

The Emerging Africa & Asia Infrastructure Fund Limited
Financial Statements
For the year ended 31 December 2025

The Emerging Africa & Asia Infrastructure Fund Limited

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The Emerging Africa & Asia Infrastructure Fund Limited

Corporate Data

For the year ended 31 December 2025

Directors	Resident/non resident	Position and Committee	Appointment	Position held until
Tchang Fa Wong Sun Thiong (Cyril Wong)	Resident	Board Director	02-Feb-15	Ongoing
Martijn Proos	Non Resident	Board Director	20-May-22	Ongoing
Philip Valahu	Non Resident	Chair of Board	20-May-22	Ongoing
Rajkamal Taposeea	Resident	Board Director	01-Apr-18	Ongoing
Frank Jozef Marie Gosselink	Non Resident	Board Director	14-Apr-25	Ongoing

Fund Manager

Ninety One Guernsey Limited
St Peter Port
Guernsey GY1 3QH
Channel Islands

Corporate Secretary

Intercontinental Trust Limited
Level 3, Alexander House
35 Cybercity
Ebène
Mauritius

Auditor

BDO & Co
Essar Building
10 Frere Felix de Valois
Port Louis
Mauritius

Legal Representatives

PIDG Legal	Uteem Chambers
6 Bevis Marks	4th floor, les Jamalacs Building
London, EC3A 7BA	Vieux Conseil Street
United Kingdom	Port Louis
	Mauritius

The Emerging Africa & Asia Infrastructure Fund Limited

Directors' report

For the year ended 31 December 2025

The authorised directors present their report together with the financial statements of The Emerging Africa & Asia Infrastructure Fund Limited (the "Company") for the year ended 31 December 2025.

Principal activities

The principal activity of the Company is that of providing long-term or mezzanine financing to private sector infrastructure projects in Africa and Asia.

Results

The operating results and state of affairs of the Company are fully set out in the attached financial statements. The Company generated net profits of USD 16 million (2024: USD 34 million).

Subsequent Events

There are no post balance sheet events which require adjustments or disclosure at the year end.

The Group and its associated companies controlled by the Trust began a reorganisation during the year. As a consequence of this reorganisation, following the year end, the direct owner of the entire equity of the Company changed from the Trust to The Private Infrastructure Development Group Holding Company Limited, a company incorporated in England and Wales. The Trust will remain the ultimate owner. There is expected to be no financial effect on the Company as a result of this change. The principal activities of the Company and Group will remain unchanged.

New signings include Actis BluePine, a renewable energy project in India, with a committed value of USD 20,000,000.

On 6 January 2026, a dividend distribution of USD 2,000,000 was approved by the Board of Directors.

Dividends

The Board of Directors has declared a dividend of USD 2 million for the year under review (2024: USD 5 million).

Going concern

The directors of the Company have satisfied themselves that the Company has adequate resources to continue in operation for the next 12 months. The Company's financial statements have accordingly been prepared on a going concern basis. The Company's current assets exceed current liabilities by USD 15,993,879 (31 December 2024: current liabilities exceed current assets by USD 47,078,469). The Company also has adequate access to liquidity through borrowings, amounting to USD 318,057,580 as at 31 December 2025 (31 December 2024: USD 197,044,489), as outlined in Note 26, and will therefore be able to meet its current liability obligations in the next 12 months as they arise.

The Emerging Africa & Asia Infrastructure Fund Limited

Directors' report (Continued)

For the year ended 31 December 2025

Statement of directors' responsibilities in respect of the financial statements

Mauritian Companies Act 2001 requires the authorised directors to prepare financial statements for each financial year which fairly present the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The authorised directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The authorised directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Mauritian Companies Act and International Financial Reporting Standards ("IFRS Accounting Standards"). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

The auditor, BDO & Co, have indicated their willingness to continue in office.

By order of the Board



Authorised Director
Rajkamal Taposeea

31 March 2026



Authorised Director
Cyril Wong

31 March 2026

The Emerging Africa & Asia Infrastructure Fund Limited

Secretary's report

For the year ended 31 December 2025

Under Section 166 (d) of the Mauritian Companies Act 2001

We certify, to the best of our knowledge and belief, that the Company has filed with the Registrar of Companies, for the year ended 31 December 2025, all such returns as are required of the Company under the Mauritian Companies Act 2001.



CORPORATE SECRETARY

Intercontinental Trust Limited
Level 3, Alexander House
35 Cybercity
Ebène
Mauritius

31 March 2026

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of The Emerging Africa & Asia Infrastructure Fund Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Emerging Africa & Asia Infrastructure Fund Limited (the "Company"), set out on pages 8 to 45 which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code")*. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report and the Secretary's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of The Emerging Africa & Asia Infrastructure Fund Limited (Continued)

Responsibilities of Directors for the Financial Statements (Continued)

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

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 judgement and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's 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 Auditor's Report. However, future events or conditions may cause the Company 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.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of The Emerging Africa & Asia Infrastructure Fund Limited (Continued)

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company, other than in our capacity as auditor, and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

This report is made solely to the Company's Shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

BDO & Co
Chartered Accountants

Ameenah Ramdin, FCCA, FCA
Licensed by FRC

Port Louis,
Mauritius

March 31, 2026

The Emerging Africa & Asia Infrastructure Fund Limited

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2025

	Notes	Year Ended 31-Dec-25	Year Ended 31-Dec-24
		USD	USD
Interest income on debt instruments at amortised cost	5	79,061,639	72,585,717
Interest income on debt instruments at fair value through other comprehensive income ("FVOCI")		19,669,918	13,322,485
Interest expense	6	(34,568,567)	(28,183,225)
Net interest income		64,162,990	57,724,977
Income from debt instruments at amortised cost - Shari'ah		86,834	140,527
Loan fee income	8	1,034,437	1,405,795
Amortisation of deferred income	27	3,419,002	5,398,205
Total investment income		68,703,263	64,669,504
Other income			
Interest income on cash and cash equivalents	7	199,872	61,785
Grant income	27	3,248,626	14,659,608
Total other income		3,448,498	14,721,393
Expenses			
Fund manager fees	11	(23,605,637)	(20,456,228)
Monitoring fee expenses		(273,408)	(166,955)
Professional fees and expenses		(1,540,559)	(1,033,964)
Administration expenses (PIDG)		(4,187,019)	(2,341,983)
Administration expenses		(917,236)	(445,676)
Amortisation of deferred expenses	18	(2,813,341)	(5,197,770)
Grant expenses	12	(3,248,626)	(14,659,608)
Total expenses		(36,585,826)	(44,302,184)
Losses on financial instruments			
Realised loss on debt instruments at amortised cost	13	(11,337,452)	(35,193,472)
Realised gain on debt instruments - previously at FVOCI	15	-	20,400
Foreign exchange (loss)/gain on derivative instruments	9 (i)	(25,029,054)	16,023,697
Foreign exchange gain/(loss)	9 (ii)	26,111,120	(12,604,558)
Gain/(loss) on derivative instruments		172,630	(302,539)
Total losses on financial instruments		(10,082,756)	(32,056,472)
Profit before impairment and tax		25,483,179	3,032,241
Reversal of provision for impairment of debt instruments at amortised cost	14 (i)	11,337,945	42,194,382
Provision for impairment of debt instruments at amortised cost- ECL	14 (i)	(752,884)	(2,046,192)
Provision for impairment of debt instruments at amortised cost	14 (i)	(19,948,218)	(5,855,754)
Provision for impairment of debt instruments at FVOCI - ECL		138,079	(1,781,049)
Total impairment of debt instruments		(9,225,078)	32,511,387
Provision for impairment of equity instruments at FVOCI	16	-	(1,065,341)
Total impairment of debt instruments and equity instruments		(9,225,078)	31,446,046
Profit before tax		16,258,101	34,478,287
Income tax expense	10	(409,005)	(788,225)
Profit for the year		15,849,096	33,690,062
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Fair value reserve - equity instruments at FVOCI	23	-	(1,553,054)
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Fair value reserve - debt instruments at FVOCI	23	4,203,659	5,115,722
Cash flow hedge reserve	24	2,664,264	(1,367,417)
Total other comprehensive income, net of tax		6,867,923	2,195,251
Total comprehensive income for the year		22,717,019	35,885,313

The notes on pages 12 to 45 form an integral part of these financial statements.

The Independent Auditor's Report is on pages 5 to 7 of these financial statements.

The Emerging Africa & Asia Infrastructure Fund Limited

Statement of financial position

As at 31 December 2025

	Notes	31-Dec-25 USD	31-Dec-24 USD
Assets			
<i>Non-current assets</i>			
Debt instruments	15	1,179,780,422	1,016,136,535
Deferred expenses	18	16,040,229	11,537,400
		1,195,820,651	1,027,673,935
<i>Current assets</i>			
Debt instruments	15	123,735,414	91,346,284
Derivative instruments	19	1,455,688	11,366,013
Trade and other receivables	20	28,451,185	24,323,774
Prepayments		1,291,563	607,741
Cash and cash equivalents	21	18,021,482	14,041,262
Current tax asset	28	231,773	553,536
Receivable for overdue capital repayments	29	2,479,363	4,113,642
		175,666,468	146,352,252
Total Assets		1,371,487,119	1,174,026,187
Equity and Liabilities			
Equity			
Share capital	22	396,651,410	395,869,690
Share premium		10	10
Fair value reserve	23	3,005,560	(1,198,099)
Cash flow hedge reserve	24	1,296,847	(1,367,417)
Retained earnings		195,950,636	182,101,540
Total equity		596,904,463	575,405,724
Liabilities			
<i>Non-current liabilities</i>			
Borrowings	26	594,213,481	385,122,109
Deferred income	27	20,696,586	20,067,633
		614,910,067	405,189,742
<i>Current liabilities</i>			
Borrowings	26	138,244,463	171,560,604
Collateral margin call		370,000	3,020,000
Trade and other payables	30	19,058,126	18,850,117
Dividend payable	25	2,000,000	-
		159,672,589	193,430,721
Total Liabilities		774,582,656	598,620,463
Total Equity and Liabilities		1,371,487,119	1,174,026,187

The financial statements have been approved by the Board of directors on 31 March 2026 and authorised for issue:



Authorised Director

Rajkamal Taposeea

The notes on pages 12 to 45 form an integral part of these financial statements.

The Independent Auditor's Report is on pages 5 to 7 of these financial statements.



Authorised Director

Cyril Wong

The Emerging Africa & Asia Infrastructure Fund Limited

Statement of changes in equity

For the year ended 31 December 2025

	Notes	Share Capital USD	Share Premium USD	Fair Value Reserve USD	Cash flow hedge reserve USD	Retained Earnings USD	Total USD
Balance at 1 January 2024		394,869,690	10	(4,760,767)	-	153,411,478	543,520,411
Other comprehensive income	23,24	-	-	3,562,668	(1,367,417)	-	2,195,251
Profit for the year		-	-	-	-	33,690,062	33,690,062
Dividend	25	-	-	-	-	(5,000,000)	(5,000,000)
Issue of shares	22	1,000,000	-	-	-	-	1,000,000
Balance at 31 December 2024		395,869,690	10	(1,198,099)	(1,367,417)	182,101,540	575,405,724
Other comprehensive income	23,24	-	-	4,203,659	2,664,264	-	6,867,923
Profit for the year		-	-	-	-	15,849,096	15,849,096
Dividend	25	-	-	-	-	(2,000,000)	(2,000,000)
Issue of shares	22	781,720	-	-	-	-	781,720
Balance at 31 December 2025		396,651,410	10	3,005,560	1,296,847	195,950,636	596,904,463

The notes on pages 12 to 45 form an integral part of these financial statements.

The Independent Auditor's Report is on pages 5 to 7 of these financial statements.

The Emerging Africa & Asia Infrastructure Fund Limited

Statement of cash flows

For the year ended 31 December 2025

	Notes	31-Dec-25 USD	31-Dec-24 USD
Cash flows from operating activities			
Profit for the year		15,849,096	33,690,062
<i>Adjustments for non cash items:</i>			
Interest income on debt instruments at amortised cost and FVOCI		(98,818,391)	(86,048,729)
Interest expense	6	34,568,567	28,183,225
Unrealised foreign exchange gain	9(i)&(ii)	(16,513,916)	(2,888,998)
Unrealised (gain)/loss on derivative instruments		(264,951)	302,539
Realised gain on debt instruments - previously at FVOCI	15	-	(20,400)
Amortisation of deferred income	27	(3,419,001)	(5,398,205)
Interest income on bank fixed deposits	7	-	(61,785)
Amortisation of deferred expenses	18	2,813,341	5,197,770
Grant income	27	(3,248,626)	(14,659,608)
Reversal of provision for impairment of debt instruments at amortised cost	14 (i)	(11,337,945)	(42,194,382)
Provision for impairment of debt instruments at amortised cost	14 (i)	20,701,102	7,901,946
Provision for impairment of debt instruments at FVOCI		(138,079)	1,781,049
Provision for impairment of equity instruments at FVOCI	16	-	1,065,341
Realised loss on debt instruments at amortised cost	13	11,337,452	35,193,472
Income tax expense	10	409,005	788,225
		(48,062,346)	(37,168,478)
<i>Changes in:</i>			
Deferred income	27	4,756,322	7,569,504
Trade and other receivables		(607,986)	(779,119)
Trade and other payables		(5,664,483)	(729,265)
Receivable for overdue capital repayments		1,634,279	1,616,628
Collateral margin call		(2,650,000)	7,130,000
		(50,594,214)	(22,360,730)
Disbursements on debt instruments at amortised cost	15	(258,228,904)	(162,480,697)
Repayments on debt instruments at amortised cost	15	134,025,674	81,208,862
Acquisitions on debt instruments at FVOCI	15	(57,561,591)	(139,976,552)
Disposal on debt instruments at FVOCI	15	39,579,668	46,880,939
Grants received	27	2,540,258	14,655,038
Interest income received on debt instruments at amortised cost		75,711,108	72,367,972
Interest income received on debt instruments at FVOCI		18,904,036	11,649,210
Interest expense paid on borrowings		(28,696,075)	(29,169,545)
Income tax paid	28	(87,242)	(1,677,564)
Net cash utilised in operating activities		(124,407,282)	(128,903,067)
Cash flows from financing activities			
Issue of ordinary shares	22	781,720	1,000,000
Dividend paid	25	-	(5,000,000)
Payment of loan fees	18	(7,316,170)	(2,700,332)
Proceeds from borrowings	26	407,696,490	435,012,910
Repayment of borrowings	26	(272,800,931)	(301,223,100)
Net change in cash from financing activities		128,361,109	127,089,478
Increase/(decrease) in cash and cash equivalents		3,953,827	(1,813,589)
Effect of exchange rate changes on cash and cash equivalents		26,393	(148,178)
Net increase/(decrease) in cash and cash equivalents		3,980,220	(1,961,767)
Cash and cash equivalents at beginning of year		14,041,262	16,003,029
Cash and cash equivalents at end of year	21	18,021,482	14,041,262

The notes on pages 12 to 45 form an integral part of these financial statements.

The Independent Auditor's Report is on pages 5 to 7 of these financial statements.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

1 Reporting entity

(a) General Information

The Emerging Africa & Asia Infrastructure Fund Limited (the "Company"), was incorporated on 18 December 2001. It was granted a Category 1 Global Business Licence on 29 April 2002, which it held until 30 June 2021. Effective 1 July 2021, this Licence was converted to a Global Business Licence. The Company operates as a Closed Ended Fund. On 9 October 2024, by special resolution of the Registrar of Companies, the Company changed its name to The Emerging Africa & Asia Infrastructure Fund Limited.

The Company provides long-term debt or mezzanine finance on commercial terms to finance the construction and development of private infrastructure in countries across Africa and Asia.

(b) Statement of Compliance

These financial statements comprise the financial statements of the Company and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the Mauritian Companies Act 2001.

(c) Standards, Amendments to published Standards and Interpretations effective in the reporting period

IAS 1 Presentation of Financial Statements

Classification of Liabilities as Current or Non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. *The amendments have no impact on the Company's financial statements.*

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current. *The amendments have no impact on the Company's financial statements.*

IFRS 16 Leases

Lease Liability in a Sale and Leaseback: The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. *The amendments have no impact on the Company's financial statements.*

IAS 7 Statement of Cash Flows & IFRS 7 Financial Instruments: Disclosures

Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. *The amendments have no impact on the Company's financial statements.*

(d) Standards, Amendments to published Standards and Interpretations adopted during the year

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2025 or later periods, but which the Company has not early adopted.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

1 Reporting entity (continued)

- (d) *Standards, Amendments to published Standards and Interpretations adopted during the year (continued)*

Effective date January 1, 2025

IAS 21 The Effects of Changes in Foreign Exchange Rates

Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

- (e) *Standards, Amendments to published Standards and Interpretations issued but not yet effective*

Effective date January 1, 2026

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures

Classification and Measurement of Financial Instruments: The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Also, additional disclosures have been introduced for financial instruments with contingent features and equity instruments designated at fair value through other comprehensive income.

Contracts Referencing Nature-dependent Electricity: The amendments clarify how IFRS 9 should be applied to power purchase agreements with specific characteristics. The amendments include clarification on the application of the 'own-use' requirements and permitting hedge accounting if these contracts are used as hedging instruments. New disclosure requirements have also been included to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Effective date January 1, 2027

IFRS 18 Presentation and Disclosure in Financial Statements

Presentation and disclosure in financial statements: IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals presented within the statement of profit or loss within one of the following five categories – operating, investing, financing, income taxes, and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, it brings about consequential amendments to other accounting standards. This standard replaces IAS 1 - Presentation of Financial Statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The effective date of this amendment has been deferred indefinitely until further notice

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

1 Reporting entity (continued)

- (e) *Standards, Amendments to published Standards and Interpretations issued but not yet effective (continued)*

IFRS 10 Consolidated Financial Statements

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

IAS 28 Investments in Associates and Joint Ventures

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

2 Basis of preparation

These financial statements have been prepared on the basis of accounting policies applicable to a going concern. The going concern basis presumes that, for 12 months from balance sheet date, funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The financial statements are presented in United States Dollar ("USD"), which is the Company's functional currency. All amounts have been rounded to the nearest USD, unless otherwise indicated.

The financial statements have been prepared on the historical cost basis except for the measurement of financial instruments. The principal accounting policies set out below have, unless otherwise stated, been applied consistently to all periods in these financial statements.

3 Use of judgements and estimates

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of those assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

- (a) *Judgements*

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is set out below:

- (i) Determination of the functional currency

The functional currency is the currency of the primary economic environment in which the Company operates. The majority of the Company's transactions are denominated in USD. Most of the debt instruments at amortised cost are disbursed and paid in USD and most of the interest income and expenses (including fund manager expenses) are denominated and paid in USD. Accordingly, management has determined that the functional currency of the Company is USD.

Notes to the financial statements

For the year ended 31 December 2025

3 Use of judgements and estimates (continued)

(a) *Judgements (continued)*

(ii) Impairment of financial instruments

At each reporting date, the Company calculates an expected credit loss ("ECL") for debt instruments measured at amortised cost and at fair value through OCI ("FVOCI").

In the absence of sufficient market data, management applies expert judgement within a governance framework to determine the required parameters. In determining the ECL allowances the following significant judgements are applied.

Credit ratings (scorecard)

Intrinsic credit ratings are predicated on a scorecard comprising factors that govern risk assessment for the counterparty type. These have been further grouped into suitable broad categories with the assessments being aggregated based on pre-determined weights arrived at by way of expert judgement. There are limitations to the extent to which an extreme (credit positive or credit negative) sub-parameter value will be reflected in the overall project score. Depending on the availability of reasonable and supportable information without undue cost or effort, significant increases in credit risk are identified through the assessment of broad parameters such as financial strength, political and legal risk, transaction characteristics, strength of sponsor and security assessment. Accordingly, a set of overrides to the intrinsic rating has been incorporated into the framework. Depending on the scorecard, the final rating is influenced by early warning indicators, intrinsic rating overrides or sponsor overrides. Management also applies a 'sovereign ceiling' for country specific factors such as operating environment, legal structure, political instability, regulatory/legal uncertainty, financial/economic factors, risk of government intervention, impact of sovereign default and, where applicable, transfer and convertibility issues.

Financial assets measured at amortised cost

ECLs are calculated at each reporting date and reflected in an allowance account. The allowance account is netted off against the carrying amount of the asset. The movement in ECL between reporting dates is recognised in profit or loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off.

Forward looking variables

The Company, applying expert judgement, identifies default and credit impaired financial assets. In applying this judgement, the Company considers, the arrears category where the balance has been allocated to, and whether the balance is in legal review, debt review or under administration. Financial assets are credit impaired when one or more events with a detrimental impact on the expected cash flows have taken place.

(b) *Assumptions and estimation uncertainties*

Information relating to assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2025 is set out below:

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

3 Use of judgements and estimates (continued)

(b) Assumptions and estimation uncertainties (continued)

(i) Impairment of financial instruments

Probability of default (PDs)

A master rating scale establishes a standardised benchmark and a mapping between rating grades and probabilities of default for all debt instruments. This rating scale has been established using default studies obtained from the three leading rating agencies. The regression results were employed to arrive at modelled default rates for each rating agency for all 21 rating grades. The average of the three modelled default rates constituted the mean probability of default for each rating grade. The lower and upper bounds for each rating grade are computed as the geometric mean of the modelled default rate for the rating grade in question and adjacent rating grades. The lower bound for 'AAA' (the highest rating grade) has been set at 0.0%, while the upper bound for 'C' (the lowest rating grade) has been set at 99.9%. In all cases, the lower bound is exclusive while the upper bound is inclusive.

Loss given default (LGDs)

In determining the LGDs, the time period that the cash flows relate to must be estimated. The time period is estimated based on historical data that can be volatile. When the cash flows are too volatile, the time period is capped to limit volatility. LGDs are influenced by estimates of the amounts to be recovered from the realisation of collateral and the estimated costs to realise the collateral. Management uses independent sources for benchmarking LGD rates as well as historic data, where applicable.

(ii) Fair value of financial instruments

The fair value of financial assets that are not actively traded in an active market is determined by using valuation techniques. The Company applies the market or income approach as appropriate to the investment dependent on the information available. The key estimates applied are disclosed in note 29 to the financial statements.

4 Accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements unless otherwise indicated.

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the spot exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of financial assets at FVOCI (equity instruments), are recognised in OCI.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(b) *Interest income and expense*

Interest income and expense are recognised in the profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts and payments through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. The calculation of the effective interest rate includes transaction costs and fees paid or received that are an integral part of the day 1 pricing of the asset. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Interest income arises from interest on debt instruments at amortised cost and on debt instruments at FVOCI, while interest expense arises from interest on borrowing provided by lenders.

(c) *Deferred income*

Deferred income consists of deferred, upfront and commitment fees from borrowers which are recognised systematically over the life of the underlying loan using the effective interest method.

(d) *Deferred expenses*

Deferred expenses consist of upfront, commitment and refinancing fees paid to the Company's lenders which are recognised systematically over the life of the underlying loan using the effective interest method.

(e) *Loan fee income*

Loan fee income consists of loan arrangement, amendment, restructuring, annual monitoring, consent, waiver, loan breakage and appraisal fees which the Company charged to the borrowers for work performed during the year.

(f) *Grants*

Grants are initially recognised as deferred income until all conditions associated with the grants are complied with.

Grants that compensate the Company for expenses incurred are recognised in the profit or loss on a systematic basis in the periods in which the expenses are recognised.

(g) *Income tax*

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(g) *Income tax (continued)*

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset if certain criteria are met.

(ii) Deferred tax

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Company intends to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(h) *Derivative financial instruments*

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Company designate certain derivatives as hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

The Company has chosen to apply the hedge accounting requirements of IAS 39 instead of IFRS 9. The Company document at inception of the transaction the relationship between the hedging instruments and the hedging items as well as their risk management objective and strategies for undertaking various hedging transactions. The Company also document their assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instrument are highly effective in offsetting changes in cash flows of hedge items.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within twelve months. Other derivatives are presented as current assets or current liabilities.

A hedging relationship exists where at the inception of the hedge there is formal documentation of the hedge; the hedge is expected to be highly effective; the effectiveness of the hedge can be reliably measured; the hedge is highly effective throughout the reporting period and for hedges of a forecasted transaction, the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

(i) Derivatives recorded at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(h) *Derivative financial instruments (continued)*

(i) Derivatives recorded at fair value through profit or loss (continued)

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IFRS 9.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statements of profit or loss.

Financial assets designated upon initial recognition at fair value through profit or loss are designated at their initial recognition date and only if the criteria under IFRS 9 are satisfied.

The Company uses derivatives such as forward foreign exchange contracts. Forward foreign exchange contracts are recorded in accordance with the accounting policy for derivative financial instruments as stipulated above.

Derivatives embedded in other financial instruments, such as the conversion option in an acquired convertible bond, are treated as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contract, and the host contract is not itself held for trading or designated at fair value through statements of profit or loss.

(ii) Hedging activities - cash flow hedges

Where a financial instrument hedges the exposure to variability in the cash flows of highly probable transactions or firm commitments, the effective part of any gain or loss on remeasurement of the hedging instrument is recognised directly in other comprehensive income. The ineffective part of any gain or loss is recognised in profit or loss. The cumulative gain or loss recognised in equity is transferred to profit or loss at the same time that the hedged transaction affects net profit or loss and included in the same line item as the hedged transaction.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss recognised in equity remains in equity and is recognised in accordance with the above policy. If the hedged transaction is no longer expected to occur, the cumulative gain or loss recognised in equity is recognised in profit or loss immediately.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed.

(i) *Financial assets and financial liabilities*

(i) Recognition and derecognition

Financial instruments are recognised when, and only when, the Company becomes a party to the contractual provisions of the particular instrument.

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(i) *Financial assets and financial liabilities (continued)*

(i) Recognition and derecognition (continued)

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its Statement of Financial Position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised.

In transactions in which the Company neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

A financial liability is de-recognised when, and only when, the liability is extinguished, that is, when the obligation specified in the contract is discharged, cancelled or has expired.

The difference between the carrying amount of a financial liability (or part thereof) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(ii) Initial measurement

Financial instruments are initially recognised at fair value plus, in the case of a financial asset or financial liability not at FVTPL, the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

(iii) Classification and subsequent measurement

Financial assets

There are three principal classification categories for debt instruments: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets is generally based on the business model in which a financial asset is managed and on its contractual cash flow characteristics.

A financial asset is classified as a financial asset at amortised cost if it meets both of the following conditions (and is not designated as at FVTPL):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at FVOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(i) *Financial assets and financial liabilities (continued)*

(iii) Classification and subsequent measurement under IFRS 9 (continued)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above, are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Derivative assets are mandatorily categorised as FVTPL.

Financial assets at fair value through profit and loss (FVTPL)

FVTPL, namely derivative instruments, are initially recognised at fair value excluding transaction costs directly attributable to their acquisition which are recognised immediately in profit or loss. After initial recognition, FVTPL are measured at fair value with resulting fair value gains or losses being recognised directly in profit or loss.

Financial assets at amortised cost

- Debt instruments

Debt instruments are initially recognised at fair value. Subsequent to initial measurement, debt instruments are measured at amortised cost using the effective interest method less any impairment losses. Interest received is recognised as part of investment income. Interest income, foreign exchange gains and losses, and impairments are recognised in profit or loss. All debt instruments are recognised when cash is advanced or expected from borrowers.

- Cash and cash equivalents

Cash and cash equivalents comprises balances with banks and deposits which generally have a maturity of less than 365 days from date of acquisition. Cash and cash equivalents are carried at amortised cost.

- Trade and other receivables

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost in the Statement of financial position.

- Receivable for overdue capital repayments

Receivables for overdue capital repayment are initially recognised at the amount lent to the borrower.

Financial liabilities

All loans and borrowings and trade and other payables are initially recognised at fair value less directly attributable transaction costs.

After initial recognition, financial liabilities and trade and other payables are classified as measured at amortised cost. Financial liabilities and trade and other payables are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(i) *Financial assets and financial liabilities (continued)*

(iii) Classification and subsequent measurement under IFRS 9 (continued)

For a quantitative representation of the classifications under IFRS 9, refer to the tables on pages 24 and 25.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position only when there is a legally enforceable right to set off and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Income and expense items are offset only to the extent that their related instruments have been offset in the Statement of financial position.

Impairment of financial assets

The new impairment model applies to financial assets measured at amortised cost (for example loans and advances, trade and other receivables and cash and cash equivalents), but not to investments in equity instruments.

Calculation of ECL

The ECL impairment loss allowance is an unbiased, probability-weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default ("PD"), the loss given default ("LGD") and the possible exposure at default ("EAD"). The Company also considers correlations between these parameters and forward looking economic conditions.

ECL reflects the Company's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, the Company also considers observable market information about the credit risk of the particular financial instrument or similar financial instruments.

The ECL loss amount depends on the specific stage where the financial instrument has been allocated to within the ECL model:

Stage 1: At initial recognition a financial instrument is allocated into stage 1, except for purchased or originated credit impaired financial instruments.

Stage 2: A financial instrument is allocated to stage 2 if there has been a significant increase in credit risk since initial recognition of the financial instrument.

Stage 3: A financial instrument is allocated to stage 3 if the financial instrument is in default or is considered to be credit impaired.

Under IFRS 9, impairment loss allowances are measured on either of the following bases:

i) 12-month ECLs: These are ECLs that result from possible default events within the 12 months after the reporting date; and

ii) Lifetime ECLs: These are ECLs that result from all possible default events over the expected life of a financial instrument.

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(i) Financial assets and financial liabilities (continued)

(iii) Classification and subsequent measurement under IFRS 9 (continued)

Impairment of financial assets (continued)

Exposures are assessed on an individual project basis. In some instances, financial assets are grouped into categories in accordance with the terms of the financial instrument or the percentage of expected payments that were received. Financial assets are also grouped according to the status of the financial asset. The Company makes use of estimates of PDs, LGDs and EADs to calculate the ECL balance for financial assets at amortised cost. Depending on the relevant information available, PDs are based on ratings assigned to counterparties which are set using hybrid models which comprise both conventional statistical models and expert judgement. LGDs are derived from a default recovery time series model that takes the timing of payments into account or through available market data adjusted for project characteristics. The LGD represents losses expected on default, taking into account the mitigating effect of collateral, its expected value when realised and the time value of money. The forecast value for the collateral is also affected by the range of forward looking probability-weighted macroeconomic scenarios. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk. The ECL calculation of a financial instrument takes into account both the contractual and available behavioral repayment patterns over the relevant estimation period.

Significant increase in credit risk and default

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers quantitative and qualitative information based on historical experience, credit assessment and forward looking information. The Company's assessment of a significant increase in credit risk from initial recognition consists of quantitative (such as credit rating, probability of default and arrears aging) and qualitative (such as economic, sector and geographic outlook) risk assessments performed by various internal credit risk review bodies.

These quantitative and qualitative risk drivers are included by the Company as part of the ongoing credit risk management. When making a quantitative assessment, the Company uses the change in the probability of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date. A rebuttable assumption is that the credit risk since initial recognition has increased significantly if a financial instrument is 30 days past due. Financial assets at amortised cost can be transferred back to stage 1 or 2 within the ECL model if specific criteria have been met.

The Company considers a financial asset to have deteriorated when there is a failure to meet interest and capital repayments, financial covenant breaches and concern with the respect to the environmental, social and governance practices of the borrower, the industry within which the borrower operates and the construction phase of the borrower.

Forward looking information

Forward looking information, as well as the use of macroeconomic information has been incorporated into the new impairment model, primarily through a 3 step process:

- The establishment of the relationship between default rates and macroeconomic variables by way of regression analysis;
- The identification of scenarios, namely base case, upside and downside and applying available forecasts of macroeconomic variables such as inflation, investment to GDP ratio etc; and
- Assigning suitable probabilities to each scenario based on expert judgement within the relevant governance bodies.

Write off policy

Financial assets are written off when, in the judgement of the Company, there is no realistic prospect of recovery of the assets. Determining when to write off financial assets is a matter of judgement and incorporates both quantitative and qualitative information.

Measurement of ECLs

Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). The fair value reserve comprises the cumulative net change in fair value of financial instruments at FVOCI. ECLs on financial instruments at amortised cost are recognised in profit or loss.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(i) Financial assets and financial liabilities (continued)

(iii) Classification and subsequent measurement under IFRS 9 (continued)

Categories of financial instruments

The analysis of financial assets and financial liabilities into their categories is set out in the following table:

At 31 December 2025 USD '000	FVOCI	FVOCI, by irrevocable designation	Mandatorily designated at fair value through profit or loss	Amortised cost	Non-financial assets and liabilities	Total
Assets per the Statement of financial position						
Debt instruments	268,317	-	-	1,035,198	-	1,303,515
Deferred expenses	-	-	-	16,041	-	16,041
Derivative instruments	-	-	1,456	-	-	1,456
Prepayments	-	-	-	-	1,292	1,292
Trade and other receivables	-	-	-	28,451	-	28,451
Cash and cash equivalents	-	-	-	18,021	-	18,021
Current tax asset	-	-	-	-	232	232
Receivable for overdue capital repayments	-	-	-	-	2,479	2,479
Total assets	268,317	-	1,456	1,097,711	4,003	1,371,487
Liabilities per the Statement of financial position						
Loans and borrowings	-	-	-	732,458	-	732,458
Deferred income	-	-	-	20,697	-	20,697
Collateral margin call	-	-	-	370	-	370
Trade and other payables	-	-	-	19,058	-	19,058
Dividend payable	-	-	-	2,000	-	2,000
Total liabilities	-	-	-	774,583	-	774,583

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Notes to the financial statements

For the year ended 31 December 2025

4 Accounting policies (continued)

(i) *Financial assets and financial liabilities (continued)*

(iii) Classification and subsequent measurement under IFRS 9 (continued)

Categories of financial instruments (continued)

At 31 December 2024 USD '000	FVOCI	FVOCI, by irrevocable designation	Mandatorily designated at fair value through profit or loss	Amortised cost	Non-financial assets and liabilities	Total
Assets per the Statement of financial position						
Debt instruments	235,401	-	-	872,081	-	1,107,482
Deferred expenses	-	-	-	11,537	-	11,537
Derivative instruments	-	-	11,366	-	-	11,366
Prepayments	-	-	-	-	608	608
Trade and other receivables	-	-	-	24,324	-	24,324
Cash and cash equivalents	-	-	-	14,041	-	14,041
Current tax asset	-	-	-	-	554	554
Receivable for overdue capital repayments	-	-	-	-	4,114	4,114
Total assets	235,401	-	11,366	921,983	5,276	1,174,026
Liabilities per the Statement of financial position						
Loans and borrowings	-	-	-	556,683	-	556,683
Deferred income	-	-	-	20,067	-	20,067
Trade and other payables	-	-	-	18,850	-	18,850
Collateral margin call	-	-	-	3,020	-	3,020
Total liabilities	-	-	-	598,620	-	598,620

(j) *Share capital*

Ordinary shares

Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

(k) *Fair value reserve*

Equity financial assets that are classified and measured at FVOCI, by irrevocable designation are carried at fair value with changes in fair value recognised in OCI and accumulated in fair value reserves. Upon disposal, any balance within fair value reserves is reclassified to retained earnings.

Debt financial assets that are classified and measured at FVOCI, are carried at fair value with changes in fair value recognised in OCI and accumulated in fair value reserves, except for impairment gains or losses, and foreign exchange gains and losses, which are recognised in profit or loss. Upon disposal, any balance within fair value reserves is reclassified to profit or loss as a reclassification adjustment.

(l) *Retained earnings*

Retained earnings include all current and prior years' results.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

5	Interest income from debt measured at amortised cost	31-Dec-25	31-Dec-24
		USD	USD
	Interest income earned in the year	79,061,639	72,585,717
		79,061,639	72,585,717
6	Interest expense from debt measured at amortised cost and derivatives	31-Dec-25	31-Dec-24
		USD	USD
	Interest expense incurred on debt instruments measured at amortised cost	34,568,567	28,183,225
		34,568,567	28,183,225
7	Interest income on cash and cash equivalents	31-Dec-25	31-Dec-24
		USD	USD
	Interest on money market funds	146,071	-
	Interest on cash collateral	53,801	-
	Interest on bank balance and deposits	-	61,785
		199,872	61,785
8	Loan fee income	31-Dec-25	31-Dec-24
		USD	USD
	Annual monitoring fees	817,592	1,194,341
	Restructuring fees	-	122,128
	Consent and waiver fees	7,218	11,697
	Appraisal fees	50,000	-
	Supervision fees	12,997	34,221
	Other fees	146,630	43,408
		1,034,437	1,405,795
9	Foreign exchange (loss)/gain		
(i)	<i>Foreign exchange (loss)/gain on derivative instruments</i>	31-Dec-25	31-Dec-24
		USD	USD
	Realised (loss)/gain on derivative instruments	(12,189,514)	530,141
	Unrealised (loss)/gain on derivative instruments	(12,839,540)	15,493,556
		(25,029,054)	16,023,697
(ii)	<i>Foreign exchange gain/(loss) on others</i>	31-Dec-25	31-Dec-24
		USD	USD
	Unrealised gain/(loss) on net of loans and borrowings	18,734,668	(10,229,824)
	Unrealised (loss)/gain on EUR cash and cash equivalents	(3,215,944)	648,403
	Unrealised gain on KES denominated debt instrument at FVOCI	-	1,259,666
	Unrealised gain/(loss) on XOF denominated debt instrument at FVOCI	10,592,396	(4,282,803)
		26,111,120	(12,604,558)

The Emerging Africa & Asia Infrastructure Fund Limited

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For the year ended 31 December 2025

10 Income tax expense

The Company holds a Category 1 Global Business License for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out through the implementation of a new tax regime. Companies which had obtained their Category 1 Global Business Licence on or before 16 October 2017, including the Company, have been grandfathered and benefit from the deemed tax credit regime up to 30 June 2021. Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income resulting in an effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to shareholders or in respect of redemptions or exchanges of shares.

Post 30 June 2021, under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the FSC, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income. The Company monitors and makes use of expert advice on proposed and issued tax laws, regulations and cases to determine the impact of uncertain tax positions.

		31-Dec-25	31-Dec-24
	Notes	USD	USD
Total income tax expense for the year		<u>409,005</u>	788,225
<i>Calculation of the income tax expense</i>			
Profit for the year before tax		16,258,101	34,478,287
Less: Exempt income		(138,592,793)	(149,823,010)
Add: Non-deductible expenses		<u>124,347,080</u>	115,692,121
		<u>2,012,388</u>	347,398
Tax expense for the year		342,106	59,057
Underprovision for last year		66,899	729,168
Tax expense for the year	28	<u>409,005</u>	788,225

11 Fund manager fees

Effective on 09 May 2016, Ninety One Guernsey Limited ("NOGL") was appointed as Fund Manager. NOGL is due a management fee calculated quarterly as the product of (a) the Applicable Management Fee Percentage pro-rated based on a fee sliding scale; and (b) the Average Portfolio Commitments as set out under the Management Agreement dated 5 May 2016. NOGL is also due a performance fee calculated annually in terms of the aforementioned Management Agreement. This fee is subject to the achievement of financial and developmental targets, as well as a discretionary fee component approved at the sole discretion of the Company's Board acting on the advice of PIDG Ltd.

Breakdown of Fund Manager expenses:

	31-Dec-25	31-Dec-24
	USD	USD
Management fee	17,351,982	15,081,265
Performance fee	6,253,655	5,374,963
	<u>23,605,637</u>	20,456,228

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12 Grant Expenses

The Private Infrastructure Development Group ("PIDG") acting through the PIDG Trust (the shareholder of the Company) provides Technical Assistance (TA) grants to the Company for development projects approved by PIDG Ltd on behalf of the PIDG Trust. TA grants are managed by the Company in agreement with PIDG Ltd. In 2025 USD 3.2 million was disbursed by the Company in respect of these development projects (2024: USD 14.7 million).

13 Realised loss on debt instruments at amortised cost

Following approval from the Ninety One Valuation Committee, the Tower Power Abeokuta Ltd - Senior loan was written off. This loan was previously fully provided for, and this write-off in 2025 resulted in realisation of the previously provided loss of USD 11,337,452.

In 2024, the Company restructured its Hochma asset, an infrastructure manufacturing project in Algeria, which balance of USD 42m at the time of the restructure, was fully provided for. Through the restructure, a revised outstanding balance of USD 7m was agreed, and the remainder of the loan was written off. Accordingly, the full provision of USD 42m was reversed, a realised loss of USD 35m was crystallised, resulting in a USD 7m balance post-restructure.

14 Provision for impairment of debt instruments

	Notes	31-Dec-25	31-Dec-24
		USD	USD
<i>(i) Debt instruments at amortised cost</i>			
Opening balance		18,913,432	53,205,868
Provision for impairment of debt instruments at amortised cost - ECL		752,884	2,046,192
Provision for impairment of debt instruments at amortised cost		19,948,218	5,855,754
Reversal of provision for impairment of debt instruments at amortised cost	13	(11,337,945)	(42,194,382)
Closing balance		28,276,589	18,913,432
<i>(ii) Debt instruments at FVOCI - capital</i>			
Opening balance		2,717,700	936,651
Provision for impairment of debt instruments at FVOCI - ECL		(150,502)	1,781,049
Closing balance		2,567,198	2,717,700
<i>(iii) Debt instruments at FVOCI - interest</i>			
Opening balance		331,440	331,440
Provision for impairment of accrued interest		-	-
Closing balance		331,440	331,440

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For the year ended 31 December 2025

15 Debt instruments	31-Dec-25 USD	31-Dec-24 USD
<i>Debt instruments at amortised cost</i>		
Opening balance	904,493,032	885,183,549
Disbursements	258,228,904	162,480,697
Repayments	(134,025,674)	(81,208,862)
Realised loss during the year	(11,337,945)	(35,194,382)
Gain/(loss) on revaluation of non-USD-denominated debt instruments	59,614,832	(26,767,970)
Closing balance	1,076,973,149	904,493,032
Provision for impairment - non-performing portfolio	(24,274,402)	(15,664,129)
Provision for impairment - performing portfolio	(15,970,835)	(15,217,951)
Interest suspended - non-performing portfolio	(1,529,571)	(1,529,571)
	(41,774,808)	(32,411,651)
Net carrying value of debt instruments at amortised cost	1,035,198,341	872,081,381
<i>Debt instruments at FVOCI</i>		
Opening balance	235,401,438	141,973,888
Acquisitions during the year	57,561,591	139,976,552
Disposals during the year	(39,579,668)	(46,880,939)
Realised gain during the year	-	20,400
Gain/(loss) on non-USD denominated debt instruments	10,592,396	(3,023,136)
Unrealised fair value gain	4,341,738	3,334,673
Closing balance	268,317,495	235,401,438
Net carrying value of debt instruments at FVOCI	268,317,495	235,401,438
<i>Classification of non current and current</i>		
Non-current debt instruments at amortised cost	949,435,619	793,772,373
Non-current debt instruments at amortised cost - Shari'ah	-	2,428,189
Non-current debt instruments at FVOCI	230,344,803	219,935,973
Non-current debt instruments total	1,179,780,422	1,016,136,535
Current debt instruments at amortised cost	85,762,722	75,534,070
Current debt instruments at amortised cost - Shari'ah	-	346,749
Current debt instruments at FVOCI	37,972,692	15,465,465
Current debt instruments total	123,735,414	91,346,284
Total debt instruments	1,303,515,836	1,107,482,819

As at 31 December 2025, the undisbursed loan commitments were USD 130,888,051; EUR 58,580,108 (31 December 2024: USD 201,810,715; EUR 117,393,007).

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

16 Equity instruments

	31-Dec-25 USD	31-Dec-24 USD
<i>Equity instruments at FVOCI</i>		
At beginning of the year	-	2,618,395
Unrealised fair value loss	-	(1,553,054)
At end of the year	<u>-</u>	<u>1,065,341</u>
Provision for impairment	-	(1,065,341)
Net carrying value of equity instruments at FVOCI	<u>-</u>	<u>-</u>

17 Details of investments at FVOCI

Name of company	Country	Type	Currency	Holding 31-Dec-25	Holding 31-Dec-24	Carrying value 31-Dec-25 USD	Carrying value 31-Dec-24 USD
<i>Quoted investments</i>							
Acorn Student Housing	Kenya	Bond	KES	-	-	-	33,855
HTA Group Ltd	UK	Bond	USD	25,000,000	25,000,000	25,444,203	25,380,786
Port Autonome de Dakar	Senegal	Bond	XOF	3,320,000,000	4,980,000,000	5,822,610	7,880,794
Sonatel	Senegal	Bond	XOF	6,027,516,000	9,041,274,000	10,759,077	14,292,950
Liquid Telecom	Pan Africa	Bond	USD	15,000,000	15,000,000	13,315,383	11,200,508
Axian Tele Hold	Pan Africa	Bond	USD	40,000,000	-	40,311,978	-
Axian Telecom	Pan Africa	Bond	USD	-	20,000,000	-	19,899,110
CEC Renewables Ltd - Zambia	Zambia	Bond	USD	19,499,961	20,000,000	19,311,416	19,556,602
FCTC EPT 2023 - 2028	Ivory Coast	Bond	XOF	16,309,411,668	18,050,690,000	29,035,693	28,426,147
FCTC Sonatel 2023 - 2028	Senegal	Bond	XOF	16,422,252,000	21,114,324,000	29,269,226	33,257,547
FCTC EPT 2025 2040	Ivory Coast	Bond	XOF	10,000,000,000	-	17,888,368	-
CEC Renewables Ltd – Project	Zambia	Bond	USD	18,916,000	18,916,000	18,622,520	18,765,050
Africell Holdings	Pan Africa	Bond	USD	28,000,000	28,000,000	27,424,752	27,451,836
IHS Holdings Ltd	Pan Africa	Bond	USD	30,000,000	30,000,000	31,112,269	29,256,253
<i>Unquoted investments</i>							
IPS Cable System Holding Limited	Mauritius	Ordinary shares		1,065,341	1,065,341	-	-
						<u>268,317,495</u>	<u>235,401,438</u>

18 Deferred expenses

	Refinancing Cost USD	Upfront Fees USD	Commitment Fees USD	Total USD
At 1 January 2024	2,091,681	3,449,974	8,493,183	14,034,838
Movement during the year	3,342,680	1,715,966	(2,358,314)	2,700,332
Amortisation charge	(3,755,565)	(1,442,205)	-	(5,197,770)
At 31 December 2024	<u>1,678,796</u>	<u>3,723,735</u>	<u>6,134,869</u>	<u>11,537,400</u>
Movement during the year	-	5,567,711	1,748,459	7,316,170
Amortisation charge	(381,035)	(1,028,085)	(1,404,221)	(2,813,341)
At 31 December 2025	<u>1,297,761</u>	<u>8,263,361</u>	<u>6,479,107</u>	<u>16,040,229</u>

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19 Derivatives Instruments

	31-Dec-25 USD	31-Dec-24 USD
Foreign currency forward exchange contracts - at fair value	(248,370)	12,591,170
Interest rate swaps contracts - at fair value	1,704,058	(1,225,157)
	1,455,688	11,366,013

The notional amount of the outstanding foreign currency forward exchange contracts as at 31 December 2025 is EUR 123,900,000 (31 December 2024: EUR 187,400,000). The notional amount of the outstanding interest rate swaps as at 31 December 2025 are USD 139,000,000, of which 131,000,000 are hedge accounted for (31 December 2023: USD 140,000,000, of which 131,000,000 are hedge accounted for).

The Company designated certain interest rate swaps as hedging instruments in qualifying cash flow hedge accounting relationships.

IFRS 7 details the disclosure requirements in the statutory financial statements for hedge accounting. This includes:

- (a) The Company's risk management strategy and how it is applied to manage risk;
- (b) How the hedging activities may affect the amount, timing, and uncertainty of future cash flow; and
- (c) The effect of hedge accounting on the Company's Statement of Financial Position, Statement of Comprehensive Income and Statement of Changes in Equity.

(a) Risk management strategy

(i) Strategy

The Company adopts a cash flow hedge strategy.

(ii) Hedging instruments and underlying hedged items

The Company designates certain interest rate swaps as hedging instruments and variable interest rate cash flows arising from floating rate financial assets as underlying hedged items in qualifying cash flow hedge accounting relationships.

(iii) Objective of strategy

Cash flow hedges of interest rate risk relate to exposures to the variability in future interest receipts due to the movement of benchmark interest rates. This variability in cash flows is hedged by interest rate swaps, which convert variable cash flows into fixed. For these cash flow hedge relationships, the hedged items are variable interest rate cash flows arising from floating rate financial assets with interest rates linked to SOFR & Term SOFR benchmarks. The variability in cash flows due to movements in the relevant benchmark rate is hedged.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on a comparison of critical terms, including reference interest rates, tenors, repricing dates, and maturities and the notional or par amounts.

The Company assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item under the hypothetical derivative method.

In accordance with its hedging strategy, the Company matches the principal of the hedging instruments to the principal of the hedged items. The Company applies a hedge ratio of 1:1.

(b) Amount, timing, and uncertainty of future cash flows

The following table sets out the maturity profile and average interest rate of hedge accounting strategies.

Nominal amount	Up to 1 month	1 – 3 months	3 months – 1 year	1 – 5 years	> 5 years	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
<i>Cash flow hedging – Interest rate swaps</i>						
Variable rate assets linked to SOFR & Term SOFR	-	-	12,000	48,000	71,000	131,000
Average interest rate	-	-	4.45%	3.84%	3.87%	

The main sources of ineffectiveness for interest rate risk hedge accounting relationships are:

Interest rate basis: The floating interest benchmark rate on the hedging instrument is USD-SOFR-OIS (Overnight Indexed Swap) Compounded while the hedge items may include 3M or 6M Term SOFR. Given the differences in the sources of these two rates, there would be some ineffectiveness that will arise on the hedge relationship.

Timing of cash flows: There are differences in timing of cash flows between the hedged item and hedging instrument that will result in some ineffectiveness (for example, the hedged item is a portfolio of quarterly or semi-annually interest paying assets while the hedging instrument is annually).

(c) Effect of hedge accounting on financial statements strategy

The impact of the hedging instruments on the Statement of Financial Position as at 31 December 2025 is, as follows:

	Notional amount USD '000	Carrying amount USD '000	Line item in the Statement of Financial Position	Change in fair value used for measuring ineffectiveness for the year USD '000
<i>Cash flow hedging – Interest rate swaps</i>				
Variable rate assets linked to SOFR & Term SOFR	131,000	1,389	Derivative instruments	39

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19 Derivatives Instruments (continued)

(c) Effect of hedge accounting on financial statements strategy (continued)

The following table shows an analysis of the cash flow hedge reserve (Statement of Changes in Equity):

	31-Dec-25 Cash flow hedge reserve USD '000	31-Dec-24 Cash flow hedge reserve USD '000
Continuing		
- Interest rate risk	1,297	(1,367)
De-designated		
- Interest rate risk	-	-
Total	<u>1,297</u>	<u>(1,367)</u>

Changes in fair value of hedging instruments used for measuring hedge ineffectiveness (Statement of Comprehensive Income):

	Total fair value change USD '000	Effective portion – recognised in OCI USD '000	Hedge ineffectiveness recognised in (losses)/gains on financial instruments USD '000	Reclassified into admin expenses on the income statement USD '000
<i>Macro cash flow hedges - Interest rate swaps</i>				
Variable rate assets linked to SOFR	2,796	2,757	39	-

20 Trade and other receivables

	31-Dec-25 USD	31-Dec-24 USD
Interest receivable on debt instruments at amortised cost	23,610,479	20,173,114
Interest receivable on derivative contracts	(3,741,590)	284,704
Interest accrued on income notes and debt instruments at FVOCI	4,413,680	3,647,798
Other receivables	4,168,616	218,158
	<u>28,451,185</u>	<u>24,323,774</u>

21 Cash and cash equivalents

	31-Dec-25 USD	31-Dec-24 USD
Absa Bank (Mauritius) Limited		
- Operating accounts	11,286,153	7,331,213
- Technical Assistance grant account (from PIDG Trust)	1,785,545	2,176,611
Standard Chartered Bank (Mauritius) Limited		
- Operating account	2,211,486	1,941,212
Fidelity Institutional Liquidity Fund plc	2,738,298	2,592,226
	<u>18,021,482</u>	<u>14,041,262</u>

22 Share capital

	31-Dec-25		31-Dec-24	
	Number of Shares	USD	Number of Shares	USD
At December 31, 2024	39,586,969	395,869,690	39,486,969	394,869,690
Issue of shares	78,172	781,720	100,000	1,000,000
Closing balance	<u>39,665,141</u>	<u>396,651,410</u>	<u>39,586,969</u>	<u>395,869,690</u>

The nominal value of the shares is USD 10 each. All ordinary shares are ranked equally. Holders of these shares are entitled to dividends as declared from time to time.

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23 Fair value reserve

	31-Dec-25 USD	31-Dec-24 USD
At beginning of the year	(1,198,099)	(4,760,767)
Movement during the year	4,203,659	3,562,668
At end of the year	3,005,560	(1,198,099)

24 Cash flow hedge reserve

	31-Dec-25 USD	31-Dec-24 USD
At beginning of the year	(1,367,417)	-
Movement during the year	2,664,264	(1,367,417)
At end of the year	1,296,847	(1,367,417)

25 Dividend

In respect of the year ended 31 December 2025, the Board of Directors declared a dividend of USD 2,000,000.00 payable to ordinary shareholders. This was approved on 28 November 2025.

26 Borrowings

	31-Dec-25 USD	31-Dec-24 USD
<i>Non-current liabilities</i>		
Kreditanstalt für Wiederaufbau ("KfW")	40,614,234	40,614,235
Kreditanstalt für Wiederaufbau - EUR	129,429,755	105,028,662
Standard Bank South Africa ("SBSA") - USD	25,000,000	25,000,000
Swedfund International Aktiefond ("SWED") - USD	35,202,013	-
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("FMO")	11,540,625	11,540,625
ABSA - USD	27,000,000	-
AFDB - F1 Facility	37,180,118	37,180,118
Allianz Global Investors ("Allianz")	12,500,000	14,320,000
Allianz Global Investors - EUR	46,211,860	38,804,726
Allianz NIFA notes -USD	50,000,000	35,005,000
Allianz NIFA Notes - EUR	140,819,786	77,628,743
Export Finance Australia (EFA)	38,715,090	-
	594,213,481	385,122,109
<i>Current liabilities</i>		
Kreditanstalt für Wiederaufbau ("KfW")	15,878,353	31,756,706
Kreditanstalt für Wiederaufbau - EUR	6,215,195	29,233,261
Standard Bank South Africa ("SBSA") - USD	500,000	4,000,000
Standard Bank South Africa ("SBSA") - EUR	80,905,959	42,437,046
Sumitomo Mitsui Banking Corporation ("SMBC") - USD	2,500,000	-
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("FMO")	7,693,750	15,387,500
AFDB F1 Facility	10,616,974	21,233,948
Allianz Global Investors ("Allianz")	3,571,429	5,322,857
Allianz Global Investors - EUR	10,362,803	22,189,286
	138,244,463	171,560,604
Opening balance	556,682,713	439,431,958
Drawdown	407,696,490	435,012,910
Repayment	(272,800,931)	(301,223,100)
Realised gain during the year	(493)	(910)
Unrealised foreign exchange loss/(gain)	40,880,165	(16,538,145)
Closing balance	732,457,944	556,682,713
The above borrowings are denominated in the following currencies:		
US Dollar	283,310,573	241,360,989
Euro	449,147,371	315,321,724
	732,457,944	556,682,713

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26 Borrowings (continued)

Terms of financial liabilities at amortised cost

Lender	Currency	Maturity date	Total committed USD	Undisbursed Base currency
AfDB Facility F	USD	19 March 2028	75,000,000	-
Standard Bank South Africa	USD/EUR	20 November 2027	125,000,000	-
Standard Bank South Africa	USD	28 February 2030	25,000,000	-
Allianz NIFA notes 2023	USD		50,000,000	-
Export Finance Australia	USD	7 July 2037	100,000,000	61,284,910
FMO Facility G	USD	19 March 2028	50,000,000	-
Allianz Facility H2	USD		25,000,000	-
KfW Facility D2	USD	17 June 2028	65,000,000	-
KfW Facility D3	USD	17 June 2028	20,000,000	-
KfW Facility E1	USD	19 March 2030	47,058,824	-
ABSA Facility	USD	31 March 2032	75,000,000	48,000,000
Sumitomo Mitsui Banking Corporation	USD	25 April 2028	50,000,000	15,000,000
				<u>124,284,910</u>
KfW Facility J	EUR	15 May 2036	70,467,060	-
Allianz NIFA notes 2023	EUR		88,083,825	-
KfW Facility D1	EUR	17 June 2028	52,850,295	-
KfW Facility E2	EUR	19 March 2030	88,083,825	-
Allianz Facility H1	EUR		88,083,825	-
Allianz NIFA notes 2024	EUR		117,445,100	64,583,060
Swedfund	EUR	31 January 2037	46,978,040	11,744,510
KfW Facility P	EUR	15 November 2037	117,445,100	117,445,100
				<u>193,772,670</u>
			<i>Total USD equivalent</i>	<u>318,057,580</u>

27 Deferred income

	Restructuring Fees USD	Upfront Fees USD	Commitment Fees USD	Subtotal USD	TA grant ¹ USD	Total USD
At 1 January 2024	-	7,737,268	9,705,685	17,442,953	457,951	17,900,904
Movement during the year	-	2,849,084	4,720,420	7,569,504	14,655,038	22,224,542
Amortisation charge	-	(805,179)	(4,593,026)	(5,398,205)	(14,659,608)	(20,057,813)
At 31 December 2024	-	9,781,173	9,833,079	19,614,252	453,381	20,067,633
Movement during the year	-	2,487,889	2,268,434	4,756,323	2,540,258	7,296,581
Amortisation charge	-	(1,935,648)	(1,483,354)	(3,419,002)	(3,248,626)	(6,667,628)
At 31 December 2025	-	10,333,414	10,618,159	20,951,573	(254,987)	20,696,586

¹The Private Infrastructure Development Group ("PIDG") acting through the PIDG Trust (the shareholder of the Company) provides TA grants to the Company for development projects approved by PIDG Ltd on behalf of the PIDG Trust. TA grants are managed by the Company in agreement with PIDG Ltd.

28 Current tax asset

	Notes	31-Dec-25 USD	31-Dec-24 USD
Balance at beginning of the year		553,536	(335,803)
Tax paid during the year		87,242	1,677,564
Income tax expense for the year	10	(409,005)	(788,225)
At end of the year		<u>231,773</u>	<u>553,536</u>

29 Receivable for overdue capital repayments

	31-Dec-25 USD	31-Dec-24 USD
At December 31, 2025	<u>2,479,363</u>	4,113,642

Outstanding scheduled capital repayments on debt instruments as at 31 December 2025 amounted to USD 2,479,363 (31 December 2024: USD 4,113,642). The Company has made an assessment of the recoverability of the outstanding capital repayments and raises provisions as appropriate.

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30 Trade and other payables

	31-Dec-25 USD	31-Dec-24 USD
Management fee	4,487,930	7,653,826
Performance fee	6,271,754	5,374,963
Loan interest payable	11,244,390	5,371,898
Interest payable on derivative contracts	(4,247,325)	343,807
Management company fees	4,375	4,375
Audit and tax fees	101,248	101,248
Other payables	1,195,754	-
	19,058,126	18,850,117

31 Related party transactions

During the year, the Company had transactions and balances with its related parties. There has been no transactions with key management personnel during the year. The nature, volume of transactions and balances are as follows:

Name of company	Nature of relationship	Nature of transaction	31-Dec-25 USD	31-Dec-24 USD
<i>Transactions during the year:</i>				
PIDG Trust	Shareholder	Grant amortised	3,248,626	14,659,608
		Grant paid	2,540,258	14,655,038
PIDG Ltd	Subsidiary of PIDG Trust ¹	Administration expenses (PIDG)	(4,187,019)	(2,341,983)
Ninety One Guernsey Limited	Fund Manager	Management fees	17,351,982	15,081,265
Ninety One Guernsey Limited	Fund Manager	Performance fees	6,253,655	5,374,963
<i>Balances outstanding at end of the year:</i>				
PIDG Trust	Shareholder	Grant received	(254,987)	453,381
Ninety One Guernsey Limited	Fund Manager	Management fees	4,487,930	7,653,826
Ninety One Guernsey Limited	Fund Manager	Performance fees	6,271,754	5,374,963

Key management personnel

The Company's key management personnel are the directors as listed in the Directors' report. There were no material transactions with key management personnel or their families during the current or previous year, other than normal remuneration for employee services rendered.

¹ Indirect subsidiary of the Trust, but with delegated authority from the Trust to manage the Company.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

32 Fair values of financial instruments

Accounting classifications and fair values

The table below shows the carrying amounts and fair values of financial assets and financial liabilities measured at fair value.

Financial instruments measured at fair value

	Carrying amount USD	Fair Value		
		Level 1 USD	Level 2 USD	Level 3 USD
31 December 2025				
Debt instruments at FVOCI	268,317,495	268,317,495	-	-
Derivative instruments	1,455,688	-	1,455,688	-
	269,773,183	268,317,495	1,455,688	-
31 December 2024				
Debt instruments at FVOCI	235,401,438	235,401,438	-	-
Derivative instruments	11,366,013	-	11,366,013	-
	246,767,451	235,401,438	11,366,013	-

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: Inputs that are quoted market prices (unadjusted) in an active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and whose unobservable inputs have a significant effect on the instrument's valuation.

For the equity investments (classified as level 3), the directors are of the opinion that the best measurement of the financial assets is fair value.

A book value valuation approach was followed on level 3 financial instruments.

IPS Cable System Holding Limited ("IPS")

The investment in IPS Cable System Holding Limited is valued using the book value valuation technique by valuing the only significant asset held by IPS, namely Seacom Capital Limited ("SCL"), and applying the effective percentage that the Company holds of SCL. The Company has a 6.25% stake in IPS Cable System Holding Limited.

As this fair value of SCL increases, the fair value of IPS increases.

The valuation of SCL was performed by means of a Discounted Cash Flow fair valuation. Based on this assessment, the Company conservatively calculates a fair value in IPS of nil.

Financial instruments not measured at fair value

The carrying amount of the Company's debt instruments at amortised cost, trade and other receivables, bank deposits, cash and cash equivalents, collateral, loans and borrowings cost and trade and other payables is approximately equal to their fair values, and thus information relating to the fair values of these financial instruments, including the fair value hierarchy, is not disclosed.

Notes to the financial statements

For the year ended 31 December 2025

33 Financial risk and management and review

The Company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are credit risk, market risk (arising from changes in equity, bond prices, interest and foreign exchange rates) and liquidity risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. A 'Unified Credit Rating Framework' (established and approved by the PIDG Ltd Risk Committee) has been adopted by the Company to enable a standardized assessment of borrower risk for project finance, among other credit solutions. It also serves as a critical input towards portfolio-wide risk aggregation, provisioning under the IFRS 9 accounting standard, pricing of transactions as well as capital and portfolio optimisation. The Company has delegated responsibility for compliance with the framework to PIDG Ltd which is responsible for, amongst other matters, ensuring the Company's compliance with its Risk Appetite Statements, reporting regularly to the Board of Directors on its activities. The framework is subject to an annual review and continual refinement, including governance oversight from the PIDG Ltd Risk Committee. However, more frequent reviews may be considered in order to address systemic challenges in the framework/process. This framework is subject to continuous review and improvement. Any changes require the approval of the PIDG Ltd Chief Risk Officer as long as the construct of the framework as approved by the PIDG Ltd Risk Committee remains unchanged.

Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. There were no changes in the Company's approach to capital management during the year. The Company is subject to an externally-imposed capital requirement that the equity of the Company should not fall below USD 150,000,000. There have been no breaches of this capital requirement during the financial year.

The Company is also subject to externally-imposed covenant requirements from its lenders, including that the Debt to Equity Ratio will not exceed a ratio of 2:1, and that the Interest Cover will not fall below a ratio of 1.5:1. There have been no breaches of this capital requirement during the financial year.

Credit risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each borrower. The demographic spread of the Company's customer base, including the default risk of the industry and country in which the borrower operates, has an influence on credit risk.

(i) Credit risk governance

Credit risk is monitored through the various governance structures of both Ninety One and PIDG Ltd, to enable the Board of Directors and PIDG Ltd to discharge their obligations in terms of the Company's aggregated credit risk appetites, exposures and risk management. The scope of these structures extends to all activities of the Company in which credit or counterparty credit risks are present.

(ii) Credit risk management

The Company manages its credit risk by having a comprehensive risk strategy for all risk types including credit risk, sound investment processes across single assets, single counterparties and an aggregate credit portfolio, and comprehensive limit frameworks in place. The risk strategy includes a risk-return framework which sets the overall risk appetite and the risk appetite for specific risk types including credit risk. Each investment credit asset acquired follows a strict credit approval process, supported by a credit analysis considering both qualitative and quantitative aspects taking into account the risk return profile.

Notes to the financial statements

For the year ended 31 December 2025

33 Financial risk management and review (continued)

Credit risk (continued)

(ii) Credit risk management (continued)

Credit risk exposures are monitored and assessed using appropriate metrics, including trend analysis and communicated to the relevant governance and management committees. Credit risk is monitored against early warning thresholds and exposures. The ongoing monitoring and a proactive view of emerging risks are integrated in the granting of new credit. The credit risk appetite and limits are accordingly adjusted to manage the portfolio in view of actual and potential changes in macroeconomic conditions.

Collateral

Collateral is mainly used in the investment credit portfolios to mitigate the amount of credit risk taken. This is part of the process to ensure appropriate legal protection in the event of default. Stricter loan covenants or higher levels or better quality collateral are required based on the counterparty and industry outlook. The Company holds collateral as security over most of its financial assets at amortised cost under its facility agreements. While the Company is legally entitled to the potential economic benefit provided by the collateral on financial assets at amortised cost, the Company has historically preferred to engage with borrowers facing financial difficulties and to reach an alternative payment solution that continues to aid the economic development of the project as well as promote the Company's developmental purpose rather than to realise its security. Where borrowers have defaulted, the Company has made an assessment of the recoverability of the loan and raised provisions for impairment as appropriate. The balance of financial assets at amortised cost disclosed in the Statement of financial position is therefore a fair reflection of the Company's credit exposure.

Derivatives

The Company may enter into exchange-traded or Over-The-Counter (OTC) derivatives. Credit risk arising from exchange-traded derivatives is mitigated by margin requirements. Derivative financial instruments are transacted with reputable counterparties with a long term rating of A, and with whom the Company has a signed master netting agreement. Master netting agreements provide for the net settlement of contracts with the same counterparty in the event of default. The net exposure to credit risk is mitigated by master netting arrangements that may change significantly within a short period of time due to the volatile nature of the fair value of the derivatives. Derivatives used can generally be classified as futures, forward contracts, interest rate swaps and options.

Cash deposits and cash equivalents

The Company holds deposits and cash equivalents with reputable financial institutions with credit ratings of Ba1, A1, and AAAM, based on ratings from credit rating agencies.

(iii) Credit risk ratings

The Unified Credit Rating Framework sets out the rating model to be applied to project finance, as well as other credit solutions, in enabling risk differentiation between borrowers and measurement and quantification of risk. The rating model has been developed based on the Basel III specialised lending framework and sets out 'broad parameters' and 'sub-parameters' with overarching guidance on allocating transactions into one of four risk buckets. This framework has been developed in the form of a scorecard with suitable broad and sub-parameter weights. The guidance provided as a part of the Basel III framework has been adapted to ensure applicability to both the Company's and PIDG Ltd's operations. The framework also includes loss estimates against each risk bucket. These loss estimates have been employed to derive a suitable probability of default which, in turn, have been mapped to the master rating scale for the purposes of arriving at a rating.

At initial recognition, each risk exposure is allocated to the credit rating based on the available information about the counterparty. All exposures are subsequently monitored through general and tailored procedures as specified in the framework. The data used to monitor these exposures include the following broad parameters: financial strength, political and legal environment, transaction characteristics, strength of sponsor and strength of security package.

(iv) Concentration of credit risk

A concentration of credit risk exists when a number of counterparties are located in a geographical region or are engaged in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Company monitors concentrations of credit risk by geographic location. The following table analyses the concentrations of credit risk by class of financial asset at 31 December 2025.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

33 Financial risk management and review (continued)

Credit risk (continued)

(iv) Concentration of credit risk (continued)

(a) Analysis of credit risk for financial assets at amortised cost and interest receivable by sector and country/region:

Sector	Debt instruments at amortised cost		Loan interest receivable	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	USD	USD	USD	USD
Mining	-	30,204,960	-	122,260
Telecommunications	21,124,206	25,833,448	195,594	311,850
Industrial infrastructure	122,749,822	103,634,015	1,217,124	893,908
Social infrastructure	34,959,022	-	1,213,449	-
Power	631,585,928	510,090,373	18,719,597	14,415,136
Transport	189,501,627	162,753,885	1,858,481	3,940,157
Gas	2,747,986	3,617,303	81,089	127,110
Bulk storage / logistics facilities	32,529,750	35,947,397	325,145	362,693
	1,035,198,341	872,081,381	23,610,479	20,173,114
<i>Country/Region</i>				
Republic of Cameroon	50,887,396	47,288,214	257,466	244,216
Mozambique	59,832,609	67,101,724	3,917,039	1,216,199
Republic of Nigeria	73,737,002	66,527,072	882,514	752,759
Uganda	85,973,172	78,391,045	528,065	1,146,287
Kenya	29,181,162	31,166,680	11,567	13,476
Pan-Africa	101,304,250	60,150,808	635,948	668,478
Senegal	121,399,413	95,822,036	624,136	1,726,296
Ghana	55,198,458	64,944,466	797,320	1,011,861
Ivory Coast	166,847,624	126,010,950	9,622,560	7,174,695
Republic of Rwanda	22,004,204	26,052,761	217,053	314,310
Madagascar	27,167,015	24,079,205	917,003	1,015,672
Mali	4,008,233	21,237,113	200,102	1,962,099
Gabon	49,411,309	34,053,097	808,808	1,517,716
Guinea	-	30,204,960	-	122,260
Zimbabwe	32,529,750	35,947,397	325,145	362,693
Algeria	3,000,000	4,500,000	-	-
Burkina Faso	58,958,105	58,603,853	857,655	914,930
Pakistan	11,846,179	-	158,520	9,167
Vietnam	41,357,564	-	1,441,323	-
Egypt	30,608,065	-	1,096,294	-
India	9,946,831	-	311,961	-
	1,035,198,341	872,081,381	23,610,479	20,173,114

(b) Analysis of credit risk for financial assets at FVOCI and interest receivable by sector and country/region:

Sector	Financial assets at FVOCI		Interest receivable	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	USD	USD	USD	USD
Industrial infrastructure	87,806,248	89,999,491	1,615,903	1,778,591
Power	84,857,996	66,747,799	597,201	328,904
Telecommunications	89,830,642	70,773,354	2,099,756	1,409,850
Bulk storage / logistics facilities	5,822,609	7,880,794	100,820	130,453
	268,317,495	235,401,438	4,413,680	3,647,798
<i>Country/Region</i>				
Ivory Coast	46,924,061	28,426,147	497,394	227,740
Kenya	-	33,855	-	-
Pan Africa	137,608,585	113,188,493	2,553,527	1,737,209
Senegal	45,850,913	55,431,291	1,262,952	1,581,686
Zambia	37,933,936	38,321,652	99,807	101,163
	268,317,495	235,401,438	4,413,680	3,647,798

Notes to the financial statements

For the year ended 31 December 2025

33 Financial risk management and review (continued)

Credit risk (continued)

(v) Exposure to credit risk

The carrying amount of the financial assets, net of provision for impairments, represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31-Dec-25 USD	31-Dec-24 USD
Debt instruments	1,303,515,836	1,107,482,819
Trade and other receivables	28,451,185	24,323,774
Cash and cash equivalents	18,021,482	14,041,262
Derivative instruments and collateral margin call	1,085,688	8,346,013
Receivable for overdue capital repayments	2,479,363	4,113,642
	1,353,553,554	1,158,307,510

Derivative instruments

Derivative financial assets and liabilities predominantly consist of FEC's (Forward Exchange Contracts) and interest rate swaps used to hedge currency risk and interest rate risk respectively. The Company is required to post or receive collateral in accordance with 'EMIR Refit' regulation for its OTC (Over-The-Counter) trading activity, as defined within their signed Credit Support Annex (CSA) agreements. The Company has only signed a CSA with Standard Chartered Bank London, the collateral counterparty. The value of collateral pledged is disclosed in the table above however, in the current year there was a last day margin call that was not fully funded by the margin account and an additional margin payment was required. That payment was made post year end and therefore at year end a liability existed.

Forward Exchange Contracts

	31-Dec-25		31-Dec-24	
	Carrying Value USD	Notional Value Local currency	Carrying Value USD	Notional Value Local currency
Currency				
KES	-	1,330,000,000	-	1,330,000,000
EUR	(248,370)	123,900,000	12,591,170	206,400,000
	(248,370)		12,591,170	

Swaps Contracts

Type	31-Dec-25 Carrying Value USD	31-Dec-24 Carrying Value USD
	Interest rate swaps	1,704,058

(vi) Analysis of financial assets

	Gross carrying amount USD	Allowance for ECL USD	Carrying Value USD	Allowance for ECL		
				Stage 1 USD	Stage 2 USD	Stage 3 USD
31-Dec-25						
Debt instruments	1,347,857,842	(44,342,006)	1,303,515,836	10,861,252	7,676,781	25,803,973
Cash and cash equivalents	18,021,482	-	18,021,482	-	-	-
Trade and other receivables	28,451,185	-	28,451,185	-	-	-
Derivative instruments and collateral margin call	1,085,688	-	1,085,688	-	-	-
Receivable for overdue capital repayments	2,479,363	-	2,479,363	-	-	-
	1,397,895,560	(44,342,006)	1,353,553,554	10,861,252	7,676,781	25,803,973
31-Dec-24						
Debt instruments	1,142,118,269	(34,635,450)	1,107,482,819	6,785,023	10,656,727	17,193,700
Cash and cash equivalents	14,041,262	-	14,041,262	-	-	-
Trade and other receivables	24,323,774	-	24,323,774	-	-	-
Derivative instruments and collateral margin call	8,346,013	-	8,346,013	-	-	-
Receivable for overdue capital repayments	4,113,642	-	4,113,642	-	-	-
	1,192,942,960	(34,635,450)	1,158,307,510	6,785,023	10,656,727	17,193,700

No allowance for ECL has been raised on Cash and cash equivalents, as well as Trade and other receivables, as these are short-term highly liquid assets, with an insignificant risk of default.

(vii) Credit quality analysis of financial assets

	31-Dec-25 USD	31-Dec-24 USD
Stage 1	1,180,381,009	874,211,975
Stage 2	141,672,860	250,712,594
Stage 3	25,803,973	17,193,700
	1,347,857,842	1,142,118,269

(viii) Credit sensitivity analysis

At each reporting date, the Company calculates an ECL for debt instruments measured at amortised cost and at FVOCI. Key inputs into the ECL model for impairment include the credit ratings which map to a probability of default; the probability weighted impact of various scenarios, and; respective LGD's assigned to each debt instrument by the Company.

An exercise was performed to determine the expected impact of a 1 notch improvement or deterioration in the credit ratings assigned to debt instruments as at 31 December 2025, on the probability of default. Based on the results of that exercise a reasonable (increase)/decrease of the probability of default was determined and the resulting allowance for ECL is shown below. This analysis assumes that all other variables, in particular the staging and interest rates, remain constant.

The Emerging Africa & Asia Infrastructure Fund Limited

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For the year ended 31 December 2025

33 Financial risk management and review (continued)

Credit risk (continued)

(viii) Credit sensitivity analysis (continued)

	Probability of default reduction	Range		31-Dec-25	31-Dec-24
		Min	Max	USD	USD
Stage 1		0%	35%	6,963,413	4,457,278
Stage 2		0%	35%	5,811,502	8,124,796
Stage 3		0%	35%	-	-
				12,774,915	12,582,074

	Probability of default increase	Range		31-Dec-25	31-Dec-24
		Min	Max	USD	USD
Stage 1		0%	60%	17,819,232	11,436,538
Stage 2		0%	60%	10,299,048	14,502,549
Stage 3		0%	60%	-	-
				28,118,280	25,939,087

The ECL of the probability weighted impacts of the 100% base, 100% bear and 100% bull scenario are noted below.

	31-Dec-25	31-Dec-24
	USD	USD
100% Base Case		
Stage 1	10,415,696	6,299,202
Stage 2	7,538,104	10,440,735
Stage 3	-	-
	17,953,800	16,739,937
100% Bear Case		
Stage 1	12,280,613	8,464,007
Stage 2	8,314,133	11,837,832
Stage 3	-	-
	20,594,746	20,301,839
100% Bull Case		
Stage 1	7,791,324	4,185,404
Stage 2	6,134,527	8,254,362
Stage 3	-	-
	13,925,851	12,439,766

A 10% improvement or deterioration in the LGD assigned to each debt instrument as at 31 December 2025 would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Increase in LGD (10%)	Range		31-Dec-25	31-Dec-24
	Min	Max	USD	USD
Stage 1	10.00%	51.00%	(1,027,640)	(695,629)
Stage 2	10.00%	28.00%	(767,678)	(1,074,147)
Stage 3	50.00%	100.00%	-	-
			(1,795,318)	(1,769,776)

Decrease in LGD (10%)	Range		31-Dec-25	31-Dec-24
	Min	Max	USD	USD
Stage 1	10.00%	51.00%	1,027,640	695,629
Stage 2	10.00%	28.00%	767,678	1,074,147
Stage 3	50.00%	100.00%	-	-
			1,795,318	1,769,776

No sensitivities are performed on stage 3 financial instruments, as these are fully impaired. Based on assessed likelihood of recoverability on these instruments, a significant improvement in the PD, LGD or base case scenario would have to occur for sensitivities to have a significant impact, which the Company deems highly unlikely.

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

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33 Financial risk management and review (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is subject to the following financial covenants under the terms of the Common Terms Agreement with its lenders, and which as at 31 December 2025, the Company was in compliance with:

- (i) as of the last day of any quarter, the debt to equity ratio not to exceed 2:1;
- (ii) interest cover in respect of the relevant calculation period should not fall below a ratio of 1.5:1; and
- (iii) the equity of the Company should not fall below USD 150,000,000 at any time.

The following are the undiscounted contractual maturities of the non-derivative financial liabilities at the reporting date:

	Less than 6 months USD	6-12 months USD	1-3 years USD	More than 3 years USD	Total USD
31-Dec-25					
Financial liabilities at amortised cost, plus interest expense	111,075,211	27,169,252	261,802,211	332,411,270	732,457,944
Trade and other payables	19,058,126	-	-	-	19,058,126
	130,133,337	27,169,252	261,802,211	332,411,270	751,516,070
31-Dec-24					
Financial liabilities at amortised cost, plus interest expense	108,998,825	62,561,779	210,324,608	174,797,501	556,682,713
Trade and other payables	18,850,117	-	-	-	18,850,117
	127,848,942	62,561,779	210,324,608	174,797,501	575,532,830

Undisbursed loan commitments

Taking into consideration its cash, bank balances and undrawn loan facilities, the directors believe that the Company has enough funds and loan credit facilities to meet its undisbursed loan commitments. Undrawn loan facilities as at 31 December 2025 are USD 318,057,580 (31 December 2024: USD 197,044,489).

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

33 Financial risk management and review (continued)

Market risk

Market risk is the risk that changes in market prices (such as foreign exchange rates, interest rates and equity prices) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) *Currency risk*

Currency risk is monitored by representatives of Ninety One and the PIDG Ltd Executive team.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. Currency risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured.

The Company is exposed to foreign currency risk on its transactions that are denominated in currencies other than USD.

The debt instruments at amortised cost provided to the borrowers in a currency other than the USD are predominantly hedged by its borrowings in the same currency.

Interest on borrowings is denominated in currencies that match the cash flows generated by the underlying operations of the Company, primarily USD, but also EUR.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level by entering into foreign currency forward exchange contracts.

At 31 December 2025, the Company had liabilities denominated in Euro ("EUR").

Currency profile

The currency profile of the Company's financial assets and liabilities at the reporting date is summarised as follows:

	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
	31-Dec-25		31-Dec-24	
	USD	USD	USD	USD
United States Dollar	765,199,867	325,195,241	678,808,806	250,639,936
Euro	493,417,874	426,320,829	397,438,652	327,912,894
Kenyan Shillings	354	-	33,855	-
XOF (CFA Franc)	94,935,459	-	85,599,733	-
	1,353,553,554	751,516,070	1,161,881,046	578,552,830

The following year end spot rate applied as at the reporting date is as follows:

	31-Dec-25	31-Dec-24
	USD	USD
USD:EUR	0.852	0.966
USD:KES	129.000	129.350
USD:XOF	559.023	633.744

Sensitivity analysis

A 10% strengthening/weakening of the USD against other currencies as at 31 December 2025 would have an equal and opposite effect on the equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Effects in USD	31-Dec-25		31-Dec-24	
	Equity	Profit or loss	Equity	Profit or loss
EUR	6,709,705	6,709,705	6,952,576	6,952,576
KES	35	35	3,386	3,386
XOF	9,493,546	9,493,546	8,559,973	8,559,973

The Emerging Africa & Asia Infrastructure Fund Limited

Notes to the financial statements

For the year ended 31 December 2025

33 Financial risk management and review (continued)

Market risk (continued)

(ii) Interest rate risk

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or are re-priced at different times or in different amounts. In the case of floating rate assets and liabilities, the Company is also exposed to basis risk, which is the difference in re-pricing characteristics of the various floating rate indices, such as the base lending rate and different types of interest.

Interest rate profile

The Company has significant interest-bearing assets and liabilities. The Company's cash flows are impacted by changes in market interest rates. At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	31-Dec-25 USD	31-Dec-24 USD
<i>Variable rate instruments</i>		
Financial assets	556,862,913	445,418,655
Financial liabilities	(270,278,528)	(413,090,903)
	286,584,385	32,327,752

Sensitivity analysis

A 1% strengthening/weakening of interest rates as at 31 December 2025 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular currency rates, remain constant.

	Increase by 1%		Decrease by 1%	
	Equity USD	Profit or loss USD	Equity USD	Profit or loss USD
31 December 2025	2,865,844	2,865,844	(2,865,844)	(2,865,844)
31 December 2024	323,278	323,278	(323,278)	(323,278)

(iii) Price risk

Price risk is the risk that the value of a company (and its bonds) fluctuates as a result of changes in market prices of instruments held (other than those arising from interest rate or currency risk), whether caused by factors specific to the underlying investments, its issuer or all factors affecting all instruments traded in the market. As at 31 December 2025, the Company was exposed to price risk through its investments held at FVOCI. The Company has significant exposure to listed debt instruments (level 1) and immaterial exposure to equity instruments (level 3). Refer to note 32 for further detail.

The Emerging Africa & Asia Infrastructure Fund Limited

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For the year ended 31 December 2025

34 Going concern

The directors of the Company have satisfied themselves that the Company has adequate resources to continue in operation for the next 12 months. The Company's financial statements have accordingly been prepared on a going concern basis. The Company's current assets exceed current liabilities by USD 15,993,879 (31 December 2024: current liabilities exceed current assets by USD 47,078,469). The Company also has adequate access to liquidity through borrowings, amounting to USD 318,057,580 as at 31 December 2025 (31 December 2024: USD 197,044,489), as outlined in Note 26, and will therefore be able to meet its current liability obligations in the next 12 months as they arise.

35 Events after the reporting period

The Group and its associated companies controlled by the Trust began a reorganisation during the year. As a consequence of this reorganisation, following the year end, the direct owner of the entire equity of the Company changed from the Trust to The Private Infrastructure Development Group Holding Company Limited, a company incorporated in England and Wales. The Trust will remain the ultimate owner. There is expected to be no financial effect on the Company as a result of this change. The principal activities of the Company and Group will remain unchanged.

New signings include Actis BluePine, a renewable energy project in India, with a committed value of USD 20,000,000.

On 6 January 2026, a dividend distribution of USD 2,000,000 was approved by the Board of Directors.