

## AAIC Investment launches Second Fund focused on Start-ups in Africa

Singapore- 29<sup>th</sup> April 2022- AAIC Investment Pte. Ltd. (AAIC Investment), a Japanese Investment firm Headquartered in Singapore, is pleased to announce the First Closing of Africa Innovation & Healthcare Fund VCC –AHF2 in March 2022, its second fund focusing on the investing of start-ups in Africa. AHF 2 will commence its investment activities and will continue to accept subscriptions till it attains its target of USD 150 million.

Investors who joined the AHF2 at First Closing include Asahi Intecc Co., Ltd, Eisai Inc., Ohara Pharmaceuticals (\*) as well as other prominent Japanese trading companies.

According to research from Partech, 2021 saw African start-ups raising a total of USD 5.24 billion in funding, catching up rapidly with the amount raised by start-ups in Japan. AHF2 invests primarily in healthcare, a key SDG Goal (SDG 3) and a sector that is undergoing rapid advancement in the fields of telemedicine and Artificial Intelligence-led diagnosis, driven by the outbreak of Coronavirus. Other areas of investments include industries such as Fintech, of which products and services offered by these companies play a crucial role in further accelerating the growth of the Healthcare industry.

AAIC Investment launched its inaugural Africa-focused fund, the Africa Healthcare Fund (AHF1) , in 2017. The fund raised a total of USD 47 million and has invested in and supported the growth of 30 start-ups to date. One of its portfolio companies, Chipper Cash, a fintech start-up, became a unicorn in 2021.

AHF1 was the first Japanese-affiliated VC to operate from Kenya in 2015. The investment manager established two more offices, Nigeria and South Africa, in December 2020 and March 2022, respectively. It is also in the process of setting up its Egypt office. Kenya, Nigeria, South Africa, and Egypt have also been found to make-up nearly 74% of all African start-up investments in 2021 (Partech). With the launch of AHF2, AAIC Investment strives to further expand its operational footprint in order to cover all regions of Africa.

From its years of experience in Africa, AAIC Investment observed the limited role of Japan as compared to Europe, China, and India. AAIC Investment will strive not only to maximise returns for its investors through the activities of the funds but also to import the Japanese technologies and skillsets to Africa and develop sustainable growth for both parties.

Moreover, it would give assist in growing the presence of Japanese companies and people actively involved in the continent.

“I am excited and grateful for all the tremendous support from our stakeholders and pleased to announce the launch of our second fund. Since the founding of AAIC Holdings, considering the declining birth rate and ageing population in Japan, our hypothesis is that Japan’s future growth can only be achieved when Japanese firms would expand their business overseas, internationalise, and cooperate fully with the emerging markets. We believe that the launch of the new fund will further expedite the realisation of sustainable growth for both Japan and Africa,” said AAIC Holding’s Founder and CEO, Susumu Tsubaki.

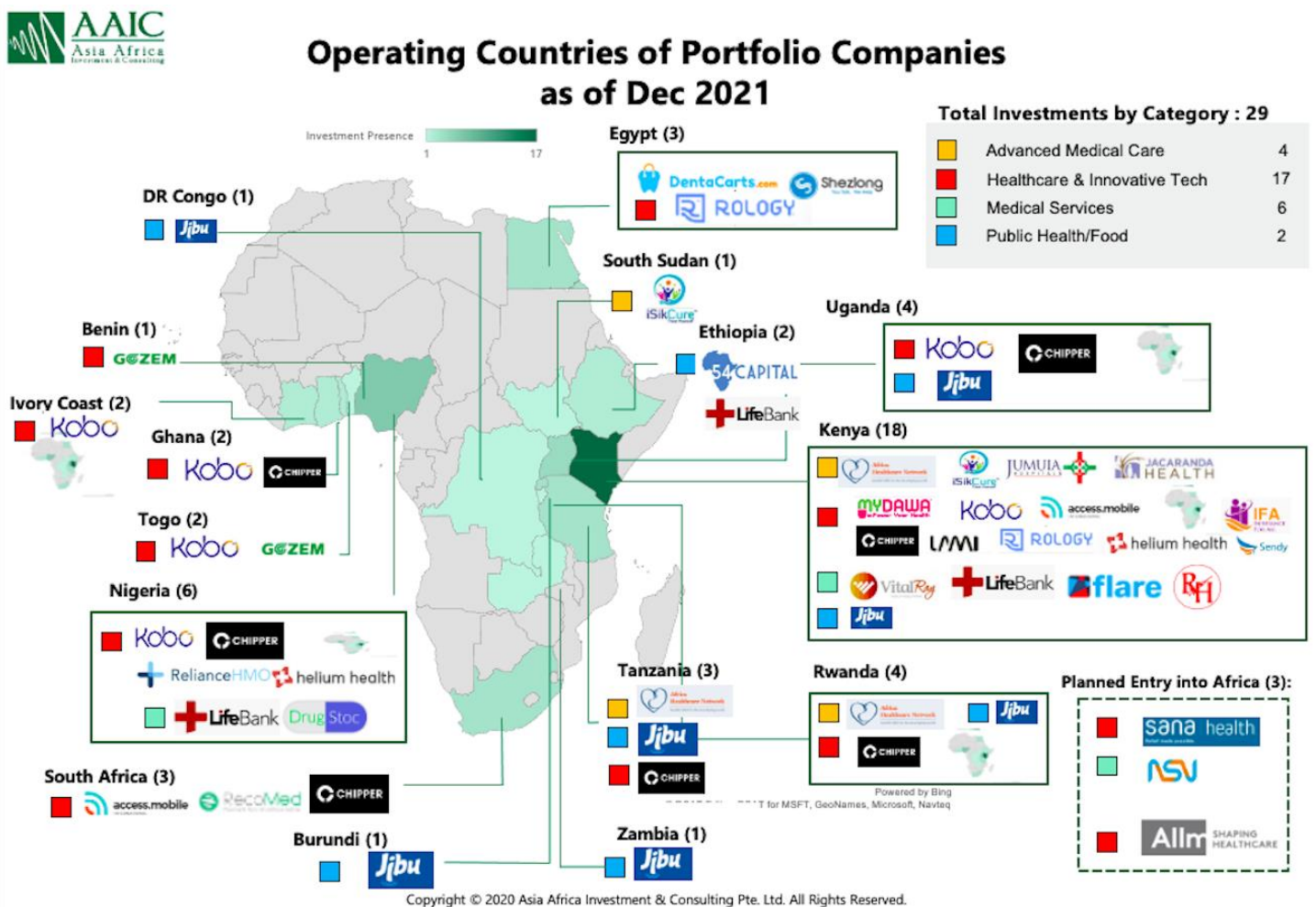
“From 2015 to 2021, during the first few years of my assignment in Kenya, the volume of start-up funding in Africa grew by about 20-fold. I am looking forward to the next ten years of development, which is also the period of operation for our second fund. The fact that hospitals in Africa are still lacking in basic infrastructure highlights the greater importance of

the role of technology in developing countries than in developed economies.” said Hiroki Ishida, AAIC Investment’s Principal and Representative of the Kenya office,

In addition, AAIC Investment’s Manager and Representative of the Nigeria office highlights, “The Pandemic has spurred the healthcare sector’s digitalisation to the real practice. AAIC Investment is looking forward to supporting this movement and bridging the African firms to the world. We are thrilled to create an innovative value in Africa’s Healthcare sector with the local startups, entrepreneurs, and leaders.”,

(\* ) Companies are listed alphabetically.

■ Figure 1: AAIC Investment’s Operational Countries of Portfolio Companies as of December 2021



■ Photos: Members of AAIC Investment



Director **Shigeru Handa** (Singapore), Founder and CEO **Susumu Tsubaki** (Tokyo, Singapore)



Manager **Chiaki Hoshino**, Analyst **Faith Kanyiri**, Associate **David Ndegwa**, Principal and Representative of Kenya office **Hiroki Ishida** (Nairobi)



Senior Associate **Angela Li** (Singapore)



Manager Principal and Representative of Nigeria office **Nobuhiko Ichimiya** (Lagos)

■ Overview of AHF2

Fund Name: Africa Innovation & Healthcare Fund (AHF2)

Target Countries: Various countries in Africa with a focus on Kenya, Nigeria, South Africa, and Egypt

Target Sectors: Medical and Healthcare sectors and technology-driven companies in other social infrastructure fields, including finance, insurance, and logistics.

Stages of Investments: Series A, B

Ticket Size: USD 5 million ~ USD 50 million

Investment Strategy: The Fund invests in innovations that address various social issues (SDGs/ESGs) in Africa, primarily challenges and major growth areas evident in the Medical and Healthcare sectors. It will also invest in technology-driven companies in other social infrastructure fields, including Finance, Insurance, and Logistics, as and when opportunities arise.

## ■ Overview of AAIC Investment

Company Name: AAIC Investment Pte. Ltd. (AAIC Investment)

Headquarter: Singapore

CEO: Susumu TSUBAKI

Year of Establishment: 2013

Website: <http://aaicinvestment.com>

Company Overview: Established in 2013 and headquartered in Singapore, AAIC Investment is the fund management arm of [AAIC Holdings](#). It has been supporting corporate venture-related activities of Japanese companies since 2014. In 2017, it established the first Japanese fund (Africa Healthcare Fund, AHF), specialising in investment within the African healthcare space. The total Assets under Management (AuM) are USD 47 million, and as of April 2022, it has invested in 30 companies.

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