

The Voxtra East Africa Agribusiness Fund

Investing for a Green Revolution in Africa

22 November 2011



Agenda

Why Invest in African Agriculture?

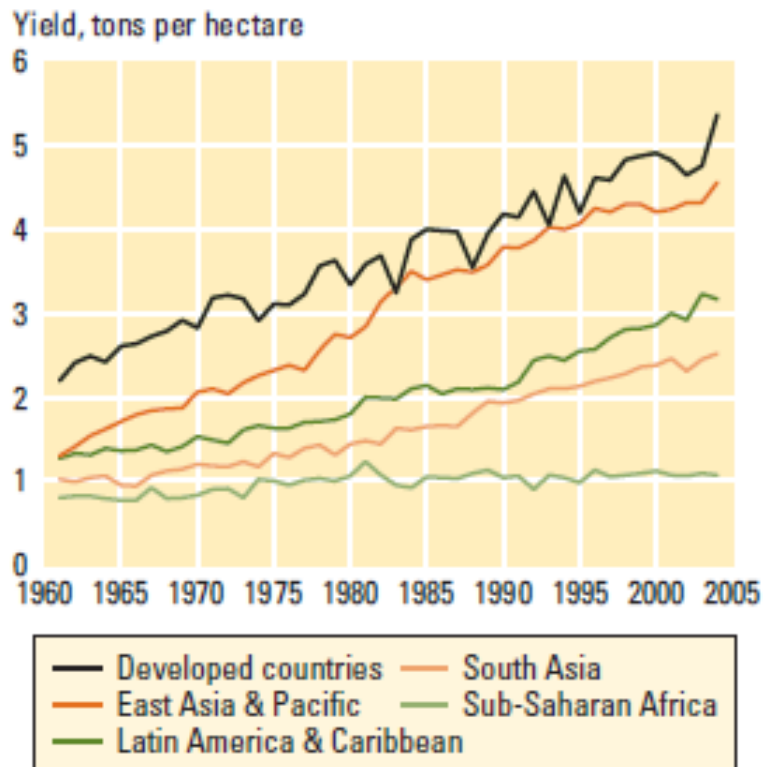
The Fund's Objectives

Investment Focus

Key Partnerships and People

The productivity of African agriculture is low

Figure 7 The yield gap for cereals between Sub-Saharan Africa and other regions has widened



Source: <http://faostat.fao.org>, accessed June 2007.

Source: World Development Report 2008

Improved seeds, fertilizer and proper cultivation can improve yields



Left: Local maize variety
Right: Improved maize variety

Source: AGRA

This is a good time to invest in African agriculture

Prices of agricultural commodities are expected to continue to rise

- World population to surpass 9 billion by 2050
- Increased protein-content in diets in emerging markets
- Climate change, urbanization and bio-fuel production put pressure on land

Strong growth rates in the region...

- >5% in Tanzania, Uganda, Rwanda, Ethiopia, Mozambique and Zambia

...driven by an improving business climate

- Growth not driven by resources alone, but broad-based across sectors
- Improved political stability, fiscal management; Increased investment activity
- Free trade area established July 2010 (Ke, Tz, Ug, Rw, Bu)

Stronger enabling environment for agriculture

- Governments with stronger interest in agricultural development
- Improved access to bank finance, e.g. through guarantee schemes
- Increased donor funding of agriculture and agribusiness

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Objectives of the Fund

10-year closed-ended private equity fund

Seeks to provide investors a positive financial return, while creating strong developmental results:

- Strengthen incomes of >200.000 smallholder farmers
 - Increased incomes amount to >8x the invested capital
- Improved food security and nutrition
- Increased climate change resilience
- More than 500 new jobs in the formal economy
- ... By building local companies that can become leaders in their industry

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The Fund will invest \$0.5-2 million in each of 10-15 companies

Businesses that reach smallholder farmers – across the value chain

Seed company



Chicken hatchery



Potato storage



Characteristics of target companies

- Growth/early growth stage (not start-ups)
- Proven products and business models
- Competent and ambitious management
- Potential for market/niche leadership
- Observe social, environmental and governance standards
- Viable exit options

Core focus on Kenya, Tanzania and Uganda, and mandate to invest in the wider region



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Working and co-investing with trusted partners

Further partnerships to be announced



Pearl Capital Partners

- Uganda-based fund manager
- Specialized in agribusiness
- Investors include JP Morgan, Gates Foundation, Rockefeller Foundation



- Anchor investor (35%)
- Strategic partner
- Representative on Investment Committee



- Nairobi-based foundation chaired by Kofi Annan
- Works with Voxtra to identify opportunities in the seed sector

The Voxtra team

Core team

- **Pål Dale**: formerly Boston Consulting Group.
- **Gaute Ellingsen**: formerly Bain & Co, United Nations.
- **Hans Furuholmen** (part time, pro bono): formerly EQT, CreditSuisse.

Board of Directors

- **Kim Wahl**: Co-founder IK Investment Partners.
- **Wollert Hvide**: Co-founder Sector Asset Mgmt; Fmr. McKinsey.
- **Cecilie Andersland**: Owner of Gamma Capital AS.
- **Stig Grimsgaard Andersen** (nominated): Investor, Chairman Grieg International AS.

Investment Committee

- **Tellef Thorleifsson**: Co-founder Northzone Ventures.
- **Per Gerhard Jacobsen**: Investment Director, Norfund
- Further members to be announced

Advisors

- **Gro Brækken**; formerly CEO Save the Children Norway, CEO Ulstein International, VP DNB.
- **Thorleif Enger**: formerly CEO Yara, Chairman Telenor.
- **Jannik Lindbæk**; formerly EVP of IFC, CEO Storebrand, Chairman Statoil.
- **Jon Westborg**; formerly. Ambassador to India, CEO Strømme Foundation.



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“Nothing is as powerful
as an idea whose time has come”
- Victor Hugo