



"The Genesis Impact Fund presents an unprecedented opportunity to put capital to work in our region."
Paul Steele, Benefit Capital

THE GENESIS IMPACT FUND

Impact Investors the world over are seeking out opportunities to invest in organisations creating positive, measurable social or environmental returns alongside appropriate financial returns. In our region, the Pacific, this has been incredibly difficult to do until now.

The Genesis Impact Fund has its roots in the pioneering work of The Difference Incubator (TDi) and Benefit Capital. Through a ground-breaking partnership with The Department of Foreign Affairs and Trade (DFAT), a plan was laid out to test whether TDi's capacity building work could help strengthen and de-risk small and medium enterprises (SMEs) across the Pacific, on their journey towards accessing private capital and moving away from ongoing reliance on foreign aid.

The success of this partnership led to the formation of Pacific RISE, which is now providing the grant funding for all intermediaries working on Genesis Impact Funds pipeline.

\$5 MILLION AUD
FUND MINIMUM SIZE

5 – 7 YEARS
PLUS A 2-YEAR
EXTENSION 



\$80,000 –
\$1 MILLION
AVERAGE INVESTMENT SIZE

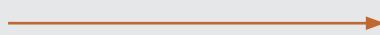


TARGET IS 5 INVESTMENTS
OVER THE FIRST 3 YRS.
NO. OF INVESTMENTS

15%
TARGET IRR OVER THE
LIFE OF THE FUND 

SOUTH PACIFIC
ISLANDS 
GEOGRAPHICAL FOCUS

5 – 7 YEARS
AVERAGE
INVESTMENT HOLD 

COULD COMPRISE OF, BUT NOT LIMITED TO, MANAGEMENT BUY-OUT,
FOREIGN DIRECT INVESTMENT, TRADE SALES OR ALTERNATE FINANCE
AND DEALS. WHERE POSSIBLE WE WOULD FIND A SECONDARY MARKET.
EXIT STRATEGY 

The Genesis Impact Fund is an open fund that will invest in organisations that have been supported through the Pacific RISE catalytic granting process. This sees them receive assistance from an intermediary through both a scoping round and an investment readiness round. We have established this fund with a geographical focus on the Pacific and impact themes focused on improved livelihoods, increased value-add in country, and responsible environmental management.



FIRST TWO INVESTMENTS

SAMOA COCONUT CLUSTER



MISSION: very strong commitment to improving farmers' livelihoods and harnessing the country's economic potential.

MODEL: good, early stage business model and a good plan for scaling. Access to key resources which are difficult to replicate in Samoa. Growing understanding of their customer base and plans to diversify into multiple coconut products.

MANAGEMENT: exceptional CEO and a strong Board. The team is entrepreneurial and strategic and have prior experience in manufacturing and coconut farming.

INVESTMENT:
\$83k with a year 5 buyout provision.

FINANCIAL RISKS AND RETURNS:
Up to 5x ROI by year 10
High risk due to early stage of development and the potential of natural disasters.

SOCIAL RISKS AND RETURNS:
TDi is in the process of formally assessing the social risks and returns of the investment. The investment is expected to rate high on target outcomes and moderately on additionality.



TANNA COFFEE



MISSION: demonstrated commitment to small holder farmers and opportunity to strengthen mission and impact by introducing cost-effective impact measurement.

MODEL: profitable business model with opportunities for growth, including sales of \$1m, net profit margins ~15%.

MANAGEMENT: 20 year track record of successful development of Tanna Coffee, prior senior management experience at BHP Billiton and growing capability at management level and succession plan in place.

INVESTMENT:
\$195k Recovery and reengagement grant post cyclone
\$650k Coffee plantation expansion

FINANCIAL RISKS AND RETURNS: IRR of 16%
Sales of AUD\$3m by Year 7
Net profits margin of 25%
High to medium level of risk due to the potential of natural disasters and other climatic events.

SOCIAL RISKS AND RETURNS: The investment rates moderately on target outcomes and high on additionality. Target outcomes:

- 15–20% increase in pre-cyclone household income for 5000 people.
- Increase in primary school enrolment for 3500 children.

With the pipeline seen to date, we expect an IRR of 10%+ but over the life of the fund we are targeting a 15% IRR. Genesis Impact Fund has a major advantage to other funds in the market due to the way in which it has been established. We have sequenced the establishment to follow a multi year pipeline development play, that includes not only capacity building, but also securing the necessary funding to cover the costs of investment readiness work, which is critical to create solid pipeline for a fund of this type.

IMPACT AREAS

Genesis Impact Fund will assess and invest in small to medium enterprises that seek to deliver positive social or environmental outcomes across three impact themes, outlined below:

Theme	Impact
Improvements in people's livelihoods	Income generation Improved educational outcomes Improved health outcomes Improved resilience to natural disasters and climate change
Increased value add in country	Reduced reliance on grant economy Increased GDP per capita
Responsible environmental management	Sustainable agricultural practices

It is estimated that approximately 2.7 million, or one third of the region's population, does not have the income or access to subsistence production to meet their basic human needs or the needs of their family. Genesis Impact Fund is already playing a critical role in improving the lives of thousands of people across the Pacific.

Through strengthening local businesses, increasing value add in country resulting in retention of more money in the local economy, increasing job opportunities and livelihoods, and providing the much-needed investment capital to unlock this growth your investment will enable this impact to touch the lives of thousands more across the region.

For more information, or to receive a copy of the IM please contact:

**One Investment Group | info@oneinvestment.com.au
(02) 8277 0010**

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