



Jacana invests in InReturn to tackle poverty in Africa

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Jacana Venture Partnership has today announced its first investment in an African venture capital (VC) fund manager, InReturn Capital, an East African SME investment firm based in Kenya. Jacana believes that a thriving venture capital VC industry in Africa will enable small- and medium-sized enterprises (SMEs) to grow and help millions out of poverty through economic development and job creation.

SMEs are a crucial driver of economic development in Sub-Saharan Africa. Every \$1 invested in an SME generates an additional \$10 in the local community and \$1 of SME finance creates 3 times more jobs than an equivalent investment in microfinance.

Access to finance is one of the major obstacles to the growth of African businesses. International investors are increasingly interested in Africa, however existing SME fund managers often lack track records. Jacana mitigates this risk for investors by selecting high quality teams and providing intensive support to local fund managers through a network of expert mentors - highly-experienced private equity and venture capital professionals who can provide hands-on support to local teams. Stephen Dawson, Jacana's Chairman, has over 30 years' experience in UK private equity and is already actively involved with InReturn's deal team in Nairobi.

After an extensive market review, Jacana has selected InReturn as its first local partner because of its strong team and deal pipeline. InReturn's East Africa Fund (target size \$20 million) invests in SMEs in East Africa. Jacana's unique offering of capital and expertise will enable InReturn to reach its goals more rapidly. The capital invested in InReturn's business will support the expansion of the team into Tanzania and Uganda. Jacana's expertise, provided through its network of private equity expert mentors, will help InReturn to execute high quality transactions and raise additional capital from international investors, using Jacana's extensive contacts in the industry. Together,

Jacana and InReturn aim to deliver attractive financial returns to investors in the fund, grow the private equity industry in Africa and thereby support the sustainable development of SMEs, leading to significant job creation in Africa.

Simon Merchant, CEO and Co-founder of Jacana, commented *“This is the first step in growing our network of African partners, supported by international private equity experts. We are delighted to be working in close partnership with InReturn and look forward to supporting this excellent team in making successful SME investments in East Africa.”*

Anthony Gichini, Managing Partner for InReturn Capital in Nairobi, said *“Jacana’s investment of capital and expertise will help us to accelerate our business, and deliver returns to our investors as well as development impact in East Africa. Tanzania and Uganda are important markets for InReturn and we see significant opportunities to expand our team into these countries as we build our business together with Jacana”.*

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About Jacana Venture Partnership:

Founded by European private equity experts, Jacana aims to expand the provision of growth capital funding and resources to small and medium-sized growth businesses throughout Sub-Saharan Africa. Jacana invests in and supports new and emerging SME fund managers and builds their capacity to the point where they can achieve critical mass in their operations and funds under management. The objective is to select the highest potential growth capital managers for

inclusion in the partnership network and then to work closely with them to create an attractive investment opportunity for international investors. Jacana has recently concluded its first partnership in InReturn Capital (East Africa) and is in discussion with a number of candidates for its next investment.

About InReturn East Africa Fund:

The Fund invests in, and provides entrepreneurial know-how to, growing SMEs in East Africa. Through the active participation of its local investment team of 5 Kenyan and European professionals, InReturn contributes to the profitability, sustainability and growth of the companies that it invests in. InReturn East Africa Fund maintains a network of investors in Western Europe and has extensive financial and management experience. InReturn is well positioned to strengthen businesses in East Africa, enabling them to grow to success.