Is Berkshire Hathaway the key to solving the UN SDGs in Africa?
Equity Funds

1. Require exits
2. Few/no exits across most of Africa
3. ???

Without exits for liquidity, just making unrecoverable grants but calling them “equity”

Debt Funds

1. High default rate
2. Interest doesn’t cover losses
3. ???

Without profits, this is better than 100% losses from grants, but in the long-term, unsustainable
Warren’s strategy of buy-and-hold... forever:

"Money is made by investing and by owning good companies for long periods of time. Buy them over time, they're going to do fine 10, 20, 30 years from now."
HoldCo Business Model

1. Minority equity ownership in dozens of African SMEs

2. Acceleration past $1 million of annual revenues, then $10 million, then more

3. Liquidity through an IPO of the holdco, as a bundled offering (if not the SMEs too)
Aggregate Revenues

$24 million in 2022

40x GROWTH IN 8 YEARS

$600k in 2014
Buying from smallholder farmers, processing, selling to retailers
Grow the Holdco(s) for Decades

Investors can join and leave when they want, not on a fund’s timeline,
...or buy and hold for generations
Repeat the model specifically for agroecology
Luni Libes
luni@africaeats.com

AFRICA EATS
africaeats.com

AFRICA TREES
africatrees.ltd
Most Africans are farmers, but 30%-40% of food grown in Africa never makes from farm to fork.
Most are “smallholder” farmers, farming their own ½-2 acres, earning $1-$3/day with no company buying the food they grow.
Swahili Honey sells honey and beeswax in Tanzania and exports globally. Discovered in mid-2018, the business has experienced significant growth, with revenues of $40,000 in 2014, $62,000 in 2016, $275,000 in 2018, $763,000 in 2020, and is projected to reach $2.4 million by 2023.
$17,000 (2017)

$98,000 (2019)

$1.1 million (2021)

$3+ million (2023e)

Agro Supply sells seeds and inputs to smallholder farmers.

Discovered at the end of 2019.
Spun out of PMP in 2020

The first & only food/ag logistics fleet in Rwanda

The trucks serving serve Rwanda plus imports/exports across Eastern Africa

$6+ million (2023e)

$2.2 million (2022)
The largest fruit/veg/rice aggregator in Tanzania

$100,000 (2013)

$1.1 million (2019)

$15+ million (2023e)

Discovered in 2014, after the end of year 1
**Impact**

Doubling farmers’ incomes & improving lives

**Impact on Money Earned**
Q: Has the money you earn from the EAF-supported crop changed because of EAF? (n = 257)

- Very much decreased: 13%
- Slightly decreased: 9%
- No change: 46%
- Slightly increased: 43%
- Very much increased: 11%

89% report increased earnings

**Perceived Quality of Life Change**
Q: Has your quality of life changed because of EAF? (n = 257)

- Very much improved: 43%
- Slightly improved: 47%
- No change: 10%
- Got slightly worse: 0%
- Got much worse: 0%

90% of farmers report improvement in quality of life

**Impact on Way of Farming**
Q: Has your way of farming changed because of EAF? (n = 255)

- Got much worse: 13%
- Got slightly worse: 6%
- No change: 35%
- Slightly improved: 55%
- Very much improved: 9%

91% report their way of farming improved
Impact

Lowering post-harvest losses from 30%+ to 2%
Raising $7 million

adding to the $9 million raised to-date

USE OF FUNDS:

• **Equity investments for additional equipment**
  – Growing average ownership to 25% in the investees

• **Working capital and invoice financing loans**
  – Revolving capital which other institutions are not yet providing

• **Double the value of the portfolio/balance sheet**
  – From $16 million (today) past $30 million (EOY 2024)
  – Adding to the 5x growth in first 3 years → 10x in first 4 years