



Harith

FINANCIERS & DEVELOPERS OF INFRASTRUCTURE PROJECTS



GEPF THOUGHT LEADERSHIP CONFERENCE

Sipho Makhubela

October 2023

HARITH AT A GLANCE

16-year track record, Over US\$1 billion of AUM, investments in eight African countries...

MANAGED FUNDS

PAIDF I

- A fully invested 15-year closed-end private equity fund established in 2007.
- US\$630 million under management.

PAIDF II

- A fully invested 12-year closed-end private equity fund established in 2014 US\$435 million under management.

ARMHIF

- In partnership with ARM – A leading Asset Manager in Nigeria
- Fund was closed in 2015 with access to over US\$1 billion
- Focuses on infrastructure in west Africa.

NIF (Namibia Infrastructure Fund)

- In partnership with INO Harith.
- Commitment in excess of NAD 700 million.
- NAD 431 million under management

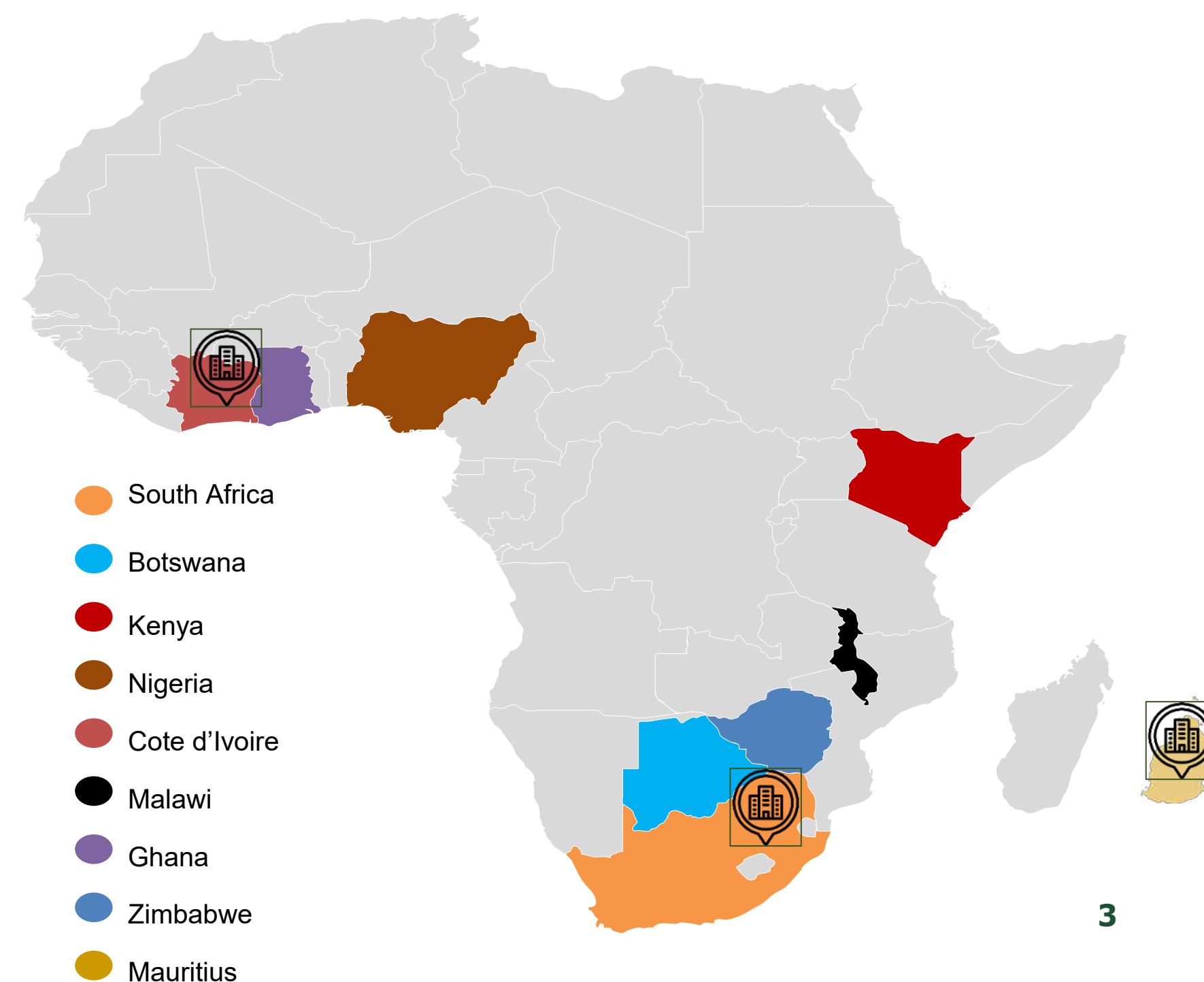
PAREF (Fundraising)

- In partnership with Anergi group to raise US\$300 million.
- Focused on sustainable green energy across Africa.
- First close (US\$100 million) targeted for 2024

WHERE WE OPERATE

Our offices are situated in Johannesburg, South Africa with small representative offices in Abidjan, Cote d'Ivoire and Port Louis, Mauritius.

In addition, we manage investments that are spread across eight African countries as indicated below:





LEFT BEHIND

DISCONNECTED

Internet average of 36% compares poorly with the 62.5% global average

% of population with internet access the internet

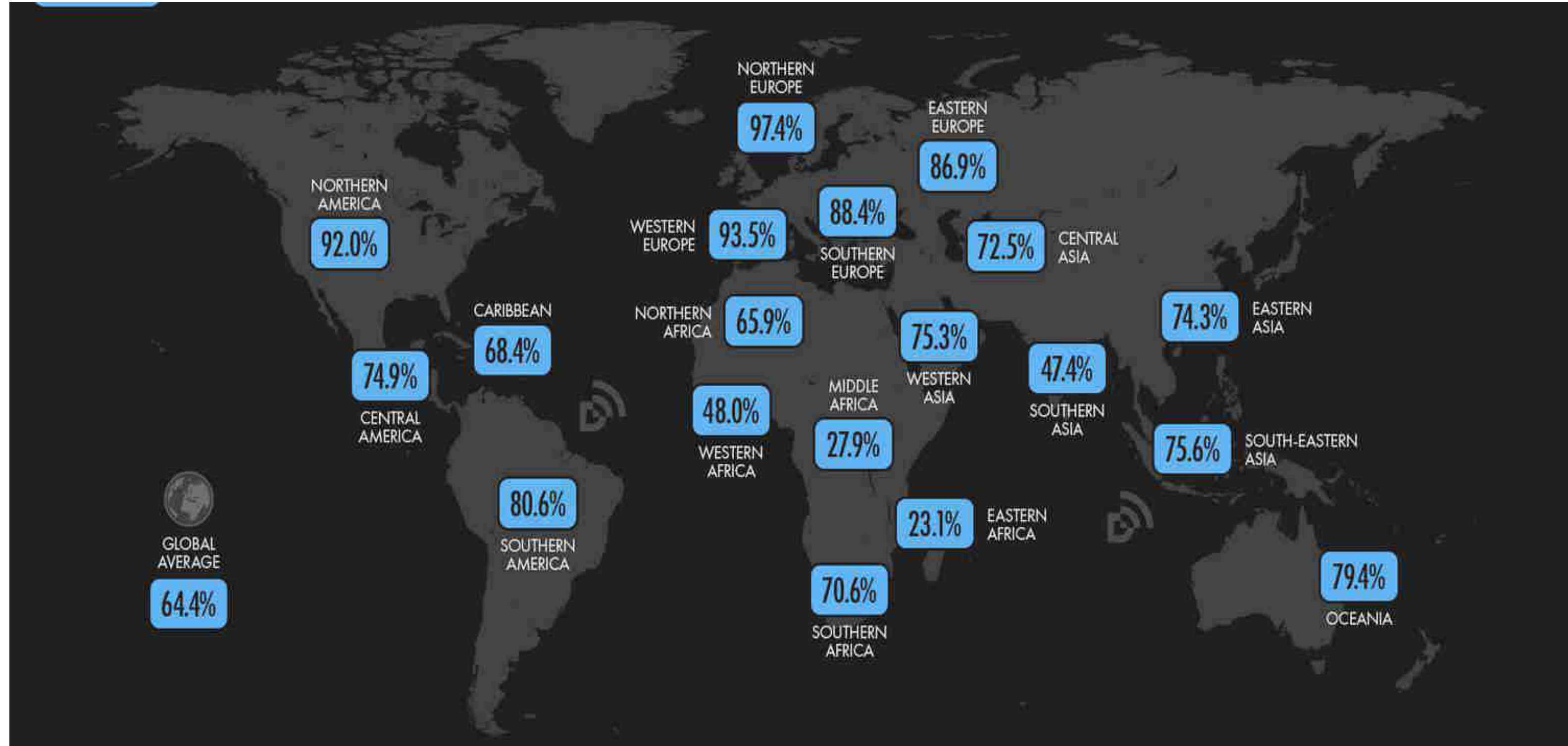


Figure 1

DISLOCATED

~45% is further than 10 km from fiber network infrastructure, which is a higher percentage than on any other continent.

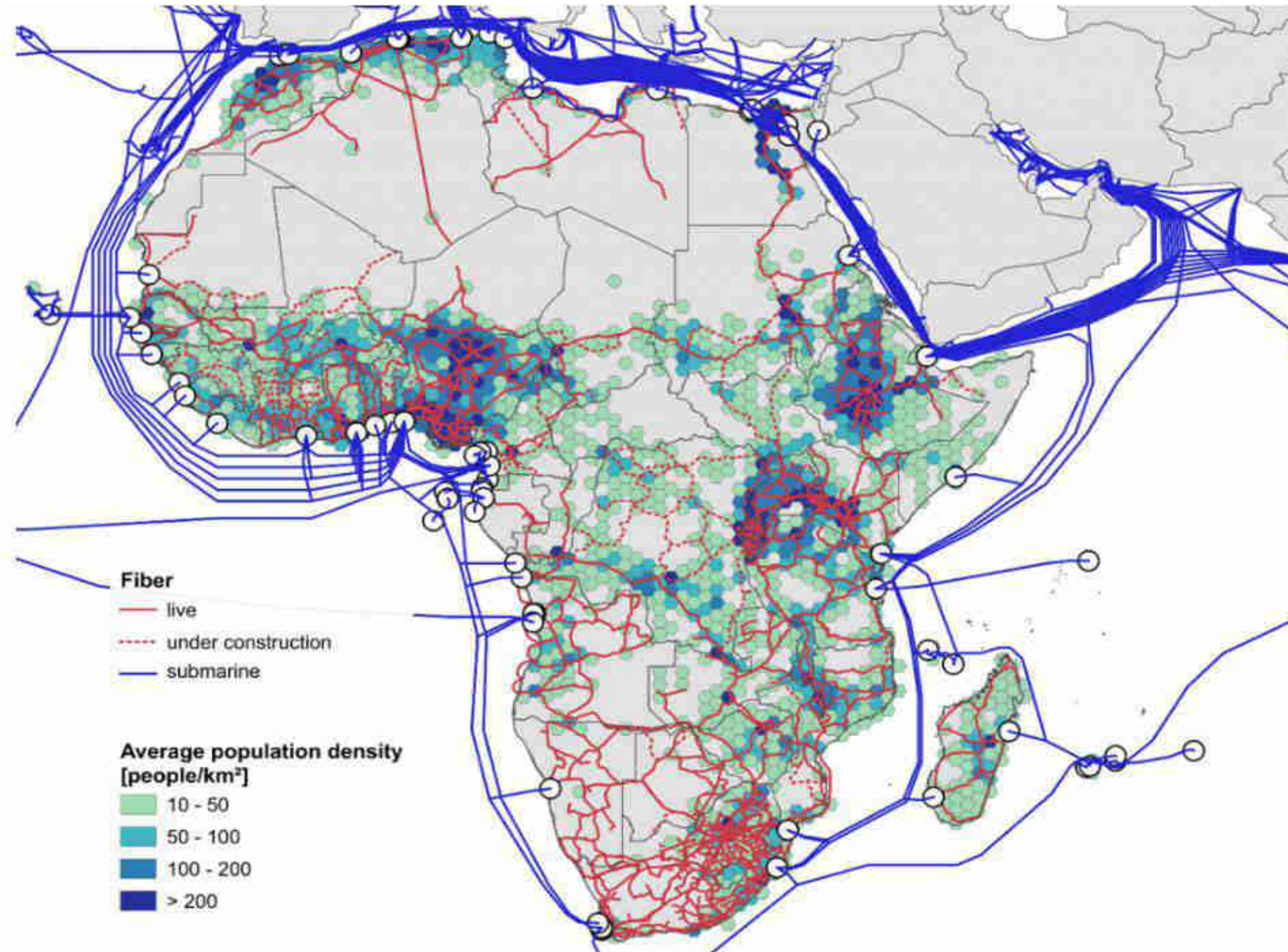


Figure 2

IN THE DARK

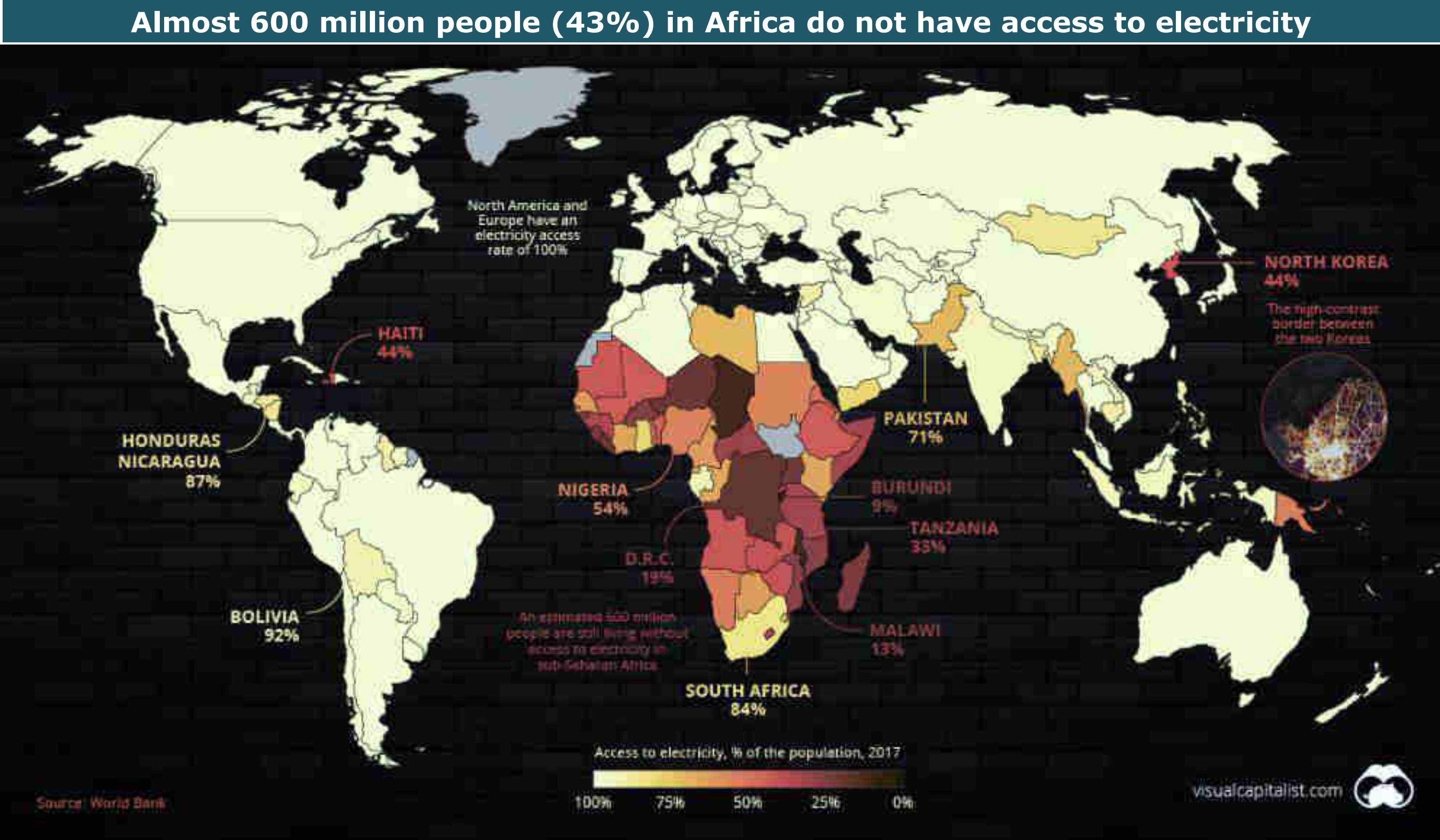


Figure 3

STAGNANT

1/5 of the world land area but less road and rail network

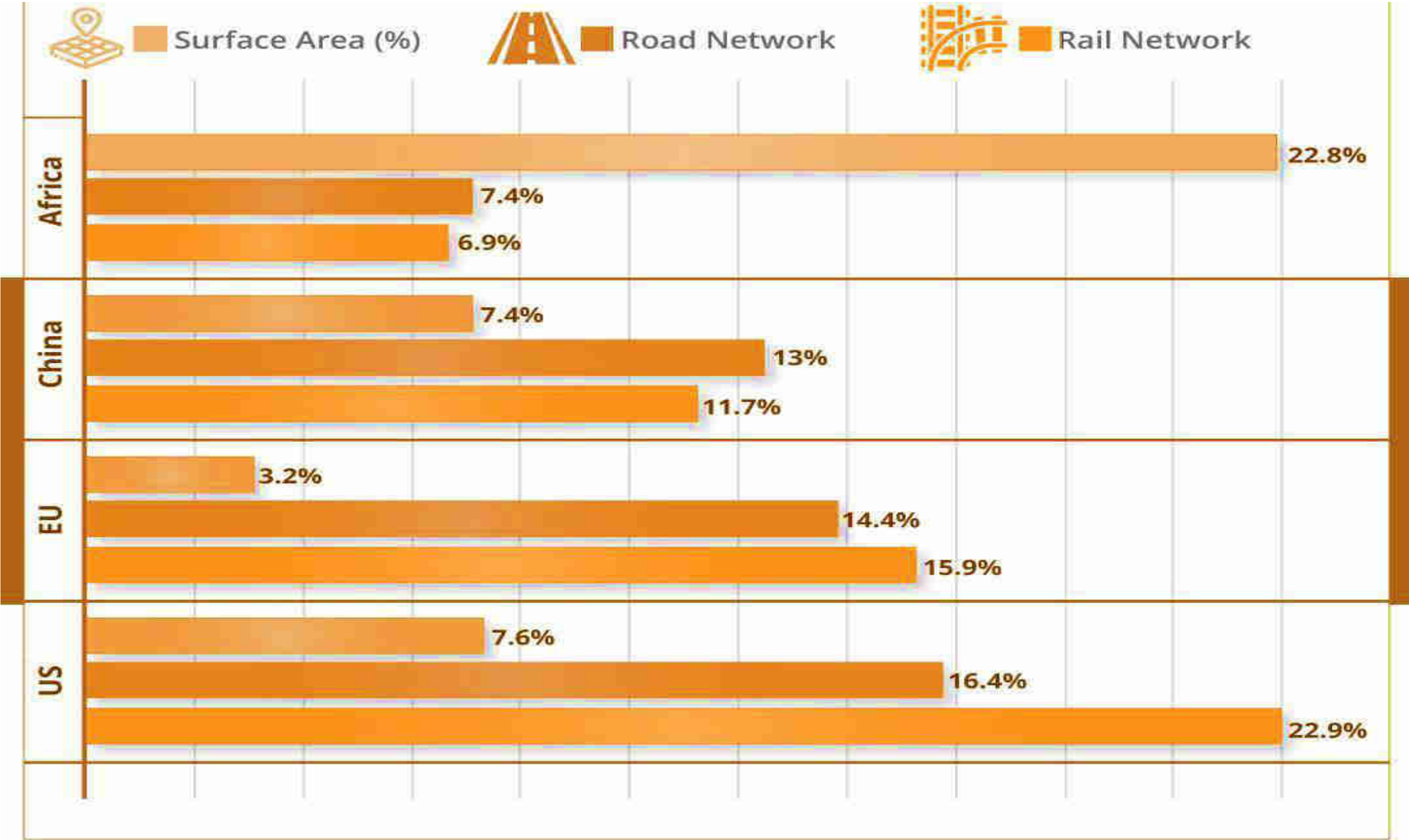


Figure 4

NO INTRA-TRADE

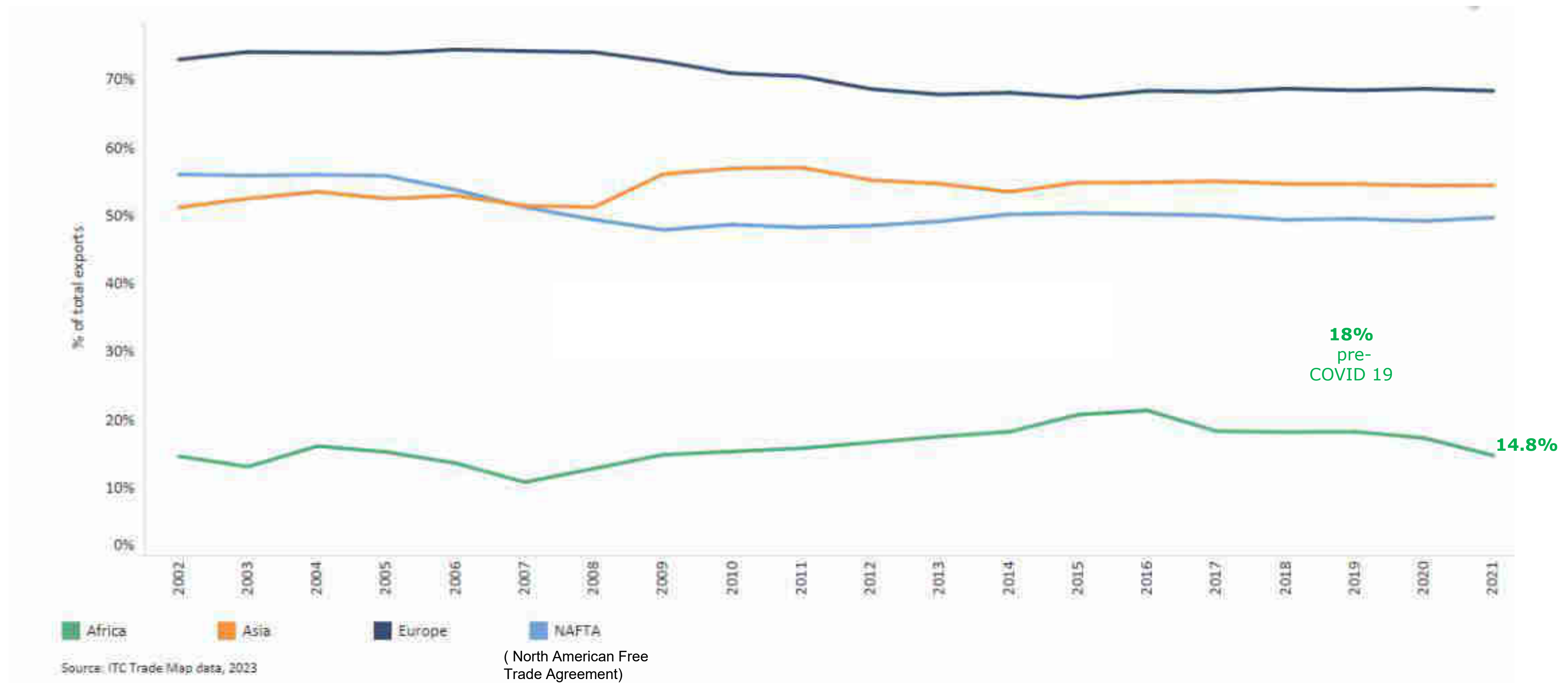


Figure 5

WATER AND SANITATION CRISIS

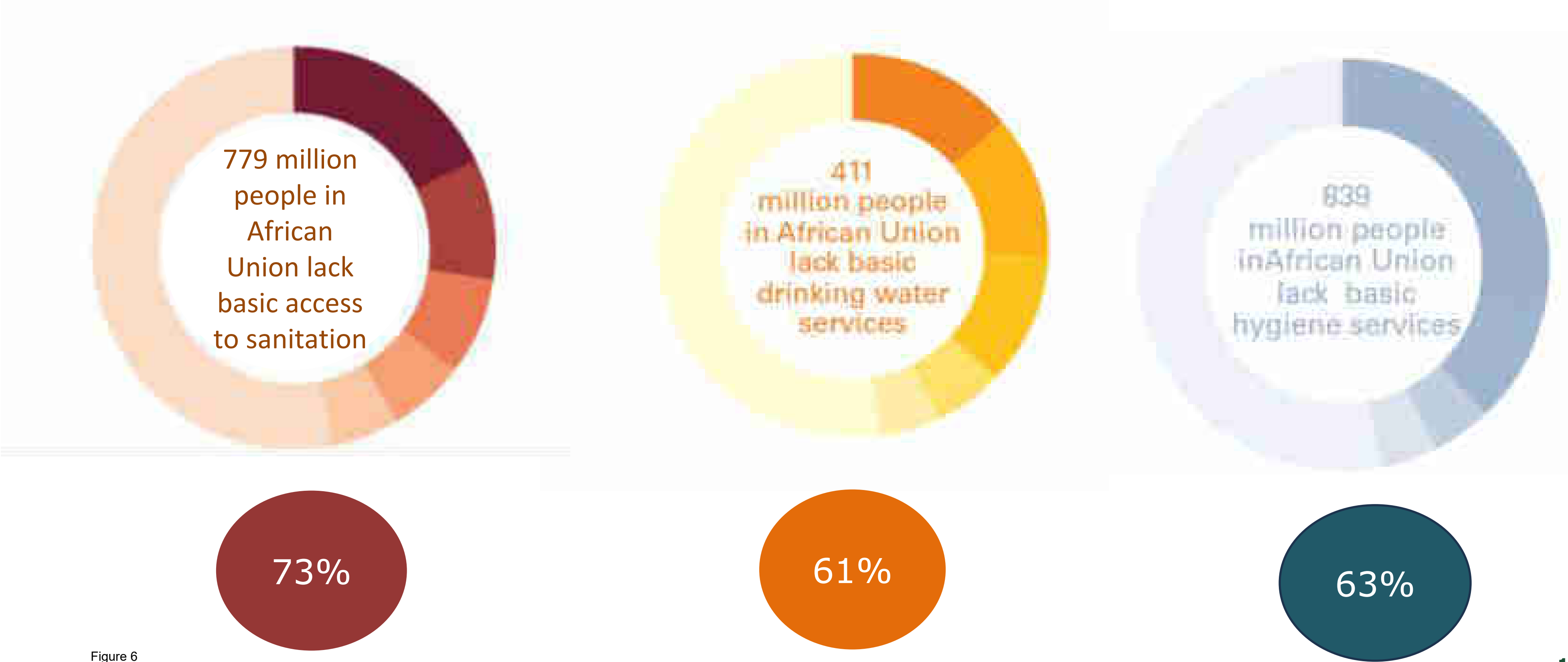


Figure 6
UNICEF : PROGRESS ON DRINKING WATER, SANITATION AND HYGIENE IN AFRICA 2000-2020 5 YEARS INTO THE SDGs

SIGNIFICANT INEQUALITIES PERSIST

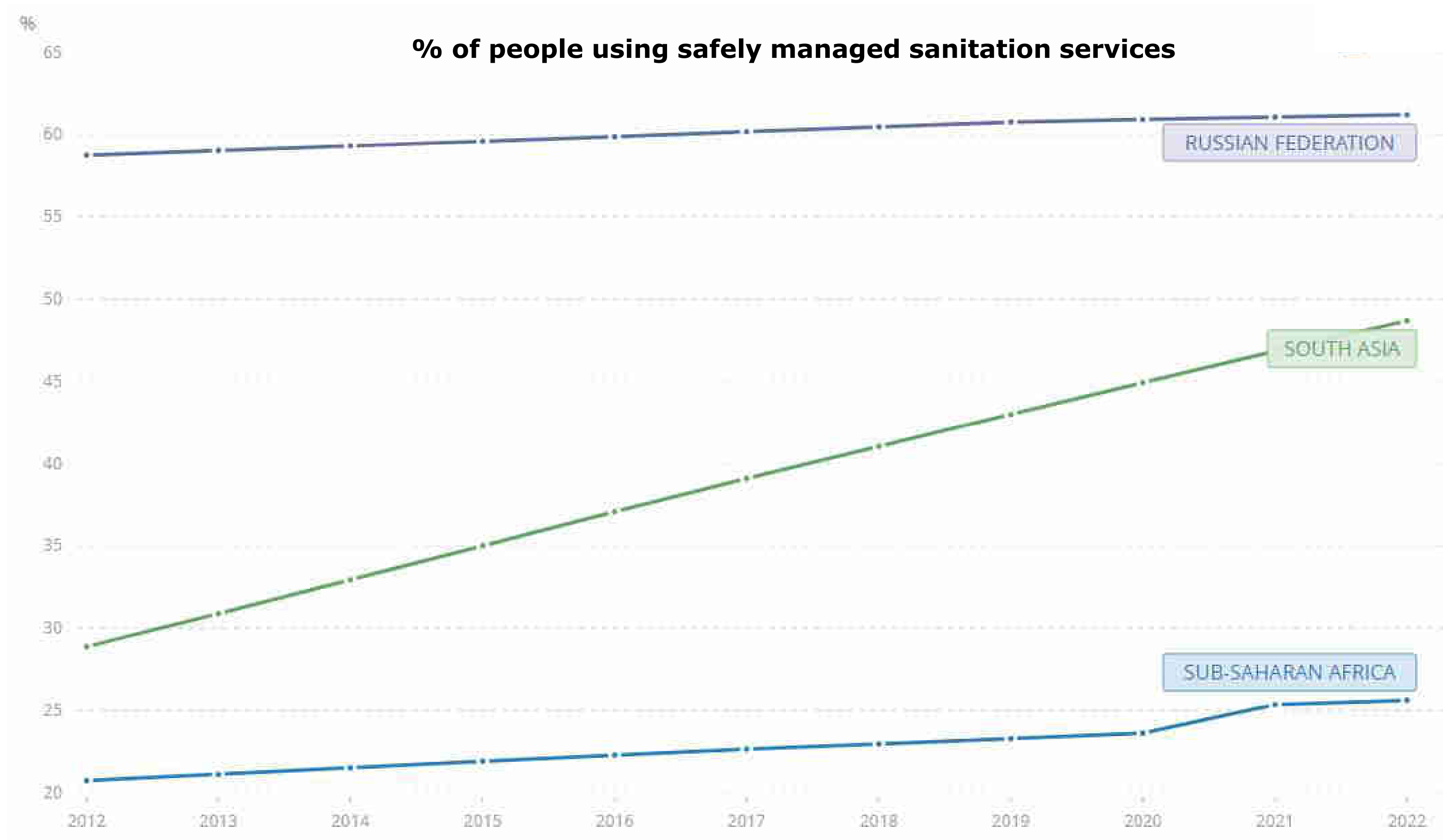
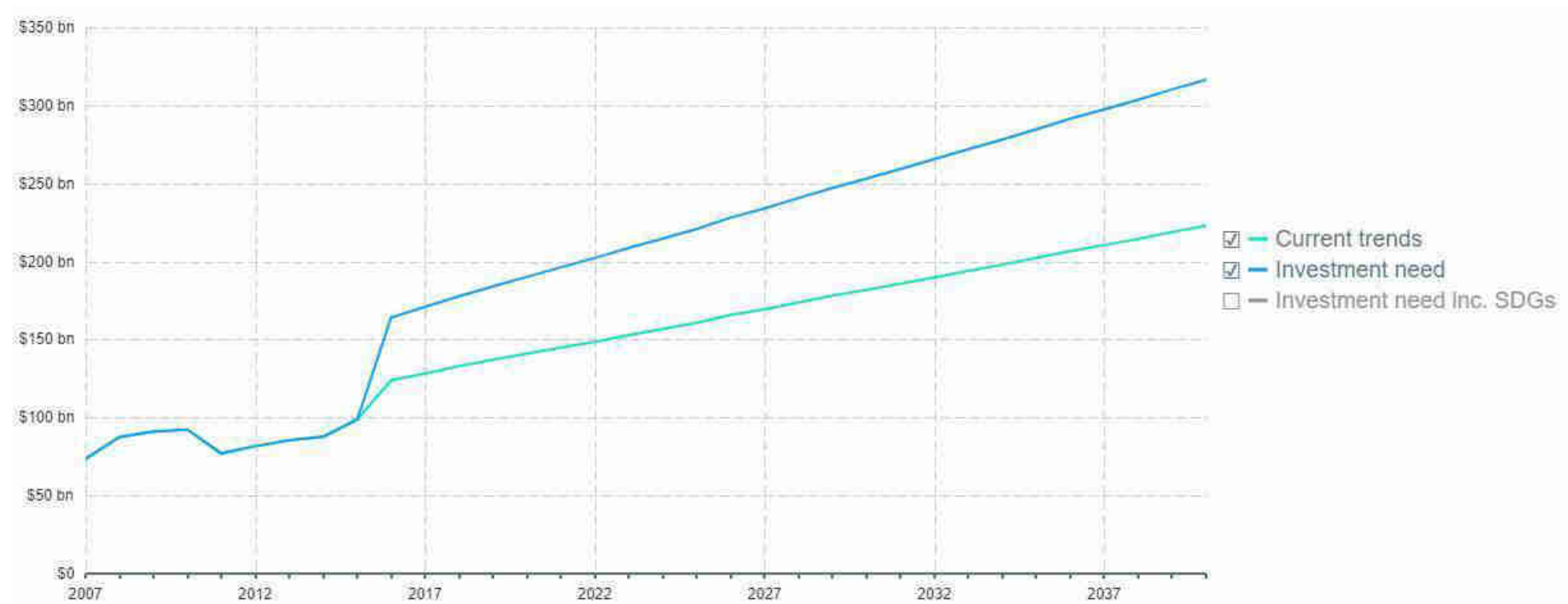


Figure 7



THE INFRA DEFICIT

Africa's infrastructure investment gap is estimated to average C.\$100bn p.a



SDG Disclaimer - Includes the additional investment needed for countries that have not yet met the SDGs

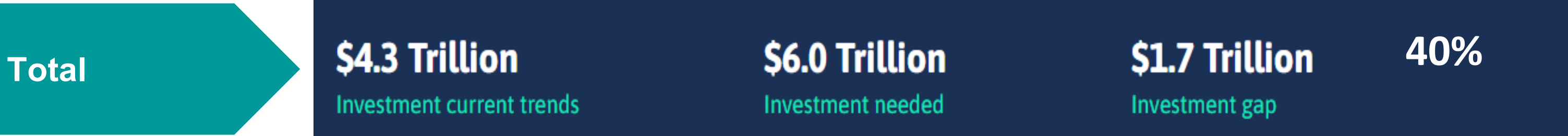


Figure 8

The biggest gaps seen in Road Transport, Telecommunication and Energy

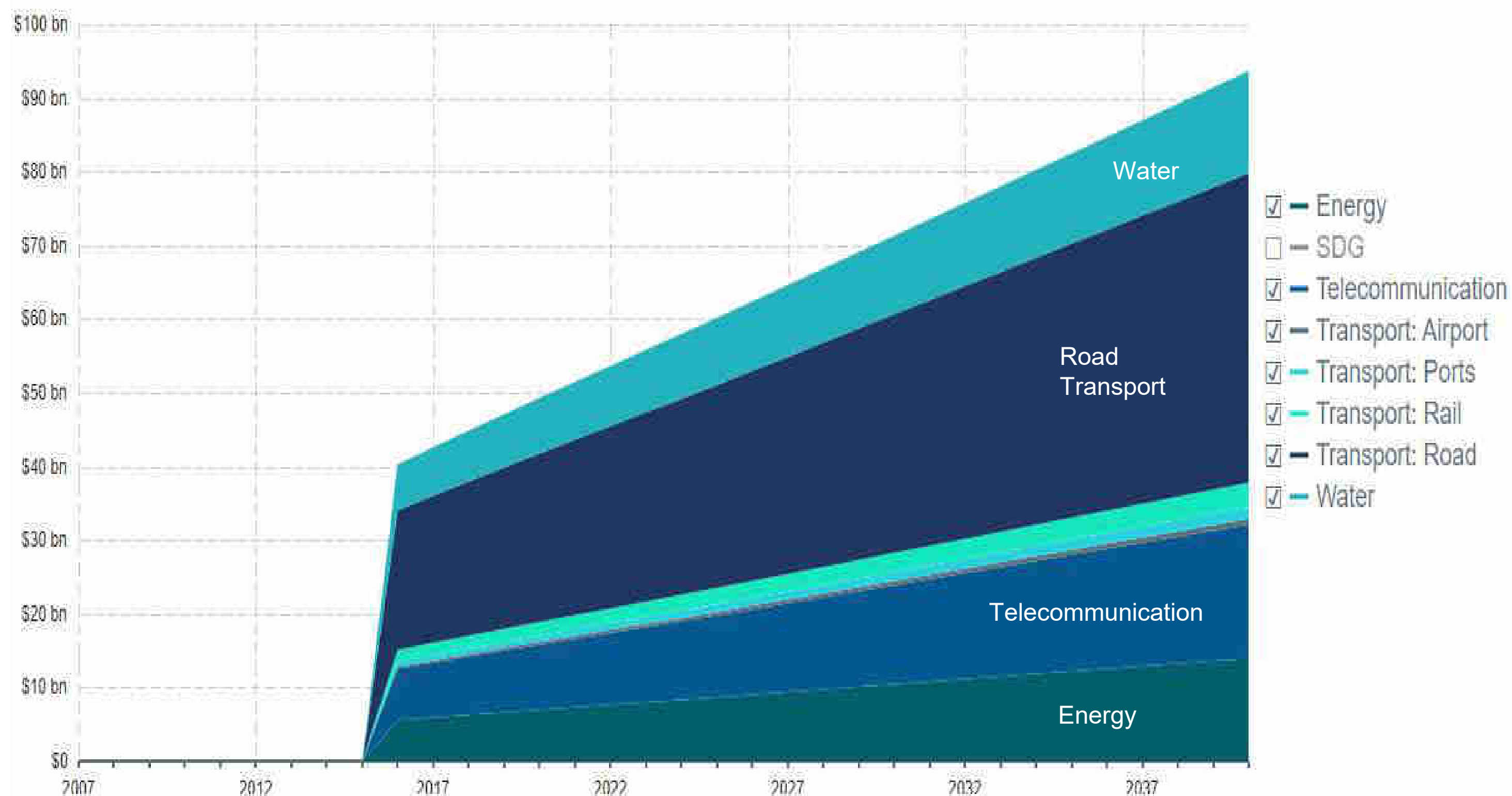


Figure 9

Average

Need to spend more than 6% of GDP to close the infra gap vs other regions

4.47%

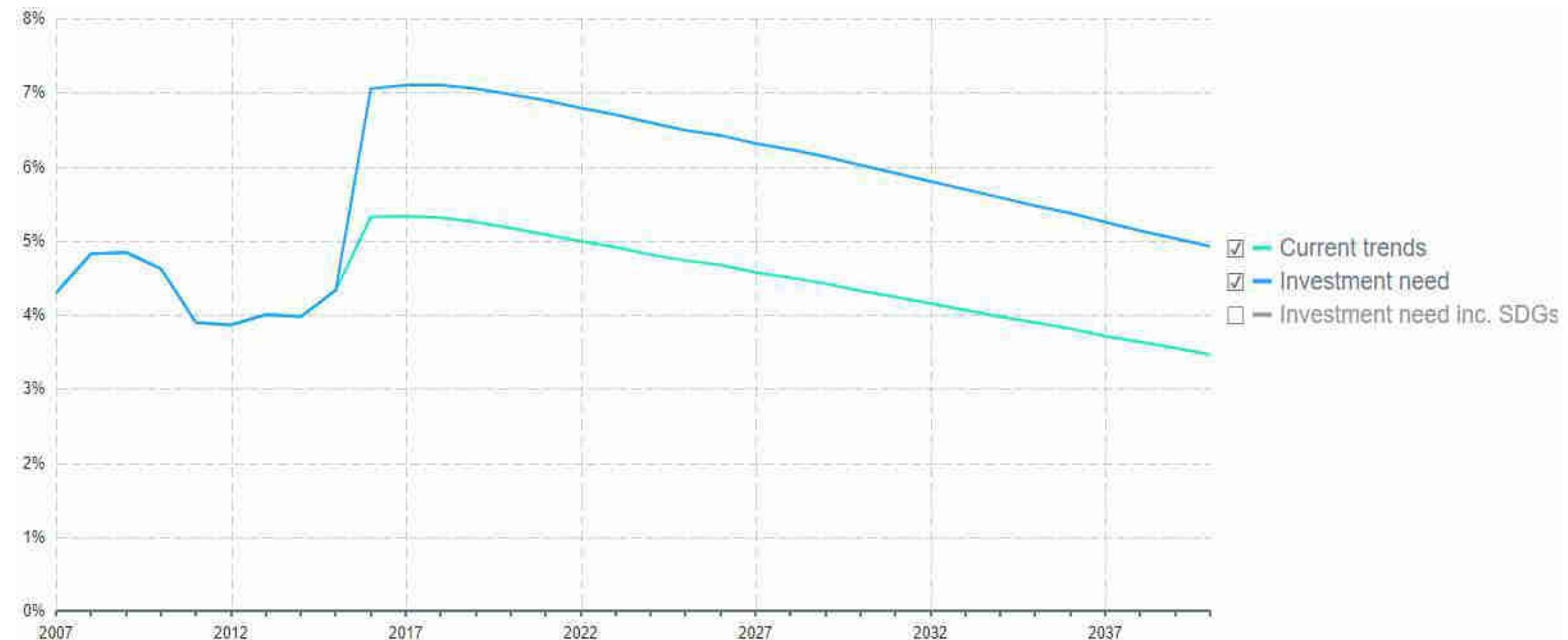
Investment current trends

6.16%

Investment needed

1.69%

Investment gap



Investment need increases to 7% of GDP if achievement of SDGs are included

Figure 10

More than the rest of the world

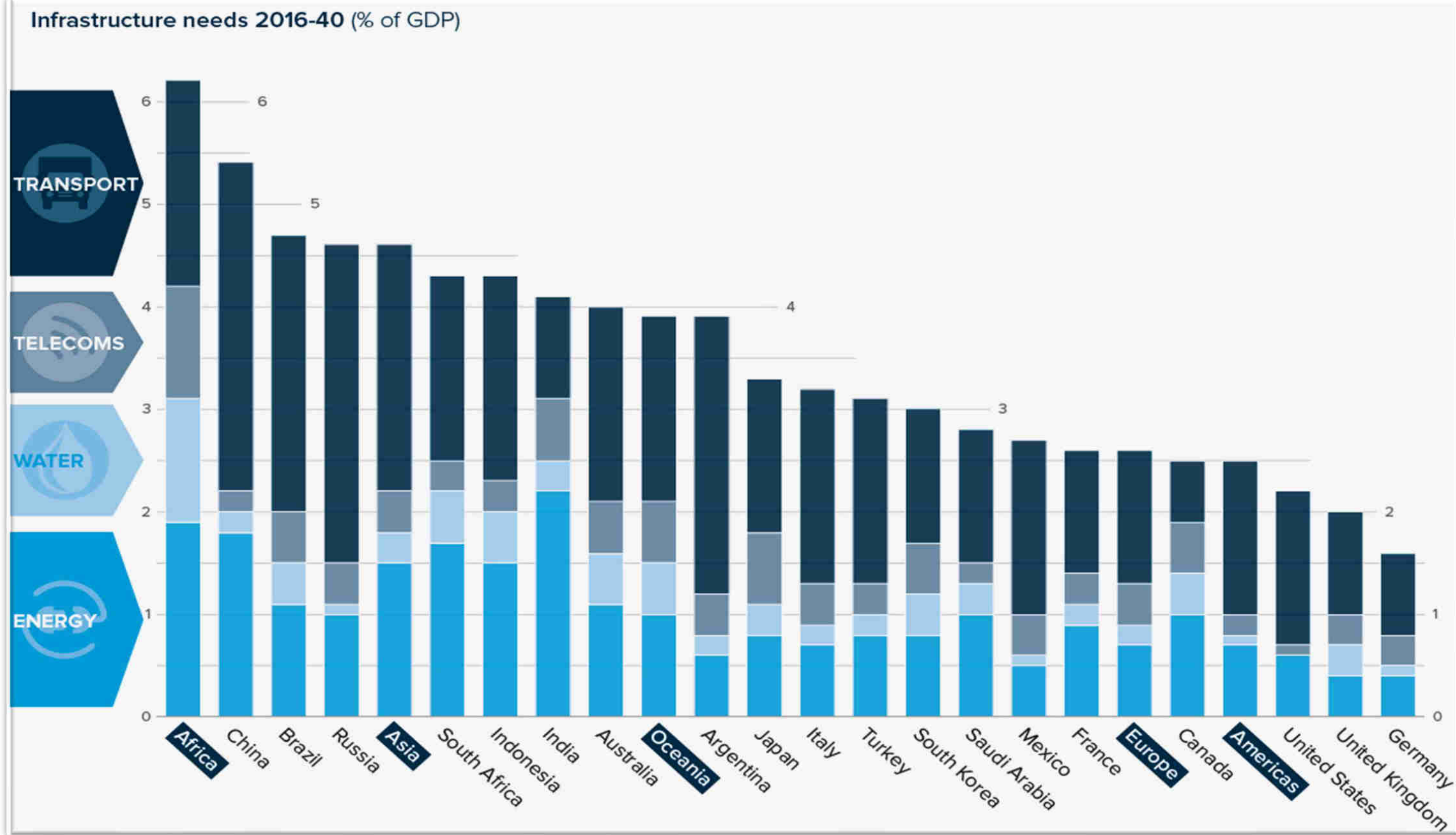


Figure 11

Investment in Africa and other lower-income regions continues to fall

Private investment in infrastructure projects by region, 2010-2021
(USD bn and % growth in 2021)

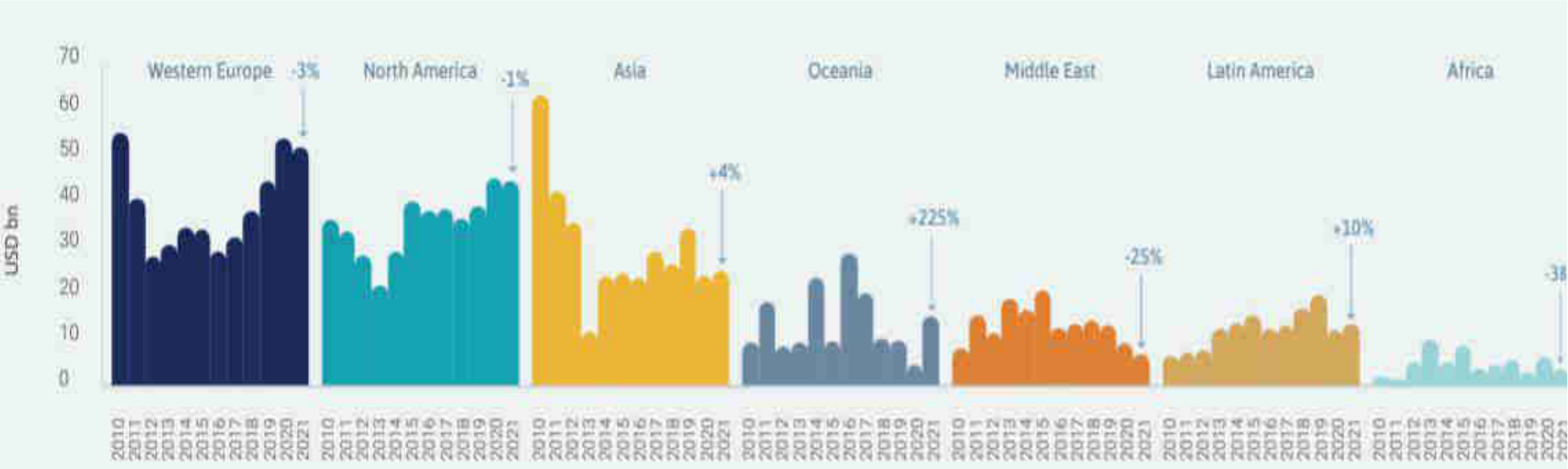


Figure 12

Infrastructure is growing globally as an anchor asset class, but Africa is being left behind

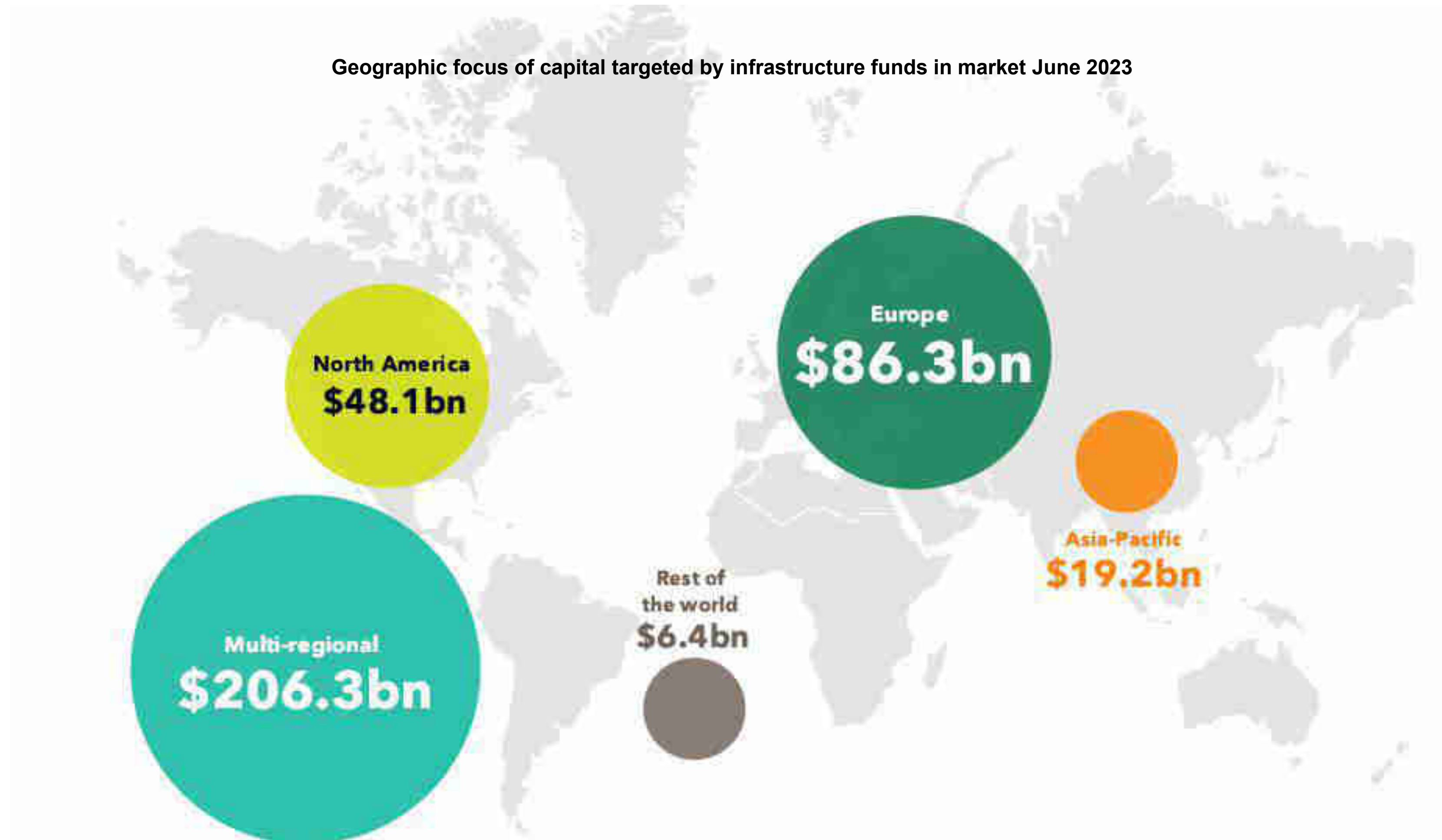
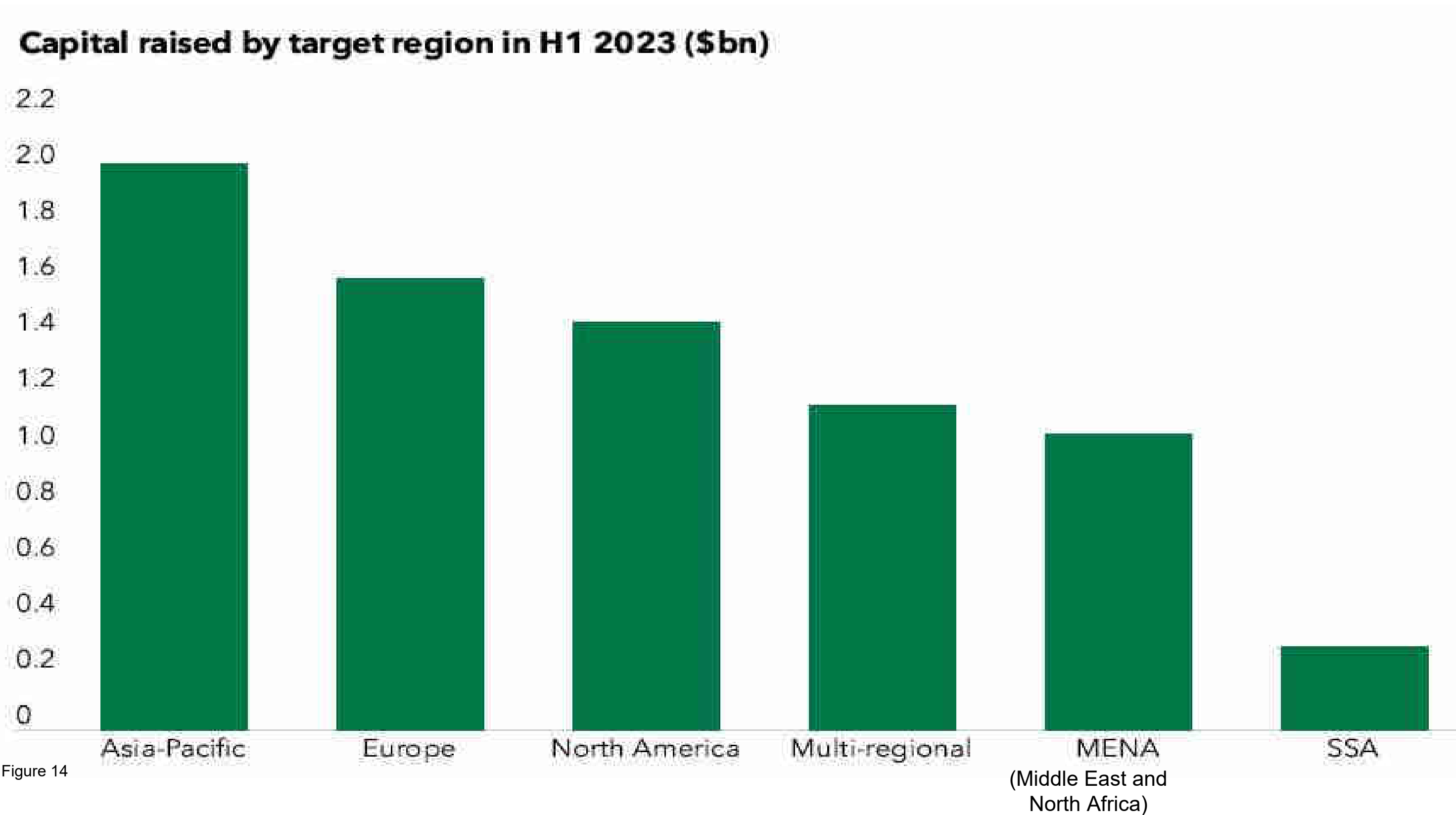


Figure 13

Similarly, SSA receives the lowest fund allocation consistent with prior years



Digital infrastructure and Energy Transition (Renewables) are the most popular sectors

Sector-specific fundraising

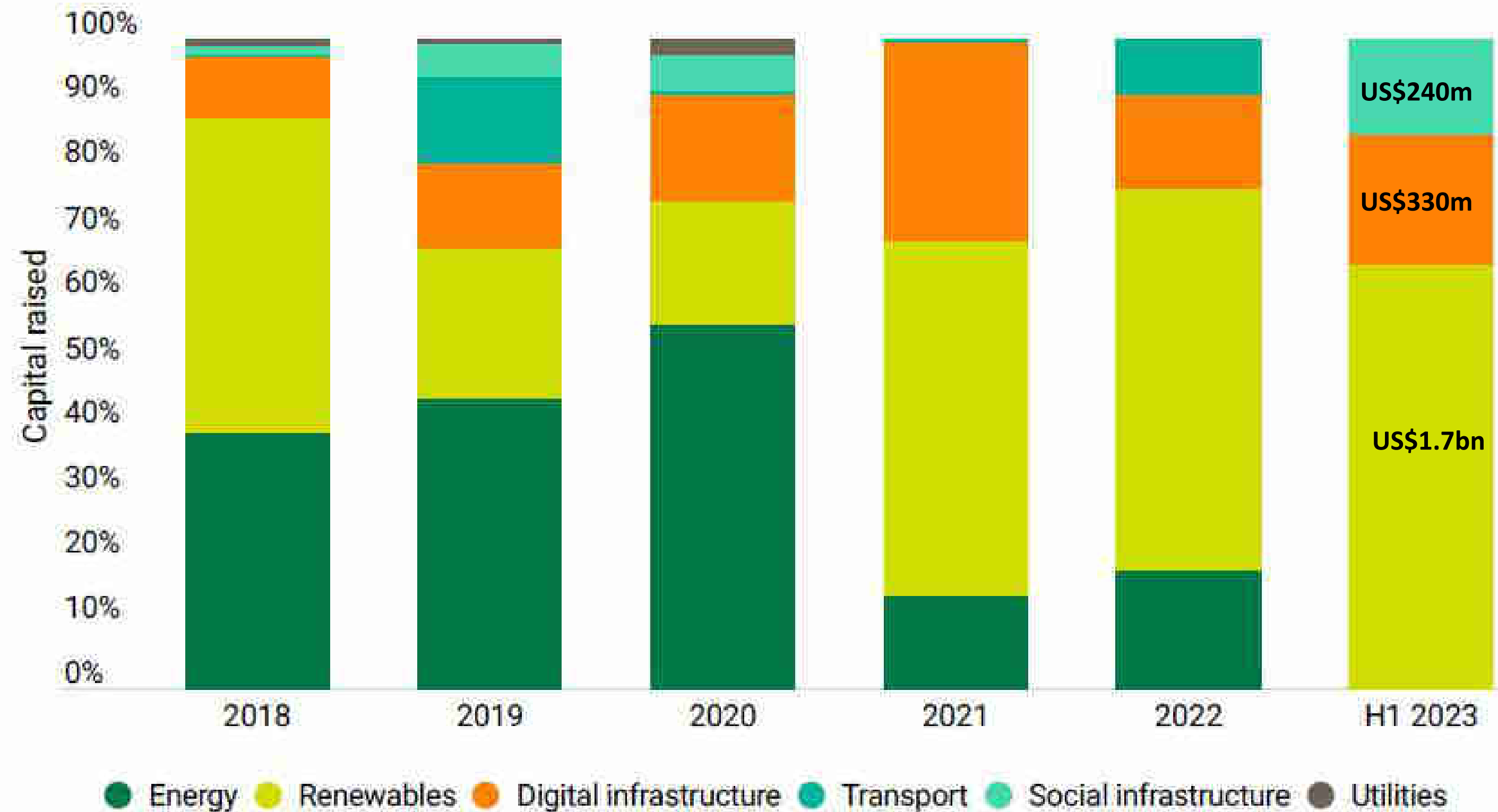


Figure 15



Harith

FINANCIERS & DEVELOPERS OF INFRASTRUCTURE PROJECTS

AT RISK

Global North perpetuates

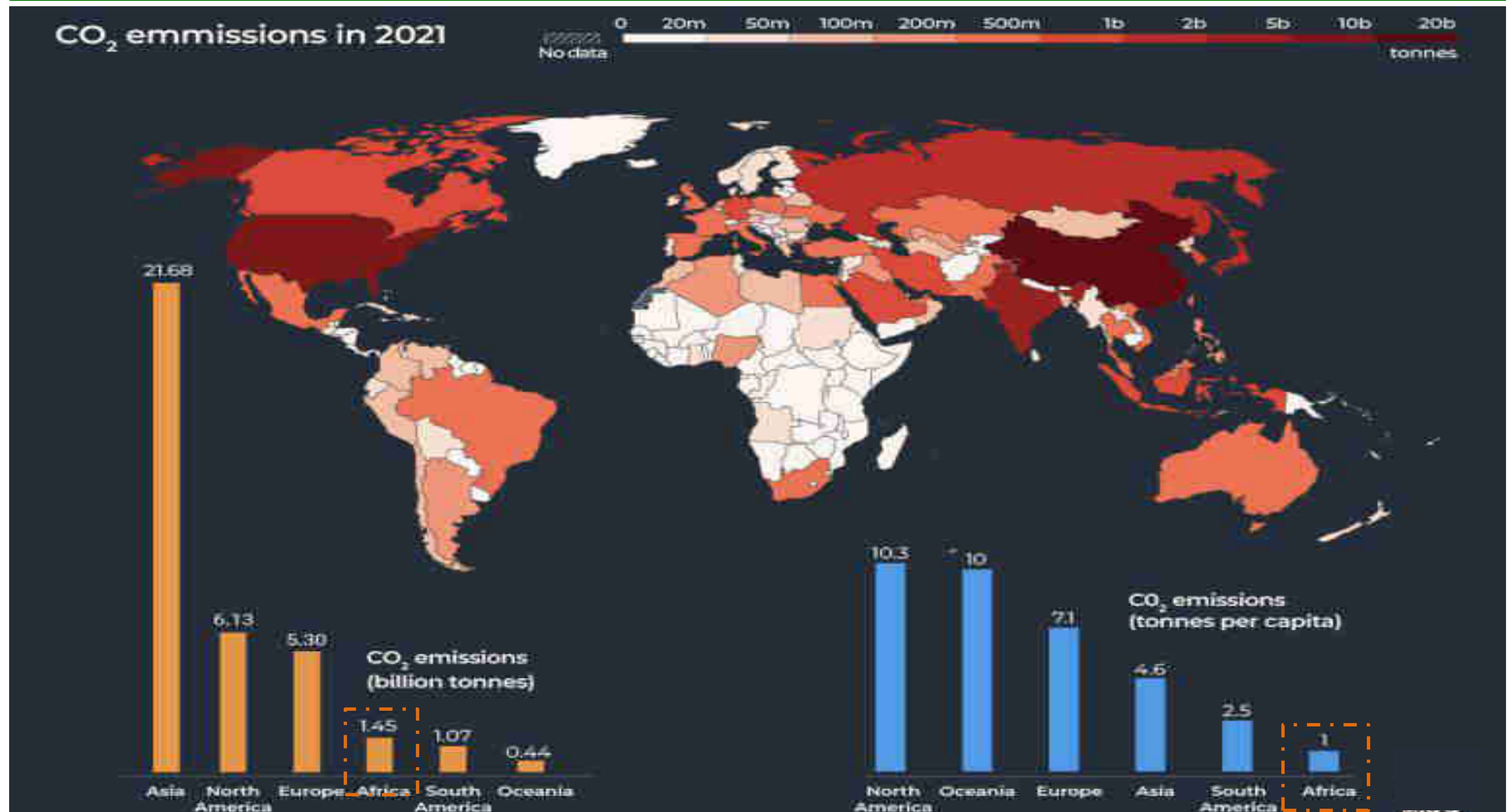


Figure 16

Yet Global South suffers

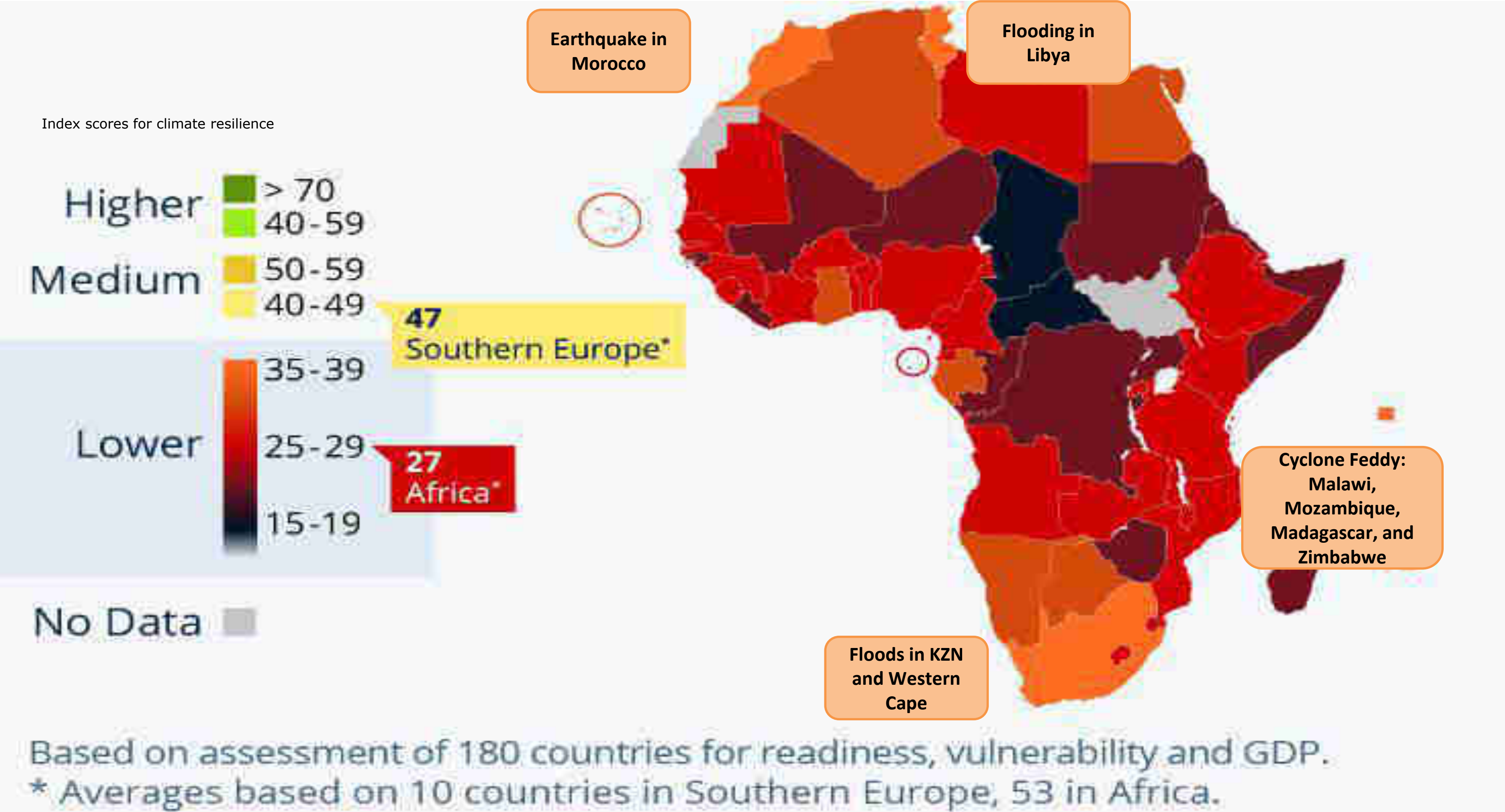


Figure 17

US\$190bn to achieve *energy* goals

Average annual energy investment in the Sustainable Africa Scenario, 2016-2030.

**Sustainable Africa
Scenario Assumes SSA
meets its energy-related
development goals on
time and in full.**

billion USD (2020)

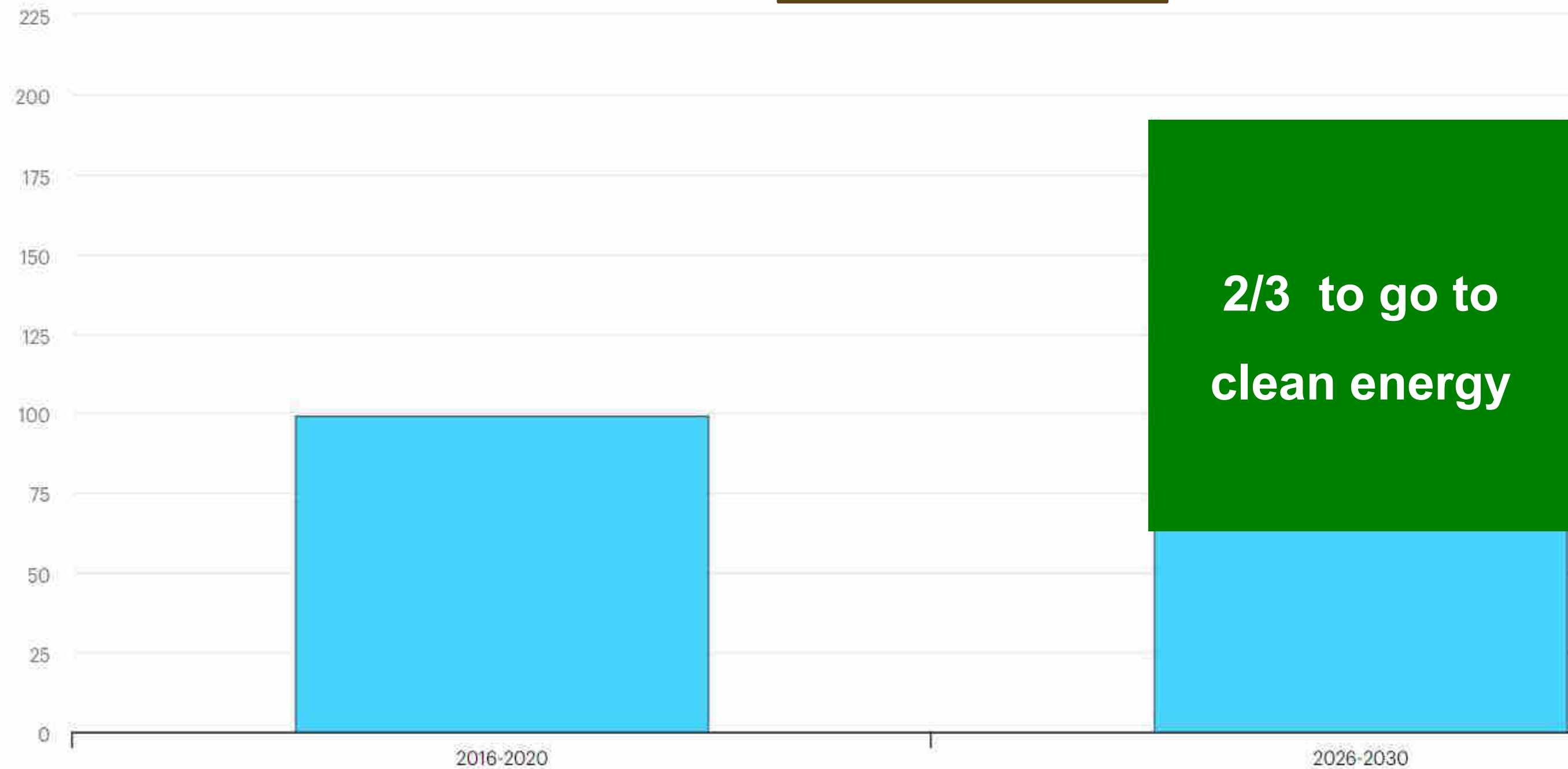


Figure 19

Clean energy technologies will create new export markets to drive growth

Revenues from copper and battery metals in Sub-Saharan Africa in the Sustainable Africa Scenario, 2020-2030

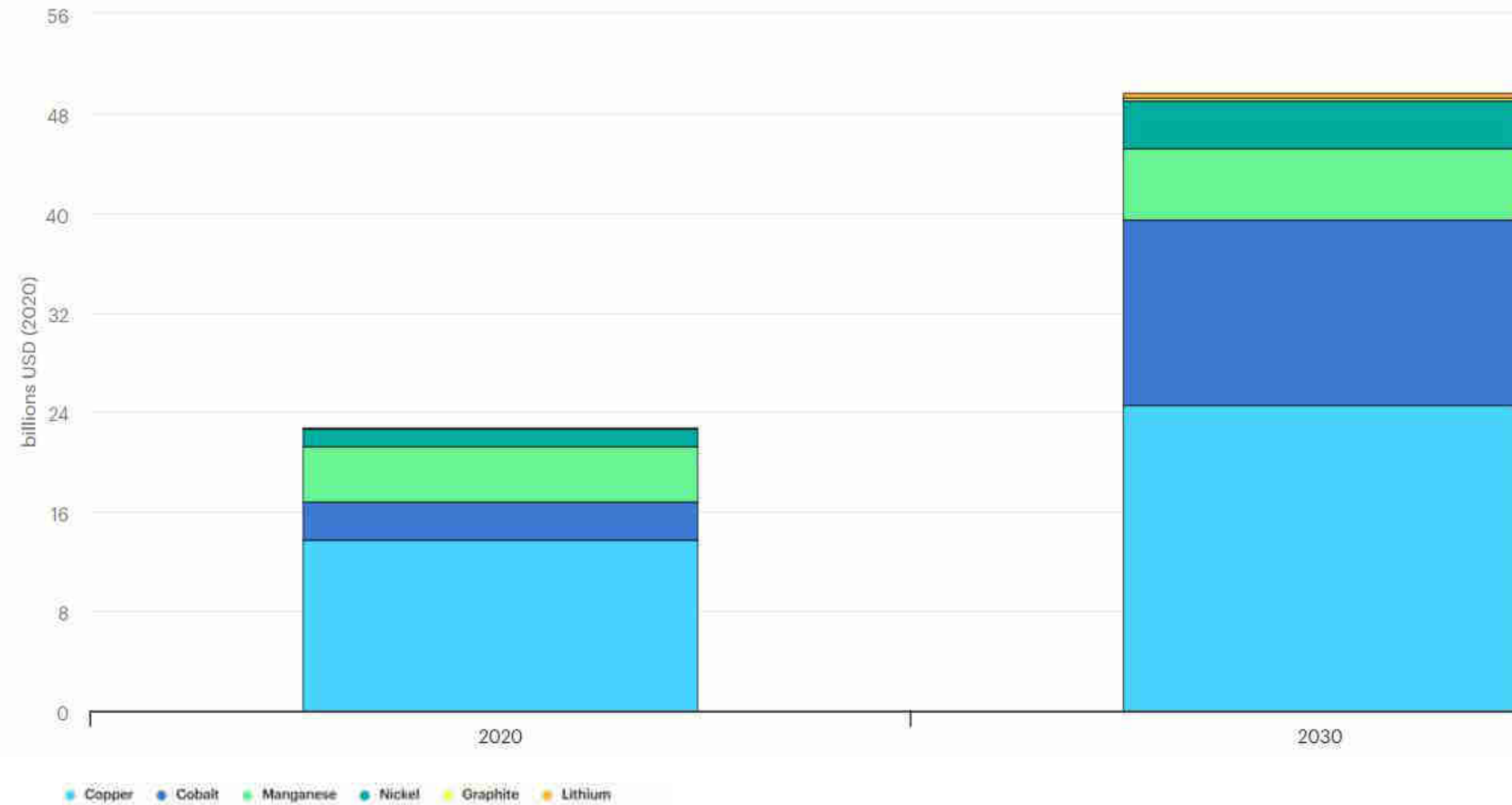


Figure 20



NEED TO ACT

Policies like AfCFTA boost regional trade and enhance resilience

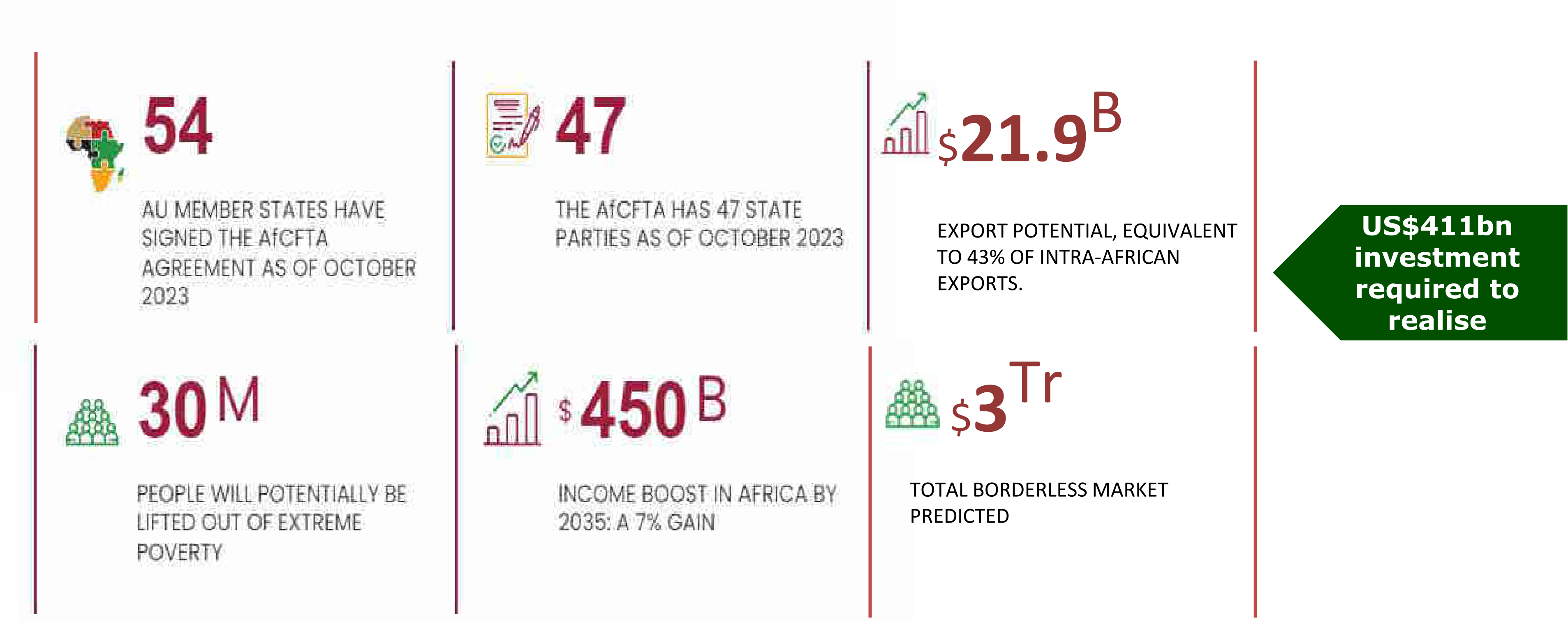


Figure 21

Mobilise foreign and regional funding

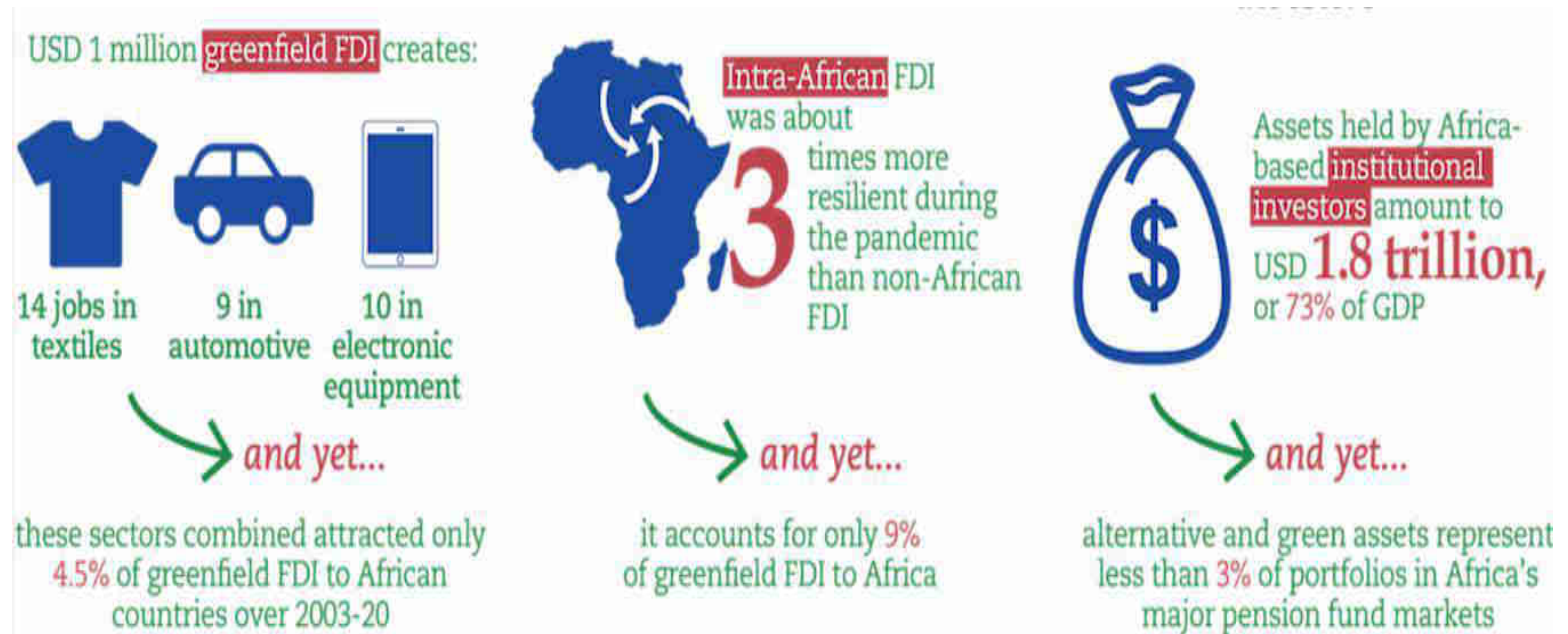


Figure 22

THANK YOU