

PRESS ANNOUNCEMENT

SAHEL CAPITAL PROVIDES \$1,000,000 TERM & WORKING CAPITAL LOAN TO SUKUMA COMMODITIES.

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.

Sukuma Commodities is a Ugandan-based enterprise specializing in the supply and processing of exportable green coffee for European traders and roasters. The company sources high-quality Robusta and Arabica coffee from a network of 2,300 smallholder farmers, providing vital support through input financing and training on best production practices. Sukuma exports 100% of its coffee to a diverse portfolio of European off-takers, including Italy, the Netherlands, and Germany, ensuring a reliable market for its farmers. This investment will enable Sukuma to scale its operations, increase coffee aggregation for processing, and expand its export capacity, further benefiting local farmers.

"Uganda, as the largest exporter and the second largest producer of coffee in Africa, offers a tremendous opportunity for impactful investment. We are excited to partner with Sukuma, one of Uganda's leading coffee exporters in the country. Sukuma plays a crucial role in improving the livelihoods of over 2,300 smallholder farmers. Through this investment, which marks our first entry into Uganda, we expect the company to double its coffee sourcing, further empowering these farmers by enhancing their market access and increasing their income potential," stated Deji Adebuseye, a partner at Sahel Capital.



Fedrick Gubala, CEO of Sukuma Commodities, expressed optimism about the future following their partnership with SEFAA as an impact lender. He highlighted the positive impact on farmer relationships, stating, "Partnering with SEFAA will significantly enhance our engagement with farmers by reducing payment cycles, thereby boosting their household and economic well-being." Gubala also emphasized the value of SEFAA's technical assistance, adding, "The technical support provided will strengthen our sustainability programs, improving both production and quality, ultimately benefiting the hardworking farmers. We are grateful for this partnership and believe it will greatly benefit our community".

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.

Samawati Capital Partners and CR. Amanya Advocates & Solicitors advised SEFAA on this transaction.