



Press Release

20th December 2017

AfricInvest, FMO and BIO conclude the first close of FIVE, an evergreen investment fund dedicated to the financial sector in Africa

AfricInvest, a leading pan-African private equity firm, today announced the first close of FIVE, an evergreen platform for investing in financial institutions in Africa. Through its investments, FIVE expects to meaningfully contribute to improved access to financial services for a growing population in Africa.

FMO and BIO, the development finance institutions of the Netherlands and Belgium, anchored the fund with commitments of EUR 20m and 10m, respectively. Both were anchor investors in the AfricInvest Financial Sector Fund, a predecessor fund to FIVE. FMO will increase its investment to FIVE by a further EUR 10m once additional commitments of EUR70m have been signed. Several institutional investors and family offices are already finalizing due diligence, and are expected to make commitments in the first half of 2018. The target size for FIVE is EUR 200m, to be reached over the next three to five years.

FIVE stands for Financial Inclusion Vehicle. The number five also represents the aspiration of AfricInvest, FMO and BIO to contribute to achieving universal access to financial services in Africa, by increasing banking penetration from 20% today to 100% in the future, hence multiplying it fivefold.

FIVE has been designed to fully align the interests of investors and the manager. Its evergreen structure enables it to meet the demands of both regulators and future partners looking for investors with the capacity to make longer-term commitments and to support portfolio companies in achieving meaningful strategic transformation. Appropriate liquidity provisions have been incorporated to allow investors to adjust their exposure to FIVE.

“As we mark this important milestone in our financial sector practice in Africa, we are grateful to FMO and BIO, our investors and partners, for their continued confidence in us. We are enthusiastic about the prospect of meaningfully increasing access to quality financial services across the continent. In addition to Africa’s strong macro-economic and demographic backdrop, technological change is providing new opportunities, as it changes the way we live, govern, consume, communicate and conduct business. The financial services business model



is also changing, and through FIVE, we are well-positioned to achieve superior returns by leveraging our understanding of both the sector and technology,” said Khaled Benjilani, Senior Partner at AfricInvest.

George Janssen from FMO added, “We are proud to support Africinvest’s new initiative FIVE, an investment vehicle with a permanent structure that is aimed at Tier II and III financial institutions throughout Africa. We believe FIVE’s evergreen structure can address some of the bottlenecks of a typical closed-end PE fund and in that way, can contribute to meaningful impact in Africa’s financial sector.”

“We are thrilled with this innovative evergreen structure designed in good cooperation with our longstanding partners Africinvest and FMO, and are confident that it will help attract the additional long-term funding needed to further support the growth of the financial sector in Africa,” said Eric Van den Bosch, Senior Investment Officer at BIO

Erik Bosman, FIVE’s Supervisory Committee Chairman, commented, “The first close of FIVE marks a new milestone in the development of Africa’s financial sector, as increased access to financial services is crucial to further economic progress across the continent. I am very grateful to FMO and BIO for working with AfricInvest to establish this innovative fund that allows the investment team to build on a strong track record, and to achieve their admirable ambition of realizing universal access to financial services in Africa.”

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Enquiries

Ann Wyman	+216 71 189 800
Amina Benabdelkarim	+216 71 189 800



About AfricInvest

AfricInvest was founded in 1994 and is today among the leading private equity firms in North and Sub-Saharan Africa with around 1.1 billion USD of assets under management across 18 PE funds and sponsored by prestigious DFIs, private and institutional investors from Africa, Asia, Europe and North America. AfricInvest relies on a team of 66 highly skilled investment professionals with over 130 years of cumulative PE experience, operating out of nine offices in Algiers, Cairo, Casablanca, Abidjan, Lagos, Nairobi, London, and Paris.

AfricInvest is a co-founder of the Tunisian Private Equity and Venture Capital Association (ATIC, www.atic.org.tn), the Moroccan Private Equity Association (AMIC, www.amic.org.ma), the African Venture Capital Association (www.avca-africa.org), the East African Venture Capital and Private Equity Association (www.eavca.org), and the Emerging Markets Private Equity Association (www.empea.org), and is a member of the Euromed Capital Forum (www.euromed-capital.com).

www.africinvest.com

About BIO

The Belgian Investment Company for Developing Countries (BIO) is a Development Finance Institution established in 2001 within the framework of the Belgian Development Cooperation.

BIO is tasked with enabling and managing finance allocations from the government's development cooperation budget to the private sector in least developed, low and middle-income countries.

BIO provides tailor-made financial solutions to entrepreneurs, private infrastructure projects, financial institutions and investment companies and funds, combined with support for capacity building programmes. BIO helps expand businesses, develop new products, improve processes, but also introduce environmental, social and governance standards that will attract additional sources of investment. To maximise effectiveness, BIO operates on commercial grounds and conforms to normal market usage. Investments must demonstrate a balance between financial return and development impact and are not tied to the interests of the Belgian private sector. BIO is a member of EDFI (European Development Finance Institutions).

www.bio-invest.be



About FMO

FMO is the Dutch development bank. As a leading impact investor, FMO supports sustainable private sector growth in developing countries and emerging markets by investing in ambitious projects and entrepreneurs. FMO believes that a strong private sector leads to economic and social development, and has a more than 45-year proven track-record of empowering people to employ their skills and improve their quality of life. FMO focuses on three sectors that have high development impact: financial institutions, energy, and agribusiness, food & water. With a committed portfolio of EUR 9.0 billion spanning over 92 countries, FMO is one of the larger bilateral private sector developments banks globally. For more information: please visit www.fmo.nl

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