

# Acumen Fund



# What criteria do we use when investing?

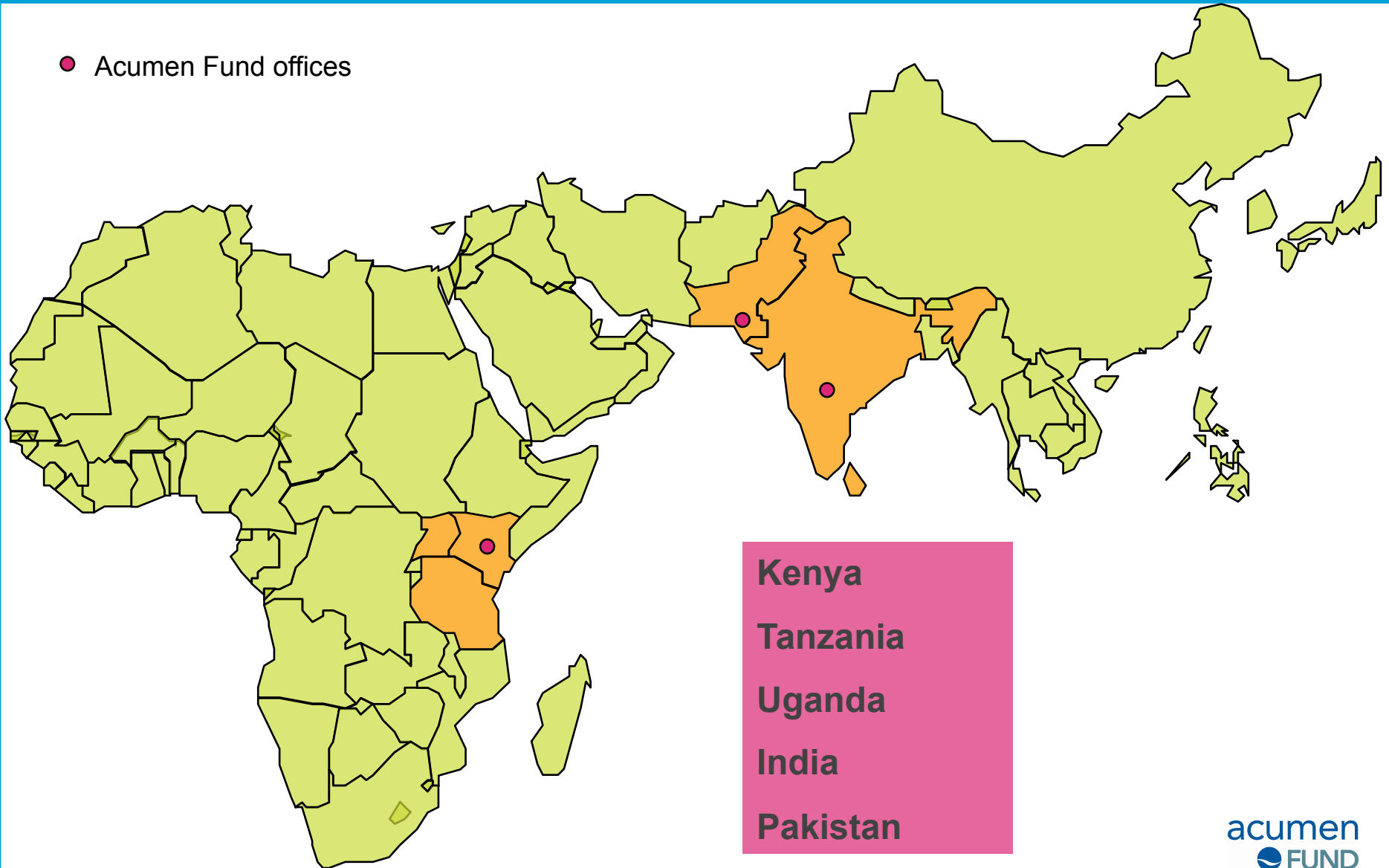


## We invest in enterprises that promise

- **High Social Impact:** Will it deliver critical good or service to those at the base of the pyramid?
- **Financial Sustainability:** Can it be financially sustainable within 5 to 7 years? Does it use a market-based approach?
- **Significant Scalability:** Has it the potential to one day serve one million customers?
- **Capable Management:** Has it got the management strength to deliver? Do they have the will to see social and commercial goals?
- **Acumen “fit”:** Does the business require \$0.25-2.0mm in debt and/or equity?

# Where do we invest at present?

● Acumen Fund offices



# Lifespring      \$1.9mm equity

- **Network of maternity and child healthcare hospitals**
- **30 hospitals by 2012**
- **Each hospital will serve 10,000 low-income patients annually**



# A to Z Textile Mills \$1.0mm debt

- **Tanzanian manufacturer of long-lasting low-cost bed nets**
- **Produces over 10mm nets annually**
- **Employs over 7,000**



# What investments are we managing?

- **Total investment**
  - 7 investments in East Africa worth USD 5.25 Million
- **Countries**
  - 6 investments in Kenya, 1 in Tanzania
- **Sectors**
  - 5 investments in health, 1 in water and sanitation and 1 in housing
- **Strategy**
  - Goal to spread our investments into rural Kenya and into the broader East African region : Uganda and Tanzania

# East Africa Portfolio

\$8.6M approved\*

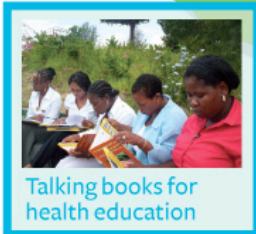
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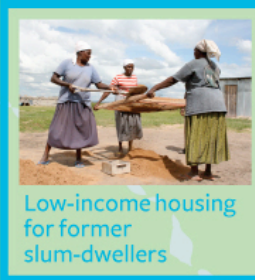


Books of Hope



A to Z Textile Mills

Jamii Bora



BroadReach



Advanced Bio-Extracts Limited

Sustainable Healthcare Foundation



Meridian



Ecotact



\*Includes other Africa investments

# Challenges for SME's in East Africa

- **Talent**
  - Sourcing
- **Business planning**
  - Detailed plan
- **Corporate governance**
  - Compliance
  - Taxes
- **Financial acumen**
  - Debt preference
  - Underestimate cost/Overestimate turnover
  - Accounting systems



# What Acumen does to help?

- **Post investment management support**
  - Board participation
  - Advisory network
- **Acumen Fellows program**
  - Highly skilled management consultants
- **Local resources**
  - Leveraging affordable high-quality services

# Thank you!

