

Media Release

Impact Investing Fund goes live

The Impact Enterprise Fund, New Zealand's first domestically-focused Impact Investing Fund, has gone live following the completion of its first round of fundraising.

After receiving expressions of interest from potential investors in excess of \$8 million, the Fund completed a First Close on 8 February. The Fund's Chairman David Woods stated that having established a solid investor base, the Board is confident of reaching the original \$10 million to \$15 million target.

The First Close comprises 35 investors, from a diverse range of investment backgrounds, structures, and geographies. The Fund has two cornerstone investors, St John's College Trust Board and The Tindall Foundation, and has attracted offshore investment.

Woods stated that "momentum behind impact investing in New Zealand is growing week on week, especially in well-publicised areas such as climate change." The management team expects that a lot of the work it has completed in the past few months educating the investor landscape around the country will translate into demand before the Final Close.

With around \$8 million to invest, the Fund's management team will now commence evaluation of investment opportunities in the New Zealand market, whilst continuing their fundraising.

The Fund's investment thesis is based on the fact that mission-driven businesses that are focused on achieving a meaningful social and/or environmental impact are generally those at the cutting edge of disruptive social and environmental innovations and can be expected to outperform their traditional predecessors. Investments will focus on expansion opportunities in fast growing sectors such as sustainable food production, agriculture technology, healthcare, clean energy, and education.

The Fund is targeting market-rate financial returns, with the societal or environmental impact element "additional value creation rather than financial concession."

Impact Investing is a rapidly growing investment class internationally. Nine of the 10 largest U.S. asset managers, including BlackRock and Fidelity, have launched, or are currently exploring, impact investing strategies.¹

Whilst it is a relatively new concept in New Zealand, the Fund has been established on the back of a weight of activity, including Christchurch hosting the Social Enterprise World Forum in September 2017, the launch of the Edmund Hillary Fellowship, and a flood of Social Enterprise and purpose-led business activity across the country.

Investors wanting to support the creation and development of positive social and environmental outcomes as well as generate full market financial returns can still invest into the Fund, with a Final Close expected in late April.

The Information Memorandum for the Fund can be accessed at: www.impactenterprisefund.co.nz

¹ Tideline analysis

About the Impact Enterprise Fund

The Impact Enterprise Fund is a collaboration between the Ākina Foundation, New Ground Capital and Impact Ventures. The size is \$8-15 million and it will have a term of around 10 years. The Fund is structured as a Limited Partnership and will be managed by a General Partner which is a joint venture between the Ākina Foundation and New Ground Capital. It has engaged Investment Advisory service firm Impact Ventures which will work with the General Partners and provide corporate finance and strategic advisory related services to the Fund. The Fund boasts a highly experienced Board of Directors and Investment Committee, which must approve all investment decisions.

About The Ākina Foundation



Ākina is New Zealand's leading social entrepreneurship and enterprise development organisation. Since 2012, Ākina has focused on building the capability of businesses with impact and developing new market and investment opportunities in the sector.

About New Ground Capital

NewGroundCapital

Capital Ideas For New Zealand

New Ground Capital was formed in 2014 to provide innovative investment solutions for the New Zealand market and was New Zealand's first licensed Managed Investment Scheme Manager under the Financial Markets Conduct Act.

About Impact Ventures



Impact Ventures is a company established to initiate an Impact Investing fund and provide corporate finance advisory services. It also offers significant Investment Banking experience to the fund management team.

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Board of the General Partner of Impact Enterprise Fund

The General Partner has an experienced Board of Directors that oversees the Fund's operations. The Board currently comprises; Independent Chairman David Woods, representatives from Ākina Foundation Gavin Fernandez and Louise Aitken, and representatives of New Ground Capital Limited Roy Thompson and Joy Marslin, as shareholders of the General Partner.

Investment Committee of Impact Enterprise Fund

All investment decisions of the Fund must be approved unanimously by the Investment Committee comprising; Sophie Haslem, Bruce Sheppard and Martin Stearne.