



PRESS RELEASE

Yield Uganda Investment Fund invests UGX 6.79 billion in (USD 1.8 million) in Sekajja Agro Farms Limited, a Ugandan poultry business.

Date: Monday, 25th October 2021

The Yield Uganda Investment Fund is proud to announce the investment of UGX 6.79 billion (USD 1.8 million) in Sekajja Agro Farms Limited (SAF) sekajjaagrofarms.com, in a blend of equity and long term debt. This marks the Fund's tenth investment in the Ugandan agribusiness sector.

The Yield Fund is an agri-business impact fund set up by the European Union (EU), through the International Fund for Agricultural Development (IFAD), the National Social Security Fund (NSSF), the Open Society Foundation (OSF) and FCA Investments. The fund is managed by Pearl Capital Partners.

SAF is a Kampala based company whose primary business is the rearing of day-old-chicks (DOCs) until maturity and the distribution of the mature birds as live birds and dressed chicken in the informal and formal markets, respectively. The business also operates a feed mill, an abattoir, a cold chain and branded retail outlets.

Yield Fund's investment into SAF enables the execution of the company's expansion plans which include scaling up its poultry production facilities and constructing a new feed mill to support the production scale up. The investment will also finance the expansion of SAF's dressed chicken segment, covering the installation of a larger modern automated abattoir, cold chain facilities and spreading the footprint of SAF's branded distribution outlets. Alongside the Yield Fund's investment, SAF has been successful in obtaining a Business Development Support (BDS) matching grant facility of up to USD 218,450 managed by IFAD to enhance both the technical and governance aspects of the business as well to ensure sustainable and prolonged growth and self-sustenance in the future.

European Union Ambassador to Uganda, H.E. Attilio Pacifici expressed his delight with the new investment. *"The latest investment by the Yield Uganda Investment Fund is another translation into practice of the EU priorities of sustainable growth and jobs in Uganda. This investment is meant to increase the company's production capacity, integrate its operations vertically and make them more robust, recruit and train out-growers, offering them long-term market access, and increase its network of outlets. This will create decent new jobs and increase access to good quality chicken meat for the benefit of the consumers",* he said.

David I Wangolo – Investment Manager at Pearl Capital Partners said: *'This investment in the poultry value chain makes available much needed resources to the sector and agriculture in general, especially in a period where funding SMEs enterprises for growth has been constrained by a slowed down economy owing to the COVID 19 pandemic. The investment will go towards developing a modern poultry production and processing facility to serve a growing demand for high quality food in the Ugandan and East African markets'.*



Mr. Abbas Sekajja said that SAF sekajjaagrofarms.com is delighted to be a new addition to the Yield Fund Portfolio, a true partnership turning challenges into opportunities. This partnership will enable SAF to further scale up its current business model to new heights using the latest technologies in the poultry industry. This investment will see us have a new feed mill, abattoir, poultry farms all in one place while embracing industry standards and certifications like ISO, Halal Bureau, UNBS, and NEMA. We therefore thank all the Yield Fund Investors for this wonderful thought of setting up a Fund to support farmers especially the poultry farmers.

Richard Byarugaba, Managing Director – National Social Security Fund (NSSF) Uganda nssfug.org said, “The Investment in SAF points to the Fund’s focus on the areas that need to be improved for agriculture to become a catalyst for economic development – value addition across the chain and production at scale. Hopefully this can stimulate the necessary adjustments in the sector to attract more funding.”

Lakshi Moola, the IFAD Country Director ifad.org, Uganda remarked on the new investment saying, “Transformation happens when small-scale farmers are put at the centre, and the investment in Sekajja Agro Farms Limited provides us this opportunity. The investment we are making has great potential to enhance job creation and improve quality production for farmers benefiting from the company. With the additional support on business development, the company has a bright future ahead’.

About Yield Uganda Investment Fund

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 Open Society Foundation (OSF) and FCA Investments 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 (BDS) matching grant facility provided by the EU and managed by IFAD to support the investee company’s operations and technical needs.

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

