



AFRICAN INFRASTRUCTURE INVESTMENT MANAGERS

PRESS RELEASE

African Infrastructure Investment Managers (AIIM) invests in nine new Independent Power Projects (IPPs) under the SA government's Renewable Energy Independent Power Producer Procurement programme (REIPPP)

The deal cements AIIM's position as the largest equity investor in REIPPP with its assets generating 25% of the total clean energy on the SA grid in 2017

[Cape Town] 20 August 2018: African Infrastructure Investment Managers (AIIM), one of Africa's largest and most experienced infrastructure-focused private equity fund managers and a member of Old Mutual Alternative Investments (OMAI), has acquired through its IDEAS Managed Fund - stakes in nine new solar and wind power plants in South Africa.

When all nine power facilities are fully operational, expected at the end of 2020, they will provide an additional 800 MW of renewable energy capacity into South Africa's national power grid. The power facilities will deliver about 2 425 GWh annually, preventing around 2.4 million tonnes of carbon emissions from traditional fossil fuel power plants per annum. When operating at full capacity, they are expected to supply enough green electricity to power about 522 730 medium-sized South African homes.

This additional clean power capacity has been added under Round 4 of REIPPP, which is committed to securing 2,300MW of new renewable electricity for South Africa's national grid over the next five years.

AIIM's IDEAS Managed Fund, which is one of South Africa's largest domestic infrastructure equity funds, has acquired a 50.01% equity stake in each of:

- Bokamoso 67.9MW,
- Waterloo 75MW,
- Droogfontien II 75MW,
- Zeerust 75MW,
- Greefspan II 55MW and
- De Wilt 50MW.

Through IDEAS' position as the lead sponsor of the projects, AIIM facilitated social and economic benefits which include 100% SA ownership, 50% direct black ownership, greater than 65% black ownership including indirect black ownership, and 40% black participation in engineering, procurement and construction (EPC) contracts, and the transition to majority black-owned operations and maintenance contractors.

The Fund has also acquired stakes in three wind farm projects:

- Roggeveld 147MW,
- Perdekraal 110MW and
- Kangnas 140MW.

Since its foundation in 1999, AIIM's IDEAS Managed Fund has completed 35 investments in infrastructure projects that are vital for economic growth, produce tangible social and environmental benefits, and are capable of delivering strong long-term returns to investors. As part of OMAI, AIIM is a responsible investor committed to sustainable development in Africa.

Commenting on the investments, Sean Friend, Investment Director at AIIM said: “We are delighted to have completed these renewable energy deals. The new plants will provide essential clean energy to the grid which, in addition to environmental benefits, will help boost economic growth by creating jobs in construction and follow-up operations and maintenance. We also expect the investment to stimulate further economic development in the areas where the new renewable facilities are located.

We are looking at almost R9 billion in total capital expenditure across these power projects, where IDEAS is the main Sponsor. Being able to successfully conclude deals of this scale reflects the strength and depth of AIIM’s team which has the expertise necessary to handle a sponsorship role of this magnitude.”

[ENDS]

ABOUT AIIM

AIIM, a member of Old Mutual Alternative Investments, has been investing in the African infrastructure sector since 2000 with a track record extending across seven African infrastructure funds. AIIM currently manages USD2.1 billion in assets across the power, telecommunications and transport sectors with operations in 15 countries across East, West and Southern Africa.

As a leading infrastructure manager across Africa, central to AIIM’s investment objectives and processes is its commitment to responsible investments. AIIM is committed to fulfilling fiduciary duties as the custodian of shareholders’ and beneficiaries’ long-term interests. In this regard, AIIM considers the incorporation of environmental, social and governance (ESG) factors into its investment and ownership processes to support the pursuit of creation of positive futures and obtaining sustainable, superior risk-adjusted returns for its clients.

Contact:

Sara Firouzyar, Gong Communications

E: AIIM@gongcommunications.com T: +44 (0) 207 935 4800

Rayhana Erasmus, African Infrastructure Investment Managers (AIIM)

E: Rayhana.Erasmus@aimafrica.com T: +27 21 670 3962 M: +27 72 091 3563