

Ascent Capital buys stake in MTN mobile money agent

ASCENT CAPITAL Africa Ltd has acquired a 60 per cent stake in MTN Uganda's high value mobile money agent, Chims Africa, in its second deal.

The private equity firm acquired the stake for an undisclosed amount through its Ascent Rift Valley Fund arm.

Richard Mugerwa, the director of Ascent Capital Uganda, said the funds would be used to expand Chims Africa's network, especially

in rural areas.

"This investment will allow Chims to ensure availability of its service to customers at all times in this rapidly evolving market," Mr Mugerwa said.

\$80 m

Amount that Ascent Capital has raised from International and local investor

Chims CEO Norman Batuma said the firm would increase its mobile money branches from the current 130 to 830 countrywide.

Ascent Capital has so far raised \$80 million from international and local investors including the Norwegian Investment Fund for Developing Countries (Norfund), and the Development Bank of Austria (OeEB), and pension funds such as Kenya Power Pension Fund and Nation Media Group Pension Fund.

Early this year, the private equity firm invested \$2.5 million in Medpharm Holdings Africa, a leading medical diagnostic laboratory with operations in Ethiopia that has ambitions to set up shop across East Africa.

Launched in 2014, Ascent Rift Valley Fund aims to invest between \$2 million and \$10 million in fast growing enterprises in Kenya, Uganda and Ethiopia.



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