



IFC

Financial Institutions Group (FIG)

Equity

As of October 2025

Industry Context

Companies and financial institutions need risk capital to succeed and grow, but equity remains scarce in most emerging markets. Over the last few years, the macroeconomic environment for equity investing has shifted substantially, with higher-for-longer interest rates and inflation figures, as well as intensified geo-political risks and increased volatility spurring trade and investment restrictions. In this context, it is critical for IFC to invest and mobilize capital to support both incumbent financial sector players as well as emerging ones, to accelerate the availability of capital and funding for entrepreneurship and job creation.

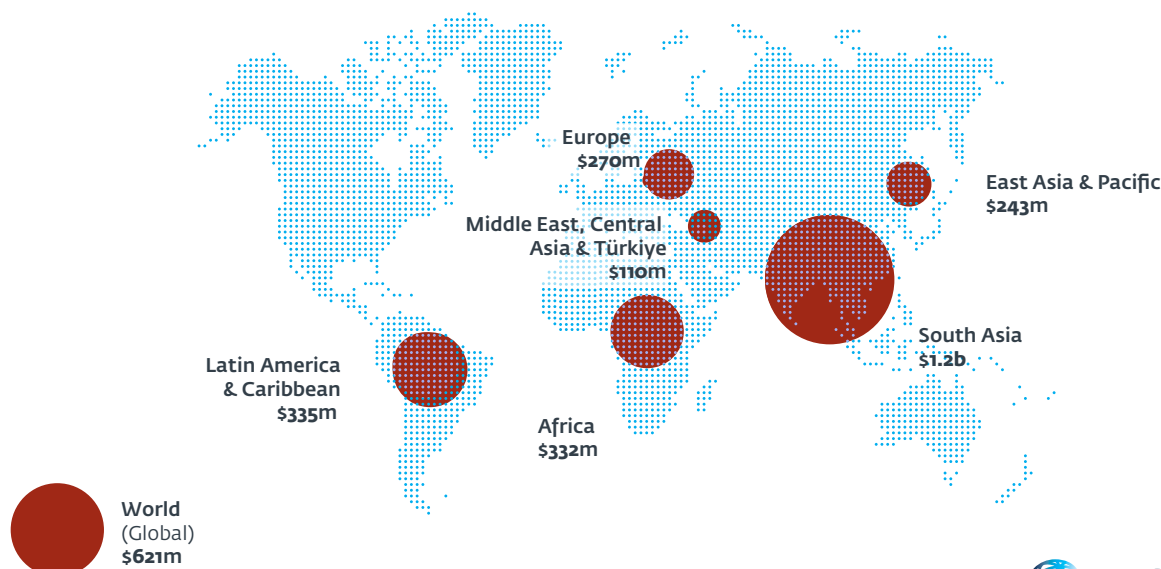
IFC Strategy and Portfolio

In line with the IFC 2030 strategy, we are increasingly prioritizing equity investments with a more strategic approach, deploying equity as part of a long-term vision for overcoming development challenges, and fully aligned with the WBG's verticals: People, Prosperity, Planet, Digital, and Infrastructure. Equity investments are also critical to mobilizing capital from other partners and from the market for our clients to be able to grow their businesses. As such, FIG is seeking to scale up our equity investments ambitiously both in volume and in terms of impact, as well as to do so in a financially sustainable basis.

FIG's equity strategy is aligned with several investment themes that are driving the financial sector transformation, including financial inclusion, digitalization, greening of the financial sector, pre-privatizations, and crisis response. These investments will expand access to finance for MSMEs and households, create and sustain good quality jobs, and contribute to prosperity in IFC's countries of operation. FIG's equity investments encompass all regions and include commercial banks, as well as emerging non-traditional channels such as non-banking financial institutions, microfinance institutions, private credit funds, pension funds and insurance companies.

FIG Equity Portfolio

Current Equity Portfolio: \$3.1 billion (FMV)
(Total own-account commitments: \$12.9 billion since 1999)



Project Examples



HOME FIRST FINANCE COMPANY (INDIA)

In April 2025, IFC invested US\$40 million equivalent in own account equity of HFFC and, due to its engagement with the client, early indication of interest, and participation as anchor investor, contributed to mobilize an additional US\$104 million equivalent through a qualified institutions placement done by the Company. This primary equity investment will strengthen the Company's capital base, support leverage, and allow it to continue its growth trajectory, capitalizing on the strong demand in the affordable housing finance segment in India. With long-term growth capital from IFC, the project aims to fill a significant market gap between affordable housing demand and availability of affordable housing finance in India, particularly in economically weaker sections and lower-income groups including women borrowers.

Home First, an existing debt client of IFC, is a leading affordable housing finance company in India with assets under management of US\$1.4 billion (Dec'24) primarily catering to underserved low-income borrowers. The Company reaches these underserved customers through its network of 149 branches and 359 touchpoints, covering 141 districts in 13 states and union territories of India, and provides affordable housing loans with an average loan ticket size of INR1.2 million (~US\$13,500 equivalent).



TANNER SERVICIOS FINANCIEROS S.A. (CHILE)

IFC's equity investment of \$20 million in Tanner (approx. 6% equity stake) will strengthen its capital base and support growth, including the creation of a fully licensed and regulated commercial bank subsidiary. Additionally, IFC has provided a long-term senior unsecured convertible loan of up to \$20 million to finance Tanner's electromobility and MSME portfolios, with a focus on women-owned SMEs. The financing will be complemented by advisory services from IFC to support Tanner to develop an embedded finance strategy to enhance client acquisition through partnerships with non-financial companies.



HOLMARCOM FINANCE COMPANY (MOROCCO)

IFC made a landmark equity investment of approximately \$135 million in Holmarcom Finance Company (HFC) in Morocco. HFC is the financial sector arm of Holmarcom Group, a Moroccan family-owned conglomerate. This investment will support HFC's ambitious growth plans including expansion in the insurance sector in Morocco and Sub-Saharan Africa, and partially finance the company's recent strategic acquisition of Crédit du Maroc (CDM), Morocco's seventh-largest privately-owned bank. The project comprises a new IFC investment of approximately \$78 million and the transfer of IFC's shares in Holmarcom Insurance Activities (HIA) – acquired in an equity investment in 2021 – into new HFC shares. This structure allows IFC to continue its support of Holmarcom's strong insurance business through HIA while also capturing the significant growth potential of CDM and leveraging synergies across HFC's integrated banking and insurance operations. IFC will also provide advisory services to strengthen HFC's sustainability framework, with a focus on the financial inclusion of SMEs.



VELOBANK (POLAND)

IFC, along with Cerberus Capital Management's affiliate and EBRD, completed 100% acquisition of VeloBank, the 9th largest bank in Poland. IFC acquired 9.9% stake with an equity investment of about \$30 million that included both acquisition and recapitalization of VeloBank. Prior to acquisition, VeloBank was placed under resolution by the Polish regulatory authority due to scarce capital levels rendering it unable to carry on its operations. The sale ensures the stability of the entire banking sector and simultaneously serves as a positive signal to enhance the attractiveness of the Polish financial sector for investment.

This investment has strengthened VeloBank's capital base and aims to build its technical capacity and strategically position it in the area of climate finance with a strong focus on innovative digital solutions. IFC's intervention contributes to banking sector stability through this successful resolution and eventual turnaround of the bank while also supporting the government's ambition to reduce the country's carbon footprint and decrease Poland's sizable climate financing gap. VeloBank has also committed to IFC's Green Equity Approach.

The Project is part of IFC's programmatic approach in Poland to deepen the resilience of the banking sector while expanding access to finance for the green transition and promoting financial services digitalization.