



## **Paga Secures New Investments to Scale Money Transfer Service Nationwide**

***Lagos, July 2, 2012 – Paga, Nigeria’s leading money transfer service launched in February 2011, today announced it has secured new investments from Adlevo Capital, Omidyar Network, Acumen Fund, Capricorn Investment Group, and current investors Goodwell West Africa Microfinance Development Company.***

Paga’s mission is to deliver innovative and universal access to financial services for all Nigerians. The company plays a critical role in enabling a cashless Nigeria and delivering access to finance to the over 80% of Nigerians that are un-banked or under-banked. The company uses a multi-stakeholder approach. Paga is available on all mobile networks and is delivered to customers in collaboration with strong local banks (including microfinance institutions), retailers and various other private and public sector organisations.

Paga enables any person with a mobile phone or Internet access to send cash to anyone in Nigeria, buy or send airtime credit, pay bills, pay both online and physical retail stores (without cash notes or a debit card), and perform a variety of other transactions. Individuals can also perform these transactions in their communities by visiting any agent in Paga’s growing network, comprising of more than 850 agents currently located in 19 cities.

Commenting on the purpose of the investment, Paga’s founder & CEO, Tayo Oviolu, said *“The business opportunity for Paga is huge, and it follows that the capital requirement to achieve our mission is also significant. A key requirement for success in our industry is having investors who share our vision and have the financial fortitude for such an undertaking. To date, we have been funded by individual investors and Goodwell. We are humbled by the interest we continue to receive from both local and international institutional investors. This investment will enable Paga to scale our operations across Nigeria and allow us to build upon our front-runner position. We have carefully chosen our investors for their track record and the immense value they will bring towards accomplishing our mission.”*

Speaking on the opportunity presented by Paga, Yemi Lalude, managing partner at Adlevo Capital, said *“Nigeria is Africa’s largest consumer market and a key requirement for commerce to grow is efficient payment systems across all spectrums of society. What we like about Paga is their holistic approach to servicing merchants by providing a secure and simple solution for both banked and un-banked users to pay for goods and services. We are impressed with the calibre and accomplishments of the Paga team and proud to have led this financing round.”*

Arjuna Costa, director of investments at Omidyar Network, added, *“Omidyar Network is very pleased to invest in Paga. The company’s innovative mobile solutions for commerce combined with its potential to enable financial inclusion broadly could be key factors in driving large scale social impact. By replacing cash as the primary method of payment, Paga enables real-time transactions that are more accessible, transparent and inclusive. We believe Paga has the potential to rapidly scale and improve the lives of millions across Nigeria and the region.”*

Speaking further on Paga’s social impact, Jacqueline Novogratz, founder and CEO of Acumen Fund, said *“We think Paga’s innovative offerings will go a long way in bringing new economic opportunities to people that have been underserved by traditional financial services.”* With more than half of Nigerians living on less than \$1 a day, it is critical to find ways to



deliver low cost financial services to the un-banked and under-banked. Godfrey Mwindaaire, the director of Acumen Fund's West Africa office, added *"The Paga team is already working to deliver on its plans for low cost savings products, micro-insurance, and other financial services through its agent network and in partnership with strong local banks. We look forward to working with Paga and the investor consortium that Paga has attracted to help the company achieve its goal of bringing financial access to 40 million Nigerians by 2015."*

Speaking on Paga's success to date, early investor, "Tokunboh Ishmael, managing director of Alitheia Capital, co-manager of Goodwell West Africa Microfinance Development Company said *"As the first institutional investor in Paga, Goodwell has always believed in the opportunity of a platform like Paga to foster financial inclusion in Nigeria. From the onset, Paga has continually exceeded expectations and this strengthens our confidence in Paga's ability to achieve its goals. Paga's success thus far has led to the quality of investors that are now joining us on this journey for the long-term."*

Elaborating on the investment, Dipender Saluja, managing director of Capricorn Investment Group, said *"Our belief in the power of innovation to catalyze economic and social advancement drew us to Paga. Paga's platform offers consumers a secure way to process financial transactions. Millions of Nigerian consumers who rely on cash can now use their mobile devices, the internet, or Paga agents to make payments and purchase goods. Paga has tremendous potential and we look forward to working with the team to build a great company."*

Speaking further on innovation, Oviolu said *"Innovation is at the core of Paga. Paga is a home-grown solution that overcomes a core challenge in Nigeria – how to transfer money or pay for anything without physically carrying cash. Imagine a day you walk into your local provision store, to buy provisions for the weekend and you don't need to carry cash, or even your wallet! Simply, all you have is money in Paga. The storeowner processes your transaction via Paga and now has his money in the bank. The opportunities abound and this is why investors have put their weight behind our team to help us achieve our mission."*

Since launching to the general public, Paga has processed over 276,000 transactions worth more than N2.6 billion. On June 4 2012, Paga achieved a major milestone and crossed 100,000 unique users. Today Paga has over 125,000 users.

Customers can use Paga directly from their mobile phones or Internet-enabled devices by visiting [www.mypaga.com](http://www.mypaga.com) or a Paga agent. Recipients of money sent can simply go to any Paga agent to collect the funds and do not need to be Paga customers to do so.

Paga was advised on this investment round by international law firm Norton Rose LLP (Partner - Bayo Odubeko) and the investors were advised by Bowman Gilfillan (Partner - Lele Modise).



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### **About Paga**

Paga was founded in April 2009 with a mission to deliver innovative and universal access to financial services in Africa. Paga received its provisional licence to operate from the Central Bank of Nigeria in November 2010 and full license November 2011. Paga is underpinned by a secure payments platform that is built with the flexibility to operate in any environment and on the most basic mobile phone and Internet enabled device. To maximise the network effects critical for the long-term success, Paga has taken a multi-stakeholder approach and works with strong local banks and microfinance institutions and on all mobile networks. Customers can use Paga via multiple channels – SMS, Online, Java application on a device, and our agent network. The company has gone to great lengths to balance simplicity and security of its platform. To learn more visit [www.mypaga.com](http://www.mypaga.com)

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### **About Acumen Fund**

Acumen Fund is working to create a world beyond poverty by investing in social enterprises, emerging leaders and breakthrough ideas. We invest patient capital in business models that deliver critical goods and services to the world's poor, improving the lives of millions. Since 2001, Acumen Fund has globally invested more than \$75 million in 69 companies. We are also working to build a global community of emerging leaders that believe in creating a more inclusive world through the tools of both business and philanthropy. Please visit [www.acumenfund.org](http://www.acumenfund.org) for more information.

### **About Adlevo Capital**

Adlevo Capital is the first private equity firm focused on investments into technology-enabled companies across multiple African countries. The firm was founded by seasoned professionals to capitalize on growing investment opportunities in the technology-enabled service segments of multiple industry sectors in sub-Saharan Africa. The Adlevo Capital team's operating experience, technology expertise and extensive network of relationships enable it to add significant value to portfolio companies from its local offices in Lagos and Johannesburg. Its portfolio includes InterSwitch Limited, the leading provider of electronic payment processing services in West Africa and Paga, Nigeria's leading money transfer service. For more information, visit [www.adlevocapital.com](http://www.adlevocapital.com).



### **About Capricorn Investment Group**

Established in 2001, Capricorn Investment Group is a privately-owned, independent investment manager with offices in Palo Alto and New York. Capricorn currently manages approximately \$4.5 billion in total capital across a highly diversified, global blend of investment funds and opportunistic direct investment strategies. Its vision is to provide consistently strong investment performance and disciplined risk management, true independence, and a principled investment approach.

### **About Goodwell West Africa**

Goodwell West Africa is a microfinance investment vehicle co-managed by investment manager Goodwell Investments from the Netherlands and Alitheia Capital in Nigeria. The fund's mission is to improve access to affordable financial services for people at the 'Base of the Pyramid'. Therefore Goodwell West Africa invests in entrepreneurial institutions aimed at banking the unbanked, seeking to achieve a substantial social return as well as an attractive financial result. For more information, please visit – [www.goodwell.nl](http://www.goodwell.nl) and [www.thealitheia.com](http://www.thealitheia.com)

### **About Omidyar Network**

Omidyar Network is a philanthropic investment firm dedicated to harnessing the power of markets to create opportunity for people to improve their lives. Established in 2004 by eBay founder Pierre Omidyar and his wife Pam, the organization invests in and helps scale innovative organizations to catalyze economic and social change. To date, Omidyar Network has committed more than \$500 million to for-profit companies and nonprofit organizations that foster economic advancement and encourage individual participation across multiple initiatives, including consumer internet and mobile, entrepreneurship, financial inclusion, government transparency, and property rights. To learn more visit [www.omidyar.com](http://www.omidyar.com)