



AFRICA REN SECURES FINANCING FOR PIONEERING WALO STORAGE PROJECT IN WEST AFRICA

Dakar, Senegal, June 21, 2023 - Africa REN, a leading renewables project developer in West Africa, is delighted to announce the successful financing of its Walo Storage project, in Senegal. The Dutch development bank FMO and the Emerging Africa Infrastructure Fund (EAIF), acting through Ninety One, fund manager of EAIF will invest up to a total of €32 million in syndicated debt into Walo Storage, a project fully developed by Africa REN, with the support of the Seed Capital Assistance Facility and FMO.

The €32m financing is provided by:

- FMO, through a €11m loan, and an additional €8m loan provided by the Access to Energy Fund, one of the funds FMO manages on behalf of the Dutch government with the aim to create sustainable access to energy in developing countries, and
- An €11m loan from EAIF, a Private Infrastructure Development Group ("PIDG") company, and a \$1.5m (equivalent in EUR) of a Viability Gap Funding (VGF) extended by PIDG Technical Assistance.

Walo Storage represents a major breakthrough as the first battery storage project in West Africa dedicated to frequency regulation. In a country challenged by grid constraints due to limited spinning reserves and the ongoing integration of intermittent energy, the Walo Storage project will bring much-needed stability to the local grid and reduce power outages. Furthermore, this initiative supports Senegal's 2030 Universal Access goal by producing 16MW from green energy sources and is anticipated to reduce CO2 emissions by 17,000-21,000 tons per year.

This investment further aligns with Africa REN's commitment to contribute positively to the communities in which it operates. The Walo Storage project comprises an inclusion program that involves training for young people and the construction of small solar plants for local pumping stations.

The project will comply with the IFC Performance Standards, and will ensure the effective management of environmental and social risks and impacts, resource efficiency, and pollution prevention, among others.

With a vision of developing 250 MW of clean energy assets by 2026, Africa REN has secured an equity investment capacity of approximately €50 million from Metier and FMO and has been operating in West Africa since 2015. This new venture cements Africa REN's reputation as a leader in clean and sustainable infrastructure in Sub-Saharan Africa. In partnership with national electricity utility Senelec, the company is on track to revolutionize Senegal's energy landscape, one sustainable project at a time.

Gilles Parmentier, CEO of Africa REN, said: *"We are proud to reaffirm our leading position in the sustainable energy revolution unfolding in Sub-Saharan Africa. This landmark funding from FMO and EAIF for the Walo Storage project reaffirms our commitment to the region. It also paves the way for an innovative and resilient energy infrastructure that supports Senegal's 2030 Universal Access objective and significantly reduces CO2 emissions. At Africa REN, we believe that sustainable energy solutions are key to unlocking potential and driving growth in Sub-Saharan Africa, and we are excited about the opportunities that this groundbreaking project will bring to the communities we serve."*



Huib-Jan de Ruijter, Co-Chief Investment Officer at FMO, said: *“With the financing of the Walo Storage project, FMO contributes to a more stable and sustainable energy supply in Senegal. The transaction is an important milestone for FMO in adding storage to FMO’s energy strategy, which goes beyond energy generation and addresses bottlenecks in the energy transition. With the Walo Storage project FMO also further strengthens its strategic relationship with Africa REN and its commitment to support Senegal’s energy sector.”*

Tidiane Doucoure, Director at Ninety One, the Fund manager of The Emerging Africa Infrastructure Fund, said: *“Within 6 years, Senegal has successfully installed nearly 25% of the country’s energy mix from renewable energy source. This rapid deployment of renewable energy in the grid has accelerated the needs for large scale battery storage. We are delighted to back Africa REN and support the first project-financed solar + battery storage project in Senegal, using our experience and expertise in the country. Upon completion, the project will provide grid stabilization and ancillary services to the utility company, Senelec”.*

About Africa REN

Africa REN is a developer and investor in sustainable infrastructure dedicated to increase access to energy and essential services on the African continent. Africa REN develops and operates solar power plants, storage solutions, power grids, street lighting solutions, wastewater treatment plants and drinking water production.

www.africa-ren.com

About FMO

FMO is the Dutch entrepreneurial 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 50+ year proven track-record in empowering entrepreneurs to make local economies more inclusive, productive, resilient and sustainable. FMO focuses on three sectors that have high development impact: Agribusiness, Food & Water, Energy, and Financial Institutions. With a total committed portfolio of EUR ~13 billion spanning over 85 countries, FMO is one of the larger bilateral private sector development banks globally.

For more information: please visit www.fmo.nl.

About EAIF

The Emerging Africa Infrastructure Fund provides a variety of debt products to infrastructure projects promoted mainly by private sector businesses in Africa and parts of the Levant. The Fund helps create the infrastructure framework that is essential to sustained economic stability, business confidence, job creation and poverty reduction. It has to date supported over 90 closed infrastructure projects across nine sectors in over 20 African countries. At 30 June 2022 EAIF had a committed loan book portfolio of over US\$1.15 billion. EAIF is part of PIDG. EAIF was established and substantially funded by the governments of the United Kingdom, The Netherlands, Switzerland, and Sweden. It raises its debt capital from public and private sources, including Allianz, the global insurance and financial services company; Standard Chartered Bank; the African Development Bank; the



German development finance institution, KfW and FMO, the Dutch development bank. EAIF is managed by Ninety One.

www.eaif.com