

Inua Capital Launches a new Impact-Focused Private Equity Fund for Ugandan Small and Medium Enterprises

Kampala, Uganda – Inua Capital is pleased to announce the launch of its flagship fund, Inua Impact Fund, with over US\$8 million of commitments. Inua Impact Fund is the first resident impact investment equity fund in Uganda that is investing, with a gender lens, in high-potential entrepreneurs and small- and medium-sized enterprises (SMEs) with financing needs of \$100,000 to \$500,000.

Inua Impact Fund is backed by renowned impact investors including IPDEV (a member of the I&P Group) and the EU-funded Agriculture Financing Initiative (EDFI AgriFI). The over-subscription of the Fund demonstrates its investors' firm belief in the efficacy of Inua's approach as a pioneering, locally-based investor providing hands-on value creation support to fast-growing and highly-impactful companies in Uganda, and its focus on furthering essential goods and services provision, local employment and sustainable growth.

Inua Impact Fund will invest patient and catalytic risk capital in over 30 SMEs over the next decade to help build Uganda's market leaders of tomorrow, operating responsibly and sustainably. The Fund focuses on opportunities aligned with its mission to create dignified jobs with decent incomes, to embed gender inclusivity and to sustainably build the private sector engine and investing ecosystem in Uganda.

Kim Kamarebe, Managing Director at Inua Capital, explained: "We are honoured to partner with like-minded impact investors who share our vision to catalyse and accelerate high-potential Ugandan enterprises that are providing solutions for Uganda's most pressing needs. Environmental, Social and Governance (ESG) and Gender-Smart Investing are as core to the mission of Inua Capital as our focus on delivering strong risk-adjusted returns, and we are incredibly grateful to these investors for their commitment to our unique perspective."

Inua Capital invests with a gender lens, an approach that seeks to correct gender imbalances in the private sector economy and narrow the gap for women in access to capital. The Fund will seek to build a gender-balanced portfolio with at least 30% of its investee companies owned or led by women (in line with Uganda's ratio of female entrepreneurs), to embed gender-inclusive practices in all its investees and to ensure gender parity in its own management and governance bodies (and those of its investees).

The Fund will also embed agriculture and agribusiness in its investment strategy, a dynamic and priority sector in Uganda, and will benefit from the investment of EDFI AgriFI to support SMEs with a value chain approach focusing on smallholder farmer inclusiveness. Thanks to the support of EDFI AgriFI, 3,000 smallholder farmers are expected to be targeted over 10 years via investments in 10 agri-SMEs.

Guillaume Simoes, AgriFI Investment Officer at EDFI Management Company explained: "By investing in Inua, we aim to support Ugandan agri-SMEs with financing needs lower than \$500,000, a segment overlooked by equity investors. In most companies in which it invests, Inua will be the first investor, and the fund will not only provide growth capital but also business support services and technical assistance which should allow these SMEs to scale up. With more than 80% of agricultural production

in Uganda done on farms under 2 hectares, and as trade opportunities grow for local and regionally-exported food crops such as maize and dairy, our investment in Inua will contribute to supporting businesses that have a positive impact on food security and that improve the livelihoods of farmers.”

David Munnich, Executive Director for I&P Development and I&P Acceleration at I&P, summated: “After launching SME funds in 6 countries in West Africa and Madagascar, we are truly proud to support the launch of Inua Capital, which will be the first fund that we sponsor in East Africa. Uganda ranks amongst the most entrepreneurial countries in Africa, and we are strongly convinced by Inua’s strategy to be deeply anchored locally in order to provide the most adapted, long-term financial and strategic support to Ugandan entrepreneurs. With a gender-lens approach that is at the core of its investment strategy, the Fund will also increase access to capital to women entrepreneurs and set new standards for the private equity sector in the region.”

About Inua Capital

Inua Capital is a gender-lens, ESG-lens and impact-focused investor managing funds that provide patient growth capital to small- and medium-sized enterprises in Uganda. Founded in 2021 and domiciled in Uganda, with a fully local investment team, Inua is a pioneer in localizing private equity investment in Uganda and intends to accelerate the growth of 30 to 40 Ugandan enterprises into sustainable, responsible and profitable national titans of Ugandan industry. At the core of Inua’s mission is contributing to Uganda’s economic development and making a positive impact with its capital under management. Inua Capital is licensed and regulated by the Capital Markets Authority of Uganda. For more, please visit www.inuacapital.com.

About EDFI AgriFi

EDFI AgriFi is an EU-funded blending facility that aims to unlock, accelerate and leverage investments in developing countries, focusing on smallholder’s inclusiveness and/or agri-business medium, small and micro enterprises. EDFI AgriFi is managed by the EDFI Management Company, on behalf of the 15 European Development Finance Institutions (DFIs). For more, please visit www.agrifi.eu and www.edfimc.eu.

About Investisseurs & Partenaires (I&P)

Investisseurs & Partenaires (I&P) is a pioneering impact investment group committed to financing and supporting the emergence of African entrepreneurship leaders. Since its creation in 2002, I&P has financed more than 250 companies, located in 20 African countries across all sectors of the economy. These enterprises drive value creation and long-term employment, and generate important social, environmental and governance impact. Inua Capital is part of a pan-African network of SME investment vehicles supported by I&P: Teranga Capital in Senegal, Sinergi in Niger, Sinergi Burkina in Burkina Faso, Comoé Capital in Côte d’Ivoire, Zira Capital in Mali and Mirakap in Madagascar. By 2024, I&P will have sponsored 10 SME funds in 10 sub-Saharan African countries. This continental network of

SME fund managers build common initiatives to reinforce the entrepreneurial ecosystem in each country and propel SME investing across the continent. For more, visit www.ietp.com/en.

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