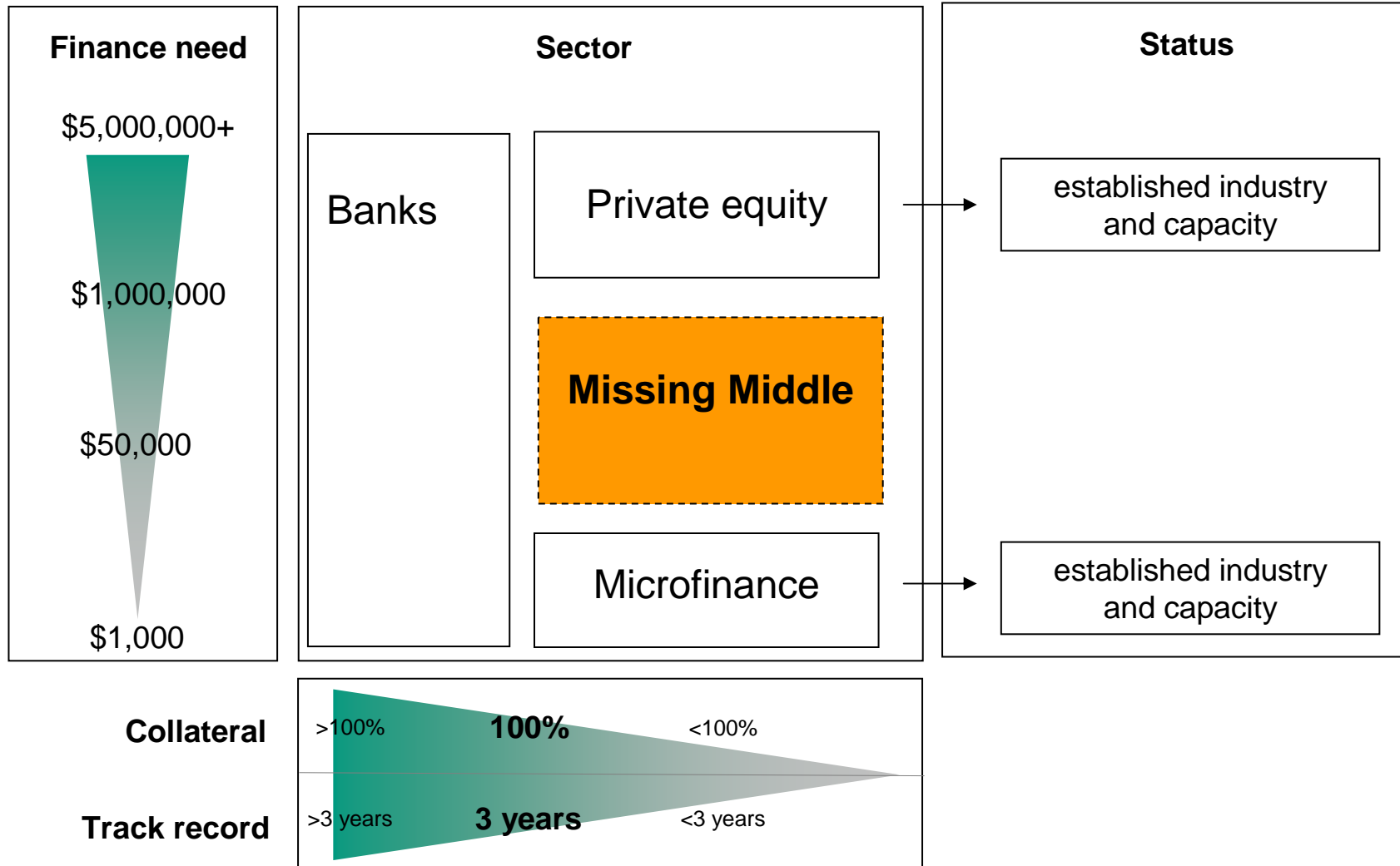




Jurie Willemse, MD GroFin
Chris West, Director Shell Foundation

Defining the Challenge





A new approach

- Decision-making changes from collateral to viability
- Viability for GroFin is:
 - A credible and committed entrepreneur
 - Viable business plan (start-up or expansion)

GroFin is a multi-national specialist fund manager with a sole focus on assisting viable start-up and growing SMEs become profitable and sustainable in emerging markets.



GroFin Target market

- Start-up and existing businesses;
- Who have a viable business plan and able entrepreneur
- Who lack a track record and/or collateral;
- Require finance of between \$100,000 to \$1 million;
- Have assets <\$3m, turnover <\$5m and <100 employees;
- Have a need for business development assistance;
- Are within all sectors (excluding primary agriculture);
- Meet agreed sustainability criteria.



Business Development Assistance

- Most plans are merely proposals
- GroFin develops a clear understanding of the business's needs
- GroFin assists entrepreneurs develop financeable business plans
- Business development delivers tools and guidance
- A Business Development Manager takes personal responsibility to build a client relationship



GroFin Finance strategy

Based upon:

- A committed and capable entrepreneur
- Cash flow based investment on the basis of viability
- The use of self liquidating instruments (Loan with incentive fee)
- Fair risk reward pricing (equity type returns no exit constraints)
- Transaction term up to 72 months
- Transaction size between \$100,000 – \$1 million



GroFin Current capacity

- 10 offices in nine countries, with a strong African presence
- USD 260 million under management in five country/regional funds
- Employs over 100 staff
- Funds >110 transactions per year
- 380 years of combined transaction experience within company
- 23 investors including major Development Finance Institutions



GroFin Impact

- Close to 200 portfolio companies
- 28% are start-ups
- Sustainability of companies is 90%+
- 5800 employed staff in portfolio companies
- Cost per job created and maintained is low - \$13,000
- Gross returns on portfolios averages 17-21% in local currency
- Investments across all sectors of the economy



Growth Finance

