

## PRESS RELEASE

### **M-KOPA SOLAR CLOSES FOURTH FUNDING ROUND**

- *Raises US\$12.45 million (KES1.12 billion) in equity and debt*

**2 February 2015, Nairobi** – M-KOPA Solar is today announcing that it has closed its fourth round of investment through a US\$12.45 million equity and debt deal, led by LGT Venture Philanthropy. The investment will be used to expand the company's product range, grow its operating base in East Africa and license its technology to other markets.

Lead investor LGT Venture Philanthropy has backed M-KOPA since 2011 and is making its biggest investment yet in the fourth round, which also includes reinvestments from Lundin Foundation and Treehouse Investments (advised by Imprint Capital) and a new investment from Blue Haven Initiative.

In less than 2.5 years since launch, M-KOPA Solar has installed over 150,000 residential solar systems in Kenya, Uganda and Tanzania, and is now connecting over 500 new homes each day. The company plans to further expand its distribution and introduce new products to reach an even larger customer base.

Jesse Moore, Managing Director and Co-Founder M-KOPA Solar says, "Our investors see innovation and scale in what M-KOPA does. And we see a massive unmet market opportunity to provide millions of off-grid households with affordable, renewable energy. We are just getting started in terms of the scale and impact of what we will achieve."

Oliver Karius, Partner, LGT Venture Philanthropy says, "We believe that we are at the dawn of a multi-billion dollar 'pay-as-you-go' energy industry. LGT Venture Philanthropy is a long-term investor in M-KOPA Solar because they've proven to be the market leaders, both in terms of innovating and delivering scale. We have also seen first-hand what positive impacts their products have on customers lives - making low-income households wealthier and healthier".

This deal follows the successful US\$20 million (KES1.8 billion) third round funding closed in December 2013 – which featured a working capital debt facility, led by the Commercial Bank of Africa.

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#### **Notes to Editors:**

##### **About M-KOPA**

M-KOPA Solar, headquartered in Nairobi, Kenya, is the market leader of 'pay-as-you-go' energy for off-grid customers. M-KOPA combines mobile payments with GSM sensor technology to enable the leasing of solar power systems. Since its commercial launch in October 2012, M-KOPA Solar has connected more than 150,000 homes in Kenya, Tanzania and Uganda to solar power, and is now adding over 500 homes each day. M-KOPA has also become one of the largest mobile money customers in the world, with over 3 million payments processed in 2014. As of January 2015 the company employs over 500 full time staff and sells through a network of 1,000 direct sales representatives.

The company's latest solar home system – the M-KOPA III – is available on an affordable mobile money payment plan, with an initial US\$35 deposit, followed by 365 payments US\$0.45. After completing the payment package, customers own a world-class solar home system, with multiple lights, mobile charging and a radio.

In East Africa over 20 million off-grid homes spend an average of US\$200 annually on kerosene and other energy substitutes. And across Africa and South Asia one billion off-grid homes spend a combined US\$ 50 billion per year.

The company has been recognized globally for its business mode and scale, notably by winning the 2015 Zayed Future Energy Prize, being selected as the top New Energy Pioneer at the 2014 Bloomberg New Energy Finance awards and winning the 2013 FT/IFC Excellence in Sustainable Finance award.

#### **About LGT Venture Philanthropy**

Established in 2007, LGT Venture Philanthropy (LGT VP, [www.lgtvp.com](http://www.lgtvp.com)) is a global impact investor supporting organizations with outstanding social and environmental impact. LGT VP's local teams in six world regions are committed to improving the quality of life of less advantaged people in developing and emerging countries. It focuses on education, health and sanitation, agriculture and forestry, renewable energy, and information & communications technologies.

LGT VP provides grants, debt and equity, transfer of business and management know-how, and access to relevant networks. To date, it has invested and donated more than US\$42 million and sent over 100 ICats Fellows into 47 organizations that have improved the lives of over five million people.

On average, LGT VP invests between US\$ 200,000 and 10 million in each portfolio company over the course of three to seven years. Institutional and individual clients benefit from the experience, systems, processes and networks built by implementing the philanthropic engagement of LGT VP's founder, the Princely Family of Liechtenstein/LGT. In 2014, LGT VP received the Sustainable Investment Award in the category «Best Social Impact Investor».

#### **About Lundin Foundation**

The Lundin Foundation is a social investment organization founded in 2005 by the Lundin family with offices in Nairobi, Accra and Vancouver. The Foundation provides seed grants, risk capital and technical / managerial assistance to high potential small- and medium-sized businesses across four investment themes: access to energy, financial inclusion, agriculture and enterprise skills development, with a view to generating wealth and employment needed to alleviate poverty on a sustained basis. The Lundin Foundation has supported over 40 initiatives or businesses in 17 countries worldwide. The Foundation is an advocate of social entrepreneur development and the dialogue between foundations and DFIs in the area of enterprise philanthropy. Please visit [www.lundinfoundation.org](http://www.lundinfoundation.org) and [www.ahlcf.org](http://www.ahlcf.org) for more information.

#### **About Treehouse Capital**

Treehouse Investments is a private family office dedicated to investing in broad range of investment opportunities addressing distinct and separate challenges related to climate change and improving the lives of the global poor. In pursuit of these goals, Treehouse seeks to support sustainable business models through the provision of flexible and catalytic forms of capital.

#### **About Blue Haven Initiative**

Founded in 2012, Blue Haven Initiative (BHI) is a single-family office headquartered in Cambridge, MA, managing a diversified international investment portfolio. BHI's direct investment strategy targets innovative for-profit business models that improve standards of living, create economic opportunity and better the environment for people and businesses that are underserved by or out of reach of existing infrastructure. BHI makes debt and equity investments with the dual expectation of both best-in-class financial returns and the achievement of maximum positive social and environmental impact. More information can be found at [www.bluehaveninitiative.com](http://www.bluehaveninitiative.com).