

ABC Fund announces investments totalling EUR 4.21 million into four agribusinesses and one microfinance institution in sub-Saharan Africa

- The ABC Fund has deployed EUR 4.21 million to agribusinesses in Benin, Mali and Uganda as well as a microfinance institution in Nigeria.
- The ABC Fund has so far cumulatively invested a total of EUR 43 million investments in 11 countries in Africa and Latin America.
- These investments aim at improving the incomes and livelihoods of smallholder farmers with a focus on women and young people.

Luxembourg, 30 March 2023 – The Agri-Business Capital Fund ('ABC Fund') today announces that it has completed its latest investments, totaling EUR 4.21 million, in food production businesses in Benin, Mali and Uganda as well as in a microfinance institution based in Nigeria.

Africa Négoce Industries (ANI) is a raw cashew nut processor based in Benin. ANI collects raw cashew nuts mainly from farmer cooperatives and processes them into cashew kernels for the export market. Smallholder farmers working with ANI benefit from a stable access to markets with constant prices, thus positively impacting their livelihoods. The company has received a loan of EUR 800,000 from the ABC Fund to purchase more volume of raw cashew nuts and expand its operations. ANI will enter a purchasing relationship with Fédération Nationale des Producteurs d'Anacarde du Bénin - composed of 40,000 smallholder farmers - the country's second-biggest cooperatives union in the cashew sector. ANI is also in the process of getting the BIO certification and aims to be certified by the end of 2023. This certification will allow ANI to benefit from certification premiums when selling organic kernels.

Promo Fruits (PF) is one of the largest pineapple juice processors in Benin. PF procures fresh fruits from local cooperatives to be processed into juices and nectars free of preservatives and additives. The ABC Fund has loaned PF EUR 800,000 to cover its working capital needs, to import materials to manufacture juice cans and to purchase equipment to create polytunnels which smallholder farmers use to create optimum temperatures and humidity levels for fruit growing, leading to higher yields. This equipment is expected to boost 750 smallholder farmers' production capacity and income. PF provides free advice and training on harvest techniques and phytosanitary treatment for the control of plant diseases, to smallholder farmers. The ABC Fund's support will help the company generate sufficient cash flow to continue offering these services to farmers.

Groupe Diakhate is a poultry feed manufacturer based in Mali. The ABC Fund has loaned Groupe Diakhate EUR 450,000 to purchase feed raw materials such as cotton seeds, soybean meal, and maize and acquire new modern and efficient equipment, including two processing machines and a solar electricity generating system to sustainably power the process. The investment will enable Groupe Diakhate to strengthen its relationships with farmer cooperatives representing 250 farmers and become more involved in its production process. It will also enable the company to increase its workforce. For the upcoming season, Groupe Diakhate plans to launch a programme of assistance to supply both fertilizers and seeds to smallholder farmers as well as mechanization services to improve their productivity.

Matale Hill Brothers Ltd (MHB) is a company based in Uganda involved in the secondary processing of coffee. MHB buys coffee from smallholder farmers and traders across the coffee-growing fields of Uganda, processes the coffee, and markets it to their various off-takers. MHB sells graded and ungraded coffee to various multinationals and local companies in Uganda. The company has received a credit facility of USD 257,200 (EUR 254,000) from the ABC Fund to meet its working capital needs. The funding will be used to

purchase coffee from smallholder farmers in Uganda. The ABC Fund loan will also enable the company to gradually increase the number of farmers they currently work with from 250 farmers to twice this number. Smallholder farmers selling their coffee to MHB have access to a stable market and are paid 50-100 UGX above market price per kg purchased, thus improving their livelihoods.

Grace and Mercy is a non-bank microfinance institution based in Nigeria that addresses the financial needs of economically disadvantaged and marginalized women engaged in small trading and micro-productive activities. The company is therefore uniquely positioned to reach the ABC Fund's target segment of rural women operating in the agricultural sector. The company has received a USD 2,000,000 (EUR 1,910,000) credit facility from the ABC Fund, which will be used by the company to develop a formal agricultural financial product. It is estimated that the ABC Fund loan will enable the company to provide over 4,000 agricultural loans per funding cycle.

Jerry Parkes, CEO of Injaro Investments, commented: *"We are proud to support smallholder farmers in Benin, Mali, Uganda and Nigeria through these investments. This financing is vital to support the growth of these five companies and to make their affiliated smallholder farmers more sustainable and efficient. We also look forward to seeing tangible improvements in the livelihoods of the thousands of young women and men targeted by these investments."*

Jean-Philippe de Schrevel, Founder and Managing Partner of Bamboo Capital Partners, commented: *"The ABC Fund continues to fulfil its mission to support smallholder farmers across sub-Saharan Africa with a series of new investments. These loans will help local farmers and processors increase their production and revenue to ultimately catalyse further economic growth and impact. We also support financial intermediaries to reach smallholder farmers through them, and contribute to sustain agricultural value chains with the development of agri-finance products."*

In 2022, the ABC Fund also provided follow-on financing to some of its investees. This includes a second loan of EUR 1 million for working capital to the raw cashew nut processor Anatrans, following a previous transaction with the company in 2020. The ABC Fund also renewed its financing to Socak Katana and Ecookim, two cocoa cooperatives based in Côte d'Ivoire, following previous loans to each cooperative. As of December 2022, the ABC Fund has cumulatively financed 28 investees, including 3 farmer cooperatives, 12 agricultural SMEs and 13 financial intermediaries. Across its portfolio, the ABC Fund has invested in 11 countries since its inception.

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About the ABC Fund

The ABC Fund is a blended-finance impact fund that provides catalytic financing to underserved yet profitable segments of agribusiness value chains in developing countries. The ABC Fund deploys loans and equity investments in farmer organisations, rural SMEs and financial institutions. They have potential for high growth and job creation and can also drive social development for their communities and countries, but they often lack the capital they need to grow their businesses. The ABC Fund was initiated by the International Fund for Agricultural Development (IFAD) in partnership with and is currently funded by investments from the European Union, the Organization of African, Caribbean and Pacific States, the Luxembourg Government, the Alliance for a Green Revolution in Africa and IFAD. In 2022, Bank of America

invested in the ABC Fund becoming the first corporate global financial institution to invest in the Fund. The IFAD investment was made possible thanks to financial support from the Swiss Agency for Development and Cooperation. The ABC Fund is managed by Bamboo Capital Partners in partnership with Injaro as investment advisors and with technical assistance led by Agriterra.

About Bamboo Capital Partners

Bamboo Capital Partners is an impact investing platform which provides innovative financing solutions to catalyse lasting impact. Bamboo bridges the gap between seed and growth stage funding through a full suite of finance options – from debt to equity – which it activates unilaterally or through strategic partnerships. Founded in 2007 by Jean-Philippe de Schrevel, Bamboo aims to improve the lives of the world's most marginalized communities while delivering strong financial returns. Since its inception, Bamboo has raised USD 450m and invested in over 30 developing countries. Its investees have positively impacted 238 million lives and supported over 53,000 jobs, including 18,000 jobs for women. The firm has a team of 30 professionals active across Europe, Latin America, Africa and Asia. Bamboo also acts as the Asset Management arm of global impact firm Palladium, which operates in over 90 countries, following a strategic partnership in 2020. For more information, please visit www.bamboocp.com or follow @bamboocp.

About Injaro Investments

Established in 2009 by Dadié Tayoraud and Jerry Parkes, Injaro Investments is a private capital investment firm with a long track record in impact investments in Africa. Injaro makes investments in debt, quasi-equity, and equity in African SMEs, deploying capital and solutions to create value for partners and investors. Injaro's experience includes managing Injaro Agricultural Capital Holdings, a US\$49m impact investment fund focused on SME investments across the agricultural value chain in West Africa. Injaro's investment portfolio has generated USD107m of revenues and benefitted more than 3.7 million persons, mainly comprising smallholder farmers and low-income families. For more information, please visit www.injaroinvestments.com or follow @injaro on Twitter and Injaro Investments Limited on LinkedIn.

Africa Negoce Industries (ANI), Benin

Africa Negoce Industries is a raw cashew nut processor based in Djeregebe. The company was established in 2013 as a raw cashew nut trader. In 2018, after the completion of its production unit, ANI started processing raw cashew nuts into cashew kernels. Today, the company is processing raw cashew nuts for the international market and offers tolling services to a local exporter. ANI collects the raw cashew nuts mainly from a union of cooperatives and local traders and processes them into cashew kernels for the export market.

Promo Fruits (PF), Benin

Promo Fruits (PF) is one of the largest pineapple juice processors in Benin. PF procures fresh fruits from local cooperatives to be processed into juices and nectars free of preservatives and additives. The company's processing plant is located in Allada. Created as the cooperative "Initiative pour la Relance de l'Ananas" in 2003 by 13 farmers, PF transitioned into a limited liability company in 2010. The company's other activities include selling of pineapple waste to the local companies BIOMASS Benin for clean energy production and COJAPAB for poultry feed. PF is a key employer in Allada and contributes to local economic prosperity.

Groupe Diakhate, Mali

Groupe Diakhate is a poultry feed manufacturer based in Mali. The company aims to be a key player in poultry feed in West Africa whilst promoting local employability and access to business opportunities. As a specialised poultry feed manufacturer, Groupe Diakhate sells two types of feed - concentrate feed (composed of super concentrate, soybean meal, and cottonseed) and complete feed (composed of super concentrate, soybean meal, maize, cotton seed and shell) and has three brands marketed under these categories. Operating in Mali since 2011, Groupe Diakhate expanded into Guinea in 2016 and Benin in 2017.

Matale Hill Brothers Ltd (MHB), Uganda

Matale Hill Brothers is a secondary coffee processor in Uganda and operates under the directive of the Uganda Coffee Development Authority (UCDA). MHB procures its coffee from smallholder farmers, mainly in the Masaka region of Uganda. MHB specializes in grading and selling Robusta coffee to multinational buyers in Uganda. The company has been in operation since 2015 and boasts of organic growth over the years. The company aims to increase its coffee purchasing and processing and eventually access the export market.

Grace and Mercy, Nigeria

Grace and Mercy is a non-bank microfinance institution headquartered in Ibadan, Oyo State, in Nigeria. Founded in 2012 as a non-governmental organization, Grace and Mercy is an institution that addresses the financial needs of economically disadvantaged and marginalized women engaged in small trading and micro productive activities in Nigeria. The institution has a network of 200 branches located in 13 states of the country, employing over 1,000 people. In addition, the company has over 190,000 clients, 99% of which are women, with an average loan size of USD 240. Over 85% of its clients are located in rural and peri-urban areas.

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