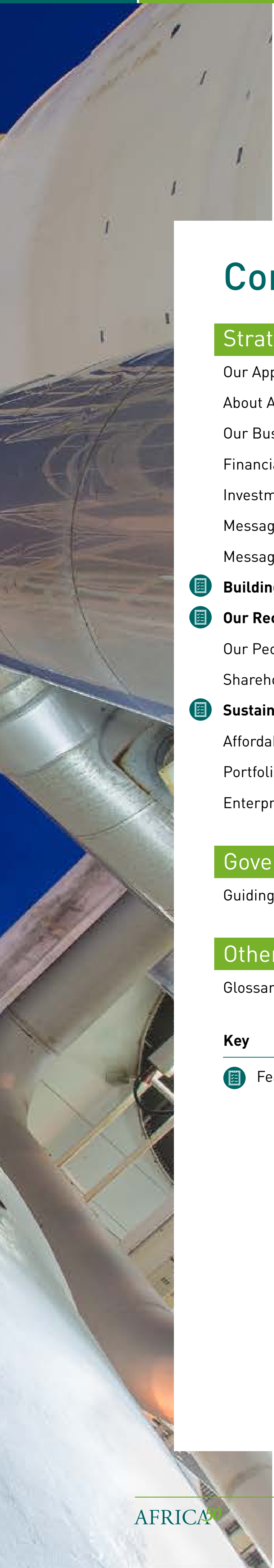
AFRICA50

Investing in Infrastructure for Africa's Growth

ANNUAL REPORT **2020**



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Feature in the report

Our Approach to Reporting

Dear shareholders and stakeholders,

Welcome to the 2020 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 central portion of the report features three themes:
1) Africa50's response to COVID and our focus on catalyzing domestic and international funding for infrastructure;
2) Our structured strategic journey and recalibrated business strategy; and
3) Development impact that we make through our project development and investing activities

The rest of the report provides the context for our work, including statements from the Chairman of the Board and the CEO; progress on investments and divestments; an assessment of risks and opportunities; and Africa50's financial highlights.

The report is written primarily for our shareholders and other stakeholders, to enable them gain 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 2020 Africa50 Sustainability Report and on our website.

We trust that you will find this report informative, and we wish you a pleasant read.

This annual report can 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 on investment for the year-ended 31 December 2020. Unless indicated otherwise, this report refers to both entities collectively as "Africa50""

Our Shareholders

28 African countries + African Development Bank + Two African Central Banks = US$878 million of committed capital

About Africa50

Our Vision Statement

By 2030 Africa50 is a leading infrastructure investment platform with all African governments as shareholders. It accelerates delivery of critical private projects and Public Private Partnerships and mobilizes significant capital globally. In doing so, it positively impacts 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.

Our Core Value Proposition

- Experienced investment team with a track record of deal-making
- Close relationships with African country shareholders and the AfDB, which are critically important in the infrastructure development and financing process
- Access to deal flow generated from project development activities and through ongoing dialogue with our African country shareholders
- Access to competitive finance, including long-term debt from the AfDB and the broader DFI community, as well as existing concessional funding
- Jurisdiction-specific potential risk mitigation through high level public sector engagement
- Efficient decision-making matched by speed in execution

Our Strategic Pillars

Africa50 is established as an investment vehicle conceived to be part of the solution to the continent's infrastructure challenges. It is a pan-African infrastructure investment platform mandated to pursue three key strategic objectives:

DEVELOP
A Pipeline of Bankable Infrastructure Projects

Africa50 - Project Development develops a pipeline of investment-ready projects

ACCELERATE
Private Investment into African Infrastructure

Africa50 - Project Finance invests equity and quasi-equity alongside strategic partners

MOBILIZE
Public and Private Sector Funding

Africa50 mobilizes public and private sector funding from within and outside Africa

Our Core Sectors

POWER

TRANSPORT

ICT

MIDSTREAM GAS

HEALTHCARE INFRASTRUCTURE

EDUCATION

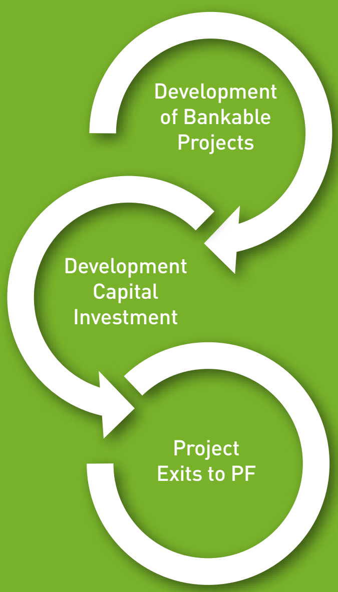
FINTECH

Sustainable Value Creation

Africa50 has selected the UN Sustainable Development Goals (SDGs) as the cornerstone of its development impact commitments. Through its investments, Africa50 identifies opportunities for sustainable value creation, aiming to generate further long-term value beyond that which would normally be achieved.

Our Business Model

Africa50's – PD Focus

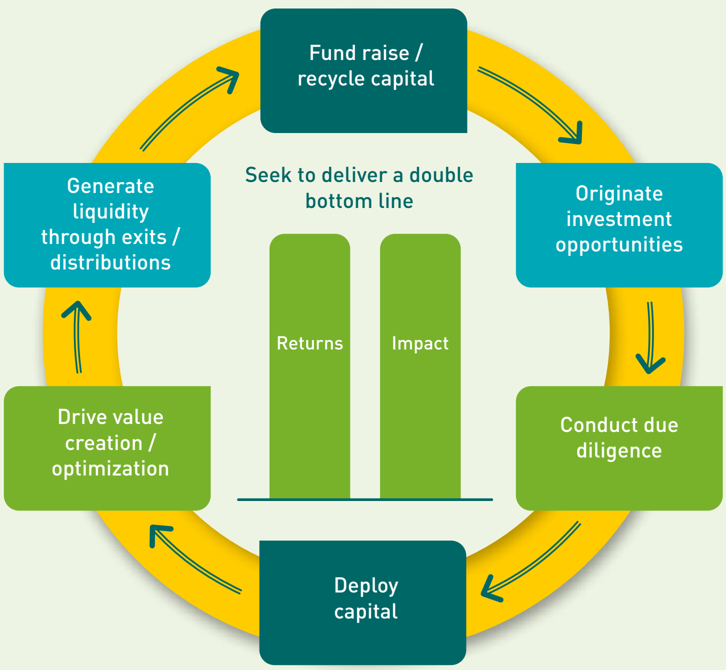


PD Develops Projects by:

- Prioritizing infrastructure projects in shareholder countries and seeking alignment with their development priorities.
- Securing government support to lessen implementation risks and delays.
- Engaging primarily as an active minority sponsor with strong co-developers, to improve project execution.
- Working with other institutions, notably the AfDB, on project preparation and obtaining guarantees, concessional and commercial funding, transaction support, and public-sector funding.

Africa50's – PF Focus

- Raise capital from public / private sector
- Recycle capital from returns generated from portfolio investments



- Seek to source commercially attractive investments
- Filter and target profitable opportunities, focus on impact, ESG and IDD standards
- Understand the investment thesis

- Test the investment thesis
- Evaluate ESG gaps
- Assess IDD risk/ exposure
- Assess attractiveness of the risk-return profile

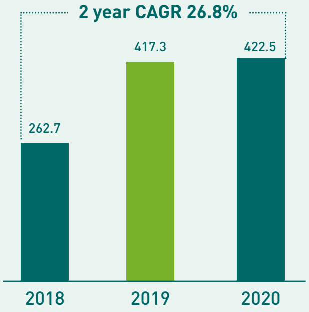
- Structure investments
- Underwrite and price risk to target optimal risk-adjusted returns

- Generally maintain active influence through investment holding period
- Seek to drive growth and discipline
- Create value through robust ESG and portfolio monitoring frameworks

- Seek to generate returns through distributions / exits

Financial Highlights: Africa50 - PD and Africa50 - PF

Total Assets in US$ millions



Total Assets

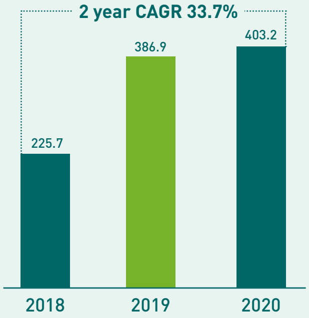
Total Assets: ↑ 1.3% YoY

US$423 million 2020

US$417 million 2019

Total assets grew by a CAGR of 26.8% between 2018 and 2020. The strong growth in total balance sheet assets was derived from revaluation gains on existing assets and sustained activity in 2019 with new investments.

Net Asset Value in US$ millions



Net Asset Value

Net Asset Value: ↑ 4.2% YoY

US$403 million 2020

US$387 million 2019

Increased capitalization with US$188 million shareholder equity injection between 2018 and 2020.

> US$878M
in committed shareholder capital raised

Approximately
> US$ 270M
of capital committed as equity/quasi-equity in various projects

Approximately
US$370M
of third party capital catalyzed for deployment as equity/quasi-equity in various projects

Investment Highlights

*PD Committed Projects by Sector

Power | Transportation | ICT

*Commitment document has been executed

For more information please read page 35 to 38

Investment Highlights: Africa50 PD

Since inception, Africa50 - Project Development (PD) has catalyzed US$370 million in third-party equity and quasi-equity commitments and originated and screened 121 opportunities.

2020 kicked-off with Africa50 and partners signing a 25-year concession agreement for Gbessia International Airport in Conakry, Guinea.

PD has developed 3 projects to financial close and has 9 portfolio projects under development.

*PF Committed Projects by Sector

Power | **Other sectors

* First PF disbursement has occurred
** Investment into a Risk Protection Agreement.

For more information please read page 35 to 38

Investment Highlights: Africa50 PF

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 equity and quasi-equity stakes in investments such as Tobene Power, Azura-Edo, Genser Energy[1] and Room2Run. Benban Solar, Malicounda and Nachtigal were projects developed by PD from early stage and thereafter exited to PF.

Since inception, PF has evaluated hundreds of deals from diverse sources (proprietary, strategic partners, advisors, and other relationships), and its investee companies have raised debt and equity financing from a variety of commercial and DFI lenders. Global institutional investors have invested alongside Africa50, and world-class governance and processes have been instituted by PF to ensure quality of investment underwriting.

[1] Exited Genser Energy in January 2021

Message from the Chairman

By turning crisis into opportunity, Africa50 can become an even more important player in our continent's recovery, long-term development, and sustainable growth.

We live in extraordinary times in Africa. From the setbacks of the COVID-19 pandemic, to rising debt levels, and the urgent and ever present need to tackle climate change, we face a multitude of challenges that require innovative thinking and solutions.

More than ever before, it is critical to build economic, health and climate resilience for the continent. The pandemic has shown the need for Africa to boost investment in quality infrastructure, especially healthcare infrastructure, fast track development in energy, water and sanitation, and support a better quality of life for millions of people. Only then, can the continent build back better from the pandemic.

The challenges are enormous, but progress is being made. For example, access to electricity on the continent has grown from 49% in 2016 to 56% in 2019, since the African Development Bank launched its New Deal for Energy for Africa in 2016. Africa50 has continued to play important roles in the energy sector, including making major investments in renewable energy projects such as the six Benban Solar Plants already generating 400 MW of electricity in Egypt and providing electricity to 420,000 households. It has also invested in the Nachtigal Hydropower Plant Project under construction in Cameroon, which will provide an additional 420 MW of electricity when completed.

Africa50 continues to demonstrate its unique value with investments in project development, which in 2020 included several important projects such as the Gbessia Conakry International Airport in Guinea, the Kigali Innovation City in Rwanda, and the Volobe Hydropower Plant in Madagascar.

Before COVID, the African Development Bank estimated the **annual infrastructure financing** gap to be between

US$68-108 billion

The African Continental Free Trade Area (AfCFTA), will transform Africa into the largest free trade area in the world, **boosting Africa's income by**

US$450 billion

Africa50 is **expanding its core sector** focus from energy, ICT, transport, and midstream gas infrastructure previously, to include undertaking viable projects in the

health and social sectors

Leveraging our own resources to finance development is not just financially sound but also sends a positive signal to the world that Africa is

moving forward

Africa50 project finance has invested in transformative projects including the Malicounda and Tobene Power Plants both in Senegal, the Azura Edo IPP in Nigeria, the Nachtigal Hydropower Plant, Room2Run, and the Benban Solar Plants. With on-going efforts to develop the African Continental Free Trade Area, the need for massive investments in infrastructure, including roads, highways, airports, railways, ports, energy and digital infrastructure, will expand.

The financing gap for infrastructure, estimated at US$ 68 - 108 billion per year prior to the pandemic, has expanded, with a need for more investments to close Africa's US$ 26 billion a year financing gap for healthcare infrastructure alone. Africa50's unique role will be further strengthened with the launch of its new Private Sector Infrastructure Fund, aimed at raising US$ 500 million of private and institutional finance for investment into African infrastructure.

We must all do all that is possible to strongly support Africa to build back better. I have every confidence that Africa50 will play a strong role in developing bankable projects and financing major transformative infrastructure projects on the continent.

I wish to thank all the shareholders of Africa50 for their strong support to the organization, and also the Board of Directors, the Chief Executive Officer, Senior Management and Staff of Africa50 for their good work and strong commitment to Africa's development.

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

Message from the CEO

Resilience in the face of Unexpected Challenges

"Development impact is not just a by-product of Africa50's investment activities; it is at the core of our mandate."

2020 was a challenging year for Africa and the whole world. While the global fight against the pandemic continues, we hope that 2021 will be remembered as the year that the post-COVID recovery began in earnest.

We are determined that Africa50 will continue to play a key role in the recovery through providing robust and creative infrastructure solutions that help deal with the challenges faced by Africa. While working virtually for the most part throughout 2020, we recorded some significant successes in our project development and financing activities and fine-tuned our operations to cope with the emerging 'new normal'. We are grateful for the continued and consistent support of Chairman Adesina, the Board of Directors, and our shareholders, partners, and other stakeholders, including the dedication of our management and staff, to sustaining business momentum despite the difficult pandemic environment. This type of support and commitment is most important during unprecedented times such as these.

I am pleased to report that we made steady progress with existing and new infrastructure projects, highlights of which are provided in this report. They include the expansion of Gbessia International Airport in Guinea, and the raising of bridge financing for the Malicounda Power Plant in Senegal. Our project pipeline includes a fiber-optic backbone in Guinea; the two Congo rail-road bridge; the transmission lines PPP in Kenya; and Innovation City in Rwanda.

As part of Africa50's contribution to fighting the pandemic, Africa50 Covid relief support initiative was launched. This initiative focused on immediate public health needs in Africa50 shareholder and other African countries, provided testing kits, personal protective equipment, medical and technology support through granting cash donations and collaboration with institutions such as Africa CDC and the Safe Hands Kenya Initiative.

We have continued our thought leadership and advocacy on key infrastructure themes like asset recycling

In support of the fight against COVID, we launched the Africa50 COVID-19 Relief Support Initiative through which we disbursed grants totalling

US$800,000

The number of Africa50 media mentions more than doubled to

3,112

in 2020 from 1,260 in 2019

Positive progress was made on the agreement with Powergrid of India for the ongoing development of a PPP scheme to construct

257 kilometres

of power transmission lines in Kenya.

In 2020, we completed the Inaugural Africa50 Innovation Challenge, having sourced

673 solutions

through participation in conferences sponsored by AfDB, OECD, UN, WEF, AU, Brookings Institution, the Atlantic Council, and other respected organizations. Our media profile also grew, with the number of Africa50 media mentions more than doubling to 3,112 in 2020 from 1,260 in 2019. We had interviews or articles published by major media outlets such as Foreign Policy Magazine, Forbes, Atlantic Council, CNBC, and Brookings Africa Growth Initiative, as well as with specialized or regional media such as L'Economiste, Africa Business Magazine, and Jeune Afrique. Our editorials on asset recycling, hydropower, and midstream gas infrastructure have further advanced our thought leadership on these important initiatives.

This year's annual report addresses Africa50's priorities such as environmental and social governance (ESG), development impact, enterprise risk management and our recalibrated strategy.

Development impact is not just a by-product of Africa50's investment activities, it is at the core of our mandate. Our goal is to have a positive, direct impact on our external stakeholders while managing and mitigating potential negative ESG outcomes through our ESG management system.

We are also emphasizing the importance of enterprise risk management in strategic planning and performance across all departments and functions, as highlighted by our Board's approval of the new Enterprise Risk Management Policy, including the Enterprise Risk Framework and a Risk Appetite Statement. These comply with internationally established standards and underline Africa50's commitment to strong governance.

While we will maintain our focus on mid-to large-scale projects with a double bottom line objective of delivering development impact and commercially viable returns, our recently approved recalibrated strategy is expanding our scope. Key strategic initiatives include launching our private sector infrastructure fund in 2021 to mobilize both domestic and international institutional capital for investment

Message from the CEO (continued)

in African infrastructure; expanding our core sector focus to include health, education, and fintech; and opportunistically considering smaller or larger projects than in the past. While continuing to grow our portfolio through equity investments, we will also explore strategic debt partnerships for PD and structured finance for PF, as well as review our investment timelines, balancing the need for faster capital rotation against the risk of exiting investments at sub-optimal times.

Fulfilling our mandate to increase infrastructure development in Africa requires funding. We are therefore grateful to the shareholders who made payments of their capital calls despite the pandemic related budgetary and fiscal strain they face. We also hope to welcome new shareholders in 2021 and beyond.

In 2020 PF's income benefited from strong performance of its investment portfolio including the Scatec Egypt, MPG, Azura-Edo, Malicounda, and Nachtigal projects. PD's revenues were mainly driven by the project development rights sold to PF at or near financial close. In addition, PD receives fees from PF for privileged access to PD's pipeline of projects.

The progress made over the last twelve months, despite COVID, makes me optimistic about the continued strong growth of Africa50 in 2021 and well into the future. We have become an important player in the African infrastructure space as a project developer, investor, and thought leader, and we will continue to work tirelessly to bridge the infrastructure gap in Africa and to contribute positively to the continent's development and growth.

Alain Ebobissé
Chief Executive Officer

> It gives me great satisfaction to Chair the Board of a results-oriented and impactful organization like Africa50, which is constantly seeking out new ideas and convening new partners to speed up infrastructure delivery on our continent

Dr. Akinwumi A. Adesina

Building Back Better Post-COVID

Africa continues to face challenging times due to the COVID-19 pandemic, with GDP contracting 2.1% in 2020 and the first recession on the continent in half a century. Although growth is projected to rebound to 3.4% in 2021, an estimated 39 million Africans could fall into extreme poverty. Moreover, the pandemic shock has increased budget imbalances and debt, with the average debt-to-GDP ratio expected to rise by 10-15 percentage points. This could become an obstacle for recovery and long-term sustainable development.

To avoid this, the continent needs debt relief and new funding sources, as well as improved infrastructure to drive sustainable growth, leverage digitalization and the African Continental Free Trade Area (AfCFTA).

Debt Relief Linked to Increased Transparency

We must take immediate action, not just for recovery, but to "build back better", giving Africans the resilient economies they deserve. This requires debt relief and concessional finance from donors and multilateral development banks. It will provide a global public good, since Africa has the largest number of fragile and conflict affected states. COVID is worsening the situation and it is crucial to address weaknesses before they mushroom into regional or global economic and security problems. Moreover, as the largest underexploited market for global trade and investment, with considerable human and natural resources, the continent can become a driver of long-term global growth.

However, as African Development Bank President and Chairman of Africa50 Adesina states, African countries must do their part, by "credibly committing to their share of the deal through bold governance reforms to eliminate all forms of leakages in public resources, improved domestic resource mobilization, and enhanced transparency, including on debt and in the natural resources sector." In other words, Africans, and especially their governments, have to directly support their continent's recovery.

Attracting Investments to African Infrastructure

Africa50 can help reverse the capital flight brought on by the pandemic and mobilize investment by better developing infrastructure projects in the early stages to make them bankable. Investors want to make reasonable returns in a reasonable amount of time. Other Development Finance Institutions can contribute by providing risk and credit enhancement instruments, as well as supporting local currency financing to strengthen local capital markets. One domestic resource mobilization solution is asset recycling, whereby governments grant concessions to private investors for operational infrastructure assets such as toll-roads, power plants, airports, and fiber optic networks. The freed-up capital can then fund stimulus plans and new infrastructure.

Through such measures we can underline that infrastructure is an investible asset class for international and domestic institutional investors looking for steady returns coupled with development impact. The assets under management of African institutional investors alone were expected to rise to US$1.8 trillion by the end of 2020. If we can tap even a fraction of this, Africa should be able to substantially close the infrastructure gap and accelerate the recovery. Africa50 is poised to provide the types of vehicles institutional and other large-scale investors seek. Our private sector infrastructure fund, which should start operations in 2021, will allow investors to benefit from our project development and finance expertise, as well as from our access to deal flow and government decision-makers.

We believe that once the crisis abates, investors will once again be looking for opportunities, and Africa must be ready. We must dispel the myth that our continent is too risky by focusing on developing opportunities and creating the enabling environment investors need. Moreover, leveraging our continent's resources to finance recovery and development is not just financially sound, but sends a positive signal to the world that Africa is focused on its recovery and long term sustainable growth.

Building Back Better after COVID (continued)

Connecting Africa

In addition to finance, we need a renewed drive to industrialize, and an even stronger focus on digitalization. ICT has been one of Africa's success stories, but the pandemic revealed a lingering digital divide, especially in internet use. To achieve universal broadband internet access, an estimated US$100 billion is needed over the next decade, with a third of it in infrastructure. This would help the continent leapfrog infrastructure constraints in several sectors, much like cell phones did with land lines twenty years ago. Fintech, which already has a headstart through widespread use of mobile banking, is a particularly promising sector to increase access to finance, especially for Africa's crucial SMEs and the informal sector.

The pandemic has highlighted the value of ICT infrastructure. At the height of the lockdowns, 25% of the firms in sub-Saharan Africa accelerated the use of digital technologies and increased investments in digital solutions. Governments partnered with the private sector to deliver online services, such as health information and e-learning, and eased the use of digital payments. They also worked with mobile operators to reduce the prices of devices and services, avoided disconnections for lack of payment, and increased bandwidth. Such cooperation, coupled with new technologies, can assure that Africa's digital revolution becomes a reality.

Leveraging the AfCFTA

The pandemic led to a 5.3% drop in global trade in 2020 as worldwide consumption and production fell. However, the recovery in merchandise trade is strong, with an expected increase of 8.0% in 2021. Intra-African trade, which has been low historically, was rising prior to COVID, especially in the Regional Economic Communities. Full implementation of the AfCFTA can play a catalytic role and promote the kinds of regional value chains the continent needs to speed up industrialization and employment growth. In terms of membership - a market of 1.3 billion people - the AfCFTA will be the largest free trade area in the world, and by 2050, Africa will account for one-third of the global labor force.

However, to make free trade work and to solve development challenges, we must dramatically improve regional infrastructure. While implementing the AfCFTA could boost Africa's income by US$450 billion by 2035 (a gain of 7%) , only 2% of the approximately US$100 billion invested in African infrastructure in 2018 was for regional projects.

Before COVID, the AfDB estimated that Africa's annual infrastructure financing gap was between US$68-108 billion, and this has likely increased. So we must build more and do it quickly. It should not be just any infrastructure, but projects that stimulate economic activity, create employment, bolster supply chains, and expand access to modern infrastructure for all Africans.

Supporting Countries Through Unprecedented Times

In discussion with Kaniaru Wacieni - Senior Investment Director

1. What did Africa50 do to support African countries to deal with the pandemic?

Africa50's efforts were multi-pronged in nature, while also targeting short-term impact on the public health dimensions of the crisis, and also seeking to address the medium-to-long-term impact of the pandemic. Africa50 broadly contributed to a COVID-19 Relief Support Initiative (RSI) whereby it donated US$800,000 of its own funds and partnered with the Africa Centres for Diseases Control (ACDC) and the Safe Hands Initiative in Kenya to support the procurement of personal protective equipment and first responder deployment across African countries. On a medium-term basis, Africa50's portfolio companies were involved in several initiatives in their immediate localities aimed at cushioning the impact of the pandemic including the provision of direct support to affected communities. From a long-term perspective, Africa50 has also engaged several African governments to explore asset recycling opportunities, which can enable governments to unlock the capital they invested in infrastructure assets, such as toll roads, power plants, airports, fiber optic networks, among others, by offering them to private sector investors under a concession model. This could help governments raise capital relatively quickly, which freed-up capital could then fund their stimulus plans and build new infrastructure for post-COVID recovery phase.

2. How is Africa50 supporting the post-pandemic recovery?

Africa50's post-pandemic recovery efforts take cognizance of certain key lessons from the pandemic experience in Africa vis-à-vis the need to significantly enhance infrastructure capabilities across Africa to support recovery through accelerated and sustained investments into key enabling sectors such as ICT infrastructure and logistics, and the need to assist African countries to effectively recycle capital out of existing infrastructure assets and redeploy this into other areas by exploring concession opportunities for certain viable infrastructure assets in key markets. The requisite 'flight to quality' trend has also enhanced the importance of locally sourced African capital in the infrastructure space such as that provided by Africa50.

Recalibrating our Strategy for Enhanced Success

"While we will maintain our focus on mid-to large-scale projects with a double bottom line focus on generating development impact and commercially viable returns, our recently approved recalibrated strategy is expanding our scope."

Alain Ebobissé

Ready to Take on New Challenges

Africa50's Strategy is Evolving

It has been five years since 2016 when Africa50 became operational, and four since we developed the original strategy that laid the foundations of the business that we have today.

It has been a successful journey thus far, with the number of shareholders rising to 31, committed capital increasing to US$878 million, and expanding our staff complement to over 50. We currently have a portfolio of nine investments, four of which are in operation, two under construction, and the remaining three in development. We have also developed a strong project pipeline of opportunities and become a global thought leader for African infrastructure.

Having completed the complex business of setting up and establishing the new organization over the first four years and given developments in the African infrastructure space and globally (including the impact of COVID), we took a step back to evaluate how we could do even more to fulfil our mandate to speed up infrastructure development across Africa. We therefore conducted our first periodic strategy review since the original strategy was developed, resulting in the development of a 3-year recalibrated strategy that received Board approval in Q1 2021. The recalibrated strategy is so called because it maintains key elements of the original strategy while adapting to changing times.

Our recalibrated strategy covers the second phase of our structured strategic journey, which is designed to consolidate past gains and drive for growth. In simple terms: we will build on the past to assure the future. Over the next three years, Africa50 will maintain its focus on mid-to large-scale projects with a double bottom line of development impact and commercially viable returns. We will continue to leverage our Project Development – Project Finance franchise, and will develop the private sector infrastructure fund and other new sponsored investment vehicles to drive and upscale Africa50's investment growth, extracting synergies across the Africa50 investment platform.

Our top priority will be raising public and private capital by building on and adding to our shareholder base, launching the private sector infrastructure fund, the first of our new sponsored investment vehicles, and securing new development capital facilities. The private sector infrastructure fund is structured to enable African and international institutional investors to earn stable, predictable, and relatively low-risk returns, from investing in African infrastructure.

Responding to needs in our markets, our investment focus will expand beyond our traditional sectors of power, transport, ICT, and midstream gas. The COVID pandemic has underlined the importance of health and education, and made internet connectivity, on which they increasingly depend, even more urgent. Therefore, aside from actively looking for projects in the health and education sectors, which have become more commercially viable in recent years, we are redoubling our efforts to increase internet access and expand ICT subsectors such as fintech.

We will continue to develop and invest in greenfield and brownfield projects, engaging with multiple stakeholders - including developers, strategic investors and governments to drive public private partnerships. In addition, we will continue to explore opportunities with minority stakes for both Africa50 - PD and Africa50 - PF and a combination of minority and majority stakes for the private sector infrastructure fund.

Africa50 - PD and Africa50 - PF will consider smaller or larger projects when merited, while also opportunistically exploring investments in non-shareholder countries. In addition, while continuing to grow our portfolio through equity and quasi-equity investments, we will explore strategic debt partnerships for PD and structured finance for PF. We will review our investment timelines, balancing the need for faster capital rotation against the risk of exiting investments at sub-optimal times.

Our recalibrated strategy will lead us to the third phase of our structured strategic journey - taking Africa50 to the next level beyond 2023. In this third phase, we should benefit more from a robust capital base, critical mass, core innovative capabilities, resilience, and significant growth. In order to kick-start Africa's post-Covid recovery, infrastructure development, will be critical and Africa50 is ready to meet the challenge.

Africa50's Structured Strategic Journey

Phase 1: Laying the foundations (2017 – 2020)

Through implementing the strategy developed at inception, we successfully delivered on the first phase of our strategic journey, establishing the foundation from which we have grown the Africa50 infrastructure investment platform to focus on mid- to large-scale infrastructure projects generating double bottom line development impact and commercially viable financial returns.

- 2017 - original strategy developed.
- Raised US$878M committed shareholder capital.
- Built a world class and diverse team of skilled professionals.
- PD: 6 portfolio investments + 3 exits to PF.
- [2] PF: 7 portfolio investments + 1 exit.
- Healthy pipeline of investment opportunities.
- Fully operational investment platform.
- Established Africa50 brand and reputation.

Phase 2: Consolidation and driving for growth (2021 – 2023)

We are now, guided by our recalibrated strategy, embarked on delivering the next phase of our strategic journey by building on our achievements during the foundational phase with a strong emphasis on growth.

- **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 / launching the first sponsored fund and other sponsored investment vehicles
- **Broader 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.
- **PD Financial Sustainability** - ensure PD's long-term financial sustainability.

Phase 3: Taking Africa50 to the next level (2024 and beyond)

Building on the underlying business and growth momentum from phase 2, this next phase would be aimed at making Africa50 a stronger player in infrastructure development and finance on the continent, further driving up shareholder value and providing even greater access to sustainable infrastructure across Africa.

- Robust capital base – committed capital + assets under management.
- Critical mass / core innovative capabilities.
- Resilience (e.g., from consistently and successfully managing through external shocks).
- Significant growth.

[2] Exited Genser Energy in January 2021

Innovative Finance in Fundraising for Africa's Infrastructure

In discussion with Opuiyo Oforiokuma - Acting Chief Operating Officer until 30 June 2021

1. Is there a growing need for innovative financing mechanisms to help mobilize capital to fund Africa's infrastructure?

There definitely is! For example, some challenges exist around mobilizing capital for infrastructure investment, which if resolved, should greatly improve the cost and availability of financing for infrastructure projects in Africa. One example of such challenges is the impact of foreign exchange exposure on project financing.

Financing projects using equity and debt denominated in hard currencies if the underlying revenues generated by the corresponding infrastructure assets are generated in local currencies, automatically creates an asset and liability mismatch that is accentuated by weakening of the local currencies relative to the USD dollar, Euro, Pounds Sterling, etc. Weak local currencies, and in some cases, the inability to source hard currencies in the local foreign exchange markets, make it difficult to service foreign currency denominated debts and equity obligations and place strain on the economic viability of African infrastructure projects. Simply passing on the foreign exchange exposure through to the counterparty government or directly to end users via tariffs has become increasingly unpopular; hence, the importance of finding alternative mechanisms for dealing with these issues.

The development of deeper capital markets on the continent that can provide local currency financing in sufficient quantum, at affordable cost, on long enough tenors, and favorable security terms, is what is needed over the medium and long-term. In the short term, the use of foreign exchange hedging instruments and synthetic structures can provide some protection; however, this can still be challenging in practice as local currency devaluation and inconvertibility can make such instruments cost-prohibitive or unavailable to projects that need them.

2. Why is it important to raise funds for infrastructure and what is Africa50's position on innovative financing?

AfDB estimates confirm the huge annual infrastructure financing gap that currently exists on the continent (US$68-108 billion). In addition, Africa's growing population, which is expected to nearly double from 1.3 billion today to 2.5 billion in 2050, 30 years from now; heightened focus on infrastructure arising from the COVID experience; and the need for new and enhanced regional infrastructure to support AfCTA; are all factors that will likely increase the need for infrastructure financing beyond what is currently contemplated. African governments cannot fund this all on their own, making it imperative to attract funding from local and international sources such as private and institutional investors, MDBs and DFIs, to help bridge the gap.

While not downplaying the importance of foreign direct investment in Africa, we believe at Africa50 that being able to catalyze more local investment into African infrastructure will send a positive signal to the world that Africa is prepared to use its own resources to deal with its infrastructure challenges rather than wait for external help to come first. This should also create a buffer that helps Africa become more resilient against capital flight. With the AfDB having estimated that African institutional assets under management were US$1.8 trillion at the end of 2020, and with African institutions increasingly demonstrating a desire to contribute more to the continent's growth, focus should be on creating financing mechanisms that enable a meaningful amount of this institutional capital to invest in infrastructure on the continent.

There is evidence that the investment appetite of some institutional investors like pension funds and insurance funds may be trained more towards operational assets (brownfield) than greenfield. The asset recycling model that Africa50 has been actively advocating for is therefore one innovative financing approach that could help reduce the funding gap through attracting African and international institutions to invest in infrastructure. Asset recycling, by unlocking government capital tied down in mostly operational assets that government does not need to operate itself, and then concessioning such assets to private and institutional investors, provides a mechanism via which such unlocked capital can then be recycled back into developing new greenfield infrastructure or rehabilitating existing brownfield ones, which can then become the next wave of assets to be recycled. Doing this repeatedly and consistently through the tried and tested concessioning model should create a long-term, sustainable funding pipeline that provides much-needed infrastructure on the continent while also providing investors with the opportunity to make attractive financial returns and development impact.

3. How important is infrastructure to Africa's post-COVID recovery and what sectors will be key going forward?

Infrastructure has always been key to Africa's socioeconomic growth and development - poor infrastructure lowers Africa's per capita GDP growth by up to 2%. But while all the four core sectors that Africa50 has focused on since inception (power, transportation, ICT, midstream gas) will continue to be required, COVID has exposed key weaknesses in Africa's existing infrastructure stock, highlighting the insufficiency in key sectors like broadband / internet connectivity, healthcare, water and sanitation, and other social infrastructure. In response, Africa50's recalibrated strategy expands our core sectors from four to seven now, introducing healthcare infrastructure, education, and fintech into the mix, and we are redoubling our efforts in the ICT space.

Less than a third of Africa's population is connected to the internet; however, COVID has demonstrated the important role played by digital technology in enabling the world to keep operating under the uncertainty and challenges of lockdowns and travel restrictions. Digital technology should also be a critical lever for the success of AfCTA, helping to leapfrog some of the challenges caused by the current lack of physical infrastructure on the continent while development of such infrastructure gradually catches up with demand. The World Bank estimates that US$100 billion of investment will be needed to achieve universal, affordable, and good quality internet access by 2030, less than 10 years from now.

Besides the significant socioeconomic impacts that COVID has had worldwide, I believe that the biggest tragedy has been in the loss of lives - around 4 million deaths at the beginning of July 2021, in less than two years, including nearly 150,000 in Africa. Although the continent appears to have fared relatively better than others in terms of the loss of lives, this cannot be taken for granted in the event of future pandemic shocks. There is therefore an urgent need for more robust and affordable healthcare infrastructure across the continent, which will also require an entire ecosystem of enabling infrastructure to make this work. Digital infrastructure, e.g., that supports telemedicine and geolocation tracking systems; effective transportation systems to enable movement of ambulances, pharmaceuticals, patients, etc.; reliable electricity supply to power up hospital equipment and facilities, and to support industrialization and manufacture of pharmaceutical medicines, equipment, PPE, etc.

Financing is required to strengthen Africa's economies, enhance the quality of its infrastructure, and ultimately enable the continent to be more resilient to future shocks.

Acting as a Bridge Between Public and Private Entities to Accelerate Infrastructure Development in Africa

In discussion with Imane Alami - Senior Associate, Fundraising and Investor Relations

1. How is Africa50 fulfilling its mandate of early-stage development of projects, financing infrastructure investment, and mobilizing more capital for Africa?

Africa50 has adopted tailored approaches towards project development and the financing of infrastructure investments on the continent. Close and trusted relationships with the government are key to value creation in infrastructure investments. Through the support of government shareholders and other public sector stakeholders, our investment teams have been able to smoothly close in on projects. The deal flow generated from project development activities is a ready source of attractive investments into which our project financing arm can deploy equity / quasi-equity capital. Strategic alliances with the AfDB, the broader DFI community, as well as strong and reputable partners supporting the projects, have enabled Africa50's financing of well-structured and profitable projects.

Africa50 mobilizes more capital for the continent by:

a. Leveraging our growing portfolio which in turn enables new shareholders to see the real added value and impact our institution has on the continent
b. Positioning ourselves to fulfill our aspiration of investing sustainably and driving impact in African infrastructure.
c. Stimulating an increasing passion in African shareholders (public and private) to start using their own resources first to invest in African infrastructure, in additon to funds by investors from other markets.

2. What do you make of Africa50's performance in its relatively short period of operations?

Africa50's high performance since inception is a result of a combination of many factors: a unifying mandate, a talented team, a loyal shareholder base, and a robust governance system. We have a clear mandate, set up on the basis of being part of the solution to the continent's infrastructure challenges. Our experienced team with extensive knowledge of the continent's needs is also key, while our loyal shareholder base and a relationship based on proximity have also been critical to our success story. Africa50 is set up to be agile in its processes and operations which allows us to execute with speed and greater efficiency.

Our People Strategy

> Our employees' passion, commitment and expertise are key to delivering our strategy and purpose. It is important that we continue to invest in the right talent and skills for the future in order to help accelerate the transition to, and realization of our recalibrated strategy.

Alain Ebobissé

Our People Strategy

Our people strategy is 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.

Pillars

Talent Acquisition
- Diversity
- External partnerships

Performance Management
- Objectives alignment
- Performance reviews
- Continuous feedback culture

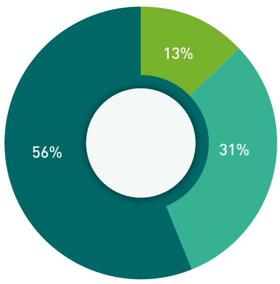
Compensation & Benefits
- Performance driven incentives
- Market positioning linked to our Shareholders' value creation

Career Advancement & Competencies
- Competencies' mapping
- Clarity on career advancement options and conditions
- Individual Development Plans

Processes & Digitization
- Clear processes for each phase of the Employee's life cycle
- Streamlining and Digitization all HR processes

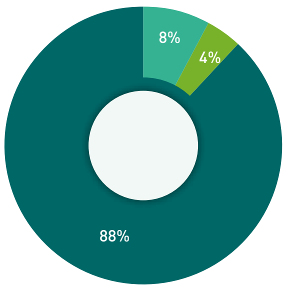
Our People

Length of Service



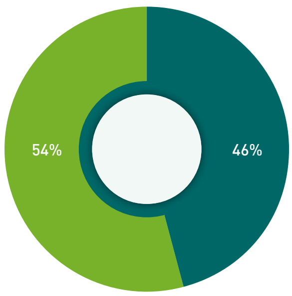
- Less than 1 year
- Between 1 and 2 years
- More than 2 years

Origin



- Africa
- Americas
- Europe

Gender



- Male
- Female

Working at Africa50

In discussion with Meryem Benhsain - Investment Associate

1. How has the experience been working as a woman in the infrastructure space generally?

Based on my experience of working in the infrastructure space in Africa, I noticed that men often outnumber women due to various factors (required level of education and specialization, working hours, commitment to work, on-site working, etc.) - Despite Africa50's gender ratio being 54% male and 46% female, currently, I am the only female investment professional in my team at Africa50.
However, working in teams where men are in the majority has never been an issue from my experience. I have never felt that I have been given special treatment or discriminated against and my collaboration with my colleagues has always been based on my skills and capabilities. I am also glad to notice an increase in the number of women in the infrastructure space in Africa: I was inspired when I met a woman entrepreneur from Kenya, in a very senior position in an infrastructure company, clearly demonstrating women's ability to play major roles in this industry.

2. Can you describe what it is like to work at Africa50, and your experiences during the COVID19 pandemic?

It is very fulfilling to work at Africa50. The organization has a mission-driven mandate which guides the day-to-day activities and that is one of the key reasons why I joined Africa50. Working with colleagues from diverse cultural and international backgrounds positively influences the work environment and the quality of work, which reflects in our achievements in just a little over four years of operations. Now I know a lot about African countries I have not visited before, and I personally love that kind of opportunity.
The company has also demonstrated how it values its employees especially during the period of the COVID-19 pandemic. It took appropriate measures very early on to protect the employees and guarantee the best working conditions while the human resources department regularly updated us with relevant and timely information to keep us all safe. The CEO, the head of my team, and HR regularly checked up on me to make sure that I had the necessary help from Africa50. I was really touched by that gesture, especially as a mother of a toddler, I really felt that the organization supported me and offered the right conditions to find a balance between my work and my family (maternity leave, remote working, etc.)

Shareholder Engagement

We maintain an active dialogue with our shareholders through our extensive investor relations programme.

How we engaged with them in 2020

- Personal meetings, virtual conferences, email and other written correspondences
- Annual and half-year reports and presentations
- Re-platformed Africa50 website
- General Shareholder Meeting ('GSM')

General Shareholders' Meeting (GSM)

Attendance at the GSM

Africa50 held its first virtual General Shareholders' Meeting on 29 October 2020. Shareholder participation at the meeting was the highest for the past three GSMs, with 87 participants connected to the digital platform, representing over 92% of voting rights present; 24 shareholder representatives with voting rights (including 1 Vice Prime Minister, 7 Ministers, and 2 Deputy Ministers); with 3 shareholder countries participating for the first time; 16 non-voting representatives from 12 shareholders as observers; and 41 members of Africa50's team including Directors, Management, and staff as observers.

Key Themes from the GSM

- Shareholders expressed satisfaction with Africa50's performance to date.
- Several shareholders made verbal commitments to settle some or all of their outstanding capital calls.
- Shareholders want Africa50 to broaden its core focus to include new sectors, especially healthcare infrastructure.
- Asset recycling has the strong support of shareholders and the AfDB.
- Shareholders encouraged Africa50 to seek MDB/DFI funding to complement current and potential Class A shareholder fundraising, and to ease the pressure arising from slow payment of capital call obligations.

Sustainability and Development Impact

"The UN's Sustainable Development Goals (SDGs) are good targets for impact investment, including for infrastructure. In addition to SDG 9, "Industry, Innovation and Infrastructure", infrastructure has a substantial impact on about two thirds of the other 16 SDGs, from energy and clean water to sustainable cities, climate action, and more."

Putting Responsible Value Creation at the Center of Africa50's Activities

A Focus on Impact Investing

Africa50 views development impact as the intentional, positive, and direct impact that we make on external stakeholders and the environment, through our actions and those of the portfolio companies in which we invest. Potential negative impacts are managed and mitigated by the environmental, social and governance (ESG) processes and procedures built into our ESG management system. Our approach to developmental impact and ESG is integrated into our investment approach and decision-making. Investment professionals, together with our ESG teams, identify at the outset the developmental impact and value adding ESG opportunities, as well as potential ESG risks to be managed and mitigated.

Impact investing based on sound ESG criteria has grown rapidly over the past decade - to over US$17.5 trillion globally. While some of this is driven by the desire of investors to have a positive impact on our world, much of it is based on the conviction that ESG factors affect the long-term performance and sustainability of investments and thus profits. Increased global focus on health and safety due to COVID and inclement weather being experienced globally, is further accelerating the trend and prominence of sustainable investment.

From January through November 2020, investments in sustainability-oriented mutual funds alone grew to US$288 billion globally, a 96% increase over all of 2019. The pandemic may have served as the tipping point for ESG and should have a long-term impact on the financial ecosystem. It has also increased the visibility of ESG issues other than health, such as income inequality, diversity and inclusion, social injustice, employee welfare, and climate change.

Defining and measuring ESG criteria is complex; however, studies suggest that impact investing can improve risk management and lead to returns that are equal to those from traditional investments. In addition, growing awareness about climate change, responsible business conduct, and diversity, is increasingly influencing consumer choices and putting pressure on companies and asset managers to integrate ESG criteria into their investment decisions. There is a discernable shift away from short-term thinking towards long-term sustainability, incorporating broader external factors to optimize returns and profits while building consumer and stakeholder trust. This trend is supported by Multilateral Development Banks, major investment banks, central banks, asset managers, and institutional investors. As a result, the number of ESG rating agencies, ESG indexes, and ESG focused mutual funds has increased significantly.

Despite this progress, there are challenges that delay development and implementation of ESG standards, including in Africa. We need to overcome them for impact investing to become more than an exercise of 'whitewashing' or 'greenwashing'. Firstly, we must ensure that reporting on ESG issues is relevant, consistent, transparent, and objective. Secondly, we need to improve the alignment of ESG standards with investors' sustainable financing objectives. And thirdly, as in all investment matters, we need public and regulatory engagement nationally and globally. To be effective and credible, ESG practices, while taking into account local and regional specificities, must be consistent and comparable worldwide, which involves coordination between policymakers,

Putting Responsible Value Creation at the Center of Africa50's Activities (continued)

investors, and other stakeholders. Moreover, ESG criteria should not just be clauses in contracts; they should be implemented in practice too. Developers and investors like Africa50 should implement effective ESG management systems and embed an ESG culture throughout their organizations. Policymakers, for their part, should ensure that social and environmental principles are not only written into law and ratified, but applied. This is not always the case in all jurisdictions, so DFIs, donors, civil society and environmental groups should help governments build the necessary capacity.

Investigating ESG implementation is also difficult, especially in developing countries with limited statistics and experience in ESG management. It requires regular performance reviews of projects based on data supplied by the company or a government entity. Such data may not always be reliable or objective, so it should be augmented through establishing in-house ESG teams with the requisite skills and experience, or by engaging the services of external consultants or specialized agencies. In practice, doing thorough due diligence on a portfolio company or relevant government entity, prior to investment, along with the development and implementation of robust monitoring and engagement systems is one of the best ways of assuring the reliability of the data they supply.

> Our project development and project finance teams, with the support of our corporate ESG team, are tasked with identifying and supporting ESG-related value adding initiatives

Africa50 – Ensuring the Sustainability of Infrastructure

The UN's Sustainable Development Goals (SDGs) are good targets for impact investment, including for infrastructure. In addition to SDG 9, "Industry, Innovation and Infrastructure", infrastructure has a substantial impact on about two thirds of the other 16 SDGs, from energy and clean water to sustainable cities, climate action, and more. In fact, it can be argued that the overall targets of the SDGs which are aimed at eliminating poverty and inequality and preserving the environment, cannot be achieved without adequate infrastructure. Moreover, adopting ESG standards is particularly important for infrastructure projects since most involve diverse ESG risks that can affect their viability. These include risk factors such as greenhouse gas emissions and energy consumption, soil and groundwater pollution, labor and working conditions, occupational and community health and safety, and involuntary displacement of communities.

Africa50 has selected the UN Sustainable Development Goals (SDGs) as the cornerstone of our Development Impact commitments, and makes a direct contribution to SDGs 7, 8, 9, 10, 11, 13 and 17 which have been linked to our Development Impact objectives. However, there are other SDGs to which Africa50's contribution may be less direct, and SDGs which may become more relevant to Africa50 based on the strategic direction that Africa50 takes in the future. These are therefore not excluded from consideration and may be included in future iterations of all Development Impact documentation based on their relevance at the time.

Africa50's ESG policy is based on a framework of internationally accepted principles, guidelines, and best practices. In addition to applicable national ESG laws, Africa50 portfolio investments must be compliant at the time of investment or be capable of complying within the period that Africa50 envisages holding such investments, with the IFC Performance Standards or, in some cases, the AfDB Safeguards and Sustainability Series. Our ESG Management System is designed to ensure that ESG principles and practices are fully integrated into the entire investment cycle, from deal origination, pre-investment screening and due diligence, to investment decision and disbursement, and post-investment monitoring and exit. It is also focused on embedding an ESG culture across the organization through the alignment of ESG objectives with Africa50's investment strategy.

Our project development and project finance teams, with the support of our corporate ESG team, are tasked with identifying and supporting ESG-related value adding initiatives that enhance Africa50 portfolio companies' performance. This is done at the pre-investment stage, followed by ongoing monitoring post-investment. To ensure that our development impact and sustainability objectives are achieved we also maintain a proactive and ongoing dialogue with all stakeholders

Putting Responsible Value Creation at the Center of Africa50's Activities (continued)

to understand what is working, or where additional attention may be required to improve ESG performance and deliver development impact.

Building capacity through training of senior management, board members, and investment teams, as well as assisting project sponsors and portfolio companies in implementing ESG action plans and addressing areas of non-conformance, is critical to the success of investing sustainably. It is also important to monitor and report on ESG performance by identifying key performance indicators and deciding on the method and frequency of data collection and the people responsible for it. This requires appropriate disclosure on ESG performance from project sponsors and portfolio companies. Africa50's ESG management system is designed to achieve this.

Measuring Africa50's Impact

According to the Global Impact Investor Network (GIIN), investors' approaches to impact measurement vary based on their objectives and capacities, with the choice of what to measure usually reflecting their goals. In general, best practices for impact measurement include explaining ESG objectives to relevant stakeholders; setting performance metrics related to the objectives using standardized metrics; monitoring and managing the performance of portfolio investments against these targets; and reporting on ESG performance.

The IFC encourages DFIs to judge whether they are contributing "additionality" to a portfolio investment by estimating the difference between how the investment is doing with the DFI's investment support compared to how it would have done without it.

Africa50 invests with a double bottom line focus on generating development impact and reasonable financial returns, while doing so in a safe and environmentally friendly way to ensure sustainability. Through our project development arm, we do the detailed work required to embed ESG criteria in the investment from an early stage, and we reward impactful investments with additional equity and quasi-equity funding at later stages through our project finance arm.

Tapping Into African Institutional Capital

Investors have good reasons to choose Africa for impact investing. With broad and growing development needs, and largely underserved markets, there are countless opportunities to make a difference in Africa while making good financial returns. While many of the SDGs have been met in advanced economies, there are significant gaps in Africa which mean that visible progress and impact can be substantial, satisfying the needs of Africans and responding to the demands of advocates for increased development assistance. A turning point could be reached if Africa's growing domestic capital can be tapped more consistently. Local companies and investors understand local circumstances and should be more committed to having a positive impact at home than outsiders are.

There are plenty of funds available for viable African infrastructure projects. McKinsey estimated that in 2018 there were over 400 African companies with annual revenues of over US$1 billion. And prior to COVID, assets under management by African institutional investors were expected to rise to US$1.8 trillion by the end of 2020, from US$670 billion in 2012. PwC further estimated that pension fund assets in 12 African markets were to rise to about US$1.1 trillion by the end of 2020, up from US$293 billion in 2008. African sovereign wealth funds, which have a strong motive for investing sustainably in local markets, are also growing; over 20 countries now have one. These home-grown institutional investors, whose holdings are expanding into infrastructure, as well as stocks and bonds, real estate, and private equity, are helping deepen local capital markets. This is crucial for

Putting Responsible Value Creation at the Center of Africa50's Activities (continued)

infrastructure investment at a time when international capital is becoming more cautious and foreign exchange risks are rising.

Institutional investors can put capital to work directly in companies or projects that generate a financial return as well as development impact while managing ESG risks well. They can also invest indirectly into African infrastructure through funds such as Africa50's new private sector infrastructure fund. The prospects are bright. In the 2019 GIIN Annual Impact Investor Survey, most impact investors surveyed expected non-concessionary, market-rate returns on a risk-adjusted basis, and 87% of those targeting market-rate returns reported that their expectations were either met or exceeded.

However, since African institutional investors are relatively new to impact investing and African infrastructure, they seek the help of DFIs. They prefer co-investments because they feel that DFIs have a better understanding of the underlying risks at the country level and can help mitigate political risks. They also appreciate the technical expertise that DFIs have in project origination, their rigorous due diligence, and their willingness to provide early-stage risk capital and credit enhancements. Of particular interest to institutional investors, is taking over projects that DFIs or others have financed during the greenfield phase, buying the project debt during the brownfield phase. In this way, the DFIs or governments assume the risk during project design and preparation and can then monetize their investments earlier than is currently the case to free up capital for new projects. Institutional investors, in turn, can participate in less-risky projects that are already operational.

Conclusion

Impact investment is growing in Africa and Africa50 stands ready to help through project development or project financing. Some challenges remain in defining and integrating ESG standards and measuring impact, but evidence shows that investors, both African and non-African, are ready to make a difference by financing viable, impactful, infrastructure projects on the continent.

Affordable and Clean Energy

As part of our commitment and contribution to providing affordable energy access on the continent, Africa50's approach is orientated toward better access to cleaner energy through an increase in generation capacity, including a mix between solar, thermal and hydroelectricity.

As part of its investment in the energy sector, Africa50 is strongly investing in renewable energy with the six Beban solar plants totaling 400MW currently operating in Egypt, and the 420MW Nachtigal hydropower plant currently under construction in Cameroon. Along with its investment in the 461MW Azura-Edo gas power plant in Nigeria, Africa50, as part of its contribution to the transition to cleaner energy, is currently planning to convert assets currently running with HFO to gas, including the 115MW Tobene Power operating asset and the 120MW Malicounda power plant project under construction in Senegal.

Benban

Sector: Power
Sub-sector: Solar PV
IFC category: B
ESMS capability: High

Economic Impact:
Energy contracted 400MW

Environmental impact:
537,526 tCO2 avoided

Social Impact:

- 70 direct employees
- COVID-19 donations of essential foodstuff and medical supplies

Azura-Edo

Sector: Power
Sub-sector: Thermal (gas)
IFC category: A
ESMS capability: High

Economic Impact:

- 461MW open-cycle operating gas-fired power plant
- Producing over 8% of Nigeria's monthly net electricity output

Environmental impact:
Alternative for costly and pollution heavy diesel generators

Social Impact:

- More than 1,000 people directly employed during construction.
- More than 14 million people benefiting from power provided by Azura-Edo.

Portfolio Investment Review

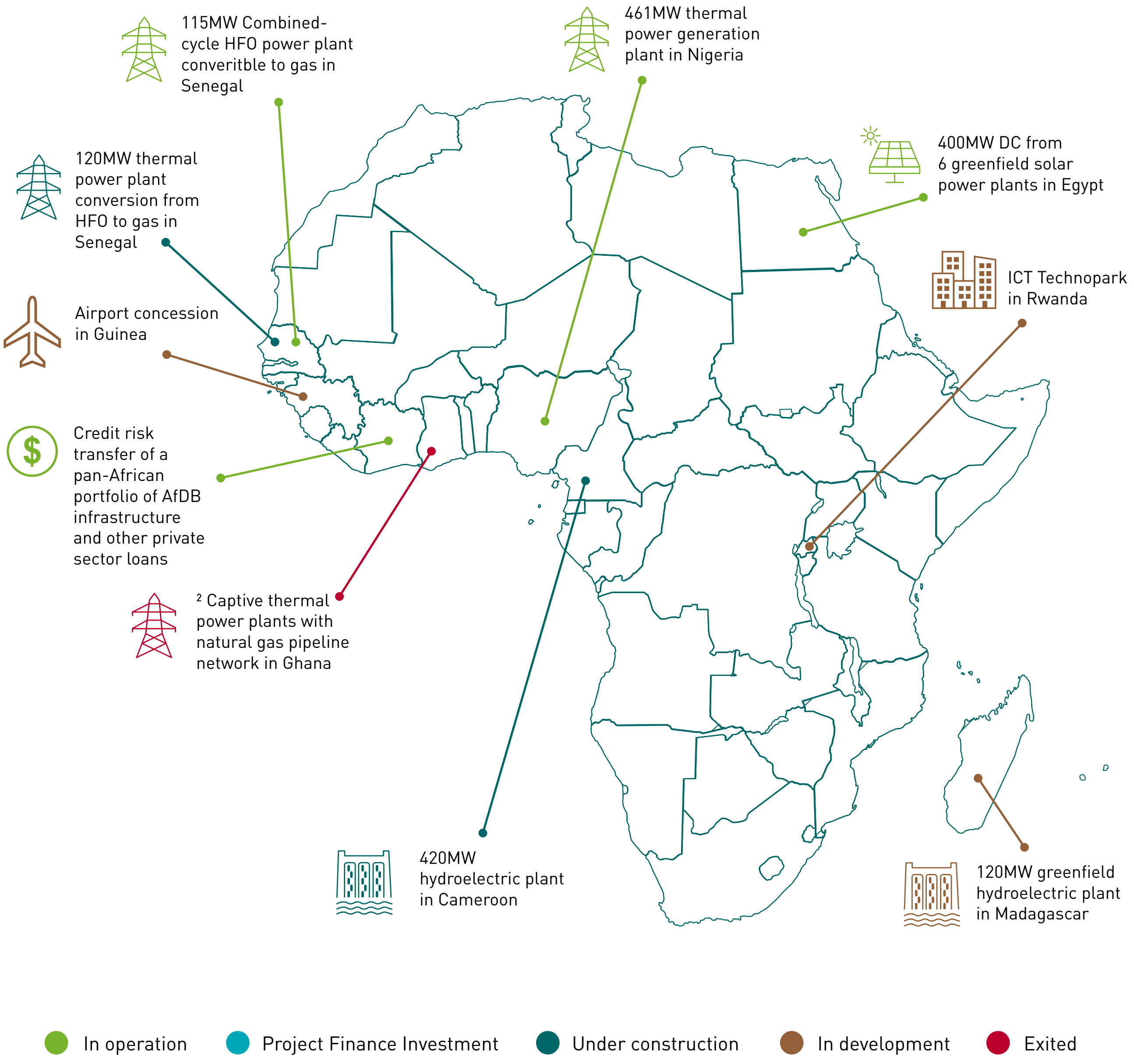
"2020 was a challenging year because of the unprecedented impacts of the COVID pandemic. However, we successfully worked virtually throughout the year, making significant accomplishments in project development, project finance, and operations."

Alain Ebobissé

Investment and Development Portfolio as at 31 December 2020

In a little over 4 years, Africa50 successfully developed a diversified investment and development portfolio. We currently have 4 assets in operation, 2 under construction, and 3 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



[2] Exited Genser Energy in January 2021

Portfolio Investment Review

7.1 Africa50 - Project Development (PD) Portfolio Investments

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

Exits

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

7.2 Africa50 - Project Finance (PF) Portfolio Investments

Name	Country	Sector
Azura-Edo	Nigeria	Power
Malicounda	Senegal	Power
MPG	Senegal	Power
Nachtigal	Cameroon	Power
Room2Run	Pan-african	Multi-sectors
Scatec Egypt	Egypt	Power

Exits

Name	Country	Sector
Genser Energy[3]	Ghana	Midstream gas / Power

[3] Exited Genser Energy in January 2021

Portfolio Investment Review (continued)

Gbessia International Airport
Africa50 - Project Development

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

Date of PD Final IC Approval	6 December 2019
Sector of Activity	Transport
Type of Investment	Common Equity
Deal Partners	The Government of Guinea, Aéroports de Paris

Project Updates:

- 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.

Portfolio Investment Review (continued)

Kigali Innovation City
Africa50 - Project Development

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 a commercial and retail real estate on 62 hectares of land.

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.

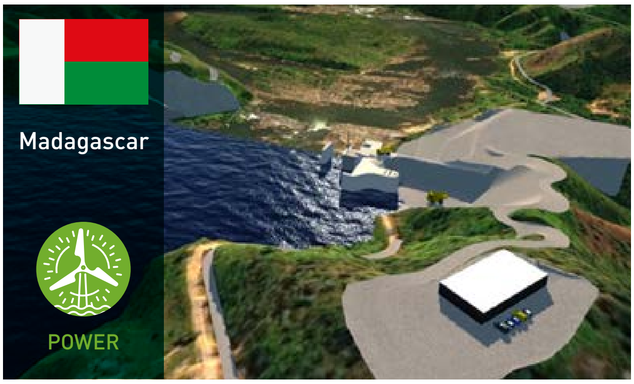
Project Summary

Date of PD Final IC Approval	9 July 2019
Sector of Activity	ICT
Type of Investment	Common Equity
Deal Partners	Rwanda Development Board (RDB)

Project Updates:
- Concept Master Plan has been completed, providing the basic design for the city; Diligence ongoing to establish and staff the project company; Detailed Master Plan design in progress with an expected completion date of July 2021.
- Ongoing discussions on the Shareholders Agreement and the Implementation Agreement. Both are expected to be finalized by Q3 2021, facilitating the formation of the Project SPV.
- Recruitment process for the Project CEO is in its final stages.
- 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. A project management company was recruited in June 2021 and recruitment of a lead design consultant is 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 2021.

Portfolio Investment Review (continued)

Volobe
Africa50 - Project Development



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 loads, 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

Date of PD Final IC Approval	20 September 2019
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).

Portfolio Investment Review (continued)

Azura-Edo
Africa50 - Project Finance

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 provides a cleaner fuel alternative to diesel and draws from the country's reserves of natural gas, a clean-burning transition fuel. In 2019, Azura-Edo avoided 60,810 tons of CO_2 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

Date of PF Final IC Approval	22 August 2019
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; 2020 plant availability performed in line with budget (92% vs. 93%), and load factor was significantly higher (81% vs 61%), due to higher sustained dispatch.
- This has put negative pressure on the Naira and has caused a challenge for the private sector in accessing USD through the Central Bank of Nigeria.

Portfolio Investment Review (continued)

Malicounda
Africa50 - Project Finance

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.

Project Summary

Date of PD Final IC Approval	23 July 2019
Sector of Activity	Power
Type of Investment	Common Equity
Deal Partners	Melec PowerGen (MPG) and Senelec

Project Updates:

- Construction is progressing, with a delay estimated at four months due to the COVID impact.
- Africa50 has disbursed further equity to the project company pursuant to a second capital call.
- Africa50 and the other sponsors have secured for the company a bridge loan of US$92 million from local commercial banks to cover project capex needs until debt financial close is achieved.
- The combined cycle configuration helps to significantly reduce fuel costs, saving 8% of the cost of fuel or ~US$ 3.4 million/year for the country.

Portfolio Investment Review (continued)

MPG (Melec PowerGen)
Africa50 - Project Finance

Background
Base load power plant platform that currently owns one asset in Senegal, Tobene Power, a 115 MW combined cycle heavy fuel oil plant designed to be convertible to gas with a 20-year power purchase agreement with Senelec. The lenders' pool includes the IFC, FMO, the Emerging Africa Infrastructure Fund, and the West African Development Bank.

Development Impact

Productivity:
- The power platform's current and prospective assets are located in Senegal. MPG assets are intended to provide significant baseload generation capacity at competitive tariffs that help close the electricity supply gap.

Environment:
- MPG current and prospective assets have been designed for conversion to natural gas fuel, which advances progress towards cleaner fuel inputs.

Employment:
- MPG's operations are intended to support local employment, tax revenues, and purchase of local goods and services - all of which contribute to labour output.

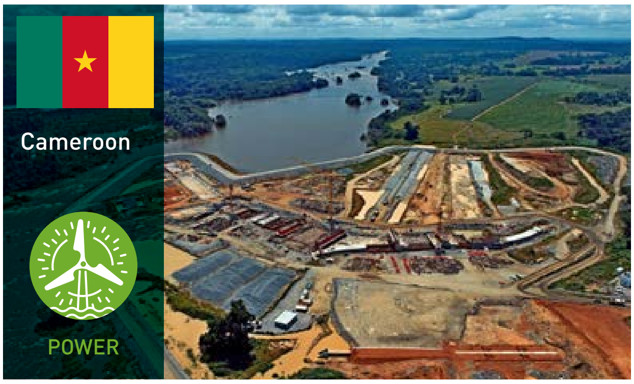
Project Summary

Date of PF Final IC Approval	18 December 2018
Sector of Activity	Power
Type of Investment	Common Equity and Preferred Equity
Deal Partners	Actis and Amaya

Project Updates:
- Management and shareholders continue to pursue the gas conversion roadmap for Tobene. Shareholders are engaging Senelec and the Government of Senegal to seek gas-to-power solutions which drive value of Tobene and the entire Senegalese power sector.

Portfolio Investment Review (continued)

Nachtigal
Africa50 - Project Finance



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% by 2022 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

Date of PD Final IC Approval	4 December 2018
Sector of Activity	Energy (hydro)
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 was delayed (estimated for 3-6 months) due to the COVID pandemic situation.
- Works progressively resumed after the force majeure declarations in connection with COVID, and are now at normal pace.

Portfolio Investment Review (continued)

Room2Run
Africa50 - Project Finance

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 (fka 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:

- In the long term, increased investment, stimulated through Room2Run, should increase job creation and employment.

Project Summary

Date of PD Final IC Approval	13 October 2018
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 default(s) in the underlying AfDB portfolio.
- Africa50 anticipates pressure on borrowers in the portfolio due to the effect of the Covid-19 pandemic.
- The team continues to actively monitor news related to the projects and entities in the underlying credits.

Portfolio Investment Review (continued)

Scatec Egypt
Africa50 - Project Finance

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. In 2020, Scatec Egypt avoided 537,526 tCO2 emissions.

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

Date of PD Final IC Approval	17 October 2017
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.

Pipeline and Prospective Investments Review

I am pleased that Africa50 has decided to expand its sector focus in energy, ICT, transport, and midstream gas infrastructure, to include undertaking viable projects in the health and social sectors.

Dr. Akinwumi A. Adesina

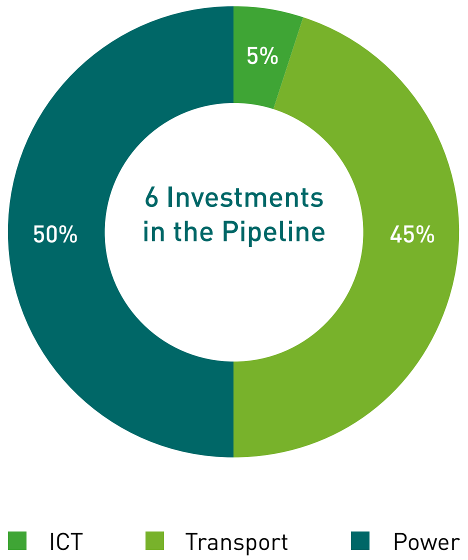
Pipeline and Prospective Investments Review

Africa50 continues to focus on diversifying its current portfolio to include sectors such as ICT, transport and healthcare. COVID-19 has demonstrated the urgent need to increase capacity in Africa's ICT infrastructure and more importantly to ensure shorter supply chains through further investment requirements into our transport and logistics sectors. The table below is a sample of our pipeline and prospective projects.

PROJECT	SECTOR	REGION
Fibre-optic backbone	ICT	West Africa
Port terminal	Transport	Southern Africa
Power distribution	Power	West Africa
Transmission	Power	East Africa
Joint border post	Transport	West Africa
Rail-Road	Transport	Central Africa
Geothermal power	Power	East Africa
Data centre	ICT	Pan-African
ISP	ICT	Kenya
Data centre	ICT	West Africa

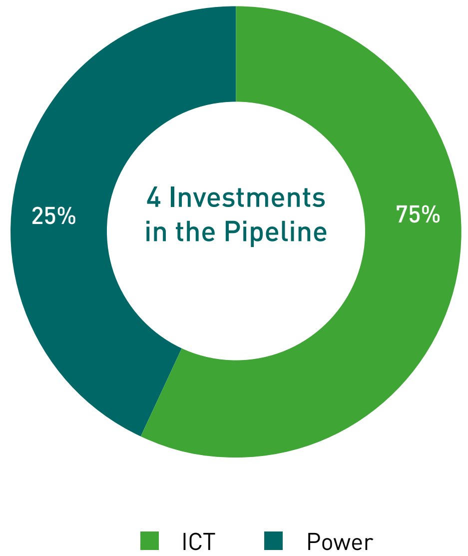
In 2021 Africa50 – Project Development envisages committing approximately US$28 million of early-stage development capital to pipeline investments across various sectors

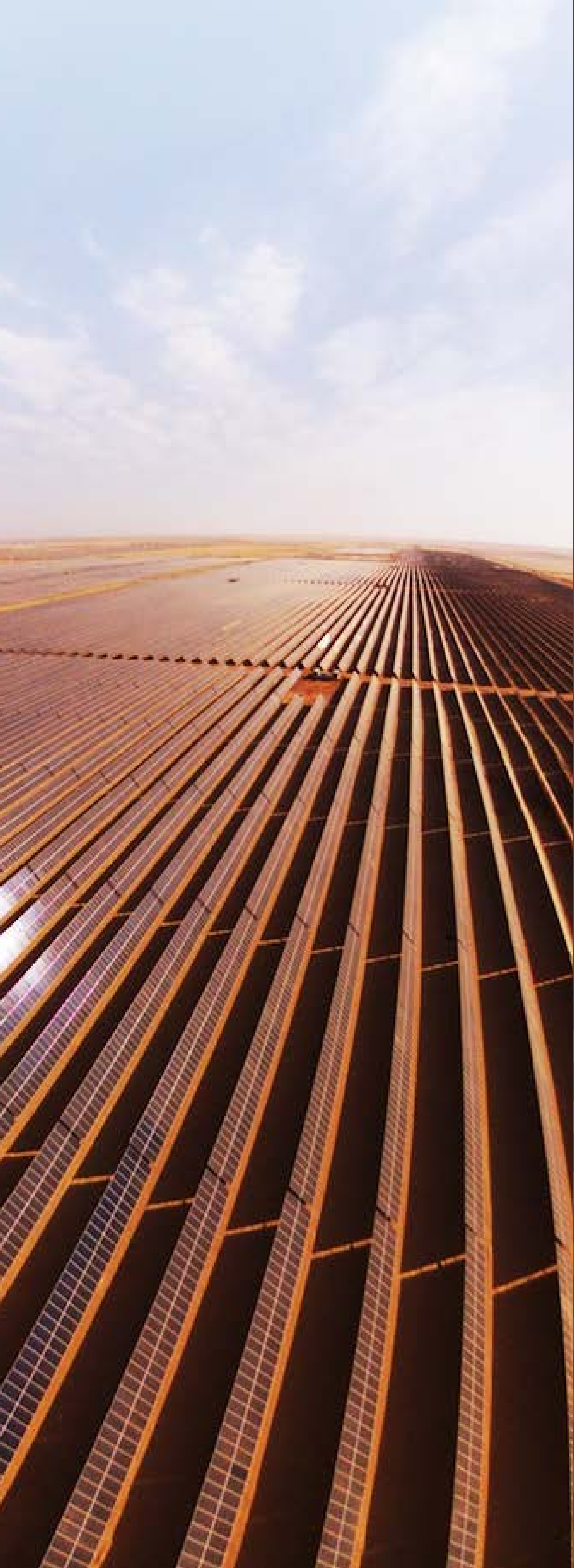
Figure 11 – PD Investment Pipeline and Prospective Projects



In 2021 Africa50 – Project Finance envisages committing approximately US$50 million of equity/quasi-equity to pipeline investments across various sectors

Figure 12 – PF Investment Pipeline and Prospective Projects





Enterprise Risk Management

Africa50's Enterprise Risk Framework 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.

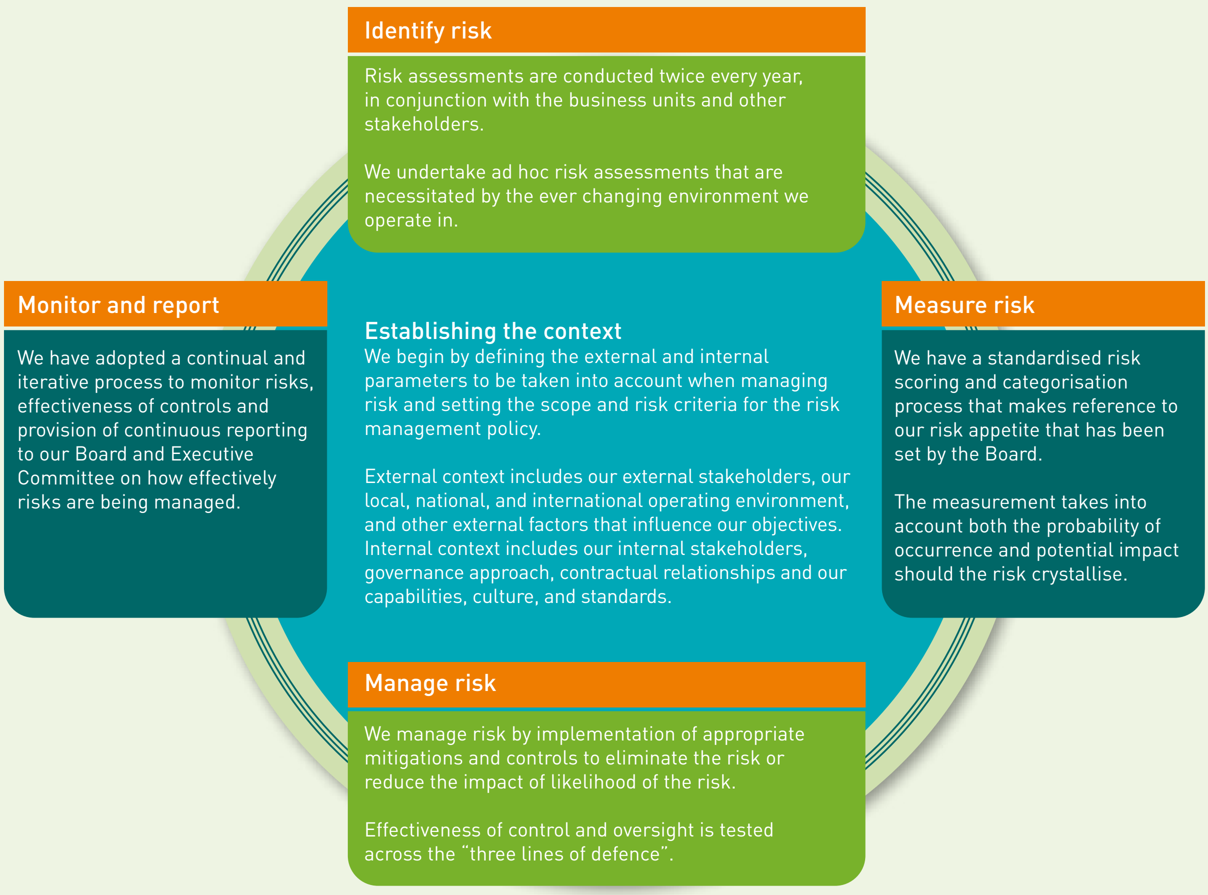
Enterprise Risk Management

Africa50 remains committed to strong governance and to managing its enterprise risk in a robust manner. As such, 2020 saw the approval by Africa50's Board of Directors of 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 organisation 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 organisation'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, prioritisation, 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 organisation 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 continues 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 defence were also established:

- **First Line of Defence**
  Under the first line of defence, operational management has ownership, responsibility and accountability for directly assessing, controlling and mitigating risks.

- **Second Line of Defence**
  The second line of defence 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 organisation.

- **Third Line of Defence**
  Internal audit forms Africa50's third line of defence. 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 defence. 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 organisational objectives: strategic, ethical, operational, reporting and compliance.

Company Policies - 2020 saw Africa50's Board of Directors approve 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.

Guiding the Institution

"Strong corporate governance supports our continued strategy execution, business resilience and contribution to societies in which we operate."

Governance and Leadership

Board of Directors

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

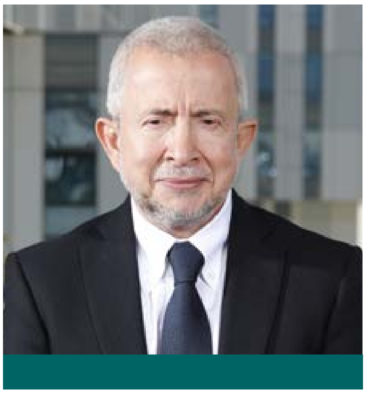
"The Board is collectively responsible for ensuring leadership through effective oversight and review. It sets the strategic direction with the goal of delivering sustainable stakeholder value over the longer term."

Albert Mugo
Director

GENCC SBSESC

Amadou Kane
Director

AC ERFC



Assaad Jabre
Director

AC GENCC

KEY

AC Audit Committee

ERFC Enterprise Risk and Finance Committee

GENCC Governance, Ethics, Nominations, and Compensation Committee

SBSESC Strategy, Budget, Sustainability, Environmental, and Social Committee

Solid Circle indicates Committee Chair

Board of Directors (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

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.

Koffi Klousseh
Managing Director, Head of Project Development

Raza Hasnani
Managing Director, Head of Infrastructure Investments

Kimberly Heimerl
General Counsel

Eric Ouedraogo
Chief Financial Officer

Opuiyo Oforiokuma
Acting Chief Operating Officer

Carole Wainaina
Senior Advisor to the CEO

Financials

AFRICA50 – PROJECT DEVELOPMENT

INDEX TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

CONTENTS	PAGE

CORPORATE INFORMATION

DIRECTORS	Date appointed	Date term expires *
Dr. Akinwumi A. ADESINA (the Chair)	21 July 2016	19 July 2021
Ms. Imoni AKPOFURE	19 July 2018	19 July 2021
Mr. Nouaman AL AISSAMI	29 July 2015	19 July 2021
Mr. Charles BOAMAH	29 July 2015	19 July 2021
Mr. Mohamed Esmat HAMMAM	29 July 2015	19 July 2021
Ms. Sophie L'HELIAS	19 July 2018	19 July 2021
Ms. Monhla Wilma HLAHLA	19 July 2018	19 July 2021
Mr. Assaad JABRE	19 July 2018	19 July 2021
Mr. Amadou KANE	29 July 2015	19 July 2021
Mr. Albert MUGO	19 July 2018	19 July 2021
Ms. Félicité Célestine OMPORO ENOUANY	29 July 2015	19 July 2021
Mr. Kassimou ABOU-KABASSI	10 July 2019	Day after 2021 GSM

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

CEO
Mr. Alain EBOBISSE

CORPORATE SECRETARY
Ms. Kimberly HEIMERT

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 2020

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 2020.

PRINCIPAL ACTIVITY

Africa50-PD is an international organization and a special status financial company that promotes infrastructure development within Africa, 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 7.

The Company did not pay any dividends for the year under review (2019: USD Nil).

DIRECTORS

The directors in office during the year were as stated on page 1.

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 10 June 2021.

Siège social :
KPMG S.A.
Tour Eqho
2 avenue Gambetta
92066 Paris la Défense Cedex
Capital : 5 497 100 €.
Code APE 6920Z
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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 DEVELOPMENT

INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT DEVELOPMENT YEAR ENDED DECEMBER 31, 2020

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

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AFRICA50 – PROJECT DEVELOPMENT

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

INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT DEVELOPMENT
Year ended December 31, 2020

Opinion

We have audited the accompanying financial statements of Africa50 – Project Development ("the Entity") which comprise the balance sheet as at December 31, 2020 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 10 June 2021 on the basis of the evidence available on that date in an evolving context of the health crisis linked to Covid-19.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020 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.

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.

KPMG S.A.
A French limited liability entity and a member of the KPMG Network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity.

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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TVA Union Européenne
FR 77 775 726 417

INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT DEVELOPMENT (Continued)

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 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 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.

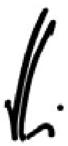
INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT DEVELOPMENT (Continued)

- 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, July 16th 2021

KPMG S.A.



Valéry Foussé

Partner

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	31 December 2020 USD	31 December 2019 USD
Income			
Revenues from projects sold		-	2,450,588
Cost of projects sold		-	(769,657)
Interest/Dividend income	16	137,798	495
Depreciation on loans		-	-
Unrealized gain/Loss on foreign currency		370,662	6,405
Unrealized gain/Loss on financial assets at fair value through profit and loss		67	6
PD Pipeline Preferential Access fee	17	4,704,000	-
Total income		**5,212,527**	**1,687,837**
Expense			
Expenses on projects	19	2,111,172	2,479,467
Salaries and benefits	20	5,965,518	4,936,876
Other expenses	20	3,164,758	3,995,023
Total expenses		**11,241,448**	**11,411,366**
Operating profit		**(6,028,920)**	**(9,723,528)**
Finance cost	18	(44,536)	(67,514)
Finance income	18	174,581	532,483
Financial profit		**130,045**	**464,968**
Profit for the year		**(5,898,875)**	**(9,258,560)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(5,898,875)**	**(9,258,560)**

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 USD	2019 USD
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	7	773	706
Various creditors	8	11,501,178	22,475,166
Capitalized project expenses	9	1,014,975	961,907
Loans and receivables	10	7,435,660	741,222
Other receivables		138,293	495
Total non-current assets		**20,090,878**	**24,179,496**
Current assets			
Cash and cash equivalents	11	3,055,496	3,042,528
Total current assets		**3,055,496**	**3,042,528**
TOTAL ASSETS		**23,146,374**	**27,222,024**
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves			
Paid-up capital	12	42,247,285	40,462,196
Total comprehensive income for the year		(5,898,875)	(9,258,560)
Reserves and retained earnings		(13,492,705)	(4,234,145)
Total capital and reserves		**22,855,704**	**26,969,491**
LIABILITIES			
Current liabilities			
Account payables	13	2,438	2,433
Other payables	14	288,232	250,100
Total current liabilities		**290,670**	**252,533**
TOTAL EQUITY AND LIABILITIES		**23,146,374**	**27,222,024**

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

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2020

	Notes	Paid-up capital USD	Reserves and retained earnings USD	Total equity USD
As at 1 January 2019		24,463,495	(4,234,145)	20,229,350
Total comprehensive income for the year			(9,258,560)	(9,258,560)
Net increase in paid-up capital		15,998,700		15,998,700
Balance at 31 December 2019		**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		1,785,089		1,785,089
Balance at 31 December 2020		**42,247,284**	**(19,391,580)**	**22,855,704**

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

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	2020 USD	2019 USD
Total comprehensive income for the year		**(5 898 875)**	**(9 258 560)**
Adjustments			
Impairment of project expenses		(1 162 467)	(761 039)
Unrealized gain/loss on foreign currency		(370 729)	(6 411)
Others		971 601	370 118
Net cash used in/from operating activities		**(6 460 471)**	**(9 655 892)**
Movement in working capital			
Decrease / increase in debtors	21	10 973 988	(2 994 385)
Decrease / increase in creditors		38 132	(2 582 687)
Changes in movement in working capital		11 012 120	(5 577 072)
Cash flow from investing activities			
Financial investments	21	(6 323 775)	(735 523)
Net cash used in/from investing activities		**(6 323 775)**	**(735 523)**
Cash flow from financing activities			
Capital subscription		1 785 094	15 998 700
Net cash generated from financing activities		**1 785 094**	**15 998 700**
Net change in cash and cash equivalents		12 968	30 213
Cash and cash equivalents at start of year		3 042 528	3 012 316
Cash and cash equivalents at end of year		**3 055 496**	**3 042 528**

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

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 94,788,000USD.

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;

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

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

l) To pay distributions on Africa50-PD shares;

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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 2019 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 2020

New standards or interpretations	Date of application
Definition of Material – Amendments to IAS 1 and IAS 8	1 January 2020
Definition of a Business – Amendments to IFRS 3	1 January 2020
Revised Conceptual Framework for Financial Reporting	1 January 2020
Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform	1 January 2020

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

IFRS 16 Leases

All leases are signed by Africa50 - Project Finance and all accounting entries related to IFRS 16 are done in the Africa50 - Project Finance accounts. A portion of the rent expenses are allocated to Africa50-PD according to the expense allocation rules between the two entities.

4. ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

New standards or interpretations	Date of application
IBOR Phase 2	1 January 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2	1 January 2021
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
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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

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 2020 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.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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, 2020, 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. Loans that are interest free and repayable on demand are also measured at amortized cost and assessed for impairment at each reporting date.

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, loans and borrowings, 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, 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Unquoted equity investments	**2020 USD**	**2019 USD**
At 1 January	706	0
Additions	0	700
Disposals (at cost)	0	0
Fair value movement	67	6
At 31 December	**773**	**706**

Investments holdings:

Name	Country of Incorporation	Main business	Year end	Direct holding 2020 %	Indirect holding 2020 %	Effective holding and voting power 2020 %	Direct holding 2019 %	Indirect holding 2019 %	Effective holding and voting power 2019 %
CGHV (Volobe)	Madagascar	Hydro Power Project Co.	31-Dec	25	-	25	25	-	25
SOGEAG (Gbessia)	Guinea	Airport	31-Dec	33	-	33	-	-	-

Change in fair value:

Portfolio of investments:

Opening Cost USD	Additions USD	Disposal USD	Closing USD	Opening Movement in fair value USD	Movement in fair value USD	Closing USD	Fair Value 2020 USD	Fair Value 2019 USD
700	-	-	700	6	67	73	773	706

8. VARIOUS CREDITORS

	2020 USD	**2019 USD**
Various creditors		
Africa50 - PF	11,501,178	22,475,166
	11,501,178	**22,475,166**

9. CAPITALIZED PROJECTS

	2020 Opening USD	**Movement USD**	**Closing USD**	**2019 USD**
Capitalized projects expenses	961,097	53,878	1,014,975	961,097
	961,097	**53,878**	**1,014,975**	**961,097**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

10. LOANS AND RECEIVABLES AT AMORTIZED COST

	2020 USD	2019 USD
Non-current		
CGHV (Volobe)	2,960,020	741,222
SOGEAG (Gbessia)	4,475,640	-
	7,435,660	**741,222**
Current	-	-
Total	**7,435,660**	**741,222**

Maturity

	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
CGHV (Volobe)*	-	-	-	-	2,960,020	2,960,020
SOGEAG (Gbessia)*	-	-	-	4,475,640	0	4,475,640
Total	**0**	**0**	**0**	**4,475,640**	**2,960,020**	**7,435,660**

	Impaired 2019 USD	On demand 2019 USD	Within 1 year 2019 USD	Between 1 to 5 years 2019 USD	After 5 years 2019 USD	Total 2019 USD
CGHV (Volobe)	-	-	-	-	741,222	741,222
Total	**0**	**0**	**0**	**0**	**741,222**	**741,222**

*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 according to the probability of financial close of the projects and included in the “Expenses on projects” section of the Statement of Profit or Loss.

11. CASH AND CASH EQUIVALENTS

	2020 USD	2019 USD
Cash and cash equivalents		
Cash equivalents	3,034,768	3,039,756
Accrued interests on cash equivalents	20,728	2,277
	3,055,496	**3,042,033**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

12. PAID-UP CAPITAL

The authorized share capital according to Africa50-PD status is 500,000,000 USD. The subscribed capital is 94,788,000 USD and the called capital is 71,716,000 USD, while the paid-in capital is 42,247,285 USD.

	Class	# of shares as at 31 Dec 2019	# of shares issued in 2020	# of shares as at 31 Dec 2020	Paid-up capital as at 31 Dec 2020 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	750,299
18.Malawi	A	200	0	200	50,000
19.Mali	A	203	0	203	50,750
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	1,000,000
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	749,875
31.Zimbabwe	A	167	0	167	125,025
		94,788	0	94,788	42,247,285

* 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 2020

13. ACCOUNTS PAYABLES

Accounts payables amount to 2,438 USD and mainly represent trade payables and outstanding invoices as of December 31, 2020. All those liabilities are due within less than one year.

14. OTHER PAYABLES

	2020 USD	2019 USD
Overpayments of share subscription paid by shareholders	288,232	250,100
Madagascar	250,000	250,000
Tunisia	38,132	0
Others	100	100
Total	**288,232**	**250,100**

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	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

Related party	Nature	2019 Net volume of transactions during the year	2019 Balance receivable / payable at 31 Dec
Africa50 - PF	Debt - Current account	2 994 385	22 475 166

*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 11,501,178 USD as of 31 December 2020. 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 2020

16. INTEREST/DIVIDEND INCOME

	2020 USD	2019 USD
Interests on projects loans - VOLOBE	20,233	495
Interests on projects loans - GBESSIA	117,565	-
Total	**137,798**	**495**

17. PD PIPELINE PREFERENTIAL ACCESSE 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 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 amount to US$ 4,704,000 for the years 2019 & 2020.

18. FINANCE INCOME AND COST

Finance income	2020 USD	2019 USD
Interests on investment securities (term deposits)	174,581	532,483
	174,581	**532,483**

Finance cost	2020 USD	2019 USD
Gain / loss on foreign currency	(18,275)	7,930
Interests on lease	62,811	(75,444)
	44,536	**(67,514)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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.

	2020 USD	2019 USD
Expenses incurred on projects	2,111,172	2,479,467
	2,111,172	**2,479,467**

20. ADMINISTRATIVE EXPENSES

The total administrative expenses of Africa50-PD amount to 9,130,276 USD which includes salaries and benefits for an amount of 5,965,518 USD, and other administrative expenses for an amount of 3,164,758 USD which includes travel, communication, recruiting, Board of Directors' Meetings and General Shareholder Meeting expenses.

Salaries:
Africa50-PF and Africa50-PD together have 50 employees as of December 2020 (47 in 2019), of which 13 employees are focused on Africa50-PD investment activity (14 in 2019).

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

- Movement in working capital: the decrease of debtors by 10,973,988 USD corresponds to the decrease of the current account between Africa50-PD and Africa50-PF as described in note 15.
- Cash flow from investing activities: the use of cash in an amount of 6,323,775 USD corresponds to additional investment in the Volobe project and new investment in the Gbessia airport 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

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 2020 USD	Financial assets 2019 USD	Financial liabilities 2020 USD	Financial liabilities 2019 USD
UNITED STATES DOLLARS (USD)				
Various creditors	11,501,178	22,475,166	0	0
Capitalized project expenses	1,014,975	961,907	0	0
Other receivables	138,293	495	0	0
Cash and cash equivalents	3,055,496	3,042,528	0	0
Account payables	0	0	2,438	2,433
Other payables	0	0	288,232	250,100
Paid-up capital	0	0	42,247,285	40,462,196
Total comprehensive income for the year	0	0	(5,898,875)	(9,258,560)
Reserves and retained earnings	0	0	(13,492,705)	(4,234,145)
	15,709,942	**26,480,096**	**23,146,374**	**27,222,024**
EURO (EUR)				
Financial assets at fair value through profit or loss	773	706	0	0
Loans and receivables	7,435,660	741,222	0	0
	7,436,433	**741,928**	**0**	**0**
	23,146,374	**27,222,024**	**23,146,374**	**27,222,024**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

i) Currency risk (continued)

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

	Financial assets 2020 %	Financial assets 2019 %	Financial liabilities 2020 %	Financial liabilities 2019 %
United States dollar	67.87	97	100	100
Euro	32.13	3	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)	2020 USD	2019 USD
EUR	10%	743,643	74,193
	(10.0%)	(743,643)	(74,193)

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.

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

ii) Interest rate risk (continued)

	Financial instruments	2020 USD	2019 USD
Assets			
Loans and receivables	Floating rate	7 435 660	741 222
Various creditors	Floating rate	11 501 178	22 475 166
		18 936 837	**23 216 388**

	Increase / (decrease)	2020 USD	2019 USD
Loans and receivables	0,50%	37 178	3 706
	-0,50%	(37 178)	(3 706)
Various creditors	0,50%	57 506	112 376
	-0,50%	(57 506)	(112 376)

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

22 FINANCIAL RISK MANAGEMENT (CONTINUED)

(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:

	2020 USD	2019 USD
Assets		
Financial assets at fair value through profit or loss	773	706
Loans and receivables	7 435 660	741 222
Capitalized projects	1 014 975	961 907
Cash and cash equivalents	3 055 496	3 042 528
Various creditors*	11 501 178	22 475 166
Other receivables	138 293	495
	23 146 374	**27 222 024**

*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 due to the high probability of financial close of the project.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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	2020	2019	Credit ratings		Credit agency	
	USD	USD	2020	2019	2020	2019
BMCE	3,055,496	3,042,528	BB	BB+	Fitch	Fitch
	3,055,496	**3,042,528**				

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

Exchange rates as at December 31, 2020

The tab below represents the exchange rates as of 31 December 2020:

	2020
	USD
MAD	0.1122
EUR	1.2291
GBP	1.3628

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

23. OFF-BALANCE SHEET COMMITMENTS

The amount of off-balance sheet commitments in connection with the projects is 30,567,608 USD as of 31 December 2020. The disbursement of this amount is subject to milestones conditions.

24. COVID-19 IMPACT

Activities began to be affected by COVID-19 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 2021.

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.

AFRICA50 – PROJECT FINANCE

INDEX TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

CONTENTS **PAGE**

CORPORATE INFORMATION

DIRECTORS	Date appointed	*Date term expires
Dr. Akinwumi A. ADESINA (the Chair)	21 July 2016	19 July 2021
Ms. Imoni AKPOFURE	19 July 2018	19 July 2021
Mr. Nouaman AL AISSAMI	29 July 2015	19 July 2021
Mr. Charles BOAMAH	29 July 2015	19 July 2021
Mr. Mohamed Esmat HAMMAM	29 July 2015	19 July 2021
Ms. Sophie L'HELIAS	19 July 2018	19 July 2021
Ms. Monhla Wilma HLAHLA	19 July 2018	19 July 2021
Mr. Assaad JABRE	19 July 2018	19 July 2021
Mr. Amadou KANE	29 July 2015	19 July 2021
Mr. Albert MUGO	19 July 2018	19 July 2021
Ms. Félicité Célestine OMPORO ENOUANY	29 July 2015	19 July 2021
Mr. Kassimou ABOU-KABASSI	10 July 2019	Day after 2021 GSM

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

CEO
Mr. Alain EBOBISSE

CORPORATE SECRETARY
Ms. Kimberly HEIMERT

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 2020

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 2020.

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 94.

The Company did not pay any dividend for the year under review (2019: USD Nil).

DIRECTORS
The directors in office during the year were as stated on page 88.

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 10 June 2021.

Siège social :
KPMG S.A.
Tour Eqho
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92066 Paris la Défense Cedex
Capital : 5 497 100 €.
Code APE 6920Z
775 726 417 R.C.S. Nanterre
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AFRICA50 - PROJECT FINANCE

INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT FINANCE

Year ended December 31, 2020

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.

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AFRICA50 – PROJECT FINANCE

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

INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT FINANCE
Year ended December 31, 2020

Opinion

We have audited the accompanying financial statements of Africa 50 – Project Finance ("the Entity") which comprise the balance sheet as at December 31, 2020 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 10 June 2021 on the basis of the evidence available on that date in an evolving context of the health crisis linked to Covid-19.
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020 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.

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INDEPENDENT AUDITORS' REPORT AFRICA 50 - 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 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 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.

INDEPENDENT AUDITORS' REPORT AFRICA 50 - PROJECT FINANCE (Continued)

— 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.
— 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, July 16th 2021

KPMG S.A.

Valéry Foussé

Partner

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	31 December 2020 USD	31 December 2019 USD
Income			
Interest/Dividend income	17	6,116,063	6,139,852
Depreciation on loans	17	(210,415)	(176,052)
Unrealized gain/(loss) on foreign currency		5,255,320	(653,944)
Unrealized gain/(loss) on financial assets at fair value through profit or loss	7	5,935,537	2,954,405
Other income	18	681,447	1,299,608
Total income		**17,777,952**	**9,563,868**
Expense			
Expenses on projects	21	499,078	2,580,652
Fundraising expenses	9	806,477	196,244
Salaries and benefits	22	5,580,985	4,498,580
PD Pipeline Preferential Access fee	22	4,704,000	-
Other expenses	22	2,926,950	4,028,258
Total expenses		**14,517,490**	**11,303,734**
Operating profit		3,260,461	(1,739,866)
Finance cost	20	(40,828)	(52,433)
Finance income	19	1,121,029	2,070,040
Financial profit		**1,080,201**	**2,017,607**
Profit for the year		**4,340,662**	**277,742**
Other comprehensive income		-	-
Total comprehensive income for the year		**4,340,662**	**277,742**

The accompanying notes 1 to 26 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

	Notes	31 December 2020 USD	31 December 2019 USD
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	7	109,788,988	103,853,350
Loans and receivables	8	90,261,822	92,554,299
Depreciation on loans	8	(236,486)	(283,234)
Other receivables (non current)	11	7,705,987	3,742,078
Other non-current assets	9	3,266,475	4,100,334
Total non-current assets		**210,786,787**	**203,966,827**
Current assets			
Other receivables	11	2,057,859	2,808,601
Loans and receivables	8	13,936,675	6,815,247
Cash and cash equivalents	12	172,617,442	176,475,470
Total current assets		**188,611,976**	**186,099,319**
TOTAL ASSETS		**399,398,763**	**390,066,145**
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves			
Paid-up capital	13 & 15	382,486,854	366,421,059
Total comprehensive income for the year		4,340,662	277,742
Reserves and retained earnings		(6,498,890)	(6,776,632)
Total capital and reserves		**380,328,627**	**359,922,169**
LIABILITIES			
Non-current liabilities			
Account payables	14	1,660,116	2,091,364
Total non-current liabilities		**1,660,116**	**2,091,364**
Current liabilities			
Account payables	14	3,314,907	3,326,696
Other payables	15	14,095,113	24,725,916
Total current liabilities		**17,410,020**	**28,052,612**
TOTAL EQUITY AND LIABILITIES		**399,398,763**	**390,066,145**

The accompanying notes 1 to 26 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2020

Notes	Paid-up capital USD	Reserves and retained earnings USD	Total equity USD
As at 1 January 2019	**212,197,862**	**(6,776,633)**	**205,421,229**
Total comprehensive income for the year		277,742	277,742
Cumulative IFRS 9 adjustment			
Net increase in paid-up capital	154,223,197		154,223,197
Balance at 31 December 2019	**366,421,059**	**(6,498,891)**	**359,922,167**
Total comprehensive income for the year		4,340,662	4,340,662
Cumulative IFRS 9 adjustment			
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**

The accompanying notes 1 to 26 form part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	31 December 2020 USD	31 December 2019 USD
Cash Flow from operating activities			
Total comprehensive income for the year		**4,340,662**	**277,742**
Add / (deduct)			
Depreciation & amortization of tangible & intangible assets		451,220	564,702
Provision IFRS9		210,415	176,052
Unrealized Foreign exchange loss /gain on investments		(5,255,320)	653,944
Change in fair value movement on investments		(5,935,537)	(2,954,405)
Others		111,949	468 947
		(6,076,611)	(813,018)
Movement in working capital			
Decrease / increase in debtors		750,742	(1,039,358)
Decrease / increase in creditors		(11,073,841)	(4,116,075)
Changes in movement in working capital		(10,323,099)	(5,155,433)
Cash generated from / (used in) operations	**23**	**(16,399,710)**	**(5,968,451)**
Cash flow from investing activities			
Equity investments		(100)	(88,602,749)
Loans and other investment funding		(3,871,627)	(7,494,701)
Payments for property, plant and equipment		(184,088)	(2,985,450)
Repayments of loans, development fees and interest		531,702	-
Net cash used in/from investing activities	**23**	**(3,524,114)**	**(99,082,900)**
Cash flow from financing activities			
Capital subscription		16,065,795	154,223,197
Net cash generated from financing activities		16,065,795	154,223,197
Net change in cash and cash equivalents		(3,858,028)	49,171,846
Cash and cash equivalents at start of year		176,475,470	127,303,624
Cash and cash equivalents at end of year		**172,617,442**	**176,475,470**

The accompanying notes 1 to 26 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

1. PURPOSE, 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 782,792,000 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

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 2019 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 2020.

New standards or interpretations	Date of application
Amendments to IFRS 16 – COVID-19 Related Rent Concessions	1 June 2020
Definition of Material – Amendments to IAS 1 and IAS 8	1 January 2020
Definition of a Business – Amendments to IFRS 3	1 January 2020
Revised Conceptual Framework for Financial Reporting	1 January 2020
Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform	1 January 2020

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

IFRS 16 Leases

The company has adopted IFRS 16 leases on 1 January 2019, The IFRS 16 leases accounting policies are disclosed in note 5. g) Leases

On adoption of IFRS 16, the Company recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5%.

The associated right-of-use assets were measured at the amount equal to the lease liability.

4. ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

New standards or interpretations	Date of application
IBOR Phase 2	1 January 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2	1 January 2021
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
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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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

Africa50-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 2020 are reported in Note 24. 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

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, 2020, 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. Loans that are interest free and repayable on demand are also measured at amortized cost and assessed for impairment at each reporting date.

Equity instruments

The Company measures all of it equity investments at fair value and recognize 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, loans and borrowings, 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, 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 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

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.

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. A first investment was made through various holding companies for a development project in North Africa in 2017 and a second one was made in West Africa in 2018. As of 31 December 2020, the portfolio comprises seven investments across Africa, five in West 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.

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	**2020 USD**	**2019 USD**
At 1 January	**103,853,350**	**12,296,197**
Additions	100	93 908 980
Disposals (at cost)	-	(5 306 232)
Fair value movement	5,935,537	2,954,405
At 31 December	**109,788,988**	**103,853,350**

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 2019 Financials.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

i) Investments holdings

Name	Country of Incorporation	Main business	Year end 2020	Direct holding 2020 %	Indirect holding 2020 %	Effective holding and voting power 2020 %	Direct holding 2019 %	Indirect holding 2019 %	Effective holding and voting power 2019 %
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 (PH1)	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100
Azura Power Holdings 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 2 (PH2)	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100
*Genser Energy	Ghana	Gas Midstream and Power	31-Dec	-	-	-	-	-	-
Power Holdco 3 (PH3)	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100
Azura Power Holdings Limited (APHL)	Mauritius	Investment platform Power plants	31-Dec	-	15	15	-	15	15
Credit Holdco 1	Mauritius	Special Purpose Vehicle	31-Dec	100	-	100	100	-	100

* Genser Energy: Preferred shares with veto right and 1 board seat.
**Common equity investment and preferred equity investment

ii) Change in fair value

Portfolio of investments:

Opening	Additions	Closing	Opening	Movement	Closing	Fair Value	
	Cost			Movement in fair value		2020	2019
USD	USD	USD	USD	USD	USD	USD	USD
100,935,480	100	100,935,580	2,917,869	5,935,537	8,853,407	109,788,988	103,853,350

8. LOANS AND RECEIVABLES AT AMORTIZED COST

	2020 USD	2019 USD
Non-current		
Infra Holdco 1	18,122,781	26,170,668
Nachtigal	45,309,833	41,387,292
Room to Run	12,520,623	17,884,158
Malicounda Power SAS	14,173,748	7,037,343
Power Holdco 1	60,000	30,000
Power Holdco 2	30,000	30,000
Power Holdco 3	14,838	14,838
Credit Holdco 1	30,000	-
	90,261,822	92,554,299
Current		
Infra Holdco 1	9,904,835	1,700,247
Room to Run	4,031,840	5,115,000
	13,936,675	6,815,247
Total	104,198,497	99,369,546

Maturity of loans and receivables	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
Credit Holdco 1	-		-	30,000	-	30,000
Total	**(236,486)**	**4,144,615**	**9,792,059**	**83,563,251**	**6,698,572**	**103,962,011**

	Provision IFRS 9 2019 USD	On demand 2019 USD	Within 1 year 2019 USD	Between 1 to 5 years 2019 USD	After 5 years 2019 USD	Total 2019 USD
Infra Holdco 1	(104,063)	-	1,700,247,	22,214,704	3,955,964	27,766,852
Nachtigal	(153,133)	-	-	-	41,387,292	41,234,159
Room to Run	-	-	5,115,000	16,413,100	1,471,058	22,999,158
Power Holdco 1	-	-	-	30,000	-	30,000
Malicounda Power SAS	(26,038)	-	-	-	7,037,343	7,011,305
Power Holdco 2	-	-	-	30,000	-	30,000
Power Holdco 3	-	-	-	14,838	-	14,838
Total	**(283,234)**	**-**	**6,815,247**	**38,702,642**	**53,851,657**	**99,086,312**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

8. LOANS AND RECEIVABLES (CONTINUED)

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 2020

On the project front:

- Overall, all six power plants have been operating for more than a year with no material issues. Performance, which was initially been slightly below projections due to teething issues with the trackers and inverters, is now reverting to base case projections. Annual power production was 0.3% above budget for 2020.
- In December, five of the projects achieved financial completion with the sixth project expected to follow in January. This is a major milestone which allowed the first distribution to be made on December 31st.

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).

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 92,829 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 2020

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 and participated in two board meetings in 2019.
- Construction is ongoing, with a potential 6-month delay due to the global COVID pandemic. This delay does not materially impact the economics of the project.

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 (construction is on track so far), 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 183,052 USD of the shareholder loan principal and accrued interests.

iii) Room to Run

As at 31 December 2020, 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 2020

The Room2Run investment closed in November 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 2020 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, 2020.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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 2021.

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 2020

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

- Construction was launched in October 2019 and was progressing well with no major concerns. Although construction timeline was slightly impacted with a delay of approximately four months due to the Covid-19 impact, there are no extra costs to be incurred.
- Discussions with lenders are ongoing, with financial close expected to be reached in June 2021. Meanwhile, a EUR 75 million bridge loan financing has been secured by the project sponsors to complete construction works.

Africa50-PF disbursed a shareholder loan in the amount of approximately EUR 6.3 million in September 2019. In June 2020, Africa50 disbursed a second shareholder loan of approximately EUR 5.3 million to maintain a 30.0% stake in the project company.

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 (construction is on track so far), 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 53,434 USD of the shareholder loan principal and accrued interests.

9. OTHER NON CURRENT ASSETS

9.1 Total Other Non Current Assets

	2020 USD	2019 USD
Property, plant and equipment	1,351,337	1,568,665
Fundraising	0	161,163
Leases	1,915,138	2,370,506
	3,266,475	**4,100,334**

9.2 Property, plant and equipment

(in USD)	IT equipment	Technical equipment	New office furniture	New office others	Total
At 1 January 2019					
Cost	314,202	8,759	1,455,658	433,032	2,211,651
Accumulated depreciation & impairment	(82,873)	(2,727)	(215,991)	(114,609)	(416,199)
Net book amount	231,329	6,033	1,239,667	318,423	1,795,452
Year ended 31 December 2019					
Opening net book amount	231,329	6,033	1,239,667	318,423	1,795,452
Additions	103,567	-	51,683	-	155,250
Disposals	-	-	-	-	-
Depreciation charge	(131,289)	(2,919)	(184,089)	(63,739)	(382,036)
Closing Net book amount					
As at December 31, 2019	**203,607**	**3,113**	**1,107,261**	**254,684**	**1,568,665**
At 31 December 2019					
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)
			-		
Carrying amount					
As at December 31, 2019	**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**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

9.2 Property, plant and equipment (continued)

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).

9.3 Fundraising expenses

Fundraising expenses incurred are expected to be charged to a new investment fund to be co-managed by Africa50-PF and invested in by Africa50-PF and private investors. Some of the past fundraising expenses had been capitalized and depreciated on a straight-line basis until December 31, 2020 as management believed that the fund would be launched in 2020.

All expenses have been amortized in order to be fully expensed in the statement of profit or loss at the end of 2020. A total of 645,314 USD has been spent in 2020 in addition to the amortization of the past expenses in an amount of 161,163 USD.

The first equity close is anticipated to occur in 2021.

	Gross value	Depreciation	Net Value 2020
Fundraising	1,179,262	1,179,262	0

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

10. LEASES

The balance sheet shows the following amounts relating to leases:

Right-of-uses assets	31-Dec-20 USD	1-Jan-20 USD
Head office	1,747,469	2,115,357
Others	167,669	255,149
	1,915,138	**2,370,506**

Lease liabilities	31-Dec-20 USD	1-Jan-20 USD
Current	421,282	395,647
Non-current	1,660,116	2,091,364
	2,081,399	**2,487,011**

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

Expenses relating to leases	31-Dec-20 USD	31-Dec-19 USD
Depreciation charge of right-of-use assets	455,368	455,368
Interest expense (included in finance cost)	116,317	134,722
	571,685	**590,090**

The total cash outflow for leases in 2020 was 517,159 USD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

11. OTHER RECEIVABLES

Current

	2020 USD	2019 USD
Interest accrued from Room to Run	1,038,434	1,333,950
Other receivables	293,364	862,817
VAT receivables	558,489	414,262
Employee Loans	90,000	120,000
Deposit and guarantees	77,572	77,572
	2,057,859	**2,808,601**

Non current

	2020 USD	2019 USD
Accrued interest from Nachtigal	4,163,695	1,878,584
Accrued interest from Malicounda	267,982	38,561
Accrued interest from Scatec Egypt	3,274,310	1,824,933
	7,705,987	**3,742,078**

12. CASH AND CASH EQUIVALENTS

	2020 USD	2019 USD
Cash	6,834,656	30,024,343
Cash equivalents	165,743,684	146,357,151
Accrued interest on cash equivalents	39,102	93,977
	172,617,442	**176,475,470**

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

13. PAID-IN CAPITAL

The authorized share capital according to Africa50-PF status is 3,000,000,000 USD. The subscribed capital is 782,792,000 USD and the called capital is 592,719,000 USD, while the paid-in capital is 382,486,854 USD.

	Class	# of shares as at 31 Dec 2019	# of shares issued in 2020	# of shares as at 31 Dec 2020	Paid-up capital at 31 Dec 2020
					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	6,751,937
12.Malawi	A	1,800	-	1,800	450,000
13.Mali	A	1,813	-	1,813	453,250
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	9,000,000
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	6,748,874
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	-	1,500	1,125,225
		782,792	**-**	**782,792**	**382,486,854**

* 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 2020

14. ACCOUNTS PAYABLES

Accounts payables amount to 4,975,023 USD of which 1,660,116 USD correspond to long term loans of Lease due to IFRS 16 adjustments, and the rest from trade payables and outstanding invoices as of December 31st, 2020. All those liabilities are due within less than one year.

15. OTHER PAYABLES

	2020 USD	2019 USD
Current account of Africa50 - PD	**11,501,178**	**22,475,166**
Overpayments of share subscription paid by shareholders	**2,593,935**	**2,250,750**
Madagascar	2,250,750	2,250,750
Tunisia	343,185	
Total	**14,095,113**	**24,725,916**

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	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

Related party	Nature	2019 Net volume of transactions during the year	2019 Balance receivable / payable at 31 Dec
Africa50 - PD	Debt - Current account	2,994,385	22,475,166
Infra Holdco 1	Debt - Current Account	6,181,086	29,695,848
Power Holdco 1	Debt - Current Account	30,000	30,000
Power Holdco 2	Debt - Current Account	30,000	30,000
Power Holdco 3	Debt - Current Account	14,838	14,838
Power Holdco 3	Payable to PF	527,510	527,510

*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 11,501,178 USD as of 31 December 2020. The PD 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 2020

17. INTEREST / DIVIDEND INCOME

Interests/Dividends before Depreciation:

	2020 USD	2019 USD
Interests on projects loans - Room to Run	2,333,143	3,381,170
Interests on projects loans - Nachtigal	2,107,777	1,843,277
Interests on projects loans - Infra Holdco 1	1,449,376	876,844
Interests on projects loans - Malicounda	225,767	38,561
	6,116,063	**6,139,852**

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.

	2020 USD	2019 USD
Depreciation Malicounda	27,396	26 038
Depreciation Room to Run	153,100	152,890
Depreciation Nachtigal	29,919	(2,876)
	210,415	**176 052**

18. OTHER INCOME

The other income amounts to 681,447 USD and represents service fees of 531,702 USD, transactional fees of 45,000 USD invoiced by Africa50-PF in the context of two projects and, 104,062 USD of provision IFRS9 related to the Scatec Egypt project which has been canceled and accounted for at the level of an investment vehicle 100% owned by Africa50-PF.

19. FINANCE INCOME

Finance income

	2020 USD	2019 USD
Interests on investment securities (term deposits)	1 121 029	2 070 040
	1 121 029	**2 070 040**

20. FINANCE COST

Finance cost

Gain/loss on foreign currency	12 678	6 844
Interests on lease	(53 506)	(59 277)
	(40 828)	**(52 433)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

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.

	2020 USD	2019 USD
Expenses incurred on projects	499,078	2,580,652
	499,078	**2,580,652**

22. ADMINISTRATIVE EXPENSES

The total administrative expenses of Africa50-PF amount to 13,211,936 USD which include salaries and benefits for an amount of 5,580,985 USD, other administrative expenses for an amount of 2,926,950 USD which includes travel, communication, recruiting, Board and General Shareholder Meeting expenses, and fees in an amount of 4,704,000 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 2020 (47 in 2019), of which 9 employees are focusing on Africa50-PF investment activity (11 in 2019).

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.

23. CASH FLOW

The cash used in operations amounts to 16,399,710 USD of which 6,076,611 USD consist of adjustments to the net income and 10,323,099 USD of movement in working capital.

Adjustments to the net income are mainly due to the Change in fair value of investments of 5,935,537 USD and to the Unrealized Foreign exchange gain on investments of 5,255,320 USD.

Movement in working capital mainly includes the movement of the current account between Africa50-PF and Africa50-PD for 10,973,988 USD.

The Net cash used in/from investing activities amounts to 3,524,114 USD and mainly consists of the cash movement on investments (additional investment of 5,984,622 USD in the Malicounda project, decrease of the amount of the RoomToRun guarantee by 6,293,588 USD following amortization), the increase of accrued interests not paid by 3,963,910 USD, the acquisition of fixed assets for 184,088 USD, and service fees invoiced to a project company in an amount of 531,702 USD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

24. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

i). Currency risk (continued)

	Financial assets 2020 USD	Financial assets 2019 USD	Financial liabilities 2020 USD	Financial liabilities 2019 USD
UNITED STATES DOLLARS (USD)				
Financial assets at fair value				
through profit or loss	73,401,691	70,030,235		
Loans and receivables	44,897,969	50,814,807		
Other receivables	4,773,680	4,219,272		
Account payables			2,396,155	2,276,408
Other payables			14,095,113	24,725,916
Cash and cash equivalents	172,060,768	175,625,956		
Other non-current assets	3,266,475	4,100,334		
Paid-up capital			382,486,854	366,421,059
Total comprehensiv				
income for the year			4,340,662	277,742
Reserves and retained earnings			(6,498,890)	(6,776,632)
	298,400,584	**304,790,605**	**396,819,895**	**386,924,492**
EURO (EUR)				
Financial assets at fair value				
through profit or loss	36,387,295	33,823,115		
Loans and receivables	59,064,043	48,271,505		
Capitalised expenses				
at amortised cost	-	-		
Account payables			151,263	260,973
Cash and cash equivalents	3,314	3,074		
Other receivables (non current)	4,431,677	1,917,145		
	99,886,330	**84,014,838**	**151,263**	**260,973**
GREAT BRITAIN POUND (GBP)				
Account payables			59,316	10,625
	-	**-**	**59,316**	**10,625**
MOROCCAN DIRHAM (MAD)				
Other receivables	558,489	414,262		
Account payables			2,368,289	2,870,055
Cash and cash equivalents	553,360	846,440		
	1,111,849	**1,260,702**	**2,368,289**	**2,870,055**
	399,398,763	**390,066,145**	**399,398,763**	**390,066,145**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

i). Currency risk (continued)

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

	Financial assets 2020 %	Financial assets 2019 %	Financial liabilities 2020 %	Financial liabilities 2019 %
United States dollar	75	78	99	99
Euro	25	22	0	0
Moroccan Dirham	0	0	1	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)	2020 USD	2019 USD
EUR	10%	9,988,633	8,401,484
	-10%	(9,988,633)	(8,401,484)
MAD	10%	111,185	126,070
	-10%	(111,185)	(126,070)
GBP	10%	(5,932)	(1,063)
	-10%	5,932	1,063

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

i). Currency risk (continued)

Sensitivity analysis (continued)

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.

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.

		2020 USD	2019 USD
Assets			
Loans and receivables	Floating rate	16,149,490	22,443,085
		16,149,490	**22,443,085**

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

ii). Interest rate risk (continued)

Sensitivity analysis

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

Increase / (decrease)

		2020 USD	2019 USD
Loans and receivables	0.50%	80,747	112,215
	-0.50%	(80,747)	(112,215)

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.

iv). Exchange rates as at December 31st, 2020

The tab below represents the exchange rates as of 31 December 2020:

	2020 USD
MAD	0.1122
EUR	1.2291
GBP	1.3628

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(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:

	2020 USD	2019 USD
Assets		
Financial assets at fair value through profit or loss	109,788,988	103,853,350
Loans and receivables	103,962,011	99,086,312
Other non-current assets	3,266,475	4,297,906
Cash and cash equivalents	172,617,442	176,475,470
Other receivables	9,763,847	6,353,107
	399,398,763	**390,066,145**

Financial assets are not past due nor impaired, except for the loans to Scatec Egypt, Nachtigal and Malicounda projects, which have been depreciated according to IFRS9 for respectively 92,829 USD, 183,052 USD and, 53,434 USD.

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 counter parties 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 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

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

Financial Institution	2020	2019	Credit ratings		Credit agency	
	USD	USD	2020	2019	2020	2019
Attijari Wafabank	29,671,781	29,404,141	BB	BB+	Fitch	Fitch
BMCE	30,984,785	28,688,296	BB	BB+	Fitch	Fitch
TDB Bank	31,925,119	31,476,252	BB+	BBB-	Fitch	Fitch
Afreximbank	42,007,275	41,607,221	BBB-	BBB+	Fitch	Fitch
Citibank	38,025,913	45,298,818	A+	A+	Fitch	Fitch
Petty Cash	2,568	742	N/A	N/A		
	172,617,442	176,475,470				

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

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-20	On demand USD	Less than 1 year USD	Between 1-5 years USD	More than 5 years USD	Total 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	172,729,603	(112,161)	-	-	172,617,442
Other receivables	-	2,057,859	7,705,987	-	9,763,847
	176,874,218	**11,737,758**	**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**

31-Dec-19	On demand USD	Less than 1 year USD	Between 1-5 years USD	More than 5 years USD	Total USD
Financial assets					
Loans and receivables	74,838	6,815,247	38,627,804	53,851,657	99,369,546
Cash and cash equivalents	30,024,343	146,451,127	-	-	176,475,470
Other receivables	-	2,611,029	3,742,078	-	6,353,107
	30,099,181	**155,877,404**	**42,369,882,**	**53,851,657**	**282,198,123**
Financial liabilities					
Other payables	22,475,166	2,250,750	-	-	24,725,916
Account payables	-	3,326,695	2,091,365	-	5,418,060
	22,475,166	**5,577,445**	**2,091,365**	**-**	**30,143,976**

25. COVID-19 IMPACT

Activities began to be affected by COVID-19 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 2021.

26. 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

COVID: Corona Virus Disease

COSO: Committee of Sponsoring Organizations of the Treadway Commission

DFI: Development Finance Institution

EDF: Electricité de France

ESG: Environmental and Social Governance

FMO: Dutch Development Bank

GDP: Gross Domestic Product

GWh: Gigawatt Hours

GoR: Government of Rwanda

GSM: General Shareholder Meeting

HFO: Heavy Fuel Oil

ICT: Information and Communications Technology

ICAO: International Civil Aviation Organisation

ISP: Internet Service Provider

IFC: International Finance Corporation

Glossary of Terms (continued)

IPP: Independent Power Plant

KIC: Kigali Innovation City

MPG: Melec PowerGen

MW: Megawatt

p.a.: Per annum

PD: AFRICA50 – Project Development

PF: AFRICA50 – Project Finance

PPA: Power Purchase Agreement

PPE: Personal Protective Equipment

PPP: Public Private Partnership

PV: Photovoltaic

RDB: Rwanda Development Board

RSI: Relief Support Initiative

OECD: Organization for Economic Co-operation and Development

STOA: Infrastructure & Energy Fund: An investment vehicle, held by the Caisse des Dépôts (CDC) and the Agence Française de Développement (AFD)

tCO2: Total Carbon Dioxide

UN: United Nations

WEF: World Economic Forum

WHO: World Health Organisation

YoY: Year-On-Year

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