

DPI and Verod Capital partner to back management of Pan African Towers, a leading Nigerian digital infrastructure provider

- Pan African Towers is a leading, homegrown Nigerian digital infrastructure business supporting the growth of Africa's mobile telecoms industry.
- The investment will act as a launchpad for Pan African Towers (PAT) to embark on the next phase of its strategy and accelerate the Nigerian telecommunications market.
- DPI and Verod Capital will work with PAT's highly experienced management team to strengthen the business.

London and Lagos, 27th November 2023 – Pan African Towers (PAT), a leading digital infrastructure company based in Nigeria, has announced a strategic investment from Development Partners International (DPI), a premier investment firm focused on Africa, and Verod Capital (Verod), one of the continent's leading investment management firms. DPI and Verod are investing in PAT to fuel its continued growth and will work with management to build on the company's recent achievements and reaffirm its position as Nigeria's largest homegrown digital infrastructure provider.

Established in Nigeria in 2017 to capitalise on the growing demand for wireless communications across Africa, PAT has emerged as a prominent telecommunications and tower infrastructure provider in Nigeria, playing an indispensable role in the nationwide expansion of mobile communications. Since founding, PAT has built a successful business model centred around establishing tailored, long-term contracts with blue-chip customers, including Nigeria's leading mobile network operators (MNOs) and internet service providers (ISPs). The success and strong performance of the company to date has further accelerated under the leadership of Chief Executive Azeez Amida, who has a strong track record of executing successful growth strategies in emerging market telecommunications.

Nigeria is an attractive market for digital infrastructure in Africa. Underpinned by its strong demographics, it is Africa's leading telecommunications market by number of mobile subscribers (208m) and contributed c.13% of national GDP in 2021 compared to 8% in 2015. As of December 2021, there were 41,120 towers in Nigeria mostly supporting third generation (3G) and fourth generation (4G) technology across the country. However, according to Nigeria's Ministry of Communications, the country needs between 70,000 to 80,000 towers to enable proper quality and coverage for 4G and 5G technology, creating a supply gap of more than 30,000 towers. This investment will enable PAT to capitalise on this opportunity and help close this gap, providing world-class digital infrastructure to support Africa's economic development.

Azeez Amida, CEO of Pan African Towers, said: *“As a proud Nigerian-founded and run business, Pan African Towers is on a mission to accelerate the Nigerian market and support the growth of the mobile telecommunications sector in the country. We also have a clear strategic vision to grow the business sustainably, including actively reducing the carbon footprint of our network to uphold best-in-class ESG practices. We are excited to partner with DPI and Verod and will leverage their sector experience and market expertise to help us achieve these goals. The evolution of Nigeria's mobile and wireless industry presents significant opportunities for our business, and we look forward to being a part of this next chapter of growth.”*

PAT's experienced management team will work closely with DPI and Verod to accelerate its strategic plan, leveraging their expertise in areas such as market entry, operational efficiency,

and talent management. With the support of both investors, PAT will deepen relationships with existing partners, expand its customer base, and grow its footprint of towers to reach new parts of the country where mobile and wireless penetration remains low. PAT will also benefit from DPI's experience in scaling towers companies, as the first institutional investor in Eaton Towers, another of Africa's leading telecoms businesses it exited in 2019.

Adefolarin Ogunsanya, Partner at DPI, said: *“Pan African Towers is an exciting homegrown business with significant potential and is uniquely positioned to benefit from the opportunity presented by Nigeria’s digital innovation boom. We are incredibly excited to partner with PAT’s management team to help crystallize the Company’s vision of becoming Nigeria’s digital infrastructure provider of choice and look forward to sharing our deep knowledge and experience of Africa’s towers industry and the Nigerian market to help achieve this.”*

Daniel Adeoye, Principal and Head of Investments at Verod Capital, said: *“The Nigerian demographic is currently experiencing a surge in data consumption and related services, driven by a generation of tech-savvy digital natives that are unparalleled. The ‘Verod Consumer Spend Index’ indicates that telecommunication expenses are increasing significantly, providing a tailwind for tower companies like PAT. Verod is delighted to support PAT’s management with ample capital and value-creation expertise to navigate this period of growth.”*

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About Pan African Towers

Pan African Towers is Nigeria's leading provider of digital infrastructure. The company provides telecommunications infrastructure and wireless services such as Built-to-Suit, colocation, Distributed Antenna Solutions, buy-lease-back and other value-added services.

In 2022, PAT completed a merger with SWAP Technologies and became the #3 tower company in Nigeria by number of towers and revenue. The company has a nationwide site presence with ~760 across Nigeria, primarily in the Southwest of Nigeria as of August 2022. PAT has a diverse customer base of 1,147 tenants (including Nigeria's leading Mobile Network Operators (“MNOs”), sharing space on existing sites alongside other telecom providers, with a colocation ratio of 1.60x, one of the strongest in the industry.

About DPI

DPI is an Africa-focused private investment firm with over US\$3 billion in assets under management and co-investments across three funds, targeting high-growth, impact-driven, and innovation-led companies. DPI's three funds, African Development Partners I, II and III (ADP I, II and III), are ranked in the top quartile for performance by Cambridge Associates. Since DPI was founded in 2007, its ADP funds have completed 28 investments in 25 companies across the continent, and its portfolio companies employ over 60,000 staff, with over 25,000 jobs created during DPI's investment.

In 2020, ADP III became the first 2X Flagship Fund, as part of the global 2X Challenge, committing to integrating a gender lens into its investment process, and reflecting DPI's long-standing commitment to gender equity. DPI has a female co-founder and CEO; one-third of the partners are women, and 50% of the firm are women. As a signatory to the UN Principles for Responsible Investment (PRI) and the Operating Principles for Impact Management, DPI promotes high ESG and Impact standards and seeks to contribute to the UN Sustainable Development Goals.

About Verod Capital Management

Verod is a leading African investment management firm specialising in private equity, primarily focusing on high-growth businesses in Anglophone West Africa, particularly Nigeria and Ghana. The firm also operates a venture capital arm, Verod-Kepple Africa Ventures, which invests in early-stage tech-enabled businesses across the African continent, driving transformative change. Since its inception, Verod has raised over \$400 million and has invested in more than 30 companies.

Verod collaborates with partners to promote sustainable growth, job creation, gender equality, and improved access to education, health, and wellness, all in alignment with the United Nations Sustainable Development Goals (SDGs) while safeguarding the environment. As the first Nigerian private equity firm and the first in West Africa to commit to the UN Principles for Responsible Investment (PRI) and COP22, our dedication to sustainability and impact is evident through our alignment with the 2X Challenge, ILPA Diversity in Action initiatives, and our adoption of industry-standard ESG and Impact frameworks that contribute to the achievement of the SDGs.