



Press Release

AfricInvest Group achieves third closing of its AfricInvest Financial Sector Fund

AfricInvest Group is delighted to announce the third and final closing of its AfricInvest Financial Sector (AFS) fund, with limited partner commitments reaching EUR 60.6 million. New commitments came from KfW¹, BIO², Desjardins Group³, and the Adolf H. Lundin Charitable Foundation⁴ and other private investors. The AFS was initially launched in June 2007 with a capital commitment of EUR 20 million by FMO⁵, the Dutch development bank, and was then increased to EUR 31 million in April 2010 with additional capital commitments by Proparco through its FISEA fund⁶, and by Développement international Desjardins (DID)⁷. It is one of the first funds to focus on financial inclusion in Africa through investments in financial institutions that service amongst others micro, small and medium-sized enterprises.

The AFS fund has made 13 investments with its initial commitments in the Africa Financial Sector, and has realized two full exits and one partial exit. Given the track-record, opportunities and the high impact of the Fund, the shareholders and the Manager of the Fund decided to increase its size and term in order to create a real pan-African Financial Sector Portfolio. The Fund now has the ability to both increase its exposure to promising and fast-growing portfolio companies and to execute a pipeline of new investments. The fund makes investments in the range of EUR 1 to 5 million with the objective to grow, develop and build sustainable Financial Institutions in Africa while generating solid returns and strong social and development impacts. It promotes financial inclusion and innovation in a sector that still has very low penetration levels, providing institutions with capacity development and technical assistance to improve governance and operations.

This closing comes at a time when many African Central Banks are increasing minimum capital requirements and tightening regulations across the financial sector: in banking, insurance, microfinance and non-banking financial institutions. These developments and increasing penetration create important needs for equity investment in the sector.

Bernardus Zwinkels, Chairman of the AfricInvest Group, stated, "We are confident as a team that this Fund can help build solid and sustainable financial institutions across the continent, and at the same time support entrepreneurs to improve their companies and enhance the lives of people through a further deepening of the financial sector in Africa." Mr. Khaled Ben Jilani, Senior Partner in charge of the AfricInvest Financial Sector Fund, emphasized that "The Fund will benefit from the team's extensive experience in the financial sector and its proven ability to invest in and grow different kinds of financial institutions in Africa. The Fund will also help facilitate access to finance for non-banked African individuals and SMEs, improve financial inclusion across the continent, and contribute to poverty alleviation through the financing of job generating activities."

About BIO:

¹ <https://www.kfw.de>

² <http://www.bio-invest.be/>

³ <http://www.desjardins.com/ca/>

⁴ <http://www.lundinfoundation.org>

⁵ <https://www.fmo.nl/>

⁶ <http://www.proparco.fr>

⁷ <http://www.did.qc.ca/>



Belgian Investment Company for Developing Countries (BIO) supports private sector growth in developing and emerging countries by funding financial institutions, enterprises and infrastructure projects that are privately held. With equity capital of nearly 600 million euros, BIO provides tailored long-term financial products directly or through intermediaries. For business clients, BIO also provides subsidies for technical assistance programs as well as feasibility studies. BIO supports projects with a balance between return on investment and development impact. www.bio-invest.be

About Desjardins Group:

Desjardins Group is the leading cooperative financial group in Canada and the fifth largest cooperative financial group in the world with assets of \$212 billion. It has been rated one of Canada's top 100 employers by Mediacorp Canada. To meet the diverse needs of its members and clients, Desjardins offers a full range of products and services to individuals and businesses through its extensive distribution network, online platforms and subsidiaries across Canada. The group has one of the highest capital ratios and credit ratings in the industry. It is considered as the fourth safest and strongest bank in North America according to Global Finance magazine and Bloomberg News respectively.

About DiD:

For more than 40 years, Développement international Desjardins (DID) has been sharing the expertise and experience of Desjardins Group, the leading cooperative financial group in Canada, with the goal of providing disadvantaged communities around the world with access to secure, diversified financial services that fit their needs and developing individual and community assets. A pioneer in the deployment and development of microfinance around the world, DID is today a leading contributor to the sector. www.did.qc.ca

About FISEA – PROPARCO:

Created in 2009, FISEA (Fonds d'investissement et de soutien aux entreprises en Afrique) is one of the main mechanisms and tools of the French initiative to promote growth and employment in Africa. FISEA is a 250 MEUR investment fund that aims to promote growth in businesses by giving them access to equity. FISEA makes equity investments in enterprises, banks, microfinance institutions and investment funds operating in Sub-Saharan Africa. The mechanism also includes a 5 MEUR technical assistance facility aiming at helping businesses in key fields such as financial management, E&S, governance or human resources. FISEA is held by the Agence Française de Développement (AFD – French Development Agency) and managed by PROPARCO, AFD's private sector subsidiary dedicated to investing in developing and emerging countries.

About FMO:

FMO (the Netherlands Development Finance Company) is the Dutch development bank. FMO supports sustainable private sector growth in developing and emerging markets by investing in ambitious entrepreneurs. FMO believes a strong private sector leads to economic and social development, 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 an investment portfolio of EUR 6.3 billion, FMO is one of the largest European bilateral private sector development banks. www.fmo.nl

About KfW Development Bank:

KfW is one of the world's leading and most experienced promotional banks. Established in 1948 as a public law institution, KfW is owned 80 per cent by the Federal Republic of Germany and 20 per cent by the federal states ("Länder").



KfW Development Bank is Germany's leading development bank and an integral part of KfW. It carries out Germany's Financial Cooperation (FC) with developing countries on behalf of the Federal Government. The 600 personnel at headquarters and about 200 specialists in its 66 local offices cooperate with partners all over the world. Its goal is to combat poverty, secure the peace, protect the environment and the climate and make globalisation fair. KfW is a competent and strategic advisor on current development issues.

About the Adolf H. Lundin Charitable Foundation:

The Adolf H. Lundin Charitable Foundation was founded in 2007 to commemorate the life of its patron, a visionary Swedish entrepreneur and business leader. At the heart of the Foundation's approach is the belief that entrepreneurs play a central role in catalyzing job and wealth creation needed to alleviate poverty on a sustained basis. Since inception, the Foundation has made 12 mission-related investments in Sub-Saharan Africa.

About AfricInvest Group:

AfricInvest was founded in 1994. It is one of the leading private equity firms in North and sub-Saharan Africa with over a 100 investments across several sectors in its portfolio; and has made significant contributions to the economic development of its target countries through the growth and profitability achieved by its portfolio companies. Operating out of 6 offices (Lagos, Abidjan, Nairobi, Casablanca, Algiers and Tunis), AfricInvest targets growth capital investments in SMEs that are well established and positioned in their local markets with the potential to scale up their activities on the regional level.