

CardinalStone Capital Advisers announces final close of maiden private equity fund, and first fund investments

Lagos, Nigeria- March 2021; CardinalStone Capital Advisers (CCA), a Lagos based private equity fund manager, has announced the final close of its maiden private equity fund, the CardinalStone Capital Advisers Growth Fund LP (CCAGF or the Fund) at US\$64 million. The Fund which recorded its first close in December 2018 and final close in September 2020, was established to support the growth and institutionalization of small and medium sized enterprises (SMEs) operating in two of West Africa’s leading economies—Nigeria and Ghana.

The CCAGF is a generalist fund that makes equity investments of US\$5 million – US\$10 million in high growth SMEs operating across a range of sectors which include industrials, agribusiness, consumer goods and services, education, healthcare and financial services. CCAGF investors, which are a mix of commercial and development finance institutions include Kuramo Capital, the UK Government’s CDC Group, FMO – the Dutch Entrepreneurial Development Bank, the International Finance Corporation (IFC, part of the World Bank Group), the Nigerian Sovereign Investment Authority (NSIA) and a number of high-net-worth individuals.

Femi Ogunjimi, Co-Founder and Managing Director of CCA commented, “We are pleased with the successful close of our Fund in the prevailing challenging environment. We are very grateful to all of our Limited Partners for the resounding support shown through the process; their support is an endorsement of our hands-on approach to building SMEs into sector champions.”

The Fund has invested in 2 businesses, iFitness Center Limited (“iFitness”) and AppZone Group Limited (“AppZone”), and will invest in another 6 -7 companies over the next 2 years. iFitness, Nigeria’s leading and fastest-growing fitness chain, operates with a mission of improving the overall health and well-being of the average Nigerian by providing high quality, yet affordable fitness offerings. AppZone, the foremost fintech solutions provider in Africa, provides a bouquet of offerings, developed with proprietary intellectual property, targeted at accelerating economic prosperity across Africa by leveraging technology to deepen financial inclusion.

Commenting on both investments, Yomi Jemibewon, Co-Founder and Managing Director of CCA said, “We are excited about our investments in both iFitness and AppZone. The founders of both businesses have ambitions to disrupt and consolidate key segments of their respective industries, and have done an amazing job establishing solid foundations that complement CCA’s brand of bold, yet collaborative, investing. We look forward to partnering with more like minded founder/promoter teams towards building businesses with transformational impact across our target markets”.

Solomon Wifa, Partner at Willkie Farr (UK) acted as legal adviser, while Trident Trust (Mauritius) will provide administrative services to CCAGF.

About CCA

CCA was established in 2016 as a spin-off of the Principal Investing Division of CardinalStone Partners, a multi-asset asset management firm. Today, in addition to managing the CCAGF, CCA also manages a portfolio of businesses held from its principal investing operations. These include the CCA Legacy Holding Company which holds controlling interests in Crest Agro Products, a leading operator in Nigeria's cassava value chain, and Dataguard Document Management Services, Nigeria's leading provider of document storage and management services.