



## Press Release

29 March 2018

### **Mediterrania Capital Partners invests in Groupe COFINA, the leading meso-finance institution in West and Central Africa**

Barcelona/Malta. Mediterrania Capital Partners, the private equity firm focused on growth investments for SMEs in North African and Sub-Saharan Africa, announces the acquisition of a minority stake in Groupe COFINA, the leading meso-finance institution in West and Central Africa, through its third fund (MC III).

Along with technical assistance, Mediterrania Capital Partners' funding will enable Groupe COFINA to raise up to 50 million euros in capital and debt over the next three years.

With the support of Mediterrania Capital Partners, COFINA plans to increase its ability to finance its clients and accelerate its regional growth, with four new operations scheduled for launch in West and Central Africa by 2021. In joining the COFINA financing round, Mediterrania Capital Partners guarantees the group's consolidation as well as increasing the amount of financing available for entrepreneurs.

With more than 1,000 employees and managing 90,000 clients across its six subsidiaries, COFINA has positioned itself as the "missing middle", particularly for entrepreneurs and SMEs who have difficulty in obtaining medium- or long-term financing (more than 70% of all businesses in Africa, according to the African Development Bank). Many existing financial institutions have neither sufficient knowledge nor suitable systems for evaluating and monitoring the projects of SMEs, and they compensate for this by demanding highly costly guarantees.

Meso-finance assists entrepreneurs or SMEs whose financing needs have outgrown microfinance institutions but whose entrepreneurial structure is still considered insufficiently formal for traditional commercial banks. Only 6.4% of all SMEs in Sub-Saharan Africa say they have had access to financing, compared with 27% in South-East Asia.

**Albert Alsina, Founder and CEO of Mediterrania Capital Partners,** said: "We are proud to contribute to the success story of Groupe COFINA. This African group has managed to establish itself in a key business sector and lead the market in five African countries. We expect that the new expansion phase will both increase COFINA's profitability and position itself as a model for all the other players in the sector."

**Jean-Luc Konan, Founder and CEO of Groupe COFINA,** said: "Following our initial expansion phase, the signing of this partnership with Mediterrania Capital Partners marks a new stage in COFINA's growth within its still-promising market. In Africa, lending to the private sector represents less than 20% of GDP, compared with 30% in South Asia and 40% in Latin America. In spite of their immense potential, the markets in which we operate are very poorly served by traditional banks despite their very many entrepreneurs."

This transaction marks the first investment of Mediterrania Capital Partners in Côte d'Ivoire and the third investment of MC III.

Hatim Ben Ahmed, Partner at Mediterrania Capital, has been in charge of the transaction.

Financial advisors: BDO.

Legal advisors: Dentons.

Strategic advisors: Helix.

### **About Mediterrania Capital Partners**

Managed by Albert Alsina, CEO and Founder, Mediterrania Capital Partners is a Private Equity firm focusing on growth investments in SMEs and mid-cap companies in Africa. The company started its operations in 2008 under "Fons Mediterrania Capital" and since 2013 is an independent General Partner Structure.

With offices in Abidjan, Algiers, Barcelona, Cairo, Casablanca, and Malta, Mediterrania Capital Partners takes an intensely proactive, hands-on approach to implementing its growth strategy by leading the governance of the companies and driving the key internal value creation process.

Mediterrania Capital Partners is a regulated financial investment manager licensed by the Malta Financial Services Authority (MFSA) and the Financial Services Commission (FSC) in Mauritius.

### **FOR FURTHER INFORMATION CONTACT:**

#### **Mediterrania Capital Partners**

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