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## LeapFrog's Flagship Emerging Consumer Fund, Targeting \$1B, Will Hold Final Close In Feb 2024



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- LeapFrog's latest fund has already deployed capital in rapidly scaling diagnostics, rooftop solar financing and embedded insurance companies in global growth markets.

LeapFrog Investments, the Profit with Purpose firm, has raised a significant share of its Emerging Consumer Fund IV targeting \$1 billion, and will close the fund on February 29, 2024.

LeapFrog's Fund IV has been backed by global category-leading investors: Temasek, a global investment company headquartered in Singapore; the leading life insurer in Asia AIA and global strategic insurance investor Prudential Financial; healthcare strategic investor Eli Lilly and Company; development finance institutions including the International Finance Corporation (the private sector arm of the World Bank Group) and the European Investment Bank; global asset managers including Van Lanschot Kempen; and endowments and philanthropies including the Ford Foundation.

Fund IV is a growth equity fund that invests in rapidly scaling financial services and healthcare businesses in global growth markets. The Fund has already completed three impact investments, which achieved average revenue growth of 59% over the past year.

**Dr Andy Kuper, Founder and CEO, LeapFrog, said:** "This fundraise has shown us that impact investing as a strategy has reached the boardrooms of the world's largest asset allocators and managers in diverse industries, creating a groundswell of momentum that will deliver huge positive outcomes across emerging economies, benefiting us all."

LeapFrog companies now reach 492 million people – over 6% of the world's population. Over the life of LeapFrog, its portfolio companies have on average generated 24% annual revenue growth.

Pursuing its vision of profit with purpose, LeapFrog has cemented partnerships with major institutional investors. In 2021, Temasek committed \$500 million to LeapFrog and its growth equity funds including Fund IV. This year, AIA made an allocation to support Fund IV and future investments, while Prudential Financial's new commitment to Fund IV increases its historic investments since 2016 with LeapFrog to over \$500 million. Long-time backers the IFC and EIB have committed \$50 million and \$60 million respectively to Fund IV.

Fund IV's investments include [Redcliffe Labs](#), India's fast-growing mobile diagnostics chain, which is on an ambitious mission to reach 500 million Indians with low-cost medical tests in the next 5 years and has already grown a network of over 80 labs and 2000 collection centres across the country. The second investment, [Sun King](#), the world's largest off-grid solar energy company, has cumulatively reached 106 million people with clean energy solutions that have so far offset 44 million tonnes of CO2. The third investment, insurtech unicorn [Bolttech](#), has quickly grown into one of the world's largest insurance exchanges and currently quotes \$50 billion worth of annualised premiums, including low-cost embedded protection plans for emerging consumers.

The successful raise builds on LeapFrog's leading position as the pioneer of Profit with Purpose investing, pursuing outstanding commercial returns and outsized impact. In the past year, Fortune named LeapFrog as one of the top 50 Companies to Change the World and the Financial Times and IFC selected LeapFrog as the inaugural Pioneer in Impact awardee at the Transformational Business Awards.

The new fund's predecessor, Fund III, includes fintech unicorns such as Zepz and CarDekho and healthcare innovators such as MedGenome  
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and HealthifyMe. Fund III's track record includes the successful partial exit in the past year from Goodlife Pharmacies to the healthcare division of the CFAO Group, part of the Toyota Group.

**Benoit Valentin, Head of Impact Investing, Temasek, said:** "Temasek is deploying our catalytic capital to spur sustainable and inclusive growth so that every generation prospers. Our partnership with LeapFrog is one of the core pillars of our impact investing strategy and underscores our belief in the potential of impact investing to unlock capital that can help address critical social and environmental challenges in emerging markets."

**Mark Kony, Group CIO, AIA, said:** "AIA is pleased to provide this substantial commitment to LeapFrog's fourth flagship fund. As we deepen our commitment to ESG and corporate responsibility, we believe partnering with a world leader in impact investing can accelerate AIA's ambitions across Asia. We are building a shared knowledge base to enhance internal investing frameworks and to sharpen our focus on sustainability and achieving the UN SDGs."

**William Sonneborn, Global Director of Disruptive Technologies, Creative Industries, and Funds, IFC, said:** "The fund will support private sector growth in Africa and Asia, bridge the investment gap in healthcare in emerging markets, and further accelerate financial inclusion across multiple populations. The fund will be one of the largest Africa-focused funds in the region. It will attract other commercial investors to the market segment, boost the competitiveness of Africa's private equity market, and demonstrate the attractiveness of investing in businesses that help solve large social problems."

**Thomas Östros, Vice President, European Investment Bank, said:** "The European Investment Bank is pleased to support LeapFrog's latest equity fund that will enable specialist healthcare and fintech companies across Africa and Asia to grow and cater for the increasing demand of fast-growing consumer markets. The new impact focused investment backed by the fund will improve use of health diagnostics, enhance access to financial services, and increase access to consumer-oriented insurance schemes. LeapFrog provides a model for effective impact investment that delivers sustainable development around the world."

**Dr Andy Kuper, CEO and Founder, LeapFrog, said:** "There has never been a more exciting time to raise a new impact fund. The world's four billion emerging consumers are rising in incomes and prosperity, and we need to make sure that growth is sustained, inclusive and green. LeapFrog has spent over 15 years as a firm growing to this moment, focused on generating a strong track record of returns underpinned by a world-class team. We now have the dry powder to improve hundreds of millions more lives with affordable financial and healthcare tools."

LeapFrog's over 15 years of impact leadership has included co-creating the IRIS impact management metrics as well as the Operating Principles for Impact Management issued by the IFC and World Bank Group. LeapFrog was the first firm worldwide to receive an independent impact audit against these principles, completed in 2019 by BlueMark, a leading impact investing verifier. BlueMark again awarded LeapFrog the highest possible mark against all the OPIM principles in a 2023 audit.

Fund IV is an Article 9 EU Sustainable Finance Disclosure Regulation ("SFDR") compliant fund and is a signatory to the G7's 2X Challenge and the IFC's Invest2Equal program to promote women's employment and leadership across developing countries. LeapFrog is still vetting qualified investors to finalise the composition of Fund IV's investor base.

**Source:** [LeapFrog](#)

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