

INFRAKO & AFRESKO PARTNER TO DELIVER ENERGY-AS-A-SERVICE SOLUTIONS IN AFRICA

18th April 2023

Kampala, Uganda: InfraCo Africa, part of the Private Infrastructure Development Group (PIDG), is delighted to announce its investment of US\$1.5 million to enable Afresco's 'Energy-as-a-Service' solution to bring clean, reliable power to Commercial and Industrial (C&I) clients in Uganda, Malawi and the Democratic Republic of the Congo (DRC).

Gilles Vaes, CEO of InfraCo Africa said: ***"Afresco has developed a tailored 'Energy-as-a-service' offering designed to ensure that its customers have reliable access to power whilst reducing reliance on polluting diesel generation. Afresco offers an affordable power solution which can be installed on customers' land, incorporated into shaded car parking or retrofitted as a rooftop solar installation, giving clients security of power supply upon which to base their own plans for growth."*** He continued, ***"With our extensive experience in the sub-Saharan off-grid market, InfraCo Africa is pleased to be supporting Afresco - our first C&I investment - as it seeks to scale its offering in the region."***

Africa has considerable potential as a productive hub including in manufacturing, agri-processing and tourism, with a youthful population, supportive governmental policies and vast natural resources. However, in many parts of sub-Saharan Africa, the productivity of businesses is constrained by unreliable access to energy.ⁱ As a result, many industrial sites rely heavily on diesel generators. Such solutions are inefficient, increasingly expensive and, most significantly, contribute to high carbon emissions.

A new paradigm of distributed, renewable energy technologies has emerged in the last few years, largely driven by entrepreneurial firms benefitting from Africa's high levels of solar irradiation. These new companies currently comprise one of Africa's fastest-growing sectors and, if they work in partnership with national utilities, their development impact has the potential to be rapid and effective. Until now, these new technological approaches have been concentrated in a relatively limited number of countries. With its operational experience in underserved geographies and expertise in the C&I space, Afresco is well placed to promote commercial and industrial development across the wider region.

Dr Michael H. Gera, CEO and Co-founder of Afresco said of today's announcement: ***"InfraCo Africa has shown us again and again over the last months the extent of their expertise and the strength of their support. This has culminated in their highly welcome financial backing. We are honoured and most thankful to be a part of their portfolio of companies and greatly look forward to working with the InfraCo Africa team to accomplish our important mission."***

The initial phase of the project will see the development of solar PV plus battery C&I energy solutions with initial emphasis on Uganda, the DRC and Malawi and is expected to serve customers involved with hospitality, agri-processing and cold storage. It is anticipated that this initial phase will enable

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Afresco to attract further private investment, supporting the scale-up of the business in other underserved sub-Saharan markets.

Notes for editors:

- Africa has the highest solar power potential according to the World Economic Forum.ⁱⁱ
- Demand for energy services in Africa is set to grow rapidly; maintaining affordability remains an urgent priority. As its population and incomes grow, demand for modern energy is expected to expand by a third between 2020 and 2030.ⁱⁱⁱ

The Private Infrastructure Development Group (PIDG) PIDG is an innovative infrastructure project developer and investor which mobilises private investment in sustainable and inclusive infrastructure in sub-Saharan Africa and south and south-east Asia. PIDG investments promote socio-economic development within a just transition to net zero emissions, combat poverty and contribute to the Sustainable Development Goals (SDGs). PIDG delivers its ambition in line with its values of opportunity, accountability, safety, integrity and impact. Since 2002, PIDG has supported 190 infrastructure projects to financial close which provided an estimated 220 million people with access to new or improved infrastructure. PIDG is funded by the governments of the United Kingdom, the Netherlands, Switzerland, Australia, Sweden, Germany and the IFC www.pidg.org

InfraCo Africa: InfraCo Africa is part of the Private Infrastructure Development Group (PIDG) and seeks to alleviate poverty by mobilising investment into sub-Saharan infrastructure projects. It does this by investing directly into early-stage projects and by providing development leadership. Through its investments arm, InfraCo Africa can also provide equity to close a financing gap and start construction or fund innovative solutions that need support to scale-up, to pilot new products or enter new markets. InfraCo Africa is funded by the governments of the United Kingdom (through FCDO), the Netherlands (through DGIS) and Switzerland (through SECO). To find out more visit: www.infracoafrica.com

Afresco: Proudly headquartered in Uganda, Afresco's mission is to bring positive social impact and improvements to people's livelihoods in Africa by providing a key element to industrial growth – power. The company accomplishes its mission by providing Energy-as-a-Service solutions to Commercial & Industrial customers in several African countries. Leveraging its multi-decade experience in this sector, Afresco provides customers with tailored renewable (principally solar) solutions to their energy needs. Customers benefit from bearing no upfront cost and from freeing up both their balance sheets and managerial time to focus on their core businesses. Collaborating with existing national utilities, the company provides uptime guarantees and also looks to work collaboratively with the national utilities in all countries where it operates. Afresco has a strong commitment to the highest ESG standards and to fighting climate change. www.afresco.com

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ⁱ <https://openknowledge.worldbank.org/bitstream/handle/10986/31333/9781464813610.pdf?sequence=6>

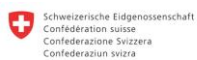
ⁱⁱ <https://www.weforum.org/agenda/2022/09/africa-solar-power-potential/>

ⁱⁱⁱ <https://www.iea.org/reports/africa-energy-outlook-2022/key-findings>

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