

PRESS RELEASE

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AlphaMundi participates in a USD 11 million syndicated debt facility for SunCulture

SunCulture, a solar irrigation company headquartered in Nairobi, Kenya, received a new USD 11 million syndicated debt facility to expand its operations in Sub-Saharan Africa. This working capital facility will enable SunCulture to scale up renewable energy installations at smallholder farms and households that will mitigate over 20,000 tons of CO₂ annually – as farmers replace diesel pumps with solar ones – whilst facilitating income growth and job opportunities in rural communities.

AlphaMundi, through both its SocialAlpha and AlphaJiri Investment Funds, is participating with USD 2.5 million. This is the second working capital loan provided to SunCulture, following our first working capital loan in 2019. Beyond financial support, The AlphaMundi Foundation in Washington D.C. also provided technical assistance ('TA') to SunCulture. The first TA project in 2018 supported the development and launch of the "Pay-As-You-Grow" ('PAYGrow') credit policy and processes. The second TA project in 2020 provided USD 100K of a USD 200K guarantee facility, together with the Financial Sector Deepening Trust, to mitigate the payment risk related to the PAYGrow portfolio, minimizing COVID-19's impact. This guarantee facility is directly linked to, and helped catalyze investments into, the USD 11 million syndicated debt facility.

Judith Santbergen, Senior Investment Manager at AlphaMundi, said: "Since 2018, AlphaMundi has successively provided support to SunCulture through a combination of technical assistance and debt investments. We are excited to continue and increase our investment in the company via this new, innovative working capital facility."

Samir Ibrahim, Chief Executive Officer at SunCulture, said: "The past year was devastating for millions of smallholder farmers in Kenya; 87% are in a worse financial position due to the pandemic. 81% of SunCulture farmers, however, were able to increase their revenues from farming in 2020. Solar irrigation helps create food security and sovereignty, and it also helps lift people out of poverty. This facility further enables our efforts to support farmers by providing them with more of our solar solutions, and faster."

The co-investors in the facility arranged by SunFunder are the Nordic Development Fund; Triodos Investment Management, through its Hivos-Triodos Fund; SunFunder through its Solar Energy Transformation Fund; and the AfDB's FEI OGEF managed by Lion's Head.

About SunCulture

SunCulture has pioneered a "Pay-As-You-Grow" business model to make solar-powered irrigation affordable for smallholder farmers in Sub-Saharan Africa, combining end-user finance, value-added services, modern climate technology and access to improve productivity. A recent report developed by

Dalberg Research shows that irrigation systems and solar-powered water pumps can increase farmers' production between 2 and 4 times, and their income between 2 and 6 times.

www.sunculture.com



About AlphaMundi Group Ltd

AlphaMundi Group was created in 2008 as a Swiss advisory group dedicated to impact investing. Its mission is to provide market-based solutions to the world's most pressing challenges, currently best defined by the Sustainable Development Goals. Since 2009, AlphaMundi has profitably invested USD 71M in 47 impact ventures in Latin America and Africa, primarily through the firm's SocialAlpha impact fund and related co-investments, across 150 venture debt and equity transactions, with an impact on more than 5 million beneficiaries, the vast majority in rural areas and some 40% of women. In early 2020, AlphaMundi launched a second fund called AlphaJiri with the Dutch Hivos-Triodos Fund and the Swiss pension scheme Stiftung Abendrot as anchor LPs, targeting SMEs in sustainable food production and renewable energy in East Africa. Please refer to: www.alphamundigroup.com

About AlphaMundi Foundation

AlphaMundi Foundation, a sister organization to AlphaMundi Group, was founded in 2016 in Washington, DC. The Foundation facilitates technical assistance and impact measurement for impact ventures; sponsors educational events, publications, and industry associations; promotes renewable energy solutions in rural area; and champions the Gender Lens agenda across the Group's pipeline and portfolio companies. Please refer to: www.alphamundifoundation.org

For further information, you may contact:

AlphaMundi Kenya

Judith Santbergen

Senior Investment Manager

Rhapta Road, S. K. Offices, Block A Office 6

africa@alphamundi.ch

SunCulture:

Mikayla Czajkowski

Chief of Staff

236 Washika Road, Nairobi

mikayla.czajkowski@sunculture.com