



PRESS RELEASE

Pearl Capital Partners-Yield Fund Uganda Invests UGX 4.6 Billion in NASECO (1996) Ltd, Uganda

Friday, 22nd May 2020

Pearl Capital Partners, which manages the Yield Uganda Investment Fund, has made a seventh investment of UGX 4.6 billion (ca. USD 1.2m) in Naseco (1996) Limited (NASECO). NASECO, which has had operations for over 20 years, produces, processes and distributes certified seeds in Uganda and is growing exports across the regional East African community. Its products benefit thousands of small holder farmers across Uganda and the region, with better crop yields and enhanced incomes, linking farmers to markets and helping to strengthen food security.

The Yield Uganda Investment Fund is a Euros 20m Agri-social impact investment Fund financed by the European Union (EU) through the International Fund for Agriculture Development (IFAD), Soros Economic Development Fund (SEDF) of Open Society Foundations (OSF), FCA Investments (FCAI) and National Social Security Fund Uganda (NSSF). The Fund, which has been in existence for three years, is vitalized through the European External Investment Plan through which the EU aims to attract capital into Uganda to foster development in agriculture, trade and industrialization.

This investment aims at improving NASECO's production capacity and market development. Alongside this investment, Pearl Capital will, through Yield Uganda, provide NASECO with business development support to enhance both the technical and governance facets of the business, to ensure sustainable and prolonged growth and self-sustenance in the future.

Dr. Edward Isingoma, Pearl Capital Partners' Managing Partner, said the investment will give NASECO scale to expand its business. *"We are delighted to partner again with NASECO and expect this investment to provide the impetus needed to drive the business through this growth path further cementing the company as a market leader in the seeds sector in Uganda. I am optimistic of the impact this investment will generate in the rural areas of Uganda where NASECO will significantly expand its seed production thereby improving both food security and smallholder household incomes."*

Rodeyns Nicolai, NASECO Managing Director said that, *"NASECO is delighted to be the new addition to the Yield Fund portfolio, a true partnership turning challenges into opportunities. This investment is tailored to serve the East African farming community by providing the best performing seeds, a cornerstone in food security and in a growing agri-business environment. This partnership will enable NASECO to further scale up its current business model to new heights using the latest technologies and knowhow. The full range of farmers, both peasants, small and large farms will benefit through higher returns on investment and hence improve the quality of life."* He further added that, *"Focus will be on combining superior seed with good agricultural practices, bridging yield gaps, providing resilience and climate smart options."*

IFAD is pleased to welcome NASECO as the seventh investee of Yield Uganda Fund, noted Lakshmi Moola, IFAD's Country Director, Uganda. *"The Fund, created with the support of the European Union, and later joined by National Social Security Fund Uganda, Open Society Foundations and FCA Investments, is making strides in supporting agri-SMEs in Uganda. NASECO's mission to substantially increase the availability and distribution of quality seeds to smallholder farmers in Uganda and East Africa is very much aligned with IFAD's objective. We look forward to an exciting partnership which should translate in better resilience and yield for smallholder farmers that IFAD is keen to support."*



About Yield Uganda Investment Fund (http://pearlcapital.net/documents/yield_teaser.pdf)

Yield Fund is an agri-business impact Fund, set up in January 2017 by the European Union (EU), through the International Fund for Agricultural Development (IFAD) and the National Social Security Fund (NSSF), with follow-on investments from the Soros Economic Development Fund (SEDF) of Open Society Foundation (OSF) and FCA Investments (FCAI) in June 2019.

The Fund offers innovative financial products such as equity, semi-equity and debt funding to small and medium-sized enterprises (SMEs) having the potential to generate both strong financial returns and significant social impact. The Fund also has a Business Development Support facility– a matching grant facility provided by the EU and managed by IFAD to support the investee company’s operational and technical needs.

Yield Uganda Investment Fund Partners



<https://eeas.europa.eu/uganda>



www.nssfug.org



<http://www.kirkonulkomaanapu.fi/en>



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For further information on Pearl Capital Partners and Yield Fund Uganda, visit: www.pearlcapital.net.