

PRESS RELEASE

M-KOPA Secures US\$80 Million Commercial Debt Funding

- *Stanbic arranger and book runner on record-breaking US\$55 million local currency debt facility.*

10 October 2017, Nairobi, Kenya – M-KOPA Solar, the world’s leading pay-as-you-go energy provider to off-grid homes, is announcing that it has secured US\$80 million of committed financing. It will be utilised over the next three years to provide finance for pay-as-you-go solar installations in one million homes – on top of the 500,000 already connected.

Stanbic Bank is leading a US\$55 million local currency equivalent debt facility and has committed US\$9 million. CDC (US\$ 20 million), FMO (US\$ 13 million) and Norfund (US\$ 13 million) are part of the lending syndicate. It is in Kenya Shillings and Uganda Shillings and will be backed by customer receivables, paid over mobile money payment plans. It is the largest commercial debt facility to date in the pay-as-you-go off-grid energy sector.

M-KOPA has also secured US\$25 million in US\$ debt from responsAbility, Symbiotics, and Triodos Investment Management.

To date M-KOPA has connected well over 500,000 homes in East Africa to affordable, safe and clean energy. Its predominantly low-income customer base is accessing lighting, phone charging, radio and TV on daily mobile money payment plans that are less than the typical cost of kerosene.

M-KOPA customers now enjoy over 62.5 million hours of kerosene-free lighting per month and they will save over 600,000 tonnes of CO₂ over four years. Customers who complete their payment plans are upgrading with M-KOPA for more lights, TVs, energy-efficient cooking stoves, smart phones and water tanks. The company has sold well over 160,000 upgrade units to date – including 90,000 Solar TVs.

M-KOPA has been named to MIT Technology Review’s list of the 50 Smartest Companies of 2017. It has been recognised as the pioneer of pay-as-you-go off-grid solar, as a winner of the 2015 Zayed Future Energy Prize and being selected by Fortune Magazine as one of the Top 50 Companies Changing the World.

Chad Larson, Chief Credit Officer and Co-Founder, M-KOPA Solar, says:

“Stanbic’s team was innovative and flexible in its approach, which allowed the lenders to provide a large line of credit for our receivables. This record-breaking facility is being deployed primarily into off-grid households, with per capita income of less than US\$2 per day. Over the past year, Stanbic and M-KOPA have worked collaboratively to design a facility that reliably funds M-KOPA’s growth in local currency, while providing considerable safeguards for the lending syndicate.”

Stephen Lovell, Head: Corporate Financing Solutions - East Africa, Stanbic, says:

“We are excited to partner M-KOPA, the leader in pay-as-you-go off grid power in Africa. Off-grid solutions are set to become a much bigger source of supply - as technology and funding mechanisms become more accessible. Through this innovative debt financing solution, which is the largest of its kind, the company is able to fund the next wave of pay-as-you-go installations across East Africa. We are proud to be a part of this landmark transaction and the positive impact it will have on lives and communities.”



Jesse Moore, CEO and Co-Founder, M-KOPA Solar, says:

“CDC’s debt investment comes on the back of it leading our series F equity raise last year. We’re delighted that Stanbic, Norfund and FMO are also investing. This facility offers lenders the chance to connect low-income homes to power and information – while delivering sustainable returns. It’s part of an emerging trend for development partners and investors to look at more cost effective ways to fund last mile connectivity.”

Nick O’Donohoe, Chief Executive Officer, CDC, says:

“M-KOPA is a remarkable company that is transforming lives in East Africa by providing affordable energy, financial inclusion and essential products for low-income households. It empowers its customers economically, improves people’s health and reduces greenhouse gas emissions. Our equity and debt investments are aimed at helping the company build on its success and reach many more of the 600 million people across Africa who currently live without electricity.”

Elvira Eurlings, Director Energy, FMO, says:

FMO is very pleased to be part of M-KOPA’s core lender group. This innovative financing will help M-KOPA provide affordable, last mile clean energy solutions to households with no access to the grid in East Africa. FMO’s support to M-KOPA’s growing receivables base in East Africa fits very well with FMO’s inclusive energy access strategy, which aims to achieve significant development impact for all segments of the population in Africa.

Kjell Roland, CEO, Norfund, says:

“Increased access to energy is crucial for development and poverty reduction. Investments in clean energy projects, large-scale power plants as well as off-grid solutions such as M-KOPA, are therefore of high priority for Norfund.”

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Notes to Editors:

About M-KOPA

M-KOPA is the world's leading 'pay-as-you-go' energy provider to off grid homes. The company has developed a better way to provide affordable, safe and clean energy to millions of people living off the grid. Thanks to the sun's rays and mobile technology, customers can light up their homes, charge their phones and tune into the radio and TV. They can do all this at the flick of a switch and for less than they used to spend on kerosene. For more information visit: www.m-kopa.com.

About Stanbic Bank, A Member of the Standard Bank Group

Stanbic Bank is part of the Standard Bank Group, Africa’s largest bank by assets.



Standard Bank Group reported total assets of R1,95 trillion (about USD143billion) at 31 December 2016, while its market capitalisation was R246 billion (about USD18 billion). The group's largest shareholder is Industrial and Commercial Bank of China (ICBC), the world's largest bank, with a 20.1% shareholding.

Headquartered in Johannesburg, South Africa, we have a unique footprint across 20 African countries and are listed on the Johannesburg Stock Exchange.

Our strategic position, which enables us to connect Africa to other select emerging markets as well as pools of capital in developed markets, and our balanced portfolio of businesses provide significant opportunities for growth.

For more information, visit: www.standardbank.com and www.stanbicbank.co.ke

About CDC

CDC Group plc is the UK's development finance institution. Wholly owned by the UK Government, it invests in sub-Saharan Africa and South Asia with the aim of supporting economic development to create jobs. CDC Group plc has invested in Africa since its establishment in 1948.

CDC takes a flexible approach and provides capital in all its forms, including equity, debt, mezzanine and guarantees, to meet businesses' needs and achieve development impact. CDC has total assets of £4.8bn. Find out more at www.cdcgroup.com.

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 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.

About NorFund

Norfund is the Norwegian state-owned development finance institution mandated to develop sustainable enterprises in poor countries. Norfund invests in clean energy, financial institutions and agribusinesses. The main investment region is Sub-Saharan Africa, as well as selected countries in Asia and Latin America. Clean energy is the largest component of Norfund's portfolio and includes investments in hydro, solar and wind power projects. By year-end 2016, Norfund had USD 1.9 billion in committed investments. For more information, see www.norfund.no.