



LS Africa Presents: Venture Voices

Episode 10:

Eunice Ajim on Wining & Dining Africa Before Investing

By [Rossie E. Turman III](#)

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Rossie Turman: Our guest today is Eunice Ajim. I'm Rossie Turman, which most of you have had the pleasure of meeting. I'm going to first get some of the background biological information out of the way. Me and Eunice are just going to talk about a lot of things today, we're just going to see where it goes. Eunice, you should feel free to ask me questions as well, because conversations is best and I'd rather just have a conversation with you, rather than interview you.

Where are you from, first of all?

Eunice Ajim: Well first, thank you for having me on the podcast. Yeah, where am I from? Again, my name is Eunice Ajim, founding partner at Ajim Capital. I'm originally from Cameroon out of Central Africa, born and raised but I moved to the U.S. almost 14 years ago as an international student. And here we are. Now I'm investing back into the continent that gave me so much.

Rossie Turman: What I didn't tell you at the time when we first met, Eunice, is most of us who are African American do not know with great detail of where we're from. My aunts have actually done enough of tracing back in great detail, I think four or five generations back at this point in time. But then the other thing that now people do is they plug into either 23 and Me or ancestry.com. I won't do it because I just don't want to give that much information to the Feds. But my aunts, who are as suspicious as I am, they had one of my uncles do it, which basically is the same information, but not their name. The biggest swath of Africa that our gene pool comes from is Cameroon on my dad's side. It's in that whole Cameroon and Eastern Nigeria, that little swath there.

Eunice Ajim: Yeah. Typically, a lot of people are like, "I'm Nigerian," because there's a lot of people coming from that area. I very rarely see anybody say from Cameroon, so that's really awesome.

Rossie Turman: Yeah. Well, it's clear that it's more Cameroon than Nigeria in terms of the breakdown, which is interesting. Yes.

Eunice Ajim: Amazing. Wow. I guess we're somewhat related.

Rossie Turman: Somewhere, somehow, somewhat. If you could actually trace it well, we might find something, but for another day.

Eunice Ajim: Yeah. I think it's pretty cool. Honestly, any of my African American friends, when they get excited about, "Oh, where in Africa are you from?" I always say, "Why don't you just find out?" That way, the next time you meet me, you can be, "Hey, I'm actually 49 percent Cameroonian, and 35 percent Nigerian. Maybe, one day you'll decide that you want to go and visit your original country."

Rossie Turman: Yeah. What's so interesting about that when we're talking about it, and this is interesting from diaspora standpoint because it ties into the subject of your investment.

Eunice Ajim: Yeah.

Rossie Turman: We're so diversified at this point in time, I don't know what the percentage is, but I would suspect that most African Americans don't have 50 percent of anything. Part of it is because the borders were drawn in such a way that don't really match up with ethnic groups overlap across, so that's one reason why. And also, just because of the engagement when we got to this country about one of the things they did to prevent knowledge was basically not allow you to speak your own language. They discouraged the sharing of information. They determined that even a new language, we could not learn to read or write, although plenty of people did quietly, but that was punishable. It was illegal. Those were all ways of preventing knowledge.

Which when we think about it, it's really a good way of restricting the abilities of a diaspora to actually perform. You brought a diaspora together because you took them from all over. Then you said, "We're going to put barriers in between you where you can't perform. We'll try to prevent you from being able to perform." There's a whole host of various places where we show up on a list that we're from, on my dad's side that is, but I think the highest was in the 30-something percent.

Eunice Ajim: Yeah, I think that's an average, about 30 percent. But again, for me I'm like, hey, if you're 30 percent Cameroonian, there are great opportunities to say, "Maybe I want to go check out Cameroon one of these days and just see what the country's all about." I think for me, the reason why I typically encourage my African American friends to do it, it's because

every time I go out and I say, "Hey, invest in Africa, and do all these different things," we all know that we're from there, but you don't have the knowledge.

Because every single time people think about Africa, which is very unfortunate especially if you've not visited the country, especially if you've not done your own research on what is happening in the market, you will always think all the typical things: war, corruption, hunger, poverty, and whatnot. When you get to actually go and visit, you see that there is so much more. There is a lot of opportunities happening in a variety of different countries. We're active in technology, in fashion, in music, manufacturing, and so many things that are happening that you have to be able to say, "You know what, I want to go, and I find out myself. Maybe I want to start investing because I see an opportunity there, but also I'm connected to this market in one shape or form." Yeah, I think it's a beautiful thing to find out and dive into if you can.

Rossie Turman: One of the things that you mentioned was very interesting about that, actually another side. Those who don't know their map, I think if I'm correct, I know my map, north of Cameroon is Nigeria. North and west of Cameroon. South and part of Cameroon is a country by the name of Gabon.

Eunice Ajim: Yes. Gabon and Nigeria are both on the borders of Cameroon.

Rossie Turman: Yeah. I've been to both Nigeria and Gabon.

Eunice Ajim: Amazing.

Rossie Turman: My first visit to the continent was to Gabon actually. Actually, it was Gabon, and Senegal, and Morocco over a period of time. Maybe you'll give me a good reason to go to Cameroon. I tell people all the time I very rarely have vacationed on the continent; I'm always there for business. I've been to a bunch of countries, but I've gone where clients' needs and other things have taken me, and not really done anything beyond that. It gave me rich experiences at this point in time, but very few vacations on the continent just to explore. I just explore on the side of my business trips.

Eunice Ajim: Yeah. I do the same thing. I rarely travel anywhere for vacation; I always travel for work. Then I put it one day to explore a little bit.

Rossie Turman: Right. You find a way to and especially, and this is a good I'll say a pointer, in my opinion. When you do do business in Africa, I've always found that it's best regardless of why you're going there to make sure you compel the locals, the people who are from there, to show you around. Because what they will show you, in my experience, is something that's completely different than what will be on your trip advisory, or whatever. It's a much better way to get to know really the cultural, the people, the feel, the insights on the country, which is hard to invest well if you don't

know that stuff. You can't get that from staying on the tourist path, in my opinion.

Eunice Ajim: Yeah. Also, obviously if you're thinking about going any of these African countries for potentially investment purpose, it's always great to get somebody that is probably plugged in into the tech. For me, I'm in VC, I invest in tech companies. I'll always recommend every single time somebody has said, "Hey, I'm heading to Nigeria, I want to see how things are going." I always try to plug that if I am not on the continent myself, I always either put them in contact with one of my employees, one of my portfolio companies, or one of my co-investors that are on the ground that can actually show them the different coworking space, the different major tech hubs across the continent. Maybe even get to see some companies, what they are doing, how they interact with the customers, how they're growing, and all of the different things that might make a case for you to eventually decide to make an investment on the continent.

Rossie Turman: I just did that yesterday. I have a former client of mine, a biotech client. He's broken off on his own doing a business. He would like to expand onto the continent, so he was making a trip, in his case, to South Africa. I connected him on WhatsApp to four different people. Two lawyers, two businesspeople who are plugged in. Once an African American who's been on the continent for years. He's lived actually in Joburg for years. Then the other ones are all South African. It's just like, "Here's a mix of people for you to go and meet with. They'll introduce you to some of the people they know. But they give you a good coverage so you can figure out." He's going to be there for two weeks. I said, "I could flood you with all kinds of meetings, but these four people, the overlap they have is going to get you a good understanding, a baseline understanding, and then a deep dive based on the feedback you gave them that you're interested."

Eunice Ajim: Yeah, definitely. Africans, we love to turn up. You're also going to get to experience the culture or the food, all of the different entertainments that you can get. But at least you get a variety of things, not just all the touristic things that you typically see on the internet.

Rossie Turman: Yeah. Hey, I started doing this stuff in '93 and I remember in Gabon, I was with a gentleman, his first name is Benny. He took us for a drive out to the village he was from.

Eunice Ajim: Nice.

Rossie Turman: Out there, outside of Libreville for a while, came back late at night. Made me a little nervous, I'm driving through a strange country, it was pitch black. But I learned a whole lot more about the country.

The other thing I'll say in terms of getting into vibe in my experience has been getting to the market. What's the local market? You start to see how people think, how they work. Try to buy something.

Eunice Ajim: Yeah.

Rossie Turman: Try to barter for something. Figure out what's really going on.

Eunice Ajim: I do the same. I love going to markets. I always have a tour guide just so I don't get lost but going to the markets are the best thing. Plus, you get the most beautiful things at the most affordable price unlike any mall you go to. The markets are the best. I actually do that at every single African market. Different African markets, countries, they have very similar, but also so different in a way that it's just beautiful experiencing the vibes. Yeah, that's a good idea.

Rossie Turman: They are different. It's a different energy. They all have lots of energy, but they are different.

Eunice Ajim: Yeah.

Rossie Turman: A Senegalese market is different from an Ethiopian market. You just get there and you're like, "Oh, okay, this is Ethiopia. Oh, this is Senegal." You feel it almost in your bones. It's just different. Yeah. But I love it. As you can tell, I'm smiling really big.

Eunice Ajim: Yeah.

Rossie Turman: If I end up in Cameroon on business, you'll have to tell me which markets you go to if you're not there to collab.

Eunice Ajim: No, no. I have family in Cameroon, so you'll be very welcome.

Rossie Turman: I actually think, in that, are some real big lessons for investing cross border, doing business cross border. Which, as we said, you got to get to know the locals, you got to get to know the local culture, get a real feel beyond just your high-level things that you think affect you because you're going to notice some things that are actually unique to the space that will actually often times be the difference between success and failure. So different than if I was going to do a business in Brooklyn versus doing a business in Queens. They're next door, but they're different. We somehow miss that when we go across the continent. We just think Africa, that's not going to work out for you. I think that's a very good point for people to focus on.

Good pivot for what are some other lessons learned that you would say, "Well, this is another thing we should focus on?"

Eunice Ajim: It depends on what kind of business they're trying to get involved with in the market. Service is great because I just go and get a feel of what a country or even a city feels like. I think for my particular scenario, a lot of the times when investors say, "Hey, I've been reading a lot of news article, Africa is growing."

Rossie Turman: Right, right, right.

Eunice Ajim: They have 1.3 billion people. I'm seeing a lot of unicorns come out, a few early seeds. I want to start investing in Africa." I get so many people saying, "Oh, yeah, I've looked at these two pitch decks and what they're doing sounds interesting. I'm thinking about investing." In my mind I always think, "Yeah, you might have seen two pre-seeds that looks good, but I don't think that's good enough for you to start making investments on your own."

A lot of the times, I always say first, you might be an experienced investor, but there are a few ways you can go about this. The first way, which is the way that I love because it's obviously benefiting me, is becoming a limited partner in a venture capital fund that is focused on investing in Africa. It doesn't have to be my fund. I typically give them a wide variety of options. Here are all of the VC funds right now, and here are all of our theses, here are all of our strategies. You can experiment, look at our portfolio companies, look at abstraction, and decide where you want to invest. Typically, on a broad level, that's in my opinion a good way to go about it.

The next one is do co-investments. Reach out to all of these companies and say, "Hey, I don't think I have the right expertise to due diligence in a company and I would love to co-invest. I might be able to bring some deals to you." But don't bring the deal onto them later on if you're not very familiar with the market. Always let the local VC, at least do your own due diligence and make sure that there are not better competitors, the team is right, and all of the different things that you have to look at before making an investment decision.

If you really, really want to do direct investments on your own, you have to have somebody on the ground. Hire a local partner in the different markets. If you want to start with Nigeria, hire somebody in Nigeria that can be plugged in to the Nigerian ecosystem. If you want to do it in Kenya and Rwanda, hire somebody locally. I think going about this makes more sense just because in the four years that I've been investing, we have seen a little bit over 5,000 techs, this is just inbounds, without actually looking at all of the outbounds. It's always been we have to go out, and reach out to, and find investment.

But there are a lot of opportunities in the African market, you have to be able to understand these are the different countries that, if I put my money in, I know other investors will be interested in co-investing with me. If I put my money in, I know this company will be able to actually

raise follow-on funding and eventually exit, and so many other things. I'm going to pause right there, but those are typically the advice that I would give to any U.S.-based investors trying to get into the African market when it comes to investing in tech startups, just because that's my main area.

Rossie Turman: Yeah, we'll tap on that point because one of the main principles of investing is invest in things you know. If you're calling up someone and saying, "Hey, I read some articles, I'm very interested in this," that doesn't mean you know it yet. If you think that just by reading a little bit more, you suddenly are going to be able to invest in that area. If you had a lot of money to experiment with, you might actually be able to get up to a level of expertise, but your first set of investments are going to be pretty challenged.

I would say that from Africa, or if I decided that I was going to start flipping houses in Connecticut. "I've seen some houses for sale in Connecticut, I think I'm going to start buying them and reselling them. What do you think?" Someone would probably say, "You probably need to get to know the market a lot better."

Eunice Ajim: Yeah.

Rossie Turman: For whatever reason, we seem to skip over that principle with Africa, and then we have a sob story of how we got burned. Well, you didn't follow the first principle, invest in things you know. I'm double-tapping on that point.

When you started, I was immediately thinking what you might want to do is invest with someone who knows. Then if you decide that you actually would like to direct invest later, basically you can at least get a chance to follow what they're investing in and see what they're doing, ask them questions as an LP.

Eunice Ajim: Yeah.

Rossie Turman: Then you may continue to be an LP in that fund, but also decide you want to do so co-invests. Then in your next time when you LP, you ask for the co-investment rights and then you can invest alongside. Then the next time, you might go ahead and do the LP so you get some market, some flow of information, but then you might do your own indirects because now you understand the market a little bit better. That would be the better way to go in and save yourself some losses.

If your size limited and you can't find a GP that wants to take the size of your check, there are also some angel networks that are growing on the continent that you could try to plug into.

Eunice Ajim: Yeah.

Rossie Turman: The benefit of them is they are boots on the ground. You could add some additional cash to that, you might have a different perspective deal but learn with a group of angels that are actually on the ground and you can get plugged into their network. We're seeing that happen more. I hope that's an area that continues to grow and moves from just being regional angels to be diaspora angels. Because I think that the benefit of that is if you had a diaspora angel group, everyone would have boots on the ground.

Eunice Ajim: Yeah.

Rossie Turman: Even Brooklyn. I could be the Nigerian investor investing in Brooklyn because the Brooklyn angels are kicking the tires. We've done a lot of investment, and we trust each other. I ask the right questions; they can get the answers and play. Now basically, I have a very diversified portfolio because I have investments in everywhere from Brooklyn, LA, I've got them in Dakar. That would be a nice little play. The organization piece has to be done, but that's information flow.

I love the idea though of just challenging people's concept of what Africa really is. I remember we used to not joke, we just said it dryly, irritated, start talking about Africa and all we think is a child with a fly on their nose. Then they actually land and they're like, "Oh, there's tall buildings." You're like, "I'm not going to comment because what I say is going to seem mean." But that's somehow how big the disconnect is because of the information flow. That's got to be countered.

You came here, you said you came to the U.S. that is, 14 years ago for graduate school. What did you come and study? 14? You came when you were 10?

Eunice Ajim: No, I was actually 15. I was actually too young to go to a university because I had to be at least 16 from what they said. I went to an English school in Houston, then went to community college. Then went to Louisiana Tech University. Graduated at 19, actually.

Rossie Turman: Louisiana Tech, is that Baton Rouge?

Eunice Ajim: No. It's in Ruston, Louisiana. It's close to Monroe and Shreveport.

Rossie Turman: Okay, okay. What did you study?

Eunice Ajim: Mathematics and statistics.

Rossie Turman: To whoever listening, she's smart. You can give her money, she can count.

Eunice Ajim: To be quite honest, I felt like I knew I wanted to be an entrepreneur. I knew I wanted to be in business from a very young age. My dad is an entrepreneur in Cameroon. I just felt like when I came to the U.S., I

actually started in business school and I was like, "This is too easy." I ended up going, "Okay, well, at least mathematics is challenging so I'm going to do that just so I do something in STEM." I ended up doing, I did mathematics and statistics, and a minor in finance. I was also fascinated by finance. I didn't just know I would end up in finance. It was very random.

Rossie Turman: Well, the mathematics and statistics is frankly a good base.

Eunice Ajim: Yeah.

Rossie Turman: For many things, as you know, as a STEM education is. I'm a little biased of STEM. My wife is biased to humanities. Together, our daughters have a chance. They'll be well-rounded individuals.

Eunice Ajim: Yeah, I love that.

Rossie Turman: Switching gears, I want to talk about two things. I want to talk about trends that you see on the continent, I want to talk about that last. I want to talk about what comes next for you. Is this the first fund, or are you raising for your second?

Eunice Ajim: This is the first fund. I am 75 percent committed out of this fund, so I'm pretty much getting towards the final 25 percent. Then we'll start fundraising for the second fund.

Rossie Turman: Timing on that you think is 2025, you start against second fund.

Eunice Ajim: Yes. We'll probably start fundraising starting in Q3 of 2025, and hope to have at least the first close early next year. Then take it from there.

Rossie Turman: What size are you looking to raise?

Eunice Ajim: Oh, man, I'm targeting 25 million.

Rossie Turman: Okay, okay.

Eunice Ajim: Yeah.

Rossie Turman: 25 million is the target. What would be your stretch?

Eunice Ajim: I'm going to stick to 25 million for now. I don't want to set myself low.

Rossie Turman: Say why?

Eunice Ajim: I think there's a massive opportunity in the African market right now. In our first fund, we were minority investors. One of the things that we have seen over the last three years since I launched my fund, we've built a really great reputation. I trust the African ecosystem. Founders come to

us first when they think about raising a pre-seed and a seed. Our current portfolio companies, we couldn't lead their rounds. We were writing small checks. I think if we're leading rounds, we can define, in terms of most rounds now. And we didn't have enough money for follow-on.

This second fund will have enough money to also lead pre-seed and seed rounds, and actually come back for follow-on and help our portfolio companies pretty much go to the next level when they're thinking about a series A, B, or C. We've heard this in a really good subset of some of our portfolio companies. One of my latest portfolio companies just made the announcement today, they're raising another subscribed round of 11 million in a series A round led by a big U.S. fintech VC community investors, but we only invested in their pre-seed. When they were raising a seed, they came back to us, we couldn't get in that round. We're seeing a lot of those things happening. I'm going to stick to the 25 million target for now.

Rossie Turman: My view on that, based on what I heard, is first of all, there's a lot, a lot, a lot of activity in the entrepreneur world that needs the pre-seed funding to get off the gate. That was, for a long time, the missing piece. Part of why it's missing is because people can't mortgage their home and start it themselves.

Eunice Ajim: Yeah.

Rossie Turman: The bootstrapping opportunity is very different. Again, the lack of disposable income. There's a huge need for that pre-seed, whether it's the pre-seed funds or the angel investors. For people who are listening, huge need. All the more reason for them to invest in you or co-invest alongside you, because that could fill out a round.

Then the next challenge you mentioned, which is the challenge you have, is the next funding gap is "can I get across that chasm and find the seed that can get me to the A" because we still need to fill out that group of investors. Are some of the pre-seeds growing big enough to where they can do the pre-seed round and the seed round if the company's hitting its metrics. That would get more of these companies to the A, and now you have the better process.

Then the A rounds, what you just said, we're seeing much more now in the last five years than we ever were before. I do a lot of what we call flips where we attach a U.S. hold co, a Delaware hold co if it hasn't happened already in the seed and pre-seed round, often it does. Now you have that Delaware hold co even though you're operating on the continent, you could get investors from everywhere. Because everyone will invest in Delaware, wherever they are on the globe. Now, your metrics and everything else match, and you get traction and introductions, you can actually raise that series A and now you're off to the races. But the big challenge is the one that you're trying to fill.

Eunice Ajim: Yeah. I know a lot of them are, they see a big lack of capital. But then as soon as the founders meet those metrics, we're seeing a lot of U.S. VCs coming and getting typically at that series A round when the company is doing, on average, four to eight million in annual revenue. We see a lot more interest from U.S. investors. But sometimes the founders just need that push in terms of funding to get to that next level.

Rossie Turman: Yeah. The reason why you would only do 25 is because you can only manage so many portfolio companies. You get above a certain size, then you actually have to move up in the food chain because you actually can't do the investment. Then the follow-on investment doesn't make any sense because the size of your AUM.

That's what happened with private equity maybe 2010, 2012 or so. The private equity deals that were flowing through were much more like 50 million. A billion-dollar fund can't efficiently invest in \$50 million deals. It's too much. They said, "We can't find deals, find deals." They would have been better off raising a \$250 million fund, having a lot of success, growing with the market. They would have then done a 500. Then by the third fund doing a billion, they'd be cooking.

Eunice Ajim: Yeah.

Rossie Turman: They came in too big, too soon.

We got the fund. What else is next for you? Because you seem like someone that wouldn't be so clearly defined.

Eunice Ajim: That's actually interesting. I feel like my whole life revolves around the fund right now.

Rossie Turman: Okay.

Eunice Ajim: That's our focus. I think one thing that we have, I think that makes us I would say to some level so successful, is really our education resources. I personally create a lot of content on the internet around growing a successful startup, as well as just educating investors on African opportunity. Outside of obviously building and fundraising that fund, our goal is just to educate millions and millions of founders and investors. Change the narrative of what is possible for the African market.

I think when you look around...I do a really good job, in my opinion, not to get into politics, not to get into negativity when it comes to the African market. I really focus on the positive side, and what is working, and how we can move forward from there. That's my goal. I'm hoping that we can reach a wider audience over the next couple of months, if not years, and change the narrative of what the African tech ecosystem looks like around the world.

Rossie Turman: The call I had just before this, I was actually talking with someone who has a media startup, a growing media company. The conversation we were having about ways we could work better together and our synergies to basically address two things. One is just the information gap, which I think what we could say is there's a lack of information and there's an over-emphasis of particularly narrow information which tends to then make the information misleading. There are children who are starving in Africa. There are children in New York City who are starving.

Eunice Ajim: I was about to say that.

Rossie Turman: Right?

Eunice Ajim: Yeah.

Rossie Turman: Period. There is government corruption in Africa. There's government corruption in Washington, DC. Or New York City. What's different about the Africa story is, while they talk about that, they don't talk about the number of unicorns that sprung up across a two-year period. They don't talk about the fact that, during COVID, it was African labs that were finding, in a couple cases, the most important discovery of a new strand to help the world get out in front of it. Even though they tried to say it started in Africa, no, the Africans found it. It was in your backyard already because that's where it came from.

Africa could do a little bit more of feeling itself and flexing, because it's doing some stuff on some levels that other parts of the world are not. Just like other people who need to hear more about it to understand what really the Africa risk is versus the possibilities, Africans do as well. We hear too much information that misleads us on what we look like. Makes us undervalue what our opportunities are.

Eunice Ajim: Yeah.

Rossie Turman: Part of that addressing the narrative it sounds like you're trying to do. I know the person I was talking to before, part of the reason we have this podcast we're trying to do is to get people better, more actual information and making it more accessible. The more that starts to flow and the exchange of information, going back to they said we couldn't read or write because they know the power of exchange of information. The more we read, and write, and exchange information, the more we can accelerate these opportunities and make them much more impactful, more meaningful, more profitable, and more beneficial for the continent and the diaspora in general.

Eunice Ajim: Yeah. You're absolutely right. I think that's what I want, too. Again, we don't call it a media company but definitely push out a lot of content just around the African tech ecosystem story.

Rossie Turman: I appreciate that. It's extremely important and that may be why we're vibing. Because I'm like, "Okay, she good people."

Eunice Ajim: Thanks. You, too.

Rossie Turman: Trends. What are the top trends you're looking for? Positive or negative, that you're concerned about, that you think are going to be impactful across the continent? What's going to change things? What's to watch to see if it changes things? Let's some banter on that. I have some thoughts as well, that's why I said let's have some banter.

Eunice Ajim: Yeah. Man, we could go so many directions. Which one will I even go? What is something that I've been thinking a lot lately? We've been living on a macro level, there's been a VC winter across the whole world, whether in the U.S. or in Africa, or any market out there. I think I have a lot of hopes for 2025 and beyond where my hope, and I wish I had a magic bullet to where I can see what's going to happen in the future, hope that we see a lot of that significantly reduced and we see a lot more of it deploying in 2025 and beyond. I think the more capital that is being deployed in the U.S. market, the high chance of also capital influx in African market. Hopefully the VC winter funding is over, and we can move beyond that.

I think we're going to see a lot more unicorns come out of the African market over the next three to five years. As of right now, I think we have nine of them. I can't remember. But I think we're going to see at least another-

Rossie Turman: I think 13 came out, but a couple fell out of unicorn status. They had down rounds last year.

Eunice Ajim: Yeah, which is depending on what data you're looking.

Rossie Turman: Yeah. I think it's about nine now.

Eunice Ajim: Yeah.

Rossie Turman: I think. That sounds about right to me. There was at least 13 that hit, and then I think there was a fallback. That's my recollection. I might be wrong, too. But yeah, yeah. I think some of those fallbacks, other than in the case of someone finding financial fraud, they'll bounce back. I think that the winter affected them more in valuations because it's last in, first out in terms of money flows. It's almost hot money. It's not hot money, but it's that concept of hot money. When we talk about global investing, if people run from what they perceive even if it's not rational. But I think that would be a good time to invest in Africa because of the fact that, right now-

Eunice Ajim: We're investing on a discount.

Rossie Turman: Yeah, yeah, yeah. On the downside, that's when you can get in at a really good valuation and have a much better run.

Eunice Ajim: Exactly. We're seeing a lot of discounts in rounds. Now is the best time to put your money in because there are chances of that going up and up. It's only going to happen in the next couple of years. That's for many startups across the world, not just Africa, by the way. We're seeing massive discount in terms of valuations. I think we're definitely going to see a lot more M&As across the African market as more U.S., Europe, or any other market tries to get into the African market. We're seeing that a lot of them are more interested in acquiring their African counterparts than going and starting from scratch.

I think in terms of IPO, I don't see that changing much in the African market. I don't think we're going to see that many. I think just that the few ones that went IPO in the U.S. have had a really bad reputation that it has put a pretty much bad taste in many startup founders in emerging markets. We don't see as many emerging market companies try to IPO, either in the U.S. or even in their local market. We're seeing more companies staying private and looking more for acquisition opportunities.

Rossie Turman: Yeah. I think on those things you touched on in terms of trends, I think actually are the reason why we have a funding winter across the globe is because globally, the IPO market has been hemmed up for a while.

Eunice Ajim: Yeah.

Rossie Turman: For those who don't watch it closely, the IPO market got distracted by SPACs. Everyone was doing SPACs and that's where all that money was flowing. Then the SPACs got blown up for a variety of reasons. But all that capital that went into SPACs, that's not coming back in many cases. That's just money lost.

Eunice Ajim: Yeah.

Rossie Turman: Those investors can't reinvest in the next IPO because they didn't get their money back. It takes a while to grow the capital to start feeding the IPO market again, because a lot of them shot their wad at SPACs and took a bath. That means they weren't there to pick up the tech companies in the IPO market.

Eunice Ajim: Yeah.

Rossie Turman: That's got to get turned around. For a lot of reasons, we think it's warming up. When you have IPOs, then you have money returned to investors. Those investors reinvest in whatever it was that led to them have a successful or reasonable IPO. That happens.

I think the winter is going to start to end with one caveat. What's going on right now on the U.S. government standpoint is going to keep waves

across the global markets because you have a lot of people that are going to sit on their capital as they try to figure out what the world's biggest economy is going to do or not do, and how much of that is going to affect their investment thesis. I suspect that people are going to be talking a lot, but doing little, until somewhere around April or May, because everyone thinks they might be able to figure out more. Then, whether they can figure it out or not, whether more clarity is there in May or April, some people will be like, "I just got to put my money to work." Then, they're going to calculated chances, so money will start to flow then because they can't sit on. Some investors can sit on for a while, but they've been sitting for a while already.

Eunice Ajim: Yeah. I think a lot of investors are getting to the stage where they have to either deploy the capital or return it to the limited partner.

Rossie Turman: Return it back. Exactly. That's why I say they'll get pushed out before June because of that pressure, but they're trying to hold on now. Because frankly, it's been chaotic. There's not a lot of clarity. You got to figure out whether all this chaos actually affects you, and if so, how it affects you, and how to change your investment thesis. I think that's going to slow down what would have been I think a quicker warming from winter.

Now what I saw back in 2010 through '12 on the backs of the global financial crisis when people realized how bad it was, at some point in time we realized that Africa was over-performing in terms of alpha. In part, because it was less connected to some of the problems the rest of the world had. This is for a variety of reasons. I suspect if we are able to start seeing some opportunities, unicorns pop out, that will drive actually more investors towards Africa because it'll be out-performing other parts of the globe based on their own connectivity to some of the chaos or other issues that get created. It's a whole other conversation, but that's what I think that could actually benefit Africa by midyear. Hopefully, by the time you're getting ready to fundraise in third quarter, people are actually looking for that alpha and you happen to be in the right place, right time. It's very, very possible. In my opinion, based on what I expect to see happen on macro things. Nothing specifically to do with you.

The other trend I think that's going to be very interesting that's going to affect Africa tech is everything from the global drive toward clean energy, alternative energy. I guess they don't call it clean anymore, they just call it alternative energy sources. And also, critical minerals. There's going to be some investment in those areas on the continent. Those areas, while they're not necessarily at their core, they're not what people think of as tech, they all have a lot of technology all around them. There's a lot of opportunities around those areas for startups to function and do things. That's not an area people are really... Well, you tell me. I haven't seen a lot of activity focused on, say mining tech or energy tech at the level I see them chasing fintech. But I think a lot more investment dollars are going to flow toward there across the next two, three years.

- Eunice Ajim:** Yeah. We're seeing a lot of DFIs funding, putting so much money in climate techs. I've seen a lot of VCs actually raise climate-focused funds just because the money's already there. I'm very biased about it because I'm like, "I don't know if, you know, climate is the most pressing challenge in African market right now." But there's a lot of money coming from Western investors in that space, so there's also a lot of funding. I've seen a lot of companies even pivot to fit those areas to raise money.
- Rossie Turman:** Well, here's my thing about that. What Africa does have a pressing need and has as long as I've been involved is for energy. I don't have to have a bias one way or another. If you can give me energy in some rural part of the country, that's what I need. I actually think that while some people are focused on the climate piece, I think that the micro-grid you could set up, we see this in Kenya, a micro-grid you could set up on a solar is a lot easier, more efficient, and cheaper than trying to run transmission lines from a coal plant because Africa's so big and you lose so much current on the transmission. You actually need localized energy. For most cases, alternative energy is actually a better solution for them.
- Eunice Ajim:** Yeah.
- Rossie Turman:** If other people want to invest in it only because they think it's green, climate, fine. Just give us the power so we can start to create technology around it so we can power our computers, we can power our whatever.
- Eunice Ajim:** I definitely think there's going to be a massive opportunity. It's not just something that I would typically invest in, I would just say that.
- Rossie Turman:** Oh, yeah, yeah. No, I hear you, I hear you. To the point of what's the pressing challenge, I think that across the board-
- Eunice Ajim:** Energy is definitely up there. It's important.
- Rossie Turman:** Oh, yeah. But the global south would tell you, "We're not the polluters. The north is the polluters, but you're trying to make us deal with the whole world's challenges on pollution. That's stupid."
- Eunice Ajim:** Yeah.
- Rossie Turman:** I think that's true. And it's true I'm ambivalent on power if it works. That's my sense about it. I don't think that it's a pressing issue to that point, because we're not the part of the world that's creating it. But I do think that globally, it's a challenge. But I think for the opportunity for the continent is, "Well, if you're going to give me below market funding to create power sources."
- Eunice Ajim:** Yeah. Actually, energy and power, pretty much to get electricity, get access to internet, even gas, any of those, those are massive opportunities for a business, for sure. I think it's when people come in that

are like, again, I don't even fully understand this. When people try to do climate, and pollution, and all of the-

Rossie Turman: Carbon credits.

Eunice Ajim: Exactly. Those things are when I'm like-

Rossie Turman: Carbon clean, or stuff like that. Yeah, no, no. That's not the power.

Eunice Ajim: Yeah.

Rossie Turman: The power. Okay, if you're going to power through, that's what I'm looking for. What's the megawatts that I'm getting? Because that's what I can use if I'm a community on the continent. It's the megawatts, that's the issue for me. Megawatts, cost per megawatt, that's it. If you can do it cheaper for me, great. Added benefit is its sustainable.

I think the other thing is you have a bunch of technology around the distribution of that power, just like you have a bunch of technology around. Mining is very technical nowadays, in terms of exploration and stuff like that. A lot of technology goes into that. You got supply chain issues that should be technically managed, as opposed to old school. You should be able to put some blockchain into that. There's a number of different things that are actually applications of technology we have. There's a whole healthcare issue across the continent that you could accelerate the delivery of care if you had better supply chains that are supply chain management, and combined with drones to deliver it, combined with a better command and control of where the supplies actually are, where the needs are. All that's technology, actually.

Eunice Ajim: Yeah.

Rossie Turman: Sharing of patient data, technology.

Eunice Ajim: Definitely a lot of opportunities. We have definitely seen obviously the wave of the fintechs, and payments, and all of the likes. But now, we're definitely seeing a lot more wave in logistics, and healthcare, Protech, B2B SaaS, DevOps tools. There are just so many opportunities, marketplaces to bridge the gap between a buyer and a seller. It's really depending on what kind of investment somebody is excited about; I think there's an opportunity in the African market right now.

Rossie Turman: The big issue there, and I'm going to double-tap on something you said earlier, is you need someone who is, A, boots on the ground and really understands the space, otherwise you'll chase a lot of dogs.

Eunice Ajim: Lots of opportunities.

Rossie Turman: Yeah, a lot of opportunities. People, there's way more opportunities than there's capital, but there's also a big differentiation between good opportunities and ideas.

Eunice Ajim: Yeah, you said it.

Rossie Turman: I'm going to let you go. I really appreciate your time. I look forward to doing this again soon. I look forward to hearing of your investments, how your fundraising is going. Of course, if there's anything I can do to help, don't hesitate to call or point me in the right direction of ways to be helpful. Thank you for what you're doing in terms of pushing out content and information, informing. That's a job of an angel. We really need that in this effort to move from here to the next level in this space, so appreciate you.

Eunice Ajim: Thank you. Thank you so much for having me on your podcast. This was really an insightful and very beautiful conversation. I really appreciate you guys inviting me and taking the time to let me share my perspective and my story around investing in Africa.

Rossie Turman: It's our pleasure.

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