


Africa Infrastructure Fund I K/S

**Nørregade 21
DK-1165 Copenhagen**

CVR no. 38 84 19 47

Annual report for the period 8 August to 31 December 2017

Adopted at the annual general meeting
on



Mogens Thorninger
Chairman

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Fund details

Company	Africa Infrastructure Fund I K/S Nørregade 21 DK-1165 Copenhagen Central business register no.: 38 84 19 47
Reporting period	8 August - 31 December 2017
Financial year	1 January - 31 December
General Partner	Africa Infrastructure Fund I GP ApS
Fund manager	A.P. Møller Capital P/S Approved manager of Alternative Investment Funds (FSA no.: 23.129)
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
Depository	Intertrust Depositary Services (Denmark) A/S c/o Harbour House Sundkrogsgade 21 DK-2100 Copenhagen

Statement by General Partner on the annual report

The General Partner has today discussed and approved the annual report of Africa Infrastructure Fund I K/S for the financial year 8 August - 31 December 2017.

The annual report is prepared in accordance with the Danish Financial Statements Act and disclosure requirements in accordance with the Danish Alternative Investment Fund Managers Act.

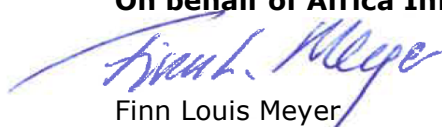
In our opinion, the financial statements give a true and fair view of the Limited Partnerships financial position at 31 December 2017 and of the results of the operations and cash flows for the financial year 8 August - 31 December 2017.

In our opinion, the management's review contains a fair review of the matters dealt with herein.

The General Partner recommends the annual report for adoption at the annual general meeting.

Copenhagen, 23 March 2018

On behalf of Africa Infrastructure Fund I GP ApS



Finn Louis Meyer
Director



Henrik Dahl
Director

Independent auditor's report

To the shareholders of Africa Infrastructure Fund I K/S

Opinion

We have audited the financial statements of Africa Infrastructure Fund I K/S for the financial year 8 August - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act and disclosure requirements in accordance with the Danish Alternative Investment Fund Managers Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations and cash flows for the financial year 8 August - 31 December 2017 in accordance with the Danish Financial Statements Act and disclosure requirements in accordance with the Danish Alternative Investment Fund Managers Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

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 and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements 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 contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

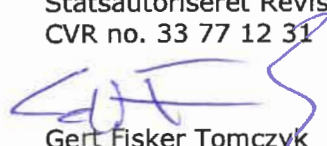
In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 23 March 2018

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31



Gert Fisker Tomczyk
State Authorised Public Accountant
mne9777



Thomas Wraae Holm
State Authorised Public Accountant
mne30141

Management's review

	<u>2017</u> USDt
Key figures	
Profit/loss for the year	-5,648
Balance sheet total	4
Equity	-336
Commitments	651,000
Drawn to date	5,312

Primary activity

Africa Infrastructure Fund I K/S was established in August 2017 and is managed by A.P. Møller Capital P/S. The Fund invests in infrastructure and infrastructure related assets in Africa within transport and logistics as well as energy. The General Partner of Africa Infrastructure Fund I K/S is Africa Infrastructure Fund I GP ApS.

Investments

No investments have been made as of 31 December 2017. Therefore the fund's return cannot yet be calculated.

Development in activities and finances

Net profit for the year amounted to USDm -5.6, which is according to expectations. The result reflects management fee as well as the expenses of the partnership incurred in accordance with the limited partnership agreement.

Paid in capital to the partnership at the end of 2017 amounted to USDm 5.3. This corresponds to 0.81% of the committed capital of USDm 651.0 as of the balance sheet date, before recycling of expenses pursuant to the limited partnership agreement. Total capital of the partnership amounts to USDm -0.3, reflecting the partnership's paid in capital and retained earnings since inception.

Uncertainty relating to recognition and measurement

Africa Infrastructure Fund I K/S develops and invests in infrastructure projects where value, transferability and cash flows are affected by changes in market conditions. Since the Fund has no active investments as of the balance sheet date, amounts in the annual report are not deemed to be subject to uncertainty.

Management's review

Impact on external environment and measures of preventing, reducing or mitigating damage

Alternative investment funds have to make a number of disclosures in connection with their financial statements, according to the Alternative Investment Fund Managers directive Article 22. In connection with this, during the reporting period there has been no changes in the matters below:

- The Fund's Investment policy;
- The number of shares in the Alternative Investment Fund, which, due to their illiquid nature, are subject to special measures;
- Arrangements for managing the Fund's liquidity;
- The Fund's risk profile and risk management systems;
- Maximum level of leverage which the Fund Manager can use on behalf of the Fund, incl. the right to use collateral or any guarantee with the agreement allowing for the leverage.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the Limited Partnerships financial position.

Outlook

The financial performance of the Fund depends on its ability to enter into and exit investments as well as the performance of those investments.

During 2018 the Fund is expected to enter into investments according to its investment policy. As the Fund is not expected to exit investments in 2018, there are no specific expectations with regards to its financial performance. The performance in 2018 will be dependent on the investment activities.

Income statement 8 August - 31 December 2017

	Note	2017 USDt
Administrative expenses	1	-5,650
Operating expenses		-5,650
Operating profit/(loss)		-5,650
Financial income		2
Financial expenses		0
Profit/(loss) for the year		-5,648
Distribution of profit/(loss)		
Retained earnings		-5,648
		-5,648

Balance sheet 31 December 2017

	<u>Note</u>	<u>2017</u> USDt
Assets		
Investments	4	<u>0</u>
Investments		<u>0</u>
Other receivables		<u>2</u>
Receivables		<u>2</u>
Cash at bank and in hand		<u>2</u>
Current assets total		<u>4</u>
Assets total		<u><u>4</u></u>

Balance sheet 31 December 2017

	Note	2017 USDt
Liabilities and equity		
Contributed capital	2	5,312
Retained earnings		<u>-5,648</u>
Equity	3	<u>-336</u>
Trade payables		339
Other payables		<u>1</u>
Short-term debt		<u>340</u>
Debt total		<u>340</u>
Liabilities and equity total		<u><u>4</u></u>

Statement of changes in equity 8 August - 31 December 2017

	Contributed capital	Retained earnings	Total
Equity at 8 August 2017	0	0	0
Cash calls	5,312	0	5,312
Cash distributions	0	0	0
Profit/(loss) for the year	0	-5,648	-5,648
Equity at 31 December 2017	<u>5,312</u>	<u>-5,648</u>	<u>-336</u>

Cash flow statement 8 August - 31 December 2017

	<u>Note</u>	<u>2017</u> USDt
Gross profit		-5,650
Change in working capital		338
Financial income		<u>2</u>
Cash flows from operating activities		<u>-5,310</u>
Capital calls		5,312
Capital distributions		<u>0</u>
Cash flows from financing activities		<u>5,312</u>
Net increase in cash and cash equivalents		2
Cash at bank and in hand at the beginning of the year		<u>0</u>
Cash at bank and in hand at the end of the year		<u><u>2</u></u>

Notes to the annual report

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Notes to the annual report

1 Staff expenses

The Fund has no employees.

According to article 61, section 3, number 5 in the Danish Alternative Investment Fund Managers Act, alternative investment funds must disclose information about the total remuneration of the entire staff of the Fund Manager and the number of beneficiaries. Furthermore, remuneration to material risk-takers must be disclosed:

	2017
	<u>USDt</u>
Wages and salaries	1,978
Pensions	9
Other social security costs	2
Special payroll tax based on total payroll	134
Other administration expenses	<u>4,013</u>
	<u>6,136</u>

Average number of employees

7

Hereof remuneration to management and board of directors:

Management:

Fixed	879
Variable	0
Pension	<u>0</u>
	<u>879</u>

Number of employees in the above

3

The board of directors receives no remuneration. Management is not entitled to variable salary or pension.

No other employees have significant influence on the risk profile of the Company.

Depository fee is paid by the AIF and not A.P. Møller Capital P/S.

Notes to the annual report

The Board of Directors has further adopted a remuneration policy in order to ensure that the employees and Management are remunerated according to among others the Danish Executive Order on remuneration policy and disclosure requirements on remuneration for managers of alternative investment funds.

The adopted remuneration policy is especially meant to promote the following in relation to the Fund Manager:

- Sound and effective risk management, which does not encourage excessive risk-taking.
- Consistency with the principles regarding the protection of the Limited Partners and measures in order to avoid conflicts of interest.

The Fund Manager only acts as fund manager for Africa Infrastructure Fund I K/S. No carried interest has been paid out by the AIF during the financial period.

2 Limited partnership capital

The limited partnership capital has been divided into three classes. These classes are class A investors (ie. investors not included in class B and C), class B investors (ie. AIF I Sponsor Invest K/S) and Class C investors (ie. employees and management).

3 Equity

Limited Partners' and General Partner's total committed capital was USDm 651 at 31 December 2017 of which USDm 646 was not called at 31 December 2017. Due to the provisions of the limited partner agreement certain amounts may be recycled.

4 Investments

As of 31 December 2017 the Fund has made no investments. This report does therefore not contain a portfolio overview, a portfolio report and an IRR calculation.

5 Financial instruments

As of the balance sheet date, the Fund has the following financial instruments:

- Cash and cash equivalents
- Other current assets (receivables)
- Short term liabilities

All liabilities are due for payment within 12 months. The Fund has no derivatives or similar financial instruments.

Notes to the annual report

6 Financial risk management

The General Partner is ultimately responsible for the overall risk management for the Fund, but has delegated the responsibility to the Fund Manager

The Fund invests according to the investment policy that has been agreed with the Limited Partners. This includes investing in equity or equity related investments in infrastructure assets that provide the basic physical and organizational structures applied for the good functioning of a society in Africa. The primary sectors are transport and logistics as well as energy and utilities.

The Fund Manager has adopted a risk management framework for the Fund. This includes tools to identify, measure, report and mitigate risks so as to minimize their potential adverse impact on the Fund's performance.

The Fund is exposed to several financial risks, which are highlighted below

Liquidity risk

The Fund is exposed to liquidity risk in so far that the Limited Partners are not able to cover the Funds outstanding commitments at the balance sheet date. This risk is deemed insignificant due to the fact that there are no indications that the Limited Partner's of the Fund will not be able to contribute the outstanding commitments.

Credit risk

The Fund is exposed to credit risk in so far that receivables to the Fund will not be paid. This risk is deemed insignificant due to the counterparties involved and the low amount of receivables.

Currency risk

The Fund is denominated in USD but can invest in other currencies. Currently all assets and liabilities are denominated in USD why currency risk is deemed insignificant.

7 Financial instruments measured at fair value

The Fund has of the balance sheet date no active investments but will measure the fair value of its investments at least quarterly. Valuation are performed according to the International Private Equity Associations valuation guidelines.

8 Related parties

The Fund has no investors or related parties with a controlling interest.

The Fund Manager is considered a related party to the Fund due to its ability to directly or indirectly control transactions. During the reporting period, the Fund reimbursed the Fund Manager for a total of USDm 5.6, consisting of management fee and expenses.

The General partner of the Fund, Africa Infrastructure Fund I GP ApS also receives a fee from the Fund. During 2017, this fee amounted to USD 480.

Notes to the annual report

There are no other key relationships, which are considered material for the financial statements.

9 Contingent liabilities

The Fund currently has no contingent liabilities.

10 Investors

The Fund has registered the following Limited Partners as holding more than 5% of the nominal value or voting rights of the contributed capital as of 31 December 2017:

Lægernes Pension - pensionskassen for læger
Pensiondanmark Pensionsforsikringsaktieselskab
Pensionskassen For Socialrådgivere, Socialpædagoger og Kontorpersonale
Pensionskassen for Sundhedsfaglige
Pensionskassen for Sygeplejersker og Lægesekretærer
PFA Pension, Forsikringsaktieselskab
AIF I Sponsor Invest K/S

11 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Accounting policies

The annual report of Africa Infrastructure Fund I K/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2017 is presented in USDt.

As 2017 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Other external expenses

Other external expenses include expenses related to administration, management fee, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges, etc.

Accounting policies

Tax on profit/loss for the year

The company is not independently liable to tax and consequently tax has not been recognized.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Liabilities

Liabilities, which include trade payables and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the date of the transaction.

Receivables, liabilities and other items in foreign currencies which have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Realised and unrealised exchange rate adjustments are included in the income statement as financial income/expenses.

Cash flow statement

The cash flow statement of the fund is presented using the indirect method and show cash flows from operating, investing and financing activities as well as the funds cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items and working capital changes.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of investments.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and payment of distributions to Limited Partners.

Cash at bank and in hand comprise cash at hand and bank accruals.