

## PRESS ANNOUNCEMENT

### SAHEL CAPITAL PROVIDES \$1,000,000 TERM & WORKING CAPITAL LOAN TO APPLE ORCHARDS.

Sahel Capital, a prominent investor in the food and agriculture sector in sub-Saharan Africa, has successfully approved a US\$1,000,000 **term and working capital loan** from its **Social Enterprise Fund for Agriculture in Africa (SEFAA)** facility. Launched in 2021 with KfW as the anchor investor, SEFAA aims to stimulate economic activities among smallholder farmers by empowering the social enterprises that engage with them.

Apple Orchards, a Kenyan-based enterprise specializing in apple seedling cultivation, supplies high-quality apple products and fresh fruits to the domestic and export market. By offering the best-grade, highest-yielding apple seedlings, the company enables smallholder farmers to significantly boost their productivity. Apple Orchards solidifies its partnerships with farmers by providing agronomic support focused on Good Agricultural Practices (GAP) and by ensuring consistent access to markets. Additionally, Apple Orchards secures a reliable market for smallholder farmers by aggregating their produce as inputs for its apple-related products and fresh fruit exports. The company currently works with 2,500 farmers across 36 counties in Kenya.

"Over the last 39 years, Apple Orchards has remained a key player in supporting the livelihoods of smallholder farmers within Kenya's horticultural sector. Given the high perishability of fruits and vegetables, farmers often have to sell at significantly discounted prices to local buyers. However, Apple Orchards provides these farmers with access to improved income through demand local derivative product and demand from the international markets," stated Deji Adebuseye, a Partner at Sahel Capital.



Matthew Njenga, the CEO of Apple Orchards, expressed his enthusiasm for the partnership with SEFAA, stating, "Apple Orchards has supplied seedlings to over 1,000 customers in 13 African countries and two others outside the continent, including the Philippines and Jamaica. The offtake arrangement has significantly improved farmers' standards of living, enabling them to earn at least \$3,000 from just 0.25 acres of land. With this funding, the company plans to process apples into apple crisps and apple concentrate for the local market."

Sahel Capital currently manages two funds: Fund for Agricultural Finance in Nigeria ("FAFIN"), which has investments in SME agribusinesses in Nigeria, and Social Enterprise Fund for Agriculture in Africa ("SEFAA"), which provides primarily structured debt to agribusiness SMEs across 13 countries in sub-Saharan Africa. Sahel Capital is also raising capital for a successor fund – Sahel Capital Agribusiness Fund II, which will focus on investment opportunities across West Africa.

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JMK Partners Advocates LLP advised SEFAA on this transaction.