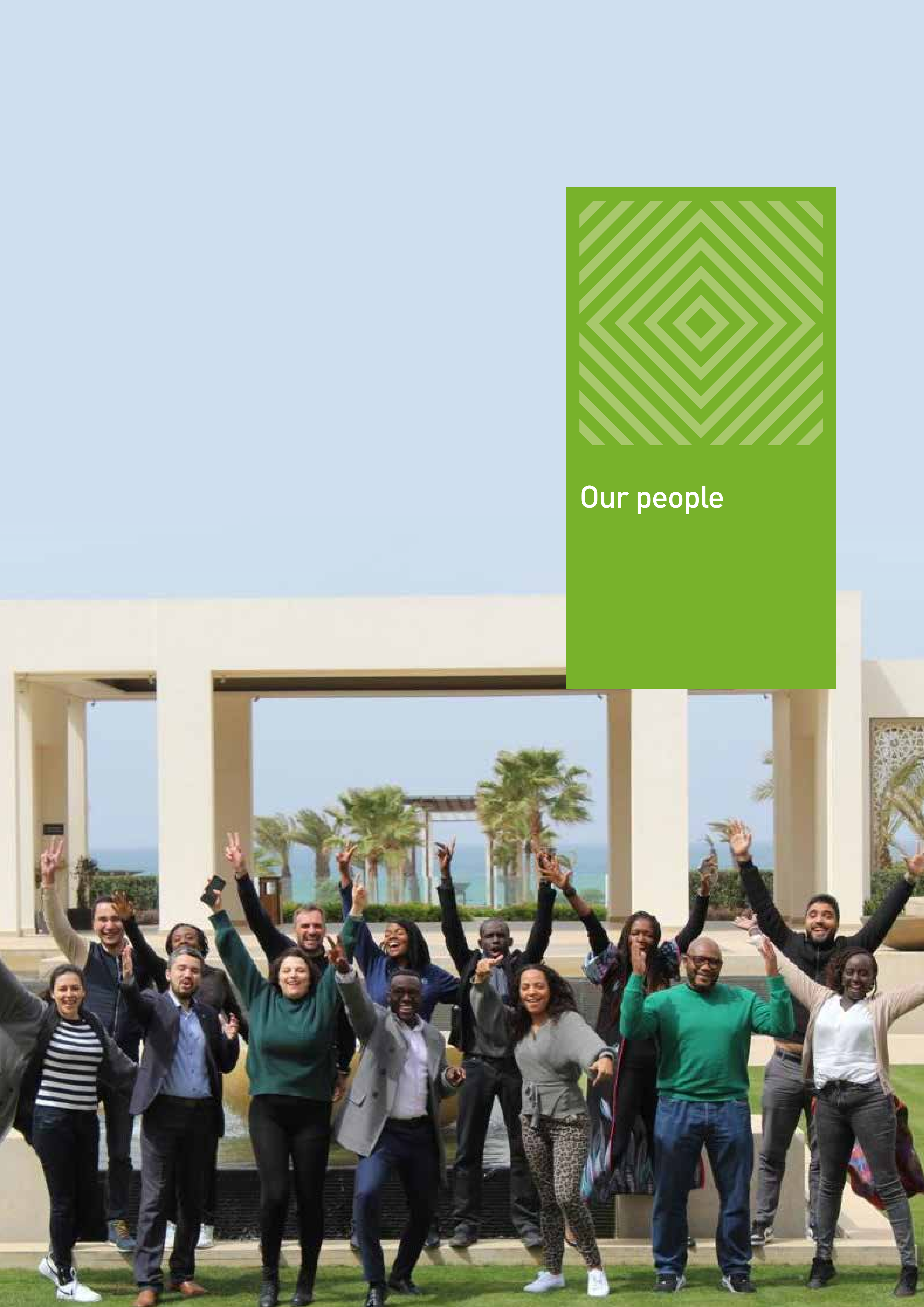
Enterprise risk management (continued)

Internal Controls Framework - Africa50 established an Internal Controls Framework (based on internationally established standards contained in the COSO Internal Controls Framework) to protect the organization from reputational risk, strategic and operational risk, fraud risk, compliance risk, and financial statements error risk. The Internal Controls Framework was approved end 2020. Implementation commenced 2020 and continued into 2021. Internal controls are used to help Africa50 achieve its goals and objectives. By identifying risks that will prevent these goals and objectives being achieved, Africa50 can identify what effective controls are needed to be in place. These internal controls are then monitored and assessed for effectiveness on a regular basis and revised in line with the changing business environment. Additionally, under the Internal Controls Framework, three lines of defense were also established:

- **First Line of Defense**
  Under the first line of defense, operational management has ownership, responsibility and accountability for directly assessing, controlling and mitigating risks.
- **Second Line of Defense**
  The second line of defense consists of the Risk Management function of Africa50. This line of defence monitors and facilitates the implementation of effective risk management practices by operational management and assists the risk owners in reporting adequate risk-related information up and down the organization.
- **Third Line of Defense**
  Internal audit forms Africa50's third line of defense. An independent internal audit function will, through a risk-based approach to its work, provide assurance to Africa50's Board and Management. This assurance will cover how effectively Africa50 assesses and manages its risks and will include assurance on the effectiveness of the first and second lines of defense. It encompasses all elements of an institution's risk management framework (from risk identification, risk assessment and response, to communication of risk-related information) and all categories of organizational objectives: strategic, ethical, operational, reporting and compliance.

Company Policies - In 2020, Africa50's Board of Directors approved the new Enterprise Risk Management Policy, an Anti-Money Laundering and Combating the Financing of Terrorism Policy, and an Integrity Due Diligence Policy, thereby protecting the integrity of the company when conducting its business activities by building a stronger corporate culture and adopting internationally recognised best practices. Implementation commenced 2020 and continued into 2021.

Our people

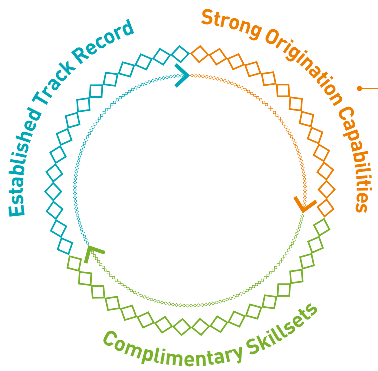


Our people

Our people are critical to Africa50 establishing itself as a leading African infrastructure investment platform, accelerating delivery of critical private projects and Public Private Partnerships, and mobilizing significant capital globally. We want to be the employer of choice that attracts and retains distinguished and talented professionals who are passionate about making a difference on the continent.

Experienced and proven track record

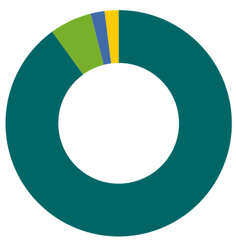
- The Africa50 investment team has a combined experience of 170+ years in investing globally and on the continent
- 22 nationalities are represented (Africa and globally) with extensive experience in large-scale infrastructure projects, investment banking, financial and strategic analysis, ESG and risk management



The team's origination capabilities has led the organization to deliver landmark projects such as:
- A 400MW solar plant developed and closed in under 6 months
- The signing of an intergovernmental agreement between 2 countries in 1 year
- The development of the first power transmission line project PPP
- The development of a technology innovation ecosystem

The Africa50 team leverages its skillsets to maximize:
- Deal flow origination and execution
- Innovative financing solutions
- Development impact and sustainability of our investments
- Collaboration between the public and private sectors

Our people



Origin

Africa **90%**
America **6%**
Europe **2%**
Australia **2%**

Age

20-30 **17%**
31-40 **46%**
41-50 **23%**
51-60 **14%**

Average Age: 38 years

Gender across organisation

Female **52%**
Male **48%**

Gender in management

Female **40%**
Male **60%**

Gender at board level

Female **33%**
Male **67%**

Guiding the institution

Governance and leadership

Board of Directors

Independent and global expertise bringing diverse perspectives

Africa50's Board consists of twelve Directors, half of whom are independent.

Directors are required to have relevant knowledge, skills, experience, and independence of mind to fulfill their responsibilities on the Board, along with a record of integrity and good repute. Directors have deep expertise in finance, infrastructure investment and environmental, social, and governance matters.

Akinwumi Adesina
Chairman of the Board and President, African Development Bank

> The Board is collectively responsible for ensuring leadership through effective oversight and review. It sets the strategic direction with the goal of delivering sustainable stakeholder value over the longer term.

Albert Mugo
Director

GENCC SBSESC

Amadou Kane
Director

AC ERFC

Assaad Jabre
Director

AC GENCC

KEY

AC	Audit Committee	GENCC	Governance, Ethics, Nominations, and Compensation Committee
ERFC	Enterprise Risk and Finance Committee	SBSESC	Strategy, Budget, Sustainability, Environmental, and Social Committee
		●	Committee Chair

Board of Directors[34] (continued)

Charles O. Boamah
Director

GENCC

Félicité Célestine Omporo-Enouany
Director

AC SBSESC

Imoni Akpofure
Director

ERFC SBSESC

Kassimou Abou Kabassi
Director

AC ERFC

Mohamed Hammam
Director

ERFC SBSESC

Monhla Wilma Hlahla
Director

GENCC

Nouaman Al Aissami
Director

AC ERFC

Sophie L'Helias
Director

GENCC SBSESC

[34] In the normal course of term expiration, Mohamed Hammam and Abou Kabassi Kassimou left the Boards in October 2021 after the expiry of their tenures. They were replaced by Akef Abdel Latif El Maghraby and Boukaré Zouanga

Senior leadership team

Alain Ebobisse
Chief Executive Officer

> We continuously assess our governance operating model to ensure that robust internal governing bodies and proper systems and processes are in place to support our leadership team to drive change, set strategic direction and formulate high-level goals and policies.

Tshepidi Moremong
Chief Operating Officer

Koffi Klousseh
Managing Director, Head of Project Development

Raza Hasnani
Managing Director, Head of Infrastructure Investments

Eric Ouedraogo
Chief Financial Officer

Zurina Saban
General Counsel and Corporate Secretary

Carole Wainaina
Senior Advisor to the CEO

Our financials

2021 Financials

Africa50 - Project Finance ("PF")

- The Net Income of PF has increased by 74% in 2021 compared to 2020, driven by the good performance of the investments.
- Change in fair value from investments is derived from the fair value revaluation of the Scatec Egypt, MPG, Malicounda, Nachtigal, and Azura Edo projects.
- Revenues from dividends / interests represent accrued interest receivable from Scatec Egypt, Nachtigal, and Malicounda as well as interests received from Room2Run and dividends distribution of Scatec Egypt.
- The fees paid by PF to PD mainly include the PD Pipeline Preferential Access ("PPPA") fee paid in exchange for PF having a privileged access to the pipeline of projects developed by PD.

Africa50 - Project Development ("PD")

- PD revenues are mainly driven by the project development rights sold to PF at or near financial close. None occurred in 2021.
- In addition, PD receives fees from PF (the PPPA) for privileged access to PD's pipeline of projects.

Profit & Losses (US$'000)	2021		
	PF	PD	TOTAL
Income	**21 298**	**2 462**	**23 760**
Dividends / interest	5 967	716	6 683
Change in fair value from investments	14 289	(606)	13 683
Fees paid by PF to PD	-	2 352	2 352
Others	1 042	-	1 042
Expenses	**13 743**	**11 267**	**25 010**
Operational expenses	9 415	8 377	17 792
Capital raising expenses	933	-	933
Project Expenses	1 043	2 774	3 817
Fees paid by PF to PD	2 352	-	2 352
Others	-	115	115
Net earnings	**7 555**	**(8 805)**	**(1 250)**

AFRICA50 – PROJECT FINANCE

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For the year ended 31 December 2021

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Corporate information

DIRECTORS	Date appointed	*Date term expires
Dr. Akinwumi A. ADESINA (the Chair)	21 July 2016	Day after 2024 GSM
Ms. Imoni AKPOFURE	19 July 2018	Day after 2024 GSM
Mr. Nouaman AL AISSAMI	29 July 2015	Day after 2024 GSM
Mr. Charles BOAMAH	29 July 2015	Day after 2024 GSM
Ms. Sophie L'HELIAS	19 July 2018	Day after 2024 GSM
Ms. Monhla Wilma HLAHLA	19 July 2018	Day after 2024 GSM
Mr. Assaad JABRE	19 July 2018	Day after 2024 GSM
Mr. Amadou KANE	29 July 2015	Day after 2024 GSM
Mr. Albert MUGO	19 July 2018	Day after 2024 GSM
Ms. Félicité Célestine OMPORO ENOUANY	29 July 2015	Day after 2024 GSM
Mr. Abdel Latif El Maghraby	5 October 2021	Day after 2024 GSM
Mr. Zouanga BOUKARE	5 October 2021	Day after 2023 GSM

*Each Director continues to serve until his/her successor has been appointed.

CEO
Mr. Alain EBOBISSE

CORPORATE SECRETARY
Ms. Zurina SABAN

REGISTERED OFFICE
Tour Ivoire 3 – 8eme étage
Marina de Casablanca
Boulevard des Almohades
Casablanca, Maroc

AUDITOR
KPMG S.A.
Tour EQHO
2 Avenue Gambetta
CS 60055
92066 Paris la Défense Cedex, France

BANKERS

BMCE BANK
140 Avenue Hassan II
20070 Casablanca, Maroc

AFREXIMBANK
72B El-Maahad El-Eshteraky Street
Roxy, Heliopolis, Cairo 11341, Egypt

ATTIJARIWAFA BANK
Centre d'Affaires 2001
2 Boulevard Moulay Youssef
Casablanca

CITIBANK
Zénith Millénium immeuble 1,
Sidi Mâarouf – B.P 40
Casablanca 20190 – Maroc

TRADE DEVELOPMENT BANK
197 Lenana Place, 1st floor and 5th floor
Lenana Road
PO Box 48596 – 00100 Nairobi, Kenya

Directors and management report
For the year ended 31 December 2021

The Management presents their report and the audited financial statements of Africa50 – Project Finance (the "Company" or "Africa50-PF" or "PF") for the year ended 31 December 2021.

PRINCIPAL ACTIVITY
Africa50-PF is an international organization and a special status financial company that promotes infrastructure development within Africa and makes infrastructure investments.

RESULTS AND DIVIDENDS
The results for the year are shown on page 71.

The Company did not pay any dividend for the year under review (2020: USD Nil).

DIRECTORS
The directors in office during the year were as stated on page 65.

MANAGEMENT RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Nothing has come to the attention of the management to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

AUDITORS
The auditors, KPMG S.A. were appointed at the General Shareholders Meeting on 19 July 2019 for a period of 3 years starting in the financial year 2019 and ending after the 2021 financial statements are complete.

APPROVAL OF FINANCIAL STATEMENTS BY DIRECTORS
The annual financial statements were approved by the board of directors on 2 June 2022.

Siège social :
KPMG S.A.
Tour Eqho
2 avenue Gambetta
92066 Paris la Défense Cedex
Capital : 5 497 100 €.
Code APE 6920Z
775 726 417 R.C.S. Nanterre
TVA Union Européenne
FR 77 775 726 417

Téléphone : +33 (0)1 55 68 86 66
Télécopie : +33 (0)1 55 68 86 60
Site internet : www.kpmg.fr

AFRICA50 - PROJECT FINANCE

INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT FINANCE
Year ended 31 December 2021

Africa 50 - Project Finance
Tour Ivoire 3
Marina de Casablanca
Boulevard des Almohades
20000 Casablanca - Morocco

Société anonyme d'expertise
comptable et de commissariat
aux comptes à directoire et
conseil de surveillance.
Inscrite au Tableau de l'Ordre
à Paris sous le n° 14-30080101
et à la Compagnie Régionale
des Commissaires aux Comptes
de Versailles.

Siège social :
KPMG S.A.
Tour Eqho
2 avenue Gambetta
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TVA Union Européenne
FR 77 775 726 417

Téléphone : +33 (0)1 55 68 86 66
Télécopie : +33 (0)1 55 68 86 60
Site internet : www.kpmg.fr

AFRICA50 – PROJECT FINANCE

Registered office: Tour Ivoire 3 - Marina de Casablanca - Boulevard des Almohades - 20000 Casablanca - Morocco

INDEPENDENT AUDITORS' REPORT AFRICA50 - PROJECT FINANCE
Year ended December 31, 2021

Opinion

In execution of the mission entrusted to us by your shareholder's meeting, we have audited the accompanying financial statements of Africa 50 – Project Finance ("the Entity") which comprise the balance sheet as at December 31, 2021 and the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information as set out in notes. These accounts were approved by the Board of Directors on June 2nd, 2022. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements based on International Standards on Auditing, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditors' Report Africa50 - Project Finance (Continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Africa 50 – Project Finance Annual Report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view, in accordance with IFRS, and for such internal control as management determines 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, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' 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 auditors' 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditors’ Report Africa50 - Project Finance (Continued)

— Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’ s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Paris La Défense, June 30th, 2022
KPMG S.A.

Valéry Foussé
Partner

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2021

	Notes	31 December 2021 USD	31 December 2020 USD
Income			
Interest/Dividend income	17	5 532 566	6 116 063
Depreciation on loans	17	(104 233)	(210 415)
Unrealized gain/(loss) on foreign currency		(4 755 814)	5 255 320
Net gain/(loss) on financial assets at fair value	7	19 045 366	5 935 537
Other income	18 / 22	1 042 538	681 447
Total income		**20 760 423**	**17 777 952**
Expense			
Expenses on projects	21	1 043 005	499 078
Fundraising expenses	22 / 18	933 308	806 477
Salaries and benefits	23	6 609 020	5 580 985
PD Pipeline Preferential Access fee	23	2 352 000	4 704 000
Other expenses	23	2 806 879	2 926 950
Total expenses		**13 744 213**	**14 517 490**
Operating profit		**7 016 211**	**3 260 461**
Finance cost	20	(28)	(40 828)
Finance income	19	538 946	1 121 029
Financial profit		**538 919**	**1 080 201**
Profit for the year		**7 555 129**	**4 340 662**
Other comprehensive income		-	-
Total comprehensive income for the year		**7 555 129**	**4 340 662**

The accompanying notes 1 to 28 form part of these financial statements.

Statement of financial position

As at 31 December 2021

	Notes	2021 USD	2020 USD
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	7	117 000 880	109 788 988
Loans and receivables	8	78 646 103	90 261 822
Depreciation on loans	8	(227 419)	(236 486)
Other receivables (non current)	11	10 905 068	7 705 987
Property, plant and equipment	9	989 748	1 351 337
Leases	10	1 459 770	1 915 138
Total non-current assets		**208 774 151**	**210 786 787**
Current assets			
Other receivables	11	2 041 390	2 057 859
Loans and receivables	8	7 803 840	13 936 675
Cash and cash equivalents	12	222 637 285	172 617 442
Total current assets		232 482 515	188 611 976
TOTAL ASSETS		**441 256 666**	**399 398 763**
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves			
Paid-up capital	13 & 15	403 419 794	382 486 854
Total comprehensive income for the year		7 555 129	4 340 662
Reserves and retained earnings		(2 158 228)	(6 498 890)
Total capital and reserves		**408 816 695**	**380 328 627**
LIABILITIES			
Non-current liabilities			
Account payables	14	1 217 171	1 660 116
Total non-current liabilities		**1 217 171**	**1 660 116**
Current liabilities			
Account payables	14	5 067 611	1 539 449
Other payables	15	26 155 189	14 095 113
Total current liabilities		**31 222 800**	**17 410 020**
TOTAL EQUITY AND LIABILITIES		**441 256 666**	**399 398 763**

The accompanying notes 1 to 28 form part of these financial statements.

Statement of changes in equity
For the year ended 31 December 2021

	Paid-up capital USD	Reserves and retained earnings USD	Total equity USD
As at 1 January 2020	**366 421 059**	**(6 498 891)**	**359 922 167**
Total comprehensive income for the year		4 340 662	4 340 662
Net increase in paid-up capital	16 065 796		16 065 796
Balance at 31 December 2020	**382 486 855**	**(2 158 229)**	**380 328 627**
Total comprehensive income for the year		7 555 129	7 555 129
Net increase in paid-up capital	20 932 940		20 932 940
Balance at 31 December 2021	**403 419 795**	**5 396 900**	**408 816 695**

The accompanying notes 1 to 28 form part of these financial statements.

Statement of cash flows

For the year ended 31 December 2021

	Notes	2021 USD	2020 USD
Cash Flow from operating activities			
Total comprehensive income for the year		**7 555 129**	**4 340 662**
Add / (deduct)			
Depreciation & amortization of tangible & intangible assets		367 217	451 220
Provision IFRS9		104 233	210 415
Unrealized Foreign exchange loss /gain on investments		4 755 814	(5 255 320)
Change in fair value movement on investments		(18 865 535)	(5 935 537)
Others		(18 739)	111 949
		(6 101 881)	**(6 076 611)**
Movement in working capital			
Decrease / increase in debtors		16 469	750 742
Decrease / increase in creditors		13 369 835	(11 073 841)
Changes in movement in working capital		13 386 304	(10 323 099)
Cash generated from / (used in) operations	**24**	**7 284 423**	**(16 399 710)**
Cash flow from investing activities			
Equity investments		(7 221 489)	(100)
Loans and other investment funding		10 010 113	(3 871 627)
Payments for property, plant and equipment		(41 106)	(184 088)
Others (projects exits, development fees)		19 054 963	531 702
Net cash used in/from investing activities	**24**	**21 802 481**	**(3 524 114)**
Cash flow from financing activities			
Capital subscription		20 932 939	16 065 795
Net cash generated from financing activities		**20 932 939**	**16 065 795**
Net change in cash and cash equivalents		50 019 843	(3 858 028)
Cash and cash equivalents at start of year		172 617 442	176 475 470
Cash and cash equivalents at end of year	**12**	**222 637 285**	**172 617 442**

The accompanying notes 1 to 28 form part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2021

1. PURPOSES, OPERATIONS AND ORGANIZATION

Africa 50 – Project Finance is an international organization and special status financial company, with its headquarters in Casablanca (Morocco), with authorized share capital of 3,000,000,000 USD and subscribed common stock of 785,792,000 USD.

Africa50-PF's organizational purposes include:

a) To promote infrastructure development within Africa, with funding derived from diverse sources, ,including equity subscriptions, borrowings and grants from African and non-African sources;

b) To make infrastructure investments, including:
   i) In association with multilateral, bilateral, public or private investors or financiers, to assist in financing the construction, rehabilitation, improvement, expansion, or acquisition of financially and economically viable infrastructure-related, infrastructure-mobilizing and infrastructure-enabling companies, assets, ventures, and projects by making investments in debt, equity, quasi-equity, guarantees or a combination thereof, with or without guarantee of repayment by the government or the State in which the investment is made;
   ii) To carry on business as a financier, alone or in cooperation with any other financial institution, through the provision of loans, guarantees, equity, quasi-equity, guarantees, or combinations thereof, or other forms of financial assistance; and
   iii) To provide resources to finance the cost of developing infrastructure-related, infrastructure-mobilizing and infrastructure-enabling companies, assets, ventures, and projects in Africa to a stage where multilateral, public or private investors can invest in such projects;

c) To provide financial advisory services, in connection with potential investments;

d) To enter into any agreement or arrangement with any government, municipal or local authority or any other entity which is conducive to Africa50-PF realizing any activity relating to its organizational purposes; to obtain from any such authority or entity any rights, privileges and exemptions that Africa50-PF deems desirable; and to carry out, exercise and comply with any such arrangements, rights, privileges and exemptions;

e) To provide technical assistance and advisory services for the study, preparation and implementation of Infrastructure-related, Infrastructure-mobilizing and Infrastructure-enabling companies, assets, ventures, and projects involving Infrastructure physically located in Africa or substantially benefitting Africa;

f) To apply earnings to defray the costs of pursuing organizational purposes, to fund reserves and to distribute dividends;

g) To borrow or raise money, to issue securities, bonds, notes, mortgages and other instruments and to provide guarantees;

h) To hold investments of every kind and description (including investments in securities, shares, and notes);

i) To pay distributions on Africa50-PF shares;

j) To retain and apply earnings to the organizational purposes of Africa50-PF;

k) To obtain any administrative or legislative act or effect any modification of these Articles that assists Africa50-PF in carrying out its organizational purposes and to oppose any proposals or proceedings that may directly or indirectly prejudice Africa50-PF's interests; and

l) To carry on any business related directly or indirectly to any of the aforementioned operations, for the purpose of facilitating, promoting and developing Africa50-PF's activity.

2. BASIS OF PREPARATION

These financial statements are the only financial statements presented by the Company and are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements are prepared in accordance with IFRS standards in effect in 2020 and new standards described below.

The financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value.

The financial statements are prepared on a going concern basis and presented to the nearest US dollar (USD) unless otherwise stated.

3. STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FOR THE FIRST TIME IN 2021.

New standards or interpretations	Date of application
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to IFRS 16 – COVID related Rent Concessions beyond 30 June 2021	1 April 2021

The new requirements did not have any material impact on the financial statements.

4. ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

New standards or interpretations	Date of application
AIP (2018 – 2020 cycle): IFRS 9 Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities	1 January 2022
AIP (2018 – 2020 cycle): Illustrative Examples accompanying IFRS 16 Leases Lease incentives	1 January 2022
Amendment to IAS 37 – Onerous Contracts: Cost of Fulfilling a Contract	1 January 2022
Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before intended Use	1 January 2022
Amendments to IAS 8 – Definition of Accounting Estimates	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current – Deferral of Effective Date issued in July 2020)	1 January 2023

The company does not expect any material impact on it financial statements when these forthcoming requirements will be mandatory.

5. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently for the year presented in these financial statements.

Notes to the financial statements (continued)

For the year ended 31 December 2021

a) Functional and Presentation Currencies

Africa 50-PF conducts its operations in the currencies of its member countries together with Euros and USD. The USD is also the currency in which the financial statements are presented.

b) Foreign currency translation

Income and expenses are translated to USD at the rates prevailing on the date of the transaction. Monetary assets and liabilities are translated into USD at rates prevailing at the balance sheet date.

The rates used for translating currencies into USD at 31 December 2021 are reported in Note 25. Non-monetary assets and liabilities are translated into USD at historical rates. Translation differences are included in the determination of net income.

c) Exemption from preparing consolidated financial statements

The Company holds investments for the sole purpose of capital appreciation, investment income (such as dividends, interest or rental income), or both. All the equity investments are measured at fair value (see note 7). According to IFRS 10.27, the Company meets the definition of an investment entity and does not have to consolidate its equity investments. Instead, the equity investments of the Company are subject to the normal rules of IFRS 9 as detailed hereinafter.

d) Financial assets and liabilities

d) 1. Financial assets

The Company's financial assets include financial assets designated at fair value through profit or loss, loans and receivables, cash and cash equivalents and other receivables.

i) Classification

The Company classifies its financial assets and financial liabilities in accordance with IFRS 9.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows as detailed hereinafter.

ii) Initial recognition and measurement

All financial assets are recognized initially at fair value plus transactions costs, except in the case of financial assets recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e, the date that the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company may classify its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. When the asset is derecognised in its entirety, a gain or loss on disposal is recorded in the income statement for an amount equal to the difference between the carrying value of the asset and the payment received for it [IAS1 §82 (aa)]. This amount should be presented separately as "gains and losses" from the derecognition of financial instruments at amortised cost.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

  As of and for the year ended December 31, 2021, all the Company debt instruments are measured at amortized costs and presented as "Loans & receivables" in the balance sheet.

The Company has also granted loans to entities that carries projects

Equity instruments
The Company measures all of it equity investments at fair value and recognizes the changes of fair value as "Unrealised gain/(loss) on financial assets at fair value through profit or loss" in the statement of profit or loss. Realized Gains/Losses are recognized as the difference between the fair value as of 1st January of the current year and that as of the of 31 December of the current year in the statement of profit or loss.

d) 2. Financial liabilities

i) classification
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, as loans and borrowings, as payables, or as derivatives designated as hedging instruments in an effective hedge as appropriate.

ii) Initial recognition and measurement
All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include other payables and account payables.
Financial liabilities, other than those classified as at fair value through profit or loss and derivatives, are measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, as well as through the amortization process.

Notes to the financial statements (continued)

For the year ended 31 December 2021

d) 3. Subsequent measurement

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

d) 4. Fair value measurement

The Company measures its equity investments at fair value at each reporting date. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Given that the Company invested in non-listed companies, the fair value is determined by using valuation techniques such as discounted cash flows, deemed to be appropriate in the circumstances.

d) 5. Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2: Quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all significant inputs are based on observable market data. Included in this category are 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 where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques for which significant input is not based on observable market data and the unobservable inputs have a significant effect on the instrument's valuation. Instruments that are valued based on quoted market prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments are included in this category.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

d) 6. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

d) 7. De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the right to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability. On de-recognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognized in profit or loss.

The Company derecognizes a financial liability when its contractual obligation is discharged, cancelled or expired.

d) 8. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Notes to the financial statements (continued)
For the year ended 31 December 2021

Income and expenses are presented on a net basis only when it is permitted under IFRS, e.g. gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss.

e) Expenses

All expenses are recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

f) Cash and cash equivalents

Cash comprises of deposits with banks, cash at bank and petty cash. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

g) Leases

Africa50-PF leases its office space. Until the 2018 financial year, those leases were classified as operating leases. Since 1 January 2019, these leases are recognized as right-of-use assets and corresponding liabilities at the date at which the leased asset is available for use by the Company

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

i) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
ii) variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
iii) amounts expected to be payable by the Company under residual value guarantees;
iv) the exercise price of a purchase option, if the Company is reasonably certain to exercise that option; and
v) payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Company's leases, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The interest rate used since 1 January 2019 is 5%.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

i) the amount of the initial measurement of lease liability;
ii) any lease payments made at or before the commencement date, less any lease incentives received;
iii) any initial direct costs; and
iv) restoration costs.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis.

Notes to the financial statements (continued)
For the year ended 31 December 2021

h) Segment and geographical information

Africa50-PF invests in infrastructure in Africa or that substantially benefits Africa. The head office of the company is based in Casablanca. As of 31 December 2021, the portfolio comprises seven investments across Africa, three in West Africa, one in Central Africa, one in East Africa, one in North Africa, and one is Pan African.

i) Contingent liabilities

Contingent liabilities are potential liabilities where there is even greater uncertainty, which could include a dependency on events not within Africa50-PF's control, but where there is a possible obligation. Contingent liabilities are only disclosed and not included within the statement of financial position.

j) Commitments

Commitments represent amounts Africa50-PF has contractually committed to pay to third parties but do not yet represent a charge or asset. This gives an indication of committed future cash flows. Commitments at the year-end do not impact Africa50-PF 's financial results for the year.

k) Provisions

Provisions are recognized when Africa50-PF has a present obligation of uncertain timing or amount as a result of past events and it is probable that Africa50-PF will be required to settle that obligation and a reliable estimate of that obligation can be made. The provisions are measured at the best estimate of the amount to settle the obligation at the balance sheet date and are discounted to present value if the effect is material. Changes in provisions are recognized in the statement of comprehensive income.

l) Property plant and equipment

The depreciation methods and periods used by the Company are disclosed in note 9. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Notes to the financial statements (continued)

For the year ended 31 December 2021

6. USE OF ESTIMATES AND JUDGEMENTS

Estimates and assumptions

Valuation of financial instruments

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in an active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where 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 on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect the differences between the instruments.

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Unquoted equity investments	**2021 USD**	**2020 USD**
At 1 January	109 788 988	103 853 350
Additions	7 221 489	100
Disposals (at cost)	(16 000 000)	
Disposals (Fair Value change)	(3 054 963)	
Fair value movement	19 045 366	5 935 537
At 31 December	**117 000 880**	**109 788 988**

All the equity investments of the Company are level 3 in the fair value hierarchy.

The valuation methodology applied is the discounted cash flow method applying a risk-reflective rate based on professional judgment applied to reach best estimate.

There is no change in the valuation technique compared to the 2020 Financials.

Notes to the financial statements (continued)

For the year ended 31 December 2021

	2021 USD	2020 USD
Net gain/(loss) on financial assets at fair value*	19 045 366	5 935 537
	19 045 366	**5 935 537**

The 2021 Net Gain includes 18,865,535 USD of unrealized gain and 179,831 USD of realized gain.

i) Investment holdings

Name	Country of Incorporation	Main business	Year end 2021	Direct holding 2021 %	Indirect holding 2021 %	Effective holding & voting power 2021 %	Direct holding 2020 %	Indirect holding 2020 %	Effective holding & voting power 2020 %
Infra Holdco 1 (Egypt BV)	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100
Egypt Solar B.V.	Netherlands	Solar Power Project Co.	31-Dec	-	25	25	-	25	25
Nachtigal Hydro Power Company	Cameroon	Hydro Power Project Co.	31-Dec	15	-	15	15	-	15
Power Holdco 1 (APL)	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100
Azura Power Limited (APL)	Mauritius	Investment platform Power plants	31-Dec	-	21	21	-	21	21
Malicounda Power SAS	Senegal	Thermal Power plant	31-Dec	30	-	30	30	-	30
Power Holdco 3 (APHL)	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100
Azura Power Holding Limited (APHL)	Mauritius	Investment platform Power plants	31-Dec	-	15	15	-	15	15
Tech Holdco 1 (POA) *	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100
POA International Ltd	Mauritius	Investment platform Internet access	31-Dec	-	17	17	-	-	-
Tech Holdco 2	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	-	-	-
Africa50 Infrastructure Partners I	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	-	-	-
Africa50 Infrastructure Acceleration Fund I GP	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	-	-	-
Africa50 Infrastructure Acceleration Fund I LP	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	-	-	-

Tech Holdco 1: previously named Credit Holdco 1

Notes to the financial statements (continued)
For the year ended 31 December 2021

ii) Change in fair value

Portfolio of investments:

Opening	Additions Cost	Closing	Opening Movement in fair value +	Movement -		Closing	Fair Value 2021	2020
USD	USD	USD	USD	USD	USD	USD	USD	USD
100 935 580	(8 778 511)	92 157 069	8 853 407	20 100 216	(4 109 813)	24 843 810	117 000 880	109 788 988

8. LOANS AND RECEIVABLES AT AMORTIZED COST

	2021 USD	2020 USD
Non-current		
Infra Holdco 1	16 094 401	18 122 781
Nachtigal	41 938 414	45 309 833
Room to Run	7 494 182	12 520 623
Malicounda Power SAS	13 119 106	14 173 748
Power Holdco 1	0	60 000
Power Holdco 2	0	30 000
Power Holdco 3	0	14 838
Credit Holdco 1	0	30 000
	78 646 103	**90 261 822**
Current		
Infra Holdco 1	3 772 000	9 904 835
Room to Run	4 031 840	4 031 840
	7 803 840	**13 936 675**
Total	**86 449 943**	**104 198 497**

8. LOANS AND RECEIVABLES AT AMORTIZED COST (CONTINUED)

Maturity of loans and receivables	Provision IFRS 9 2021 USD	On demand 2021 USD	Within 1 year 2021 USD	Between 1 to 5 years 2021 USD	After 5 years 2021 USD	Total 2021 USD
Infra Holdco 1			3 772 000	16 094 401		19 866 401
Nachtigal	(176 971)	-	-	14 626 588	27 311 826	41 761 443
Room to Run	-	-	4 031 840	7 494 182		11 526 022
Malicounda Power SAS	(50 448)		-	7 280 968	5 838 138	13 068 658
Total	**(227 419)**	**-**	**7 803 840**	**45 496 139**	**33 149 964**	**86 222 524**

	Provision IFRS 9 2020 USD	On demand 2020 USD	Within 1 year 2020 USD	Between 1 to 5 years 2020 USD	After 5 years 2020 USD	Total 2020 USD
Infra Holdco 1		4 144 615	5 760 219	12 738 282	5 384 500	28 027 617
Nachtigal	(183 052)	-	-	45 309 833	-	45 126 781
Room to Run	-	-	4 031 840	11 206 549	1 314 072	16 552 462
Power Holdco 1	-		-	60 000	-	60 000
Malicounda Power SAS	(53 434)		-	14 173 748	-	14 120 314
Power Holdco 2	-		-	30 000	-	30 000
Power Holdco 3	-		-	14 838	-	14 838
	-		-	30 000	-	30 000
Total	**(236 486)**	**4 144 615**	**9 792 059**	**83 563 251**	**6 698 572**	**103 962 011**

Loans and receivables represent loans and debt investments of the Company.

i) Shareholder loan to Egypt Solar B.V. (through Infra HoldCo 1)

This loan is classified as debt instrument and is accounted at amortized cost.

Project status as of 31 December 2021

All six power plants have continued operating normally with appropriate COVID measures having been put in place. Operations are now at a steady state and performance has slightly exceeded expectations. The assets have continued making distributions to the shareholders.

Shareholder loan to Egypt Solar B.V. (through Infra HoldCo 1)

The shareholder loan was classified as "Performing loan" (bucket 1). Africa50-PF applies a definition of default which is consistent with the definition used for internal credit risk management purposes under IFRS 9. It considers qualitative factors (for example, financial covenants), where appropriate.

Regarding shareholder loans, Africa50-PF considers that the 90-day past due delay on interest (rebuttable presumption for a default) is not an objective indicator of default, as these instruments are structured so that interest is either paid or capitalized.

The Africa50-PF investment division assesses any potential credit risk through a set of quantitative and qualitative indicators, such as significant construction cost overruns or delays, operational under performance, increase in financing costs or taxation, which are likely to prevent the shareholder loan from being repaid in full, along with capitalized interest, by the end of the project (as determined by the concession agreement or similar agreements).

Notes to the financial statements (continued)
For the year ended 31 December 2021

Provision

Based on Moody's research on the default of infrastructure projects, the provision was calculated based on a probability of default and a recovery rate, corresponding to the historical average for "greenfield" projects in emerging markets exclusive, of EEA or OECD members. This resulted in a provision amounting to 68 708 USD of the shareholder loan principal and accrued interests. This provision was recorded in the Infra Holdco 1 accounts, an investment vehicle 100% owned by Africa50-PF.

ii) Shareholder loan to Nachtigal Hydro Power Company (NHPC)

This loan is classified as a debt instrument and is accounted at amortized cost. IFRS 9 provisioning guidance applies for this operation.

Project status as of 31 December 2021

Africa50-PF considered the Project "on track" and classified the shareholder loan as a "performing loan" (Bucket 1).

- The project reached financial close on 24 December 2018, and construction started at the end of January 2019, with the first drawdown on the senior debt. A second loan drawdown occurred in May 2019
- Africa50 - PF fully disbursed its shareholder loan in the amount of approximately EUR 37 million in December 2018. Africa50 - PF has one board member. Five Board and Committee meetings were held in 2021 and a board meeting was held in February 2022. No governance issues were recorded.
- COD is expected to occur in August 2023.

Shareholder loan to NHPC

Africa50 applies a definition of default that is consistent with the IFRS 9 definition used for internal credit risk management purposes. It considers qualitative factors (for example, financial covenants), where appropriate.

Regarding infrastructure projects, Africa50 considers that the 90 day past due delay on interest are not an objective indicator of default. Africa50-PF investment division assesses any potential credit risk through a set of quantitative and qualitative indicators such as: construction delays (the delay observed so far is less than one year and does not trigger a credit risk), project cost overruns (no cost overrun identified so far), change in taxation or regulation (no change in regulation so far), significant delays in payments from offtakers (not applicable during construction phase).

Provision

Based on Moody's research on the default of infrastructure projects, the provision was calculated based on a probability of default and a recovery rate corresponding to the historical average for green projects in emerging markets exclusive of EEA or OECD members.

This resulted in a provision amounting to 176 971 USD of the shareholder loan principal and accrued interests.

iii) Room to Run

As at 31 December 2021, the Africa50-PF investment in Room to Run consists of a risk protection guarantee and is accounted for as a commitment. IFRS 9 provisioning guidance applies for this operation.

Investment status at end of December 2021

The Room2Run investment closed in October 2018. The loans in the underlying reference portfolio have been performing well since close, and investment performance is in line with projections. The principal lender continues to pay the protection fee amount and interest on the collateral as scheduled. Quarterly reporting on the reference portfolio as of December 2021 showed that not only were the loans performing well, but there were no material changes in the credit ratings of the loans in the reference portfolio, compared to ratings at the initial transaction close in November 2018. No default or potential default has been identified, and there are no credit losses in the underlying reference portfolio.

Guarantee granted to Room2Run Principal Lender

Based on the fact that the loans guaranteed are performing well with no potential defaults identified, the transaction is classified as Bucket 1. Africa50-PF assesses any potential increase in credit risk through a set of indicators such as: a significant change in the rating of a specific loan in the reference portfolio; whether a loan is put in Bucket 2 by the principal lender; significant delays in the principal lender's payment of protection fees or interest on cash collateral; or a downgrade of a principal lender's long-term credit rating below AA/Aa2/AA by S&P, Moody's, and Fitch, respectively. The principal lender is rated AAA/Aaa/AAA currently.

None of the increased credit risk indicators above were applicable as of December 31st, 2021.

Provision

No provision was identified for the Room2Run investment when considering the following indicators: the probability of default of each loan in the reference portfolio, which is based on its credit rating, the structure of the transaction in which the principal lender retains part of the losses on the portfolio prior to any protection payment and the fact that a credit loss will be realized approximately three years after the occurrence of a default, and no default has occurred to date.

No payments related to credit losses are expected from Africa50-PF on this transaction in 2022.

iv) Shareholder Loan to Malicounda Power SAS

This loan is classified as a debt instrument and is accounted at amortized cost. IFRS 9 provisioning guidance applies for this operation.

Project status as of 31 December 2021

Africa50-PF considered the Project as "on track" and classified the shareholder loan as "Performing loan" (Bucket 1). Construction has continued progressing well despite delays due to COVID impact. Commissioning and financial close are expected to occur in the second quarter of 2022.

Africa50-PF disbursed a shareholder loan in the amount of EUR 6.3 million in September 2019. In June 2020, Africa50-PF disbursed a second shareholder loan of EUR 5.3.

Shareholder loan to Malicounda Power SAS

Africa50-PF applies a definition of default that is consistent with the IFRS 9 definition used for internal credit risk management purposes. It considers qualitative factors (for example, financial covenants), where appropriate.

Regarding infrastructure projects, Africa50-PF considers that the 90 day past due delay on interest are not an objective indicator of default. Africa50-PF investment division assesses any potential credit risk through a set of quantitative and qualitative indicators such as: construction delays (the delay observed so far is less than one year and does not trigger a credit risk), project cost overruns (no cost overrun identified so far), change in taxation or regulation (no change in regulation so far), significant delays in payments from offtakers (not applicable during construction phase).

Notes to the financial statements (continued)
For the year ended 31 December 2021

Provision
Based on Moody's research on the default of infrastructure projects, the provision was calculated based on a probability of default and a recovery rate corresponding to the historical average for green projects in emerging markets exclusive of EEA or OECD members.

This resulted in a provision amounting to 50 448 USD of the shareholder loan principal and accrued interests.

9. PROPERTY, PLANT AND EQUIPMENT

	2021 USD	2020 USD
Property, plant and equipment	989 748	1351 337
	989 748	**1351 337**

(in USD)	IT equipment	Technical equipment	New office furniture	New office others	Total
At 1 January 2020					
Cost	417 769	8 759	1 507 341	433 031	2 366 900
Accumulated depreciation & impairment	(214 162)	(5 646)	(400 080)	(178 348)	(798 235)
Net book amount	**203 607**	**3 113**	**1 107 261**	**254 683**	**1 568 665**
Year ended 31 December 2020				**-**	
Opening net book amount	203 607	3 113	1 107 261	254 683	1 568 665
Additions	89 490	-	94 595	-	184 085
Disposals	-	-	-	-	-
Depreciation charge	(146 159)	(2 783)	(188 732)	(63 739)	(401 413)
Impairment Loss	**-**	**-**	**-**	**-**	**-**
Closing Net book amount As at December 31, 2020	**146 939**	**330**	**1 013 124**	**254 684**	**1 351 337**
At 31 December 2020				**-**	
Cost	507 259	8 759	1 601 936	433 031	2 550 986
Accumulated depreciation & impairment	(360 321)	(8 429)	(588 813)	(242 085)	(1 199 648)
Carrying amount As at December 31, 2020	**146 938**	**330**	**1 013 123**	**190 946**	**1 351 337**
Year ended 31 December 2020				-	
Opening net book amount	146 938	330	1 013 123	190 946	1 351 337
Additions	35 745	551	(2 706)	7 516	41 106
Disposals	-	-	-	-	-
Depreciation charge	(87 504)	(376)	(256 734)	(58 081)	(402 695)
Impairment Loss	-	-	-	-	-
Closing Net book amount As at December 31, 2021	**95 180**	**505**	**753 683**	**140 380**	**989 748**
At 31 December 2021				-	
Cost	543 004	9 310	1 599 230	440 547	2 592 092
Accumulated depreciation & impairment	(447 825)	(8 805)	(845 547)	(300 167)	(1 602 344)
Carrying amount As at December 31, 2021	**95 180**	**505**	**753 683**	**140 380**	**989 748**

Notes to the financial statements (continued)

For the year ended 31 December 2021

Property, plant and equipment are depreciated using the straight-line method over their useful lives, estimated as follows:

IT equipment:	3 years
Technical equipment:	3 years
Office furniture:	5 years
Office layout:	End of the second lease period (November 2023).

10. LEASES

The balance sheet shows the following amounts relating to leases:

Right-of-use assets	31-Dec-21 USD	31-Dec-20 USD
Head office	1 379 581	1 747 469
Others	80 190	167 669
	1 459 770	**1 915 138**

Lease liabilities	31-Dec-21 USD	31-Dec-20 USD
Current	442 945	421 282
Non-current	1 217 171	1 660 116
	1 660 116	**2 081 399**

The statement of profit or loss shows the following amounts relating to leases:

Expenses relating to leases	31-Dec-21 USD	31-Dec-20 USD
Depreciation charge of right-of-use assets	455 368	455 368
Interest expense (included in finance cost)	95 877	116 317
	551 245	**571 685**

The total cash outflow for leases in 2021 was 517,159 USD

Notes to the financial statements (continued)
For the year ended 31 December 2021

11. OTHER RECEIVABLES

	2021 USD	2020 USD
Current		
Interest accrued from Room to Run	1 134 448	1 038 434
Other receivables	286 768	293 364
VAT receivables	462 602	558 489
Employee Loans	80 000	90 000
Deposit and guarantees	77 572	77 572
	2 041 390	**2 057 859**
Non current		
Accrued interest from Nachtigal	5 891 639	4 163 695
Accrued interest from Malicounda	515 385	267 982
Accrued interest from Infra Holdco 1	4 498 044	3 274 310
	10 905 068	**7 705 987**

12. CASH AND CASH EQUIVALENTS

	2021 USD	2020 USD
Cash	42 771 536	6 834 656
Cash equivalents	179 812 179	165 743 684
Accrued interest on cash equivalents	53 570	39 102
	222 637 285	**172 617 442**

Cash equivalents are made of term deposits with short duration, none of which exceeding one year.

Notes to the financial statements (continued)
For the year ended 31 December 2021

13. PAID-IN CAPITAL

The authorized share capital according to Africa50-PF status is 3,000,000,000 USD. The subscribed capital is 785,792,000 USD and the called capital is 594,969,000 USD, while the paid-in capital is 403,419,794 USD.

	Class*	# of shares as at 31 Dec 2020	# of shares issued in 2021	# of shares as at 31 Dec 2021	Paid-up capital as at 31 Dec 2021
					USD
1. African Development Bank	B	100 000	-	100 000	75 000 000
2. Benin	A	4 176	-	4 176	1 044 000
3. Cameroon	A	45 000	-	45 000	21 372 954
4. Congo Brazzaville	A	167 997	-	167 997	41 999 250
5. Ivory Coast	A	26 999	-	26 999	6 749 750
6. Djibouti	A	2 700	-	2 700	675 000
7. Egypt	A	90 000	-	90 000	67 500 000
8. Gabon	A	7 800	-	7 800	1 950 000
9. Gambia	A	900	-	900	225 000
10. Ghana	A	17 655	-	17 655	4 413 750
11. Madagascar	A	9 003	-	9 003	6 752 250
12. Malawi	A	1 800	-	1 800	450 000
13. Mali	A	1 813	-	1 813	1 359 750
14. Kingdom of Morocco	A	90 000	-	90 000	67 500 000
15. Mauritania	A	9 101	-	9 101	2 275 250
16. Niger Republic	A	1 799	-	1 799	449 750
17. Nigeria	A	36 000	-	36 000	27 000 000
18. Senegal	A	9 007	-	9 007	2 251 750
19. Sierra Leone	A	1 800	-	1 800	450 000
20. Sudan	A	2	-	2	500
21. Togo	A	17 346	-	17 346	4 336 500
22. Kenya	A	90 000	-	90 000	24 890 614
23. Burkina Faso	A	2 694	-	2 694	673 500
24. BCEAO	B	4 500	-	4 500	4 500 000
25. Bank Al-Maghrib	B	18 000	-	18 000	18 000 000
26. Tunisia	A	9 000	-	9 000	6 750 000
27. Republic Democratic of Congo	A	1 800	-	1 800	900 000
28. Guinea (Conakry)	A	4 500	-	4 500	3 375 000
29. Rwanda	A	9 000	-	9 000	6 750 000
30. Mauritius	A	900	-	900	675 000
31. Zimbabwe	A	1 500	3 000	4 500	3 150 225
		782 792	**3 000**	**785 792**	**403 419 794**

* Class A shares, shall only be offered, allotted and issued for the benefit of sovereign African states. Class B shares, shall only be offered, allotted and issued for the benefit of African and non-African public financial institutions and public international, pan-African, or regional financial institutions; provided, that, for the purposes of Class B shares, "public" shall mean an institution that is wholly or substantially owned, directly or indirectly, by a sovereign state.

Notes to the financial statements (continued)
For the year ended 31 December 2021

14. ACCOUNTS PAYABLES

Accounts payables amount to 6,284,782 USD of which 1,217,171 USD correspond to long term loans of Lease due to IFRS 16 adjustments and the rest to trade payables and outstanding invoices as of December 31st, 2021.

15. OTHER PAYABLES

	2021 USD	2020 USD
Current accounts	5 809 743	11 501 178
Africa 50-PD*	6 852 281	11 501 178
Africa50 Infrastructure Partners I (Fund Manager)**	(1 007 608)	0
Africa50 Infrastructure Acceleration Fund I GP**	(15 605)	0
Africa50 Infrastructure Acceleration Fund I LP**	(19 325)	0
Overpayments of share subscriptions from shareholders	**20 345 446**	**2 593 935**
Madagascar	2 250 437	2 250 750
Tunisia	342 059	343 185
Mali	112 950	0
Nigeria	17 640 000	0
Total	**26 155 189**	**14 095 113**

*Relation with Africa50-PD: Africa50-PD develops a pipeline of investment ready projects and Africa50-PF sources projects through Africa50-PD and through its own efforts and invests equity and quasi-equity alongside strategic partners. Africa50-PF manages the cash received from capital calls and processes payments for both entities including disbursements for investments; in this context a current account between both entities is maintained and amounts to 6,852,281 USD as of 31 December 2021. The PD Pipeline Preferential Access fee paid by PF to PD is included in this current account.

**Relation with Africa50 Infrastructure Partners I and Africa50 Infrastructure Acceleration Fund ("IAF"): the IAF is a new investment fund sponsored by Africa50. Pending the closing of the IAF fund expected to happen in 2022, Africa50-PF is processing payments on behalf of the various entities and current accounts are maintained with these entities.

Notes to the financial statements (continued)

For the year ended 31 December 2021

16. RELATED PARTY TRANSACTIONS

During the year under review, the Company entered into the following related party transactions. Details of the nature, volume of transactions and balances are as follows:

Related party	Nature	2021 Net volume of transactions during the year	2021 Balance receivable / payable at 31 Dec
Africa50 - PD	Debt - Current account	(4 648 897)	6 852 281
Africa50 Infrastructure Partners I (Fund Manager)	Debt - Current account	(1 007 608)	(1 007 608)
Africa50 Infrastructure Acceleration Fund I GP	Debt - Current account	(15 605)	(15 605)
Africa50 Infrastructure Acceleration Fund I LP	Debt - Current account	(19 325)	(19 325)
Infra Holdco 1	Debt - Current Account	(11 435 525)	19 866 401
Power Holdco 1	Debt - Current Account	(60 000)	0
Power Holdco 2	Debt - Current Account	(30 000)	0
Power Holdco 3	Debt - Current Account	(14 838)	0

Related party	Nature	2020 Net volume of transactions during the year	2020 Balance receivable / payable at 31 Dec
Africa50 - PD	Debt - Current account	(10 973 988)	11 501 178
Infra Holdco 1	Debt - Current Account	1 606 078	31 301 926
Power Holdco 1	Debt - Current Account	30 000	60 000
Power Holdco 2	Debt - Current Account	0	30 000
Power Holdco 3	Debt - Current Account	0	14 838
Power Holdco 3	Payable to PF	(527 510)	0

17. INTEREST / DIVIDEND INCOME

	2021 USD	2020 USD
Interests on projects loans - Room to Run	1 514 503	2 333 143
Interests on projects loans - Nachtigal	2 037 758	2 107 777
Interests on projects loans - Infra Holdco 1	1 223 734	1 449 376
Interests on projects loans - Malicounda	267 343	225 767
Dividends - Infra Holdco 1	489 229	0
	5 532 566	**6 116 063**

Depreciation:

According to IFRS9, the provisions on the Malicounda and Nachtigal loans are deducted from the interests/dividends. The amortization of the due diligence expenses of the Room to Run project are also deducted.

	2021 USD	2020 USD
Depreciation Malicounda	(2 986)	27 396
Depreciation Room to Run	113 300	153 100
Depreciation Nachtigal	(6 081)	29 919
	104 233	**210 415**

Notes to the financial statements (continued)

For the year ended 31 December 2021

18. OTHER INCOME

The other income amounts to 1,042,538 USD which consists of payables from the A50 Infrastructure Acceleration Fund ("IAF") entities as Africa50-PF has incurred expenses on behalf of the IAF which are to be reimbursed once the Fund reaches first close.

19. FINANCE INCOME

Finance income	**2021 USD**	**2020 USD**
Interests on investment securities (term deposits)	538 946	1 121 029
	538 946	**1 121 029**

20. FINANCE COST

Finance cost	**2021 USD**	**2020 USD**
Gain/loss on foreign currency	41 745	12 678
Interests on lease	(41 772)	(53 506)
	(28)	**(40 828)**

21. EXPENSES ON PROJECTS

The project expenses correspond to the amounts committed (consultants, missions, specialists ...) during the year for the research and the study of investment projects whether through equity participation or direct financing.

	2021 USD	**2020 USD**
Expenses incurred on projects	1 043 005	499 078
	1 043 005	**499 078**

22. FUNDRAISING EXPENSES

The total fundraising expenses for the year 2021 amount to 933,308 USD.
Part of the 2021 expenses and of the past expenses have been reinvoiced to the A50 Infrastructure Acceleration Fund ("IAF").

The IAF is expected to have its first equity close in 2022.

Notes to the financial statements (continued)

For the year ended 31 December 2021

23. ADMINISTRATIVE EXPENSES

The total administrative expenses of Africa50-PF amount to 11,767,899 USD which include salaries and benefits for an amount of 6,609,020 USD, other administrative expenses for an amount of 2,806,879 USD which includes travel, communication, recruiting, Board and General Shareholder Meeting expenses among others, and fees in an amount of 2,352,000 USD paid by Africa50-PF to Africa50-PD for pipeline preferential access (the "PD Pipeline Preferential Access" fee)

Salaries and Benefits:

Africa50-PF and Africa50-PD together count 50 employees as of December 2021 (50 in 2020), of which 8 employees are focusing on Africa50-PF investment activity (9 in 2020).

Africa50-PF's staff receives a monthly allowance to cover retirement costs and other expenses such as education and life insurance. A healthcare defined contribution insurance plan has been implemented in 2018.

Africa50-PF's staff also benefits from a relocation allowance when appropriate.

24. CASH FLOW

The cash generated from operations amounts to 7,284,424 USD of which -6,101,881 USD consist of the adjusted net income and 13,386,304 USD of movement in working capital. Adjustments to the net income are mainly due to the Change in fair value of investments of 18,865,535 USD and to the Unrealized Foreign exchange loss on investments of 4,755,814 USD. Movement in working capital includes the movement of the current account between Africa50-PF and Africa50-PD for -4,648,897 USD, the current accounts between Africa50-PF and the IAF entities for +1,042,538 USD, the increase of the payables to shareholders for +17,751,510 USD and other various items.

The Net cash from investing activities amounts to 21,802,481 USD and mainly consists of the increase of equity investments by +7,221,489 USD (of which the investment in the Poa! Internet project for +6,926,548 USD), the decrease of loans by -10,010,113 USD (of which decrease of the amount of the RoomToRun guarantee by 4,913,140 USD following amortization, loan repayment from the Scatec project for 8,161,214 USD, increase of accrued interests not paid by 3,963,910 USD), the cash received from the Genser project exit in an amount of 19,054,963 USD, and other items for -41,106 USD.

25. FINANCIAL RISK MANAGEMENT

Africa50-PF is a highly selective investor and each investment is subject to an individual risk assessment through an investment approval process which includes approval from Africa50-PF's Investment Committee which is a key part of the overall risk management framework.

Financial instruments carried on the statement of financial position include financial assets at fair value through profit or loss, loans and receivables, capitalized expenses at amortized costs, other receivables, cash and cash equivalents, borrowings and other payables.

Africa50-PF investing activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The most common risks to which it is exposed are market risk, credit risk and liquidity risk. Africa50-PF policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Africa50-PF regularly reviews their risk management policies and systems to reflect changes in markets and emerging best practice.

Notes to the financial statements (continued)
For the year ended 31 December 2021

The Board has established an Enterprise Risk Management and Finance Committee which oversees the risks affecting Africa50 - PF, the main mitigating factors, action taken to reduce these risks and has put into place a risk management framework and policies to address the main risks.

a) Market risk

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and price risk that will affect the Company's income or the value of its holdings of financial instruments. The Company's strategy on the management of investment risk is driven by the Company's investment objective.

i). Currency risk

Currency risk is the risk that the value of an instrument will fluctuate in USD owing to changes in foreign exchange rates. Africa50-PF invests in securities denominated in different currencies. Consequently, it is exposed to the risk that the USD may change in a manner which has a material effect on the reported values of its assets which are denominated in these underlying currencies. Currency exposure and exchange rate movement are monitored and reviewed on a regular basis. As regard cash accounts, most of the company accounts are in USD, with the exception of one account in EUR and another one in MAD which are used for current expenses.

	Financial assets 2021 USD	Financial assets 2020 USD	Financial liabilities 2021 USD	Financial liabilities 2020 USD
UNITED STATES DOLLARS (USD)				
Financial assets at fair value through profit or loss	73 085 145	73 401 691		
Loans and receivables	31 569 394	44 897 969		
Other receivables	6 076 832	4 773 680		
Account payables			4 023 025	2 396 155
Other payables			26 155 189	14 095 113
Cash and cash equivalents	222 383 615	172 060 768		
Other non-current assets	2 449 518	3 266 475		
Paid-up capital			403 419 794	382 486 854
Total comprehensive income for the year			7 555 129	4 340 662
Reserves and retained earnings			(2 158 228)	(6 498 890)
	335 564 505	**298 400 584**	**438 994 909**	**396 819 895**
EURO (EUR)				
Financial assets at fair value through profit or loss	43 915 734	36 387 295		
Loans and receivables	54 653 130	59 064 043		
Capitalised expenses at amortised cost	-	-		
Account payables			329 377	151 263
Cash and cash equivalents	2 536	3 314		
Other receivables (non current)	6 407 024	4 431 677		
	104 978 425	**99 886 330**	**329 377**	**151 263**
GREAT BRITAIN POUND (GBP)				
Account payables			1 461	59 316
	-	**-**	**1 461**	**59 316**
MOROCCAN DIRHAM (MAD)				
Other receivables	462 602	558 489		
Account payables			1 930 919	2 368 289
Cash and cash equivalents	251 134	553 360		
	713 736	**1 111 849**	**1 930 919**	**2 368 289**
	441 256 666	**399 398 763**	**441 256 666**	**399 398 763**

Notes to the financial statements (continued)

For the year ended 31 December 2021

The % forex as a total of financial assets and financial liabilities are as follows:

	Financial assets 2021 %	Financial assets 2020 %	Financial liabilities 2021 %	Financial liabilities 2020 %
United States dollar	76	75	99	99
Euro	24	25	0	0
Moroccan Dirham	0	0	0	1
Great Britain Pound	-	-	0	0
	100	100	100	100

Sensitivity analysis

The following table indicates the approximate change in the Company's financial assets in response to possible changes in the foreign exchange rates to which the Company has significant exposure at the reporting date.

A 10% increase and decrease in the USD against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates.

A 10% movement in the foreign currency will affect financial assets as follows:

	Increase / (decrease)	2021 USD	2020 USD
EUR	10%	10 464 905	9 973 507
	-10%	(10 464 905)	(9 973 507)
MAD	10%	(121 718)	(125 644)
	-10%	121 718	125 644
GBP	10%	(146)	(5 932)
	-10%	146	5 932

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the reporting date and had been applied to the Company's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. Results of the analysis as presented in the above table represent the effects on the Company's financial assets measured in foreign currencies, translated into USD at the exchange rate ruling at the reporting date.

Notes to the financial statements (continued)

For the year ended 31 December 2021

ii). Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The income and operating cash flows are substantially independent of changes in market interest rates. The Company's significant interest-bearing financial assets are loans, as detailed in below table. Interest income may fluctuate in amount, in particular due to changes in interest rates.

		2021 USD	2020 USD
Assets			
Loans and receivables	Floating rate	11 236 349	16 149 490
		11 236 349	**16 149 490**

The Company is exposed to interest rate fluctuation on a portion of the guaranty revenues from the Room2Run transaction. However, most of the revenues from Room2Run come from a premium with a fixed rate, and only a small portion of interest earnings are linked to LIBOR.

Sensitivity analysis

A 0.5 % movement in the interest rate will affect the revenues from Room2Run as follows:

	Increase / (decrease)	2021 USD	2020 USD
Loans and receivables	0.50%	56 182	80 747
	-0.50%	(56 182)	(80 747)

iii). Price risk

Price risk is the risk that value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The portfolio is reviewed on a regular basis by the Investment Committee to identify and manage the risk associated with particular countries and sector. Broad sector exposure and country limit thresholds are imposed and monitored on a regular basis.

vi). Exchange rates as at December 31st, 2021

The tab below represents the exchange rates as of 31 December 2021:

	2021 USD	2020 USD
MAD	0.1080	0.1122
EUR	1.1377	1.2291
GBP	1.3536	1.3628

Notes to the financial statements (continued)
For the year ended 31 December 2021

(b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss.

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

	2021 USD	2020 USD
Assets		
Financial assets at fair value through profit or loss	117 000 880	109 788 988
Loans and receivables	86 222 524	103 962 011
Other non-current assets	2 449 518	3 266 475
Cash and cash equivalents	222 637 285	172 617 442
Other receivables	12 946 458	9 763 847
	441 256 666	**399 398 763**

Financial assets are not past due nor depreciated, the loans to Nachtigal and Malicounda projects, have been depreciated according to IFRS9 for respectively USD 176,971 and USD 50,448.

Cash and cash equivalents are maintained with reputable financial institutions. The Risk Committee's policy is to closely monitor the creditworthiness of the Company's counterparties by reviewing their credit ratings, financial statements and press releases on a regular basis.

The following table presents the international rating scales used by Africa50-PF to evaluate the risk rating of financial institutions:

Risk class	S&P - Fitch	Moody's
Very low risk	A+ and above	A1 and above
	A	A2
	A-	A3
	BBB+	Baa1
	BBB	Baa2
	BBB-	Baa3
Low risk	BB+	Ba1
	BB	Ba2
	BB-	Ba3
Moderate risk	B+	B1
	B	B2
	B-	B3
High risk	CCC+	Caa1
	CCC	Caa2
Very high risk	CCC-	Caa3
	CC	Ca
	C	C

Notes to the financial statements (continued)
For the year ended 31 December 2021

The Company's cash balances are held at financial institutions having the following credit ratings.

Financial Institution	2021	2020	Credit ratings		Credit agency	
	USD	USD	2021	2020	2021	2020
Attijari Wafabank	42 816 904	29 671 781	BB	BB	Fitch	Fitch
BMCE	43 109 587	30 984 785	BB	BB	Fitch	Fitch
TDB Bank	32 168 576	31 925 119	BB+	BB+	Fitch	Fitch
Afreximbank	42 123 241	42 007 275	BBB-	BBB-	Fitch	Fitch
Citibank	62 416 771	38 025 913	A+	A+	Fitch	Fitch
Petty Cash	2 206	2 568	N/A	N/A		
	222 637 285	172 617 442				

The Company considers credit risk associated with balances held at bank to be very low or low as outlined on the above risk classes.

(c) Liquidity risk

Liquidity risk is the risk that Africa50-PF will not be able to meet its financial obligations as they fall due. The approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation. This excludes the potential impact of extreme circumstances which cannot be reasonably predicted.

The maturity profile of the Company's financial assets and liabilities based on contractual cash flows is summarized in the table below. The contractual cash flows approximate the carrying amounts.

31-Dec-21	On demand	Less than 1 year	Between 1-5 years	More than 5 years	Total
	USD	USD	USD	USD	USD
Financial assets					
Loans and receivables	-	7 803 840	45 496 139	33 149 964	86 449 943
Cash and cash equivalents	42 771 536	179 865 750	-	-	222 637 285
Other receivables	-	2 041 390	10 905 068	-	12 946 458
	42 771 536	**189 710 980**	**56 401 207**	**33 149 964**	**322 033 687**
Financial liabilities					
Other payables	-	26 155 189	-	-	26 155 189
Account payables	-	5 067 611	1 217 171	-	6 284 782
	-	**31 222 800**	**1 217 171**	**-**	**32 439 971**

31-Dec-20	USD	USD	USD	USD	USD
Financial assets					
Loans and receivables	4 144 615	9 792 059	83 563 251	6 698 572	104 198 497
Cash and cash equivalents	6 834 655	165 782 786	-	-	172 617 442
Other receivables	-	2 057 859	7 705 987	-	9 763 847
	10 979 270	**177 632 705**	**91 269 238**	**6 698 572**	**286 579 786**
Financial liabilities					
Other payables	(32 152)	14 127 265	-	-	14 095 113
Account payables	-	3 314 907	1 660 116	-	4 975 023
	(32 152)	**17 442 172**	**1 660 116**	**-**	**19 070 136**

Notes to the financial statements (continued)

For the year ended 31 December 2021

26. OFF-BALANCE SHEET COMMITMENTS

The amount of off-balance sheet commitments in connection with the projects amounts to 72,807,125 USD as of 31 December 2021. The disbursement of this amount is subject to milestones conditions.

27. COVID IMPACT

Activities began to be affected by COVID in the first quarter of 2020. The pandemic resulted in limited travel affecting the follow up on projects, the participation to major events and the fundraising activity. The company was not able to collect all of the called capital as shareholders' priority was to fight against the pandemic.

However, the company has enough cash to continue its operations and investments.

28. EVENT AFTER THE REPORTING DATE

The entity's financial statements have been prepared on a going concern basis.

On the date of the approval of the financial statements by its board of directors, the management of the Company is not aware of any significant uncertainties which call into question the ability of the entity to pursue its purposes.

AFRICA50 – PROJECT DEVELOPMENT

INDEX TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

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Corporate information

DIRECTORS		*Date term expires
Dr. Akinwumi A. ADESINA (the Chair)	21 July 2016	Day after 2024 GSM
Ms. Imoni AKPOFURE	19 July 2018	Day after 2024 GSM
Mr. Nouaman AL AISSAMI	29 July 2015	Day after 2024 GSM
Mr. Charles BOAMAH	29 July 2015	Day after 2024 GSM
Ms. Sophie L'HELIAS	19 July 2018	Day after 2024 GSM
Ms. Monhla Wilma HLAHLA	19 July 2018	Day after 2024 GSM
Mr. Assaad JABRE	19 July 2018	Day after 2024 GSM
Mr. Amadou KANE	29 July 2015	Day after 2024 GSM
Mr. Albert MUGO	19 July 2018	Day after 2024 GSM
Ms. Félicité Célestine OMPORO ENOUANY	29 July 2015	Day after 2024 GSM
Mr. Abdel Latif El Maghraby	5 October 2021	Day after 2024 GSM
Mr. Zouanga Boukaré	5 October 2021	Day after 2023 GSM

*Each Director continues to serve until his/her successor has been appointed.

CEO
Mr. Alain EBOBISSE

CORPORATE SECRETARY
Ms. Zurina SABAN

REGISTERED OFFICE
Tour Ivoire 3 – 8eme étage
Marina de Casablanca
Boulevard des Almohades
Casablanca, Maroc

AUDITOR
KPMG S.A.
Tour EQHO
2 Avenue Gambetta
CS 60055
92066 Paris la Défense Cedex, France

BANKERS

BMCE BANK
140 Avenue Hassan II
20070 Casablanca, Maroc

AFREXIMBANK
72B El-Maahad El-Eshteraky Street
Roxy, Heliopolis, Cairo 11341, Egypt

ATTIJARIWAFA BANK
Centre d'Affaires 2001
2 Boulevard Moulay Youssef
Casablanca

CITIBANK
Zénith Millénium immeble 1,
Sidi Mâarouf – B.P 40
Casablanca 20190 – Maroc

TRADE DEVELOPMENT BANK
197 Lenana Place, 1st floor and 5th floor
Lenana Road
PO Box 48596 – 00100 Nairobi, Kenya

Directors and management report
For the year ended 31 December 2021

The Management presents their report and the audited financial statements of Africa50 – Project Development (the "Company" or "Africa50-PD" or "PD") for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

Africa50-PD is an international organization and a special status financial company that promotes infrastructure development within Africa, identifies and develops infrastructure projects by identifying and developing infrastructure projects by investing capital in the early stages of the project development cycle up to financial close (or mobilization of long-term funding) and temporarily beyond such milestone and thereby, attracts and channels new sources of capital for financing infrastructure in Africa, and mobilizes the necessary political and regulatory support to effect reforms needed to ensure the operational, financial, and economic viability of investments and reduce the risk of delays in developing and implementing projects.

RESULTS AND DIVIDENDS

The results for the year are shown on page 110.

The Company did not pay any dividends for the year under review (2020: USD Nil).

DIRECTORS

The directors in office during the year were as stated on page 104.

MANAGEMENT RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to being a going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Nothing has come to the attention of the management to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

AUDITORS

The auditors, KPMG S.A. were appointed at the General Shareholders Meeting on 19 July 2019 for a period of three years, starting in the financial year 2019 and ending after the 2021 financial statements are complete.

APPROVAL OF FINANCIAL STATEMENTS BY DIRECTORS

The annual financial statements were approved by the board of directors on 2 June 2022.

Siège social :
KPMG S.A.
Tour Eqho
2 avenue Gambetta
92066 Paris la Défense Cedex
Capital : 5 497 100 €.
Code APE 6920Z
775 726 417 R.C.S. Nanterre
TVA Union Européenne
FR 77 775 726 417

Téléphone : +33 (0)1 55 68 86 66
Télécopie : +33 (0)1 55 68 86 60
Site internet : www.kpmg.fr

AFRICA50 - PROJECT DEVELOPMENT

INDEPENDENT AUDITORS' REPORT AFRICA50 - PROJECT DEVELOPMENT YEAR ENDED DECEMBER 31, 2021

AFRICA 50 - PROJECT DEVELOPMENT
Tour Ivoire 3
Marina de Casablanca
Boulevard des Almohades
20000 Casablanca - Morocco

Société anonyme d'expertise
comptable et de commissariat
aux comptes à directoire et
conseil de surveillance.
Inscrite au Tableau de l'Ordre
à Paris sous le n° 14-30080101
et à la Compagnie Régionale
des Commissaires aux Comptes
de Versailles.

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KPMG

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Téléphone : +33 (0)1 55 68 86 66
Télécopie : +33 (0)1 55 68 86 60
Site internet : www.kpmg.fr

AFRICA50 – PROJECT DEVELOPMENT

Registered office : Tour Ivoire 3 - Marina de Casablanca - Boulevard des Almohades - 20000 Casablanca - Morocco

INDEPENDENT AUDITORS' REPORT AFRICA50 - PROJECT DEVELOPMENT
Year ended December 31, 2021

Opinion

In execution of the mission entrusted to us by your shareholder's meeting, we have audited the accompanying financial statements of Africa50 – Project Development ("the Entity") which comprise the balance sheet as at December 31st, 2021 and the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information as set out in notes. These accounts were approved by the Board of Directors on June 2nd, 2022.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31st, 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements based on International Standards on Auditing, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Société anonyme d'expertise
comptable et de commissariat
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FR 77 775 726 417

Independent Auditors' Report Africa50 - Project Development
(Continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Africa 50 – Project Development Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view, in accordance with IFRS, and for such internal control as management determines 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, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' 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 auditors' 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

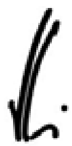
— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditors' Report Africa50 - Project Development
(Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Paris La Défense, June 30th, 2022
KPMG S.A.



Valéry Foussé
Partner

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2021

	Notes	31 December 2021 USD	31 December 2020 USD
Income			
Revenues from projects sold		-	-
Cost of projects sold		-	-
Interest/Dividend income	16	665 896	137 798
Depreciation on loans		-	-
Unrealized gain/Loss on foreign currency		(605 971)	370 729
Unrealized gain/Loss on financial assets at fair value through profit and loss			-
PD Pipeline Preferential Access fee	17	2 352 000	4 704 000
Total income		**2 411 925**	**5 212 527**
Expense			
Expenses on projects	19	2 774 270	2 111 172
Salaries and benefits	20	5 761 029	5 965 518
Other expenses	20	2 616 332	3 164 758
Total expenses		**11 151 631**	**11 241 448**
Operating profit		**(8 739 707)**	**(6 028 920)**
Finance cost	18	(115 128)	(44 536)
Finance income	18	50 318	174 581
Financial profit		**(64 810)**	**130 045**
Profit for the year		**(8 804 516)**	**(5 898 875)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(8 804 516)**	**(5 898 875)**

The accompanying notes 1 to 25 form part of these financial statements.

Statement of financial position

As at 31 December 2021

	Notes	2021 USD	2020 USD
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	5	716	773
Various creditors	8	6 852 280	11 501 178
Capitalized projects	9	255 405	1 014 975
Loans and receivables	10	7 676 930	7 435 660
Other receivables		793 942	138 293
Total non-current assets		**15 579 273**	**20 090 878**
Current assets			
Cash and cash equivalents	11	3 060 856	3 055 496
Total current assets		**3 060 856**	**3 055 496**
TOTAL ASSETS		**18 640 130**	**23 146 374**
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves			
Paid-up capital	12	44 573 611	42 247 285
Total comprehensive income for the year		(8 804 516)	(5 898 875)
Reserves and retained earnings		(19 391 580)	(13 492 705)
Total capital and reserves		**16 377 514**	**22 855 704**
LIABILITIES			
Current liabilities			
Account payables	13	2 438	2 438
Other payables	14	2 260 177	288 232
Total current liabilities		**2 262 615**	**290 670**
TOTAL EQUITY AND LIABILITIES		**18 640 130**	**23 146 374**

The accompanying notes 1 to 25 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2021

	Paid-up capital USD	Reserves and retained earnings USD	Total equity USD
As at 1 January 2020	**40 462 195**	**(13 492 705)**	**26 969 490**
Total comprehensive income for the year		(5 898 875)	(5 898 875)
Net increase in paid-up capital	1 785 090		1 785 090
Balance at 31 December 2020	**42 247 285**	**(19 391 580)**	**22 855 704**
Total comprehensive income for the year		(8 804 516)	(8 804 516)
Net increase in paid-up capital	2 326 327		2 326 327
Balance at 31 December 2021	**44 573 612**	**(28 196 097)**	**16 377 514**

The accompanying notes 1 to 25 form part of these financial statements.

Statement of cash flows
For the year ended 31 December 2021

	Notes	2021 USD	2020 USD
Total comprehensive income for the year		**(8 804 516)**	**(5 898 875)**
Adjustments			
Impairment of project expenses		(448 813)	(1 162 467)
		-	
Unrealized gain/loss on foreign currency		605 971	(370 729)
Others		542 487	971 601
Net cash used in/from operating activities		**(8 104 872)**	**(6 460 471)**
Movement in working capital			
Decrease / increase in debtors		4 648 897	10 973 988
Decrease / increase in creditors		1 971 945	38 132
Changes in movement in working capital		6 620 843	11 012 120
Cash generated from / (used in) operations	**21**	**(1 484 029)**	**4 551 649**
Cash flow from investing activities			
Financial investments	21	(836 937)	(6 323 775)
Net cash used in/from investing activities		**(836 937)**	**(6 323 775)**
Cash flow from financing activities			
Capital subscription		2 326 327	1 785 094
Net cash generated from financing activities		**2 326 327**	**1 785 094**
Net change in cash and cash equivalents		5 360	12 968
Cash and cash equivalents at start of year		3 055 496	3 042 528
Cash and cash equivalents at end of year	**11**	**3 060 856**	**3 055 496**

The accompanying notes 1 to 25 form part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2021

1. PURPOSES, OPERATIONS AND ORGANIZATION

Africa 50 – Project Development is an international organization and special status financial company, with its headquarters in Casablanca (Morocco), with authorized share capital of 500,000,000USD and subscribed common stock of 95,121,000USD.

Africa50-PD's organizational purposes include the following:

a) Identify and develop Infrastructure companies, assets, ventures, and projects to support sustainable economic development in Africa, both nationally and regionally, by investing capital in the early stages of the project development cycle up to financial close (or mobilization of long-term funding) and temporarily beyond such milestone and thereby attract and channel new sources of capital for financing infrastructure in Africa;

b) To promote Infrastructure development within Africa, with funding derived from diverse sources, including equity subscriptions, borrowings and grants from African and non-African sources;

c) To mobilize the necessary political and regulatory support to effect reforms needed to ensure the operational, financial and economic viability of investments and reduce the risk of delays in developing and implementing projects;

d) To make Infrastructure Investments, including:
   i) In association with multilateral, bilateral, public or private investors or financiers, to assist in financing the construction, rehabilitation, improvement, expansion, or acquisition of financially and economically viable Infrastructure-related, Infrastructure-mobilizing and Infrastructure-enabling companies, assets, ventures, and projects by making investments in debt or equity, with or without guarantee of repayment by the government or the State in which the investment is made;
   ii) To carry on business as a financier, alone or in cooperation with any other financial institution, through the provision of loans, guarantees, equity, quasi-equity, or other forms of financial assistance; and
   iii) To provide resources to finance the cost of developing Infrastructure-related, Infrastructure-mobilizing and Infrastructure-enabling companies, assets, ventures, and projects in Africa to a stage where multilateral, public or private investors can invest in such projects;

e) To provide financial advisory services, in connection with potential investments;

f) Identify and hire qualified experts (including in the fields of engineering, finance, economics, law, environmental and social) toward the end of collaborating with African governments and private investors to shorten the project development cycle and maximize projects' chances of success;

g) To enter into any agreement or arrangement with any government, municipal or local authority or any other entity which is conducive to Africa50 realizing any activity relating to its organizational purposes; to obtain from any such authority or entity any rights, privileges and exemptions that Africa50 deems desirable; and to carry out, exercise and comply with any such arrangements, rights, privileges and exemptions;

h) To provide technical assistance and advisory services for the study, preparation and implementation of Infrastructure-related, Infrastructure-mobilizing and Infrastructure-enabling companies, assets, ventures, and projects involving Infrastructure physically located in Africa or substantially benefitting Africa;

i) To apply earnings to defray the costs of pursuing organizational purposes, to fund reserves and to distribute dividends; To borrow or raise money, to issue securities, bonds, notes, mortgages and other instruments and to provide guarantees;

Notes to the financial statements (continued)
For the year ended 31 December 2021

k) To hold investments of every kind and description (including investments in securities, shares, and notes);

l) To pay distributions on Africa50-PD shares;

m) To retain and apply earnings to the organizational purposes of Africa50-PD;

n) To obtain any administrative or legislative act or effect any modification of these Articles that assists Africa50-PD in carrying out its organizational purposes and to oppose any proposals or proceedings that may directly or indirectly prejudice Africa50-PD's interests; and

o) To carry on any business related directly or indirectly to any of the aforementioned operations, for the purpose of facilitating, promoting and developing Africa50-PD's activity.

2. BASIS OF PREPARATION

These financial statements are the only financial statements presented by the Company and are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements are prepared in accordance with IFRS standards in effect in 2020 and new standards described below.
The financial statements have been prepared under the historical cost, except for the financial assets at fair value through profit or loss which have been measured at fair value.

3. STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FOR THE FIRST TIME IN 2021

New standards or interpretations	Date of application
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to IFRS 16 – COVID related Ren Concessions beyond 30 June 2021	1 April 2021

The new requirements did not have any material impact on the financial statements.

4. ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

New standards or interpretations	Date of application
AIP (2018 – 2020 cycle): IFRS 9 Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities	1 January 2022
AIP (2018 – 2020 cycle): Illustrative Examples accompanying IFRS 16 Leases Lease incentives	1 January 2022
Amendment to IAS 37 – Onerous Contracts: Cost of Fulfilling a Contract	1 January 2022
Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before intended Use	1 January 2022
Amendments to IAS 8 – Definition of Accounting Estimates	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current – Deferral of Effective Date issued in July 2020)	1 January 2023

The Company does not expect any material impact on its financial statements when these forthcoming requirements will be mandatory.

5. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently for the year presented in these financial statements.

a) Functional and Presentation Currencies

The USD is the currency in which the financial statements are presented. Africa50-PD conducts its operations in the currencies of its member countries together with Euros and USD.

Income and expenses are translated to USD at the rates prevailing on the date of the transaction. Monetary assets and liabilities are translated into USD at rates prevailing at the balance sheet date.

b) Foreign currency translation

Income and expenses are translated to USD at the rates prevailing on the date of the transaction. Monetary assets and liabilities are translated into USD at rates prevailing at the balance sheet date.

The rates used for translating currencies into USD at 31 December 2021 are reported in Note 21. Non-monetary assets and liabilities are translated into USD at historical rates. Translation differences are included in the determination of net income.

c) Exemption from preparing consolidated financial statements

The Company holds investments for the sole purpose of capital appreciation, investment income (such as dividends, interest or rental income), or both. All the equity investments are measured at fair value (see note 7). According to IFRS 10.27, the Company meets the definition of an investment entity and does not have to consolidate its equity investments. Instead, the equity investments of the Company are subject to the normal rules of IFRS 9 as detailed hereinafter.

d) Financial assets and liabilities

d) 1. Financial assets

The Company's financial assets include financial assets designated at fair value through profit or loss, loans and receivables, cash and cash equivalents and other receivables.

i) Classification

The Company classifies its financial assets and financial liabilities in accordance with IFRS 9.
The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows, as detailed hereinafter.

ii) Initial recognition and measurement

All financial assets are recognized initially at fair value plus transactions costs, except in the case of financial assets recorded at fair value through profit or loss.

Notes to the financial statements (continued)
For the year ended 31 December 2021

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date (i.e., the date that the Company commits to purchase or sell the asset). Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the

Company has transferred substantially all the risks and rewards of ownership.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company may classify its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows (where those cash flows represent solely payments of principal and interest) are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. When the asset is derecognised in its entirety, a gain or loss on disposal is recorded in the income statement for an amount equal to the difference between the carrying value of the asset and the payment received for it" [IAS1 §82 (aa)]. This amount should be presented separately as "gains and losses" from the derecognition of financial instruments at amortised cost.

- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets (where the assets' cash flows are solely payments of principal and interest) are measured at FVOCI. Movements in the carrying amount are taken through OCI (except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses) are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of profit or loss.

- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

As of and for the year ended December 31, 2021, all the Company debt instruments are measured at amortized cost and presented as "Loans & receivables" in the balance sheet.

The Company has also granted loans to entities that hold investments.

Equity instruments

The Company measures all of it equity investments at fair value and recognizes the changes of fair value as "Unrealised gain/(loss) on financial assets at fair value through profit or loss" in the statement of profit or loss.

d) 2. Financial liabilities

i). Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, as loans and borrowings, as payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

ii). Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include other payables and account payables.

Financial liabilities, other than those classified as at fair value through profit or loss and derivatives, are measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, as well as through the amortization process.

d) 3. Subsequent measurement

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

d) 4. Fair value measurement

The Company measures its equity investments at fair value at each reporting date. Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's-length transaction on the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Given that the Company is invested in non-listed companies, the fair value is determined by using valuation techniques, such as discounted cash flows, deemed to be appropriate in the circumstances.

d) 5. Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs, and minimizing the use of unobservable inputs.

Notes to the financial statements (continued)
For the year ended 31 December 2021

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

- **Level 2:** Quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all significant inputs are based on observable market data. Included in this category are instruments that are 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 where all significant inputs are directly or indirectly observable from market data.

- **Level 3:** Valuation techniques for which significant input is not based on observable market data and the unobservable inputs have a significant effect on the instrument's valuation. Instruments that are valued based on quoted market prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments are included in this category.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

d) 6. Impairment of financial assets

The Company assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses its judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

d) 7. De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the right to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability. On de-recognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognized in profit or loss.

The Company derecognizes a financial liability when its contractual obligation is discharged, cancelled or expired.

d) 8. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when it is permitted under IFRS (e.g., gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss).

e) Expenses

All expenses are recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

f) Cash and cash equivalents

Cash comprises deposits with banks, cash at banks and petty cash. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

g) Segment and geographical information

The area of investment of the Company is limited to Africa.

h) Contingent liabilities

Contingent liabilities are potential liabilities where there is even greater uncertainty, which could include a dependency on events not within Africa50-PD's control, but where there is a possible obligation. Contingent liabilities are only disclosed and not included within the statement of financial position.

i) Commitments

Commitments represent amounts that Africa50-PD has contractually committed to pay to third parties, but do not yet represent a charge or asset. This gives an indication of committed future cash flows. Commitments at the year-end do not impact Africa50-PD's financial results for the year.

j) Provisions

Provisions are recognized when Africa50-PD has a present obligation of uncertain timing or amount as a result of past events, and it is probable that Africa50-PD will be required to settle that obligation and a reliable estimate of that obligation can be made. The provisions are measured at the management's best estimate of the amount to settle the obligation at the balance sheet date and are discounted to present value if the effect is material. Changes in provisions are recognized in the statement of comprehensive income.

In the case of financial assets that are not classified at their fair value through profit or loss, Africa50 - PD determines, at the end of each reporting period, whether there are objective indications of a loss of value. If there is a loss of value, financial assets that are carried at amortized cost are revalued at net recoverable amount, and the amount of loss is recognized in net income. Unrealized losses on available-for-sale financial assets are recognized in net income at the time of depreciation.

Notes to the financial statements (continued)
For the year ended 31 December 2021

k) Property plants and equipments

All assets are owned by Africa50 - Project Finance and part of the amortized amounts are allocated to Africa50 - Project Development according to the expense allocation rules between the two entities.

6. USE OF ESTIMATES AND JUDGEMENTS

Valuation of financial instruments:

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments that are valued using quoted market prices in an active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where 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 on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect the differences between the instruments.

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Unquoted equity investments	**2021 USD**	**2020 USD**
At 1 January	773	706
Additions	0	0
Disposals (at cost)	0	0
Fair value movement	-57	67
At 31 December	**716**	**773**

Notes to the financial statements (continued)

For the year ended 31 December 2021

Investments holdings:

Name	Country of Incorporation	Main business	Year end	Direct holding 2021 %	Indirect holding 2021 %	Effective holding & voting power 2021 %	Direct holding 2020 %	Indirect holding 2020 %	Effective holding & voting power 2020 %
CGHV (Volobe)	Madagascar	Hydro Power Project Co.	31-Dec	25	-	25	25	-	25
SOGEAG (Gbessia)	Guinea	Airport	31-Dec	33	-	33	33	-	33

Change in fair value:

Portfolio of investments:

Opening Cost USD	Additions USD	Disposal USD	Closing USD	Movement in fair value: Opening USD	Movement in fair value: Movement USD	Movement in fair value: Closing USD	Fair Value 2021 USD	Fair Value 2020 USD
700	-	-	700	73	(57)	16	716	773

8. VARIOUS CREDITORS

	2021 USD	2020 USD
Various creditors		
Africa50 - PF	6 852 280	11 501 178
	6 852 280	**11 501 178**

9. CAPITALIZED PROJECTS

	2021 Opening USD	Movement USD	Closing USD	2020 USD
Capitalized projects expenses	1 014 975	-759 570	255 405	1 014 975
	1 014 975	**-759 570**	**255 405**	**1 014 975**

Notes to the financial statements (continued)

For the year ended 31 December 2021

10. LOANS AND RECEIVABLES AT AMORTIZED COST

	2021 USD	2020 USD
Non-current		
CGHV (Volobe)	3 534 314	2 960 020
SOGEAG (Gbessia)	4 142 616	4 475 640
	7 676 930	**7 435 660**
Current	-	-
Total	**7 676 930**	**7 435 660**

Maturity

	Provision IFRS 9 2021 USD	On demand 2021 USD	Within 1 year 2021 USD	Between 1 to 5 years 2021 USD	After 5 years 2021 USD	Total 2021 USD
CGHV (Volobe)*	-	-	-	-	3 534 314	3 534 314
SOGEAG (Gbessia)	-	-	-	-	4 142 616	4 142 616
Total	**0**	**0**	**0**	**0**	**7 676 930**	**7 676 930**

	Impaired 2020 USD	On demand 2020 USD	Within 1 year 2020 USD	Between 1 to 5 years 2020 USD	After 5 years 2020 USD	Total 2020 USD
CGHV (Volobe)*	-	-	-	-	2 960 020	2 960 020
SOGEAG (Gbessia)	-	-	-	4 475 640	-	4 475 640
Total	**0**	**0**	**0**	**4 475 640**	**2 960 020**	**7 435 660**

***Shareholder loans to CGHV (Volobe) and SOGEAG (Gbessia)**

The projects are still under development phase. Therefore, the loans provided fall under project development risk. A provision has been incurred for CGHV according to the probability of financial close of the project and included in the "Expenses on projects" section of the Statement of Profit or Loss.

Notes to the financial statements (continued)

For the year ended 31 December 2021

11. CASH AND CASH EQUIVALENTS

	2021 USD	2020 USD
Cash and cash equivalents		
Cash and cash equivalents	3 060 856	3 055 496
	3 060 856	**3 055 496**

12. PAID-UP CAPITAL

The authorized share capital according to Africa50-PD status is 500,000,000 USD. The subscribed capital is 95,121,000 USD and the called capital is 71,965,750 USD, while the paid-in capital is 44,573,611 USD.

	Class*	# of shares as at 31 Dec 2020	# of shares issued in 2021	# of shares as at 31 Dec 2021	Paid-up capital as at 31 Dec 2021
					USD
1. African Development Bank	B	18 924	0	18 924	8 082 439
2. BAM (Bank Al-Maghrib)	B	2 000	0	2 000	2 000 000
3. BCEAO (Central bank of the states of West Africa)	B	500	0	500	500 000
4. Benin	A	464	0	464	116 000
5. Burkina Faso	A	299	0	299	74 750
6. Cameroon	A	5 000	0	5 000	2 374 773
7. Congo Brazzaville	A	18 666	0	18 666	4 666 500
8. Djibouti	A	300	0	300	75 000
9. Egypt	A	10 000	0	10 000	7 500 000
10. Gabon	A	866	0	866	216 500
11. Gambia	A	100	0	100	25 000
12. Ghana	A	1 961	0	1 961	490 250
13. Guinea (Conakry)	A	500	0	500	375 000
14. Ivory Coast	A	2 999	0	2 999	749 750
15. Kenya	A	10 000	0	10 000	2 765 624
16. Kingdom of Morocco	A	10 000	0	10 000	7 500 000
17. Madagascar	A	1 000	0	1 000	750 000
18. Malawi	A	200	0	200	50 000
19. Mali	A	203	0	203	152 250
20. Mauritania	A	1 011	0	1 011	252 750
21. Mauritius	A	100	0	100	75 000
22. Niger Republic	A	199	0	199	49 750
23. Nigeria	A	4 000	0	4 000	3 000 000
24. Republic Democratic of Congo	A	200	0	200	100 000
25. Rwanda	A	1 000	0	1 000	750 000
26. Senegal	A	1 000	0	1 000	250 000
27. Sierra Leone	A	200	0	200	50 000
28. Sudan	A	2	0	2	500
29. Togo	A	1 927	0	1 927	481 750
30. Tunisia	A	1 000	0	1 000	750 000
31. Zimbabwe	A	167	333	500	350 025
		94 788	**333**	**95 121**	**44 573 611**

Notes to the financial statements (continued)

For the year ended 31 December 2021

* Class A shares, shall only be offered, allotted and issued for the benefit of sovereign African states. Class B shares, shall only be offered, allotted and issued for the benefit of African and non-African public financial institutions and public international, pan-African, or regional financial institutions; provided, that, for the purposes of Class B shares, "public" shall mean an institution that is wholly or substantially owned, directly or indirectly, by a sovereign state.

13. ACCOUNTS PAYABLES

Accounts payables amount to 2,438 USD and mainly represent trade payables and outstanding invoices as of December 31, 2021. All those liabilities are due within less than one year.

14. OTHER PAYABLES

	2021 USD	2020 USD
Overpayments of share subscription paid by shareholders	2 260 177	288 232
Madagascar	250 299	250 000
Tunisia	38 007	38 132
Nigeria	1 960 000	-
Mali	11 772	-
Others	100	100
Total	**2 260 177**	**288 232**

15. RELATED PARTY TRANSACTIONS

During the year under review, the Company entered into the following related party transactions. Details of the nature, volume of transactions are as follows:

Related party	Nature	2021 Net volume of transactions during the year	2021 Balance receivable / payable at 31 Dec
Africa50 - PF*	Debt - Current account	-4 648 897	6 852 280

Related party	Nature	2020 Net volume of transactions during the year	2020 Balance receivable / payable at 31 Dec
Africa50 - PF	Debt - Current account	(10 973 988)	11 501 178

*Relation with Africa50-PF: Africa50-PD develops a pipeline of investment ready projects and Africa50 - PF is sourcing projects through his sister company Africa50-PD and through other partners and invests equity and quasi-equity alongside strategic partners. Africa50-PF manages the cash received from capital calls and processes payments for both entities including disbursements for investments; in this context a current account between both entities is maintained and amounts to 6,852,280 USD as of 31 December 2021. The Pipeline Preferential Access fee paid by PF to PD is included in this current account.

Notes to the financial statements (continued)

For the year ended 31 December 2021

16. INTEREST/DIVIDEND INCOME

	2021 USD	2020 USD
Interests on projects loans - VOLOBE	30 981	20 233
Interests on projects loans - GBESSIA	634 915	117 565
	665 896	**137 798**

17. PD PIPELINE PREFERENTIAL ACCESS FEE

Africa50-PD invests significant resources in the development of new bankable projects. Those investments are offered for sale to Africa50-PF at or shortly before financial close.

Africa50 - PF receives benefits from this relationship:

- Preferential access to the project pipeline developed by Africa50-PD; and
- Good knowledge of these projects and the ability to purchase Africa50-PD assets by relying on the due diligence, transaction structuring, and negotiations done by Africa50-PD at no or limited cost to Africa50-PF.

The PD Pipeline Preferential Access Fee paid by Africa50-PF represents the compensation for the above described service benefits it receives from Africa50-PD and amounts to US$ 2,352,000 for the year 2021.

18. FINANCE INCOME AND COST

Finance income

	2021 USD	2020 USD
Interests on investment securities (term deposits)	50 318	174 581
	50 318	**174 581**

Finance cost

	2021 USD	2020 USD
Gain / loss on foreign currency	61 023	(18 275)
Interests on lease	54 106	62 811
	115 128	**44 536**

Notes to the financial statements (continued)

For the year ended 31 December 2021

19. EXPENSES ON PROJECTS

The project expenses correspond to the portion expensed of amounts disbursed (e.g., for consultants, missions, specialists) during the year for the research and the study of investment projects, whether through equity participation or direct financing.

	2021 USD	2020 USD
Expenses incurred on projects	2 774 270	2 111 172
	2 774 270	**2 111 172**

20. ADMINISTRATIVE EXPENSES

The total administrative expenses of Africa50-PD amount to 8,377,361 USD which includes salaries and benefits for an amount of 5,761,029 USD, and other administrative expenses for an amount of 2,616,332 USD which includes travel, communication, recruiting, Board of Directors' Meetings, General Shareholder Meeting and various other expenses.

Salaries:
Africa50-PF and Africa50-PD together have 50 employees as of December 2021 (50 in 2020), of which 13 employees are focused on Africa50-PD investment activity (13 in 2020).

Africa50-PD's staff receives a monthly allowance to cover retirement costs and other expenses such as education and life insurance. A healthcare defined contribution insurance plan has been implemented in 2018.

Africa50-PD's staff also benefits from a relocation allowance when appropriate.

21. CASH FLOW

The cash used in operations amounts to 1,484,029 USD of which -8,104,872 USD is the adjusted net income and 6,620,843 USD consists of movement in working capital. Adjustments to the net income include Unrealized Foreign exchange loss on investments of 605,971 USD and the impact of provisions and accrued interests not paid for 93,674 USD. Movement in working capital includes the movement of the current account between Africa50-PF and Africa50-PD for -4,648,897 USD and the increase of the payables to shareholders for +1,971,945 USD.

The cash used in investing activities amounts to 836,937 USD and corresponds to additional investment in the Volobe project.

22. FINANCIAL RISK MANAGEMENT

Africa50-PD is a highly selective investor, and each investment is subject to an individual risk assessment through an investment approval process which includes approval from Africa50-PD's Investment Committee which is a key part of the overall risk management framework.

Financial instruments carried on the statement of financial position include financial assets at fair value through profit or loss, loans and receivables, capitalized expenses at amortized costs, other receivables, cash and cash equivalents, borrowings and other payables.

Notes to the financial statements (continued)
For the year ended 31 December 2021

Africa50-PD investing activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The most common risks to which it is exposed are market risk, credit risk and liquidity risk. Africa50-PD policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Africa50-PD regularly reviews their risk management policies and systems to reflect changes in markets and emerging best practice.

The Board has established an Enterprise Risk Management and Finance Committee, which oversees the risks affecting Africa50-PD, the main mitigating factors, action taken to reduce these risks and has put into place a risk management framework and policies to address the main risks.

(a) Market risk

Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and price risk that will affect the Company's income or the value of its holdings of financial instruments. The Company's strategy on the management of investment risk is driven by the Company's investment objective.

i). Currency risk

Currency risk is the risk that the value of an instrument will fluctuate in USD owing to changes in foreign exchange rates. Africa50-PD invests in securities denominated in different currencies. Consequently, it is exposed to the risk that the USD may change in a manner which has a material effect on the reported values of its assets which are denominated in these different currencies. Currency exposure and exchange rate movement are monitored and reviewed on a regular basis.

As regard cash accounts, most of the company accounts are in USD.

	Financial assets 2021 USD	Financial assets 2020 USD	Financial liabilities 2021 USD	Financial liabilities 2020 USD
UNITED STATES DOLLARS (USD)				
Various creditors	6 852 280	11 501 178	0	0
Capitalized project expenses	255 405	1 014 975	0	0
Other receivables	793 942	138 293	0	0
Cash and cash equivalents	3 060 856	3 055 496	0	0
Account payables	0	0	2 438	2 438
Other payables	0	0	2 260 177	288 232
Paid-up capital	0	0	44 573 611	42 247 285
Total comprehensive income for the year	0	0	(8 804 516)	(5 898 875)
Reserves and retained earnings	0	0	(19 391 580)	(13 492 705)
	10 962 484	**15 709 942**	**18 640 131**	**23 146 374**
EURO (EUR)				
Financial assets at fair value through profit or loss	716	773	0	0
Loans and receivables	7 676 930	7 435 660	0	0
	7 677 646	**7 436 433**	**0**	**0**
	18 640 130	**23 146 374**	**18 640 130**	**23 146 374**

Notes to the financial statements (continued)

For the year ended 31 December 2021

The % forex as a total of financial assets and financial liabilities are as follows:

	Financial assets 2021 %	Financial assets 2020 %	Financial liabilities 2021 %	Financial liabilities 2020 %
United States dollar	59	68	100	100
Euro	41	32	0	0
	100	**100**	**100**	**100**

The following table indicates the approximate change in the Company's financial assets in response to possible changes in the foreign exchange rates to which the Company has significant exposure at the reporting date.

A 10% increase and decrease in the USD against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates.

A 10% movement in the foreign currency will affect financial assets as follows:

Sensitivity analysis

	Increase / (decrease)	2021 USD	2020 USD
EUR	10%	767 765	743 643
	(10,0%)	**(767 765)**	**(743 643)**

ii). Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The income and operating cash flows are substantially independent of changes in market interest rates. The Company's significant interest-bearing financial assets are loans, as detailed in below table. Interest income may fluctuate in amount, in particular due to changes in interest rates.

		2021 USD	2020 USD
Assets			
Loans and receivables	Floating rate	7 676 930	7 435 660
Various creditors	Floating rate	6 852 280	11 501 178
		14 529 211	18 936 837

Notes to the financial statements (continued)

For the year ended 31 December 2021

	Increase / (decrease)	2021 USD	2020 USD
Loans and receivables	0,50%	38 385	37 178
	-0,50%	**(38 385)**	**(37 178)**
Various creditors	0,50%	34 261	57 506
	-0,50%	**(34 261)**	**(57 506)**

iii). Price risk

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The portfolio is reviewed on a regular basis by the Investment Committee to identify and manage the risk associated with particular countries and sectors. Broad sector exposure and country limit thresholds are imposed and monitored on a regular basis.

(b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss.

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

	2021 USD	2020 USD
Assets		
Financial assets at fair value through profit or loss	716	773
Loans and receivables	7 676 930	7 435 660
Capitalized projects	255 405	1 014 975
Cash and cash equivalents	3 060 856	3 055 496
Various creditors*	6 852 280	11 501 178
Other receivables	793 942	138 293
	18 640 130	**23 146 374**

*This amount corresponds to the current account with Africa50 - Project Finance, an entity of the same group.

Financial assets are not past due. With regards to the Volobe project and as explained in Note 10, the project is still under development phase and therefore the shareholder loan to CGHV (Volobe) falls under project development risk. A provision has been made in line with the probability of financial close of the project and included in the "Expenses on projects" section of the Statement of Profit or Loss. The loan to SOGEAG (Gbessia airport) falls under project development risk as the project is still under development phase but no provision has been made.

Notes to the financial statements (continued)

For the year ended 31 December 2021

Cash and cash equivalents are maintained with reputable financial institutions. The Risk Committee's policy is to closely monitor the creditworthiness of the Company's counterparties by reviewing their credit ratings, financial statements and press releases on a regular basis.

The following table presents the international rating scales used by Africa50-PD to evaluate the risk rating of financial institutions:

Risk class	S&P - Fitch	Moody's
Very low risk	A+ and above	A1 and above
	A	A2
	A-	A3
	BBB+	Baa1
	BBB	Baa2
	BBB-	Baa3
Low risk	BB+	Ba1
	BB	Ba2
	BB-	Ba3
Moderate risk	B+	B1
	B	B2
	B-	B3
High risk	CCC+	Caa1
	CCC	Caa2
Very high risk	CCC-	Caa3
	CC	Ca
	C	C

The Company's cash balances are held at financial institutions having the following credit ratings.

Financial Institution	2021	2020	Credit ratings		Credit agency	
	USD	USD	2021	2020	2021	2020
BMCE	3 060 856	3 055 496	BB	BB	Fitch	Fitch
	3 060 856	**3 055 496**				

The Company considers credit risk associated with balances held at bank to be very low or low as outlined on the above risk classes.

Notes to the financial statements (continued)

For the year ended 31 December 2021

Exchange rates as at December 31, 2021

The table below represents the exchange rates as of 31 December 2021:

	2021 USD	2020 USD
MAD	0.1080	0.1122
EUR	1.1377	1.2291
GBP	1.3536	1.3628

23. OFF-BALANCE SHEET COMMITMENTS

The amount of off-balance sheet commitments in connection with the projects amounts to 367,651 USD as of 31 December 2021. The disbursement of this amount is subject to milestones conditions.

24. COVID IMPACT

Activities began to be affected by COVID in the first quarter of 2020. The pandemic resulted in limited travel affecting the follow up on projects, the participation to major events and the fundraising activity. The company was not able to collect all of the called capital as shareholders' priority was to fight against the pandemic. However, the company has collected enough cash to continue its operations and investments. Priority will be on fundraising for 2022.

25. EVENT AFTER THE REPORTING DATE

The entity's financial statements have been prepared on a going concern basis.

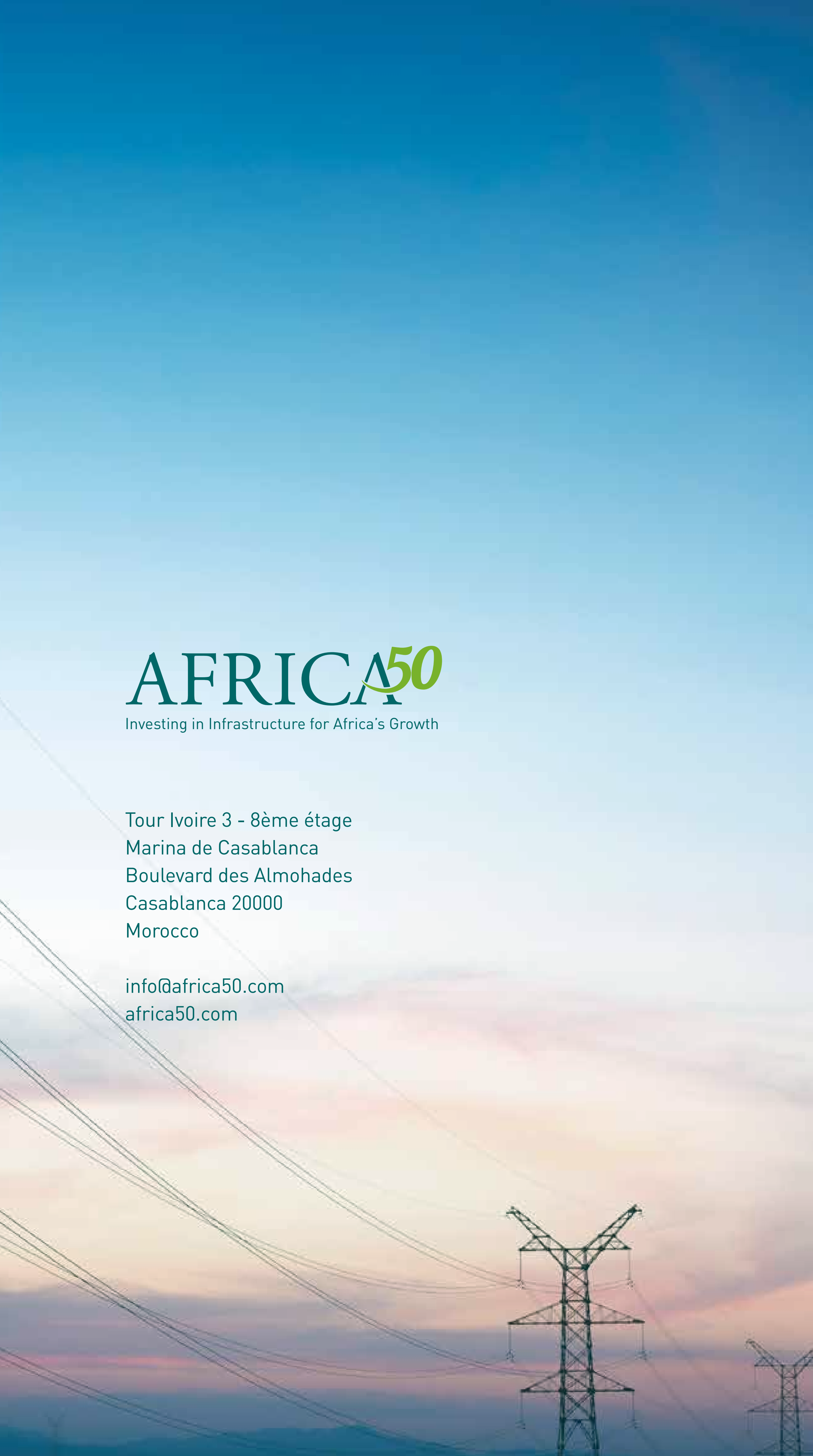
On the date of the approval of the financial statements by its board of directors, the management of the Company is not aware of any significant uncertainties which call into question the ability of the entity to pursue its purposes.

Other information

Glossary of terms

AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
AU	African Union
AR	Asset Recycling
CAGR	Compound Annual Growth Rate
CDC	Centers for Disease Control and Prevention
CNBC	Consumer News and Business Channel
COD	Commercial Operation Date
COVID	Corona Virus Disease
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CTRG	Central Térmica de Ressano Garcia
DFI	Development Finance Institution
EBRD	European Bank for Reconstruction and Development
EDF	Electricité de France
ESMS	Environmental and social management system
ESG	Environmental and Social Governance
ESIA	Environmental Social Impact Assessment
EUR	EURO
FMO	Dutch Development Bank
FiT	Feed-in tariff
FVOCI	Fair Value through Other Comprehensive Income
FVPL	Fair value through profit or loss
GDP	Gross Domestic Product
GHG	Greenhouse gas
GWh	Gigawatt Hours
GoR	Government of Rwanda
GSM	General Shareholder Meeting
HFO	Heavy Fuel Oil
HOLD CO	Holding company
ICT	Information and Communications Technology
ICAO	International Civil Aviation Organisation
IFRS	International Financial Reporting Standards
IFC	International Finance Corporation
IPP	Independent Power Plant
ISP	Internet Service Provider
JDA	Joint Development Agreement
KIC	Kigali Innovation City
MIGA	Multilateral Investment Guarantee Agency
MPG	Melec PowerGen
Mt	Metric tons
MW	Megawatt
p.a.	Per annum
PD	AFRICA50 – Project Development
PF	AFRICA50 – Project Finance
PIIP	Privately Initiated Investment Proposal
PPA	Power Purchase Agreement
PPE	Personal Protective Equipment
PPP	Public Private Partnership
PPPA	Pipeline Preferential Access
PV	Photovoltaic
RDB	Rwanda Development Board
RSI	Relief Support Initiative
OCI	Other Comprehensive Income
OECD	Organization for Economic Co-operation and Development
SDGs	Sustainable Development Goals
STOA	Infrastructure & Energy Fund: An investment vehicle, held by the Caisse des Dépôts (CDC) and the Agence Française de Développement (AFD)
tCO^2	Total Carbon Dioxide
UN	United Nations
USD	United States Dollar
WEF	World Economic Forum
WHO	World Health Organisation
YoY	Year-On-Year

Notes



Investing in Infrastructure for Africa's Growth

Tour Ivoire 3 - 8ème étage
Marina de Casablanca
Boulevard des Almohades
Casablanca 20000
Morocco

info@africa50.com
africa50.com