



Dutch Good Growth Fund

Notice proposed transaction: Atlantica Ventures Fund I

Date of Publication: 29, July 2021

Taking into account the provisions for governing bodies that apply under the 'Freedom of Information Act' ('Wet openbaarheid van bestuur') and the 'Data Protection Act' ('Wet bescherming persoonsgegevens'), the Fund Manager of the DGGF part 'Financing local SMEs' will publish its anticipated transactions.

Views

Parties can express their views on the proposed transaction to the Fund Manager by contacting dggf@nl.pwc.com within 30 days after the publication date of the notice. After the transaction has been closed, or after it has become clear that the transaction will not take place, the Fund Manager will respond as soon as possible to these Parties concluding on the expressed views by these Parties.

Description (English)

Part of DGGF

Financing Local SMEs

Name Intermediary Fund (IF):

Atlantica Ventures Fund I

Domicile IF:

Atlantica Ventures Fund I will be domiciled in the Netherlands. The Fund is tax transparent.

Name of manager of the IF

Atlantica Ventures LLC

Nature of the activities of the IF

Atlantica Ventures Fund I is a 10-year closed-end early stage investment fund targeting companies across Nigeria, Kenya, South Africa, Ghana, Côte d'Ivoire and Tanzania. The objective of the fund is to invest in technology and technology enabled businesses in sectors that are the engines of sustainable economic growth. Key sectors of fintech, agribusiness, logistics, Internet of Things (IoT), e-commerce and cybersecurity are targeted. Atlantica are building on a successful 5 year track record in venture capital in Sub-Saharan Africa.



Size of proposed investment

USD 8 million

With this investment DGGF is contributing to a total expected fund size of approximately USD 50-75m.

Intended transaction date

The Fund Manager aims to close the agreement with Atlantica Ventures LLC in Q3 2021.

Expected financial results

A positive net financial return on the investment is expected.

Expected impact

Atlantica Ventures Fund I will provide capital to start-up entrepreneurs solving country specific problems with proven technologies. Many of these start-ups are led by young entrepreneurs which access to financing has been difficult. The strategy aligns with DGGF objective to support young entrepreneurs. The fund targets investment in between 12-15 companies, predominantly in the form of equity.

DGGF was one of the first institutional investors to commit to invest at first close and subsequently the manager has succeeded in attracting approximately USD 50m for first close which reaches the target fund size. Through backing Atlantica Ventures Fund I, DGGF is helping lay the foundation for interest from other investors in venture capital in Sub-Saharan Africa.

ESG compliance

As a condition for DGGF investment, Atlantica Ventures will require an updated ESG policy to ensure all relevant ESG risks are adequately covered, in line with most recent ESG standards. The ESG policy shall be in accordance with the DGGF ESG Policy and shall be implemented within twelve (12) months of the First Closing Date. Atlantica will also be required to implement a proper complaints mechanism, established in line with DGGF Guidance on Complaints Mechanisms.

Tax compliance

Atlantica Ventures Fund I will be domiciled in the Netherlands and structured as a limited partnership (in Dutch "Commanditaire Vennootschap"). Furthermore, Atlantica will be transparent for Dutch tax purposes. Investors in Atlantica Venture Fund I will be subsequently taxed in their home jurisdiction. The companies the fund invests into will in principle be subject to domestic statutory tax rates.