

PRESS ANNOUNCEMENT

DATABANK INVESTS IN HIGH IMPACT POULTRY IN BURKINA FASO

17 February 2015

In the last quarter of 2014, the AAF SME Fund, a private equity fund focused on African food production and processing, managed by Databank Agrifund Manager Limited (DAFML), successfully closed its investment in MOABLAOU, the largest producer of table eggs in Burkina Faso.

Although the transaction happened during the instatement of a transitional government in Burkina Faso, Databank's unwavering commitment to the investment was a display of its confidence in both the potential of MOABLAOU as an enterprise, and the future of a country on the brink of policy-reforming change.

MOABLAOU is a family owned business with almost three decades of poultry management experience. Built on the premise that poultry farming is as much a science as it is an art, the company has succeeded in securing market leadership and is the sole industrial producer of table eggs in the country; the company farm in the town of Nambé, is equipped with state of the art facilities and supplies over 25% of the country's table eggs. MOABLAOU strategically opted for vertical integration and operates its own feed mill in the capital city of Ouagadougou. The in-house mill ensures that the company's hens are fed with the highest quality feed and that customers in turn receive only the highest grade of nutritious eggs. Through a network of over 400 small retailers (mostly women), MOABLAOU provides low and middle-income populations with affordable egg protein and contributes to tackling the problem of protein deficiency, which is rampant in African nations. The company also fights actively against poverty through the indirect jobs created from the sales of its products.

Despite MOABLAOU's market leadership, the company's growth story has only begun and is being further propelled by Burkina Faso's position as a net importer of eggs. Commenting on the investment and prospects, DAFML Managing Partner, Brian Frimpong, asserted that "available capital to support Africa's growing economies are in abundance but the real value is in identifying high impact companies or niche players that are at the vortex of sustainability in frontier markets such as Burkina Faso. DAFML studied MOABLAOU for over 24 months to understand the rare dynamics of both the operations and the surrounding macro conditions before deploying capital to support MOABLAOU's prospects". In his response, Mr. Abou Ouattara - CEO of MOABLAOU, thanked the Partners of DAFML for the confidence they have placed in him and his enterprise. He affirmed the benefits and opportunities that the investment offers him, his family and his company as a whole and also restated his commitment, and that of all MOABLAOU workers to achieve the objectives set out by the two parties.

Funding from the AAF SME Fund included a mix of equity and mezzanine financing to support MOABLAOU's expansion plans and further extend its market reach.

In conjunction with this investment, the AAF's Technical Assistance Facility (TAF) is exploring projects that will provide technical assistance to MOABLAOU and enhance its growth strategy, marketing and distribution. The TAF also plans to fund projects that will support smallholder farmers supplying the business with soya and micro entrepreneurs distributing MOABLAOU eggs, potentially improving the income of hundreds of small entrepreneurs linked to the company.

(WORDS 522)

The AAF SME Fund is a sub-fund of the African Agriculture Fund (AAF), managed by Phatisa.

The AAF TAF is primarily funded by the EU, managed by the International Fund for Agricultural Development (IFAD) and implemented by TechnoServe. The project received additional donations from the Alliance for a Green Revolution in Africa (AGRA), Italian Development Cooperation and the United Nations Industrial Development Organisation (UNIDO).

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