



Press Release

January 15th, 2019

AfricInvest's FIVE achieves its third close bringing KfW as investor

AfricInvest, a leading pan-African private equity firm, today announced the third close of FIVE, an evergreen platform for investing in financial institutions in Africa. Through its investments, FIVE aims to improve access to financial services for the growing African population, while achieving attractive financial returns for its investors.

KfW, the German government-owned development bank, joined the capital of FIVE alongside the existing investors FMO, BIO, Norfund, IFU, and the Central Bank of Kenya Pension Fund.

The third closing brings FIVE's total commitments to EUR67m. The fund is targeting a fourth close in the next few months with institutional investors that have already confirmed their commitments. Subsequent closings are also expected to take place over the next four years to reach the fund's target size of EUR 200m.

"KfW's investment in FIVE reflects a continued confidence in the AfricInvest team to deliver on its investment strategy targeting financial inclusion. KfW is already and investor in AFSL (the predecessor fund of FIVE) and its enduring trust will motivate the team to build and execute on a high quality pipeline of financial institutions in Africa," said Julius Tichelaar, Partner at AfricInvest.

Markus Schladt, Principal Project Manager Financial System Development in KfW, added, "With AfricInvest we have an experienced and highly professional investment partner with whom we have already successfully cooperated in the previous fund focusing on the financial sector in Africa. We are happy to continue our cooperation with our investment in FIVE out of funds of the Federal Ministry for Economic Cooperation and Development (BMZ). The investment rationale of FIVE to strengthen financial institutions and innovative financial models in order to increase financing opportunities particularly for the small segments of the economy is perfectly in line with our development goals."

Erik Bosman, FIVE's Supervisory Committee Chairman, commented, "Having an astute investor like KfW committing to FIVE is another great testament to the investment opportunity identified by AfricInvest. The financial sector in Africa offers great potential for investors who know the space well to generate attractive financial returns combined with strong, positive impact on the



livelihood of people. The FIVE team is one such investor, and is very well placed to benefit from current market trends while staying true to AfricInvest’s desire to make a difference.”

About FIVE

FIVE stands for Financial Inclusion Vehicle. The number five represents the aspiration of AfricInvest and FIVE’s investors to contribute to achieving universal access to financial services in Africa. As the current level of banking penetration on the continent is a mere 20%, achieving universal access will require a fivefold increase. Digital transformation is one of the key drivers toward the universal access and as such, FIVE seeks to enhance the digital strategies of its portfolio companies.

FIVE has been designed to fully align the interests of investors and the manager. Its evergreen structure enables it to support its portfolio companies in achieving meaningful strategic transformations. Moreover, its permanent capital structure provides regulators and partners with the assurance that the fund has the capacity to make longer-term commitments. Appropriate liquidity provisions have been incorporated to allow investors to adjust their exposure to FIVE.

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About AfricInvest

AfricInvest was founded in 1994 and is today among the leading private equity firms in North and Sub-Saharan Africa with around 1.5 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 70 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 KfW

KfW is one of the world's leading and most experienced promotional banks. Established as a public law institution in 1948, the German Federal Government has an 80% stake and the German federal states have a 20% stake in the bank.

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 700 personnel at headquarters and about 390 specialists in its 69 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.

www.kfw.de

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