



Official Launch of the Acorn Student Accommodation REITs

NAIROBI, 24th February 2021 - Acorn Holdings Ltd through its subsidiary Acorn Investment Management Limited (AIML) has launched two Real Estate Investment Trusts (REITs) that will give institutional investors the opportunity to get into the lucrative student housing market. The Acorn Student Accommodation Development REIT (ASA D-REIT) and the Acorn Student Accommodation Income REIT (ASA I-REIT) are expected to give long-term investors a blended return of 18% on a 10-year hold basis.

Speaking at the launch of the REITs, National Treasury Cabinet Secretary Ukur Yatani underscored the importance of diversified investment opportunities to Kenya's economy. ***"There is considerable need to utilize the appropriate capital structures to finance the development of rental housing in Kenya. This has been done successfully in developed capital markets globally. These investment vehicles Acorn is launching today will play a crucial role in helping the Kenyan economy and real estate sector get back on its feet post-COVID,"*** said CS Yatani.

The need for student housing is clear as Kenya has a median age of 18 years with 75% of the total population being under 35 years old. The country has approximately 550,000 students enrolled in universities against a bed capacity of 40,000 beds.

British High Commissioner to Kenya Jane Marriott added; ***"Affordable housing is vital in securing quality jobs and driving forward prosperity for all Kenyans. Through this KES 1 billion investment, the UK is proud to support President Kenyatta's initiative to build affordable homes, giving nearly 10,000 Kenyan students the best chance to succeed. This is just one small part of our economic partnership with Kenya, to mobilise more private investment and help a clean and resilient economic recovery after COVID-19."***

Edward Kirathe, Acorn Holdings Ltd CEO, said ***"Acorn is pleased to continue to develop our Kenyan Capital Markets by bringing good quality asset-backed and regulated issuances that have attractive returns, strong international institutional backing and the highest standards of corporate governance. The Acorn REITs are once again bringing a number of new firsts to our Capital Markets; first Development REIT globally, first Student Accommodation REITs in Africa and first issuance to list on the OTC segment of the Nairobi Securities Exchange. We are very grateful for the support and confidence that we have received from our anchor investor InfraCo Africa, local pension schemes, fund managers and insurance companies, who have invested in the two Acorn REITs. We are also grateful to the CMA, RBA and IRA for their support."***

InfraCo Africa's CEO, Gilles Vaes noted, ***"This subscription marks our first investment into affordable housing, and I am delighted to take this step with Acorn, a well-respected developer of high-quality student accommodation. Expanding Acorn's student housing offering will support Nairobi's university students to achieve their ambitions, underpinning Kenya's future economic development under its "Big 4" agenda. As the anchor investor in the Acorn REITs, our involvement will also strengthen local capital markets to support similar infrastructure initiatives in the future."***

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About Acorn Holdings Ltd.

Established in 2001, Acorn has over 20 years' experience in East Africa's real estate sector. Acorn is the largest provider of purpose-built student accommodation (PBSA) in East and Central Africa and provides 3,000 operating beds with about 6,000 beds in the pipeline. In 2019, with the support from GuarantCo, Acorn raised the first Green Housing Bond in Africa which was subsequently listed in the Nairobi Stock Exchange and London Stock Exchange. Subsequently, in February 2021, Acorn successfully launched the Acorn Student Accommodation REITs after receiving all the requisite approvals from CMA. The REITs are managed by Acorn Investment Management Limited (AIML), a wholly owned subsidiary of Acorn. www.acornholdingsafrica.com/

The Private Infrastructure Development Group (PIDG)

The Private Infrastructure Development Group (PIDG) is an innovative infrastructure development and finance organisation which encourages and mobilises private investment in pioneering infrastructure in the frontier markets of sub-Saharan Africa and south and south-east Asia to promote economic development and combat poverty. PIDG delivers its ambition in line with its values of opportunity, accountability, safety, integrity and impact. Since 2002, PIDG has supported 157 infrastructure projects to financial close and provided 209 million people with access to new or improved infrastructure. PIDG is funded by six governments (the UK, the Netherlands, Switzerland, Australia, Sweden, Germany) and the IFC. PIDG TA can provide technical assistance and capital grants to the PIDG companies to meet a range of needs associated with an infrastructure project's life cycle. PIDG TA can also provide up-front viability gap funding grants to support PIDG projects that require concessional funding to make a project with strong development impact financeable. For more information please visit: www.pidg.org

InfraCo Africa

InfraCo Africa is part of the Private Infrastructure Development Group (PIDG). InfraCo Africa seeks to alleviate poverty by mobilising private investment into high-quality infrastructure projects in sub-Saharan Africa's poorest countries. It addresses the risks and costs of early-stage project development: funding teams of experienced developers and providing risk capital to those projects which need the financial commitment and leverage that InfraCo Africa can bring. InfraCo Africa is funded by the governments of the United Kingdom (through FCDO), the Netherlands (through DGIS) and Switzerland (through SECO). To find out more visit: www.infracoafrica.com

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