

PRESS RELEASE

CrossBoundary Energy secures US\$40M in equity from Norfund and Norwegian pension fund, KLP, to expand C&I portfolio across Africa

- *CrossBoundary Energy is currently delivering over US\$188M in projects, serving 30 corporate customers across 14 countries in Africa*
- *US\$40M of new equity funding from Norfund and KLP enables CrossBoundary Energy's continued expansion*
- *Highlights the scale of the opportunity in the African C&I sector and CrossBoundary Energy's position as a market-leader*

14 July 2022—CrossBoundary Energy (CBE), a leading developer, owner, and operator of commercial and industrial renewable energy systems in Africa, today announced completion of a US\$40 million equity investment from Norfund, the Norwegian Investment Fund for developing countries, and KLP, Norway's largest pension company, through their joint company KLP Norfund Investments AS¹. This commitment will allow CrossBoundary Energy to further scale its investments in renewable energy solutions for commercial and industrial businesses across Africa.

The \$40M commitment is a continuation of Norfund and KLP's earlier investments in the C&I sector and endorses the scale and maturity of the distributed generation sector in Africa. The secured funding is in addition to \$40M in equity invested in CrossBoundary Energy by ARCH Emerging Markets' Africa Renewable Power Fund in 2020.

CrossBoundary Energy provides tailored, fully financed renewable energy solutions to its corporate customers allowing them to avoid upfront capital expenditure and technical risks, whilst still benefitting from cheaper, cleaner, and more reliable power.

CrossBoundary Energy is currently delivering a portfolio of \$188M in projects for 30 corporate customers across 14 countries in Africa, comprising 150 MWp of solar PV assets, 50 MWh of battery energy storage assets, and 12 MW of wind assets. CrossBoundary Energy is the renewable energy provider of choice for a number of market-leading companies present in Africa, including Unilever, Diageo, Rio Tinto, Heineken, and AB InBev.

Pieter Joubert, President and Chief Investment Officer, CrossBoundary Energy says, "We are very excited to welcome Norfund and KLP as investors. Their commitment is aligned with our belief that the business sector across Africa should be able to benefit from cheaper, cleaner and more reliable power. This investment validates CrossBoundary Energy's position as a trusted provider of customer-centric renewable energy solutions to the African business community. We look forward to drawing on Norfund's significant experience as we seek to deliver an operational portfolio of over \$300M in assets within the next 5 years."

Kristoffer Valvik, Investment Manager, Norfund, says, "We believe that distributed renewables are playing a critical role in driving towards the clean and sustainable growth of the commercial and industrial sector across Africa. The cost savings offered by renewable energy, coupled with the reliability of battery energy storage systems, allows companies like CrossBoundary Energy to provide the business sector with immediate cost savings whilst significantly reducing their emissions, and creating employment in the renewable energy sector. CrossBoundary Energy has secured a leading portfolio of high-quality assets and we are excited to support them as they continue to scale."

¹ KLP Norfund Investments AS (KNI) is an investment company jointly funded by the Norfund Investment Fund for developing countries (Norfund) and KLP, Norway's largest pension fund. KNI is managed by Norfund.



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Aage Schaanning, Group Chief Financial Officer, KLP, says, “We are pleased to support the further development of CrossBoundary Energy’s portfolio of distributed renewable energy systems and are confident that its strong business practices will boost sustainable economic development on the African continent and deliver stable and predictable returns for KLPs owners.”

William Barry, Managing Director, ARCH ARPF, says, “We are extremely pleased with the progress made by CrossBoundary Energy following our investment in 2020, with their portfolio growing ten-fold over the last two years. CrossBoundary Energy has established itself as a pioneer and clear market leader in the commercial and industrial renewable energy sector across Africa, and we look forward to supporting the next phase of growth enabled by Norfund and KLP’s investment.”

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About CrossBoundary Energy

www.crossboundary.com/energy/

CrossBoundary Energy is a leading developer, owner, and operator of distributed renewable energy solutions for businesses across Africa, providing cheaper and cleaner energy through power purchase and lease agreements. CrossBoundary Energy is currently delivering a portfolio of over US\$188M of solar renewable energy assets for clients including Unilever, Diageo, Rio Tinto, Heineken, and AB InBev, and was recently recognized by Africa Solar Industry Association as “Solar Company of the Year”. Learn more at www.crossboundaryenergy.com/energy.

CrossBoundary Energy is a member company of the CrossBoundary Group, a mission-driven investment firm founded in 2011 and committed to unlocking the power of capital for sustainable growth and strong returns in underserved markets. Learn more at www.crossboundary.com.

About Norfund

www.norfund.no

Norfund is the Norwegian Investment Fund for developing countries. Our mission is to create jobs and to improve lives by investing in businesses that drive sustainable development. Norfund is owned and funded by the Norwegian Government and is the Government’s most important tool for strengthening the private sector in developing countries to reduce poverty. Norfund’s committed portfolio totals US\$3.1 billion with direct and indirect investments in sub-Saharan Africa, Southeast Asia and Central America. Norfund has four investment areas: Clean Energy, Financial Institutions, Scalable Enterprises and Green Infrastructure. Learn more at www.norfund.no.

About KLP

<https://www.klp.no/en>

KLP, the pension fund for Norway’s municipal employees, is the country’s biggest occupational pension fund with NOK900bn (€88bn) under management. KLP is a mutual company, owned by Norwegian municipalities, health trusts and publicly owned companies. KLP has strict self-imposed guidelines for responsible investments, climate, and sustainability, and has released one of the industry most ambitious net zero emissions roadmaps. Learn more at <https://www.klp.no/en>.



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About the ARCH Africa Renewable Power Fund

<https://www.archempartners.com/energy>

Founded in 2018 as a partnership between African Rainbow Capital Proprietary Limited and JCH & Partners LLP, ARCH Emerging Markets Partners Limited is an emerging markets investment advisory firm specializing in private equity opportunities with an initial focus on energy and logistics in developing economies. ARCH ARPF is a dedicated African renewable energy fund whose mission is to create long term value for its stakeholders while addressing the African market's growing demand for bankable, de-risked electricity generation. ARCH ARPF, whose investors include institutional investors and DFIs, has been partly funded by the European Union. Learn more at <https://www.archempartners.com/energy>.

For media enquiries, please contact:

Kymerly Bays

Global Head of Communications

CrossBoundary Group

Email: communications@crossboundary.com

Mobile: +254 (0)701 380 433

Per Kristian Sbertoli

Head of Public Relations

Norfund

Email: per.kristian@norfund.no

Mobile : +47 930 89 103