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PRESS RELEASE

AlphaMundi Group invests in Grupo R5, a Colombian online lender and insurance retailer, to support financial inclusion of underserved population

Bogotá, Colombia. AlphaMundi Group, through its SocialAlpha Investment Fund (SAIF), has provided a USD 1M senior loan to R5, an online lender and insurance policy retailer that offers mandatory vehicle accident policies (SOAT) and asset-backed loans to the underserved population in Colombia.

SocialAlpha's loan will support R5 in its mission of increasing financial inclusion towards underserved population in Colombia, by allowing R5 to increase its credit portfolio and help low- and mid-income population access affordable loans.

Jose Lozano, Investment Manager at AlphaMundi, said: "We are excited to start this new relationship with R5, a company with an innovative business model in the insurance and lending industry in Colombia, and a well-prepared and socially responsible team. R5 has embedded in the core of its business mission to increase financial inclusion and improve the financial health of its clients by offering affordable asset-backed loans to people that need to refinance loans, solve working capital constraints, invest in their businesses, cover health expenses, among other needs. With our financing, we are confident that R5 will be able to consolidate its position as a leading company in the lending industry in Colombia, improving financial inclusion and tackling the problem of expensive and informal lenders in the country."

Fernando Sucre, CEO of R5, further stated: "Our mission of reducing poverty in Latin America relies on offering cheap, fast and fair financial products. The key to offering low-cost loans is to work with great investors, like AlphaMundi, who share our vision and understand the importance of supporting low to middle income strivers with capital so they can improve their livelihoods. We look forward to a long-term partnership with AlphaMundi as we continue transforming Colombia."

About R5

Founded in 2018, [R5](#) is a Colombian online insurance retailer, selling mandatory vehicle insurance (SOAT). Since 2019, R5 has expanded its business into the asset-backed micro-credit lending. R5 has achieved product-market fit within underserved segments of the population, mainly low to middle income people who own a vehicle and want a cheap, reliable and easy way to purchase mandatory insurance policy, or need a loan but are not served by traditional financial institutions (or are struggling with informal and expensive loans). Since 2018, R5 has sold more than 1M vehicle policies to 700K clients. Thanks to the discounts offered to SOAT clients, R5 has generated over USD 5M in SOAT policy savings to low to mid income clients. On the loan business model



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side, R5 has disbursed asset backed loans worth over USD 4M mostly to unattended subprime/near prime customers.

About AlphaMundi Group Ltd

[AlphaMundi Group](#) was created in 2008 as a Swiss advisory group dedicated to impact investing. Its mission is to provide market-based solutions to the world's most pressing challenges, currently best defined by the Sustainable Development Goals. Since 2009, AlphaMundi has profitably invested USD 45M in 40 impact ventures in Latin America and Africa, primarily through the firm's SocialAlpha impact fund and related co-investments, across 120 venture debt and equity transactions, with an impact on more than 5 million beneficiaries, the vast majority in rural areas and some 40% of women.

AlphaMundi also contributes to sustainable development through the [AlphaMundi Foundation](#), which facilitates technical assistance and impact measurement for impact ventures, sponsors educational events, publications, and industry associations, and promotes renewable energy solutions in rural areas, and the Gender Lens agenda across the Group's pipeline and portfolio companies.

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