

# Actis announces acquirement of Compuscan credit bureau

Actis, the pan-emerging markets investor, has announced that it has established Credit Services Holdings (CSH), a buy-and-build credit services business. CSH's first investment will be acquiring 100% of Compuscan, the largest independent credit bureau in Africa.



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Actis will be investing in CSH alongside the Compuscan management team, who will continue to manage the Compuscan business. Actis plans to invest \$100m into the platform. To assist in the build-out of the platform, Michael Jordaan, formerly CEO of First National Bank and a leading figure in the African financial services industry, has been appointed as chairman of CSH.

Founded by CEO Remo Lenisa, Compuscan is the fastest growing bureau in South Africa and one of the largest on the continent. Headquartered in Stellenbosch, with offices in Johannesburg and Kampala, Uganda, it provides multiple credit data, decision analytics services and training, to over 3,500 clients including banks, telcos, retailers, micro credit institutions and insurers, across several countries including South Africa, Namibia, Botswana, Uganda and Ethiopia. The data analytics team in Compuscan operates under the Scoreshare brand and is led by Pieter van Heerden.

## Proven track record

Actis has a proven track record of buy-and-build financial infrastructure investments. In 2010, it established Emerging Markets Payments Holdings (EMPH), which offers payment processing services across Africa and the Middle East. Today EMPH has the broadest footprint of any payments company in Africa, contracting with 130 banks and operates in 40 countries across the region.

Commenting on the transaction, Jonathan Matthews, director in Actis' Johannesburg office, said Actis is backing an excellent and entrepreneurial management team led by Lenisa. "We are delighted to attract Michael Jordaan to help build the brand and take it to the next stage of growth. Only 5% of adults in Africa are covered by credit bureaus compared with 64% in OECD countries, and many countries are still without the necessary bureau infrastructure. We are excited to be investing in Compuscan and making the first steps towards bridging that gap."

## Lower interest rates

Ali Mazanderani, Actis' Africa Financial Services lead, added that there is huge potential in the emerging market credit services industry. "We see this as the first in a series of investments in the space and the natural next step after EMPH and Paycorp, in building financial infrastructure in the region. Credit bureaus have the potential to reduce loan interest rates as well as decrease the number of non-performing loans, while increasing financial access, credit expansion and ultimately economic growth."

Commenting on the investment and Actis's investment thesis, Lenisa said Actis' experience - combined with its global footprint and sector specialisation - means that it is uniquely positioned to support them and to grow CSH both organically and through acquisitions.

The transaction is subject to regulatory approvals.

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