Early Warning System

IFC-45539

Mammoth Foam

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Quick Facts

Countries	Kenya, Malawi, Uganda
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2022-03-04
Borrower	MAMMOTH FOAM AFRICA LIMITED
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 21.90 million
Project Cost (USD)	$ 26.50 million

Project Description

According to bank provided information, IFC is invited to provide a US$7.5 million A loan and US$7.5m in B/parallel loans to Mammoth Foam Africa (“MFA” or the “Company”), a leading producer of polyurethane foam mattresses, spring mattresses and related foam and bedding products, operating through three subsidiaries in Kenya (Super Foam), Uganda (Euroflex) and Malawi (Vitafoam), to create a single consolidated group long-term loan, and to improve efficiency, expand production, and build storage capacity, among other capex investments.

Investment Description

- International Finance Corporation (IFC)

The total project cost is US$26.5 million, of which (i) US$21.9 million to refinance and consolidate into one long-term loan, a combination of short and long-term loans of the subsidiaries inherited from the consolidation process of these subsidiaries; and (ii) US$4.6 million capex to improve efficiency, expand production, and build storage capacity, among other investments (the “Project”). The Project will be financed with US$15 million debt, US$5.2 million working capital facility, and US$6.3 million equity to be contributed on a pro-rata basis from existing shareholders.

Private Actors Description

MFA’s shareholders are Catalyst Mattress Africa (80%), Avuma (11%) and Foamex Holdings (9%). Catalyst Mattress Africa is a non-operational holding entity owned by Catalyst Fund II, a private equity fund mainly funded by Development Financial Institutions (CDC, EIB, IFC, PROPARCO, AfDB, DEG, etc.), and FISEA, a fund of the French Development Agency managed by PROPARCO.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Mammoth Foam Africa Limited	Client	-

Contact Information

Mammoth Foam Africa
Mr. Qahir Neky
Director – CFO
+254720600969
info@mammothfoam.com
C/O Ocorian, 6th Floor, Tower A, 1 Cyber City, Ebene, Mauritius
https://mammothfoam.com/

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You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

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ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org

Bank Documents

- Environmental & Social Review Summary