

## AfricInvest's FIVE Leads Growth Round in BFREE to accelerate its Pan-African expansion

### Press Release

Lagos, Nigeria – May 8<sup>th</sup>, 2026

BFREE, a pan-African investor in distressed retail and SME loans, announced the close of a growth round that substantially expands the company's capacity to acquire and manage non-performing loan portfolios, deepen its forward flow partnerships with financial institutions, and extend its presence into new markets across the continent. The round was led by AfricInvest through its Financial Inclusion Vehicle (FIVE), a growth-oriented evergreen investment fund dedicated to advancing financial inclusion across Africa. In addition to its investment capital, FIVE brings an established network of financial institutions, deep financial sector expertise, and a strong track record of backing high-growth businesses in African markets. Algebra Ventures joined as a new institutional investor, alongside existing investors Capria Ventures, VestedWorld, Axian CVC, Angaza Capital, 4Di Capital, DotExe Ventures, and other strategic individual investors with deep expertise in African financial services.

BFREE was founded to address a structural gap in African credit markets. For most lenders, non-performing unsecured digital retail and SME loans have had no practical resolution pathway: legal recovery is rarely viable at scale, leaving institutions to write off and carry these assets indefinitely. Moreover, portfolio sales to dedicated purchasers have been rare.

BFREE started as a technology-led and data-driven collection servicer and has developed over time into an institutional-grade portfolio purchaser, acquiring and servicing distressed unsecured credit across the full spectrum from nano loans to SME facilities. With more than 35 closed transactions and a portfolio of over 10 million borrower accounts, BFREE has accumulated one of the most extensive proprietary datasets of distressed unsecured borrowers on the continent, outside of the credit bureau ecosystem. This data foundation underpins both its underwriting discipline and the high degree of confidence it brings to the return profiles it commits to.

"The market opportunity is significantly larger than the infrastructure historically available to address it," said **Julian Flosbach**, Chief Executive Officer, BFREE. "This round puts us in a position to pursue substantially larger portfolio acquisitions, engage a broader range of institutional partners, and do so with the speed and certainty of execution that serious counterparties demand."

Beyond one-off acquisitions, BFREE structures forward flow arrangements with financial institutions, committing to acquire newly non-performing accounts on a recurring basis. These partnerships offer lenders a consistent, long-term solution to manage distressed credit rather than a series of one-off transactions. BFREE's tech-enabled collections model is built on transparent, ethical borrower engagement and realistic repayment structures that support responsible deleveraging and long-term trust in the financial system. Unlike rigid recovery models that rely on repetitive outreach and pressure tactics, BFREE applies consistent, responsible

practices across its operations and partnerships. This approach has proven commercially effective, with recovery performance consistently meeting or exceeding targets while strengthening relationships with financial institution partners.

"BFREE's approach to credit management, based on a unique set of proprietary data and a technology-enabled collection platform, closes an essential gap in the digital lending value chain. High-velocity digital lending has become a core product across markets, with financial institutions, banks and fintechs alike, requiring effective ways to manage small ticket non-performing loans. BFREE's execution-driven team has brought the platform to an inflection point, which will enable them to purchase larger portfolios and become a prime partner for banks and fintechs across African markets." **Patrick Herrmann**, Partner, AfricInvest

Algebra Ventures brings to the round a strong network across African and Middle Eastern credit markets, alongside direct experience backing technology-driven financial services businesses. The firm's view of the structural opportunity in African distressed debt, and its conviction in the quality of BFREE's execution, made this a natural extension of its pan-African investment strategy.

"Billions of dollars in African retail and SME credit go unresolved every year because the institutional infrastructure to clear them simply does not exist. Healthy credit markets need a disciplined buyer for distressed debt. The founders Julian, Moses and Chukwudi have built a platform that combines rigorous portfolio pricing, risk management, and deep data infrastructure to clear distressed debt at scale. We are backing them together with AfricInvest to scale BFREE across Africa and beyond. **Omar Kashaba**, General Partner, Algebra Ventures

Capital from the round will be deployed across both existing and new markets, supporting larger portfolio acquisitions, deeper forward flow partnerships, and entry into additional markets where the structural conditions for BFREE's model are clearly present.

### **About BFREE**

BFREE is a pan-African distressed retail and SME investor. Founded as a technology-led credit collection servicer, the company has developed into an institutional-grade purchaser of non-performing unsecured loan portfolios. BFREE manages more than 10 million borrower accounts across more than 35 closed transactions in multiple African markets.

For more information, visit [www.bfree.io](http://www.bfree.io).

### **About Algebra Ventures**

Algebra Ventures is a tech-focused venture capital firm partnering with resilient founders building transformative companies in Egypt and across Africa. Algebra raised a US \$54 million fund in 2016 and a US \$100 million second fund in 2022. The firm is a multi-stage investor supporting founders from seed to Series B and provides strategic guidance, co-investment access, and talent development. For more information, visit [www.algebraventures.com](http://www.algebraventures.com)



### **About FIVE**

AfricInvest Financial Inclusion Vehicle (FIVE) is an evergreen, growth-oriented investment fund dedicated to advancing financial inclusion across African markets. The fund backs financial institutions and disruptive Fintechs that expand access to affordable, responsible financial services for underserved consumers and small businesses, combining patient capital with active partnership and operational support.

### **About AfricInvest**

AfricInvest Group is a leading pan-African investment platform active in multiple alternative asset classes, including private equity, venture capital, private credit, blended finance and listed equities. Over the past 30 years, AfricInvest has raised more than \$2.3bn to finance more than 230 companies at various stages of development, delivering value and impact for its investors, portfolio companies, and the communities it serves. AfricInvest has a team of more than 100 investment experts, based in eleven offices across three continents, with a proven track record of providing attractive risk adjusted returns while spurring productivity growth, creating jobs, and ultimately improving African lives through inclusive and sustainable development.

For further information, contact:

Ann Wyman – [ann.wyman@africinvest.com](mailto:ann.wyman@africinvest.com)

FIVE – [5@africinvest.com](mailto:5@africinvest.com)