



Press Release

January 31, 2018

Cepheus Growth Capital Partners Announces the First Close of its Maiden Fund

Cepheus Growth Capital Partners (“Cepheus”), a private equity firm, is pleased to announce it has successfully reached its first close at US\$51 million of its Cepheus Growth Capital Fund (“Fund”). The Fund received strong support from three Development Finance Institutions -- CDC Group, Norfund, and the European Investment Bank -- family offices and various high net-worth individuals and expects to reach its target size of US\$100 million upon final close.

The Fund is focused on making investments in the Ethiopian market by providing long-term growth capital to companies seeking to substantially scale-up and modernize their operations. The Fund will generally take a significant minority position in the businesses in which it invests, with a view to making tangible contributions to company strategy, management systems, governance, and performance. In addition, it is committed to improving environmental, social and governance standards in each of its investee companies. The Fund will be making investments across Ethiopia’s main economic sectors, with a particular focus on emerging opportunities in manufacturing, agro-processing, and services.

The Cepheus team is led by its Founding Partners, Mr. Kassahun Kebede and Ms. Berhane Demissie, both Ethiopian-born with strong knowledge of the local investment environment as well as significant international fund management experience. The team also includes professionals with in-depth market, macroeconomic, private equity, and operations experience.

The Founding Partners commented: “We are very pleased to conclude our first close with the support of distinguished and experienced investors that include CDC, Norfund, and EIB. We look forward to supporting the growth of Ethiopia’s most promising companies and entrepreneurs, and more importantly, we aim to deliver meaningful value not just to our investee companies and investors but also to the communities in which we operate.”

Mr. John Owers, Investment Director for CDC said: “CDC’s US\$15 million commitment to the Cepheus Growth Capital Fund (“CGCF”) demonstrates our support for Ethiopia’s growing private sector and its nascent private equity market. The Cepheus team has the experience, skills and network in Ethiopia to make investments in high-growth SMEs that can provide the jobs and services vital to the country’s economic future. As Ethiopia looks to attract more foreign capital it needs an investment eco-system that can pull in different types of finance. By backing CGCF, CDC is helping to build that eco-system and unlock capital for the country’s growing number of entrepreneurs.”
