

Newsletter 10

August 2020

Dear shareholders and friends of Kampani,

Please see our latest update! I hope everyone is staying healthy and in good spirits.

Annual General Meeting – online success – & the 2020 Annual Event postponed

The online General Assembly was well received. We enjoyed sharing updates about the past year, our investees, and what is on the horizon for Kampani.

Our Annual Event has been postponed for the time being, but we continue to monitor the Corona pandemic developments, and hope we will be able to gather later in the year.

Vert – adapting and growing in the time of COVID-19

Since Vert's creation in 2000 Mrs Jane Maina and her husband Nderito Maina have used their ingenuity and dedication to the farmers of Kenya to diversify and expand their business. The operation has grown over the years, and it now sources fresh fruit and vegetables from some 3,000 smallholder farmers, of which 40% are women, in 14 counties across the country.

When Kampani signed the deal back in 2016 Vert's operations were focused on the production, grading, packing and export of fresh fruits and vegetables for the European market. The product range includes French beans, sugar snaps, snow peas, baby corn, garden peas, chilies, baby carrots and passion fruits. Our investment, coupled with Grameen Credit Agricole Foundation's equity investment, allowed Vert to construct a new factory that included a facility for producing mango pulp. The factory in Machakos county now hosts all of Vert's operations.



The pulping plant became operational in 2019 and has given local companies an alternative to imported pulp as they can now buy locally sourced mango and passion fruit pulp instead.



In the wake of the COVID-19 crisis this diversification strategy proved invaluable, as Vert's vegetable line suffered from the numerous restrictions put in place to slow the spread of the pandemic. It is a testament to the resilience and ingenuity of the team that Vert has since managed to hold on to just over half of the pre-Corona volume for its fresh vegetables business line.

The crisis also had ramifications for Kenyan juice factories as the supply lines of imported pulp were disrupted. Again, in steps Vert: early in 2020 it signed contracts with global juice producers, Delmonte and Orana. In its first year of production, sales of pulp have already exceeded 3,000 drums!

While the decrease in the vegetable business has been challenging, Jane and her team continue to find new and exciting opportunities to support farmers across the country. For instance, Vert has started sourcing fresh vegetables in the West of the country as part of its climate resilience strategy.

Late last year, Kampani also connected Vert with [LadyAgri](#), a Belgium-based non-profit impact

investment association, and this new partnership has blossomed. LadyAgri utilizes its vast network of International and African professionals to support women agri-entrepreneurs in Africa and Small Island Developing States. LadyAgri has proved instrumental in putting together fundraising campaign materials, and connecting potential future investors with Vert. We are all grateful for the support they have provided over these past difficult months.

Finally, Vert is in discussions with a major European company to become its exclusive supplier of dried mango. Pulp production requires lower grade, or damaged mangoes, so Vert only purchases a portion of mango farmers' crops. Dried mangoes, however, must be of the highest quality. With the integration of the drying business, Vert will be able to purchase farmers' entire mango crops, providing stability and consistent income whilst increasing efficiencies in the supply chain. Vert expects to make the related investments at the end of 2020.

We look forward to seeing where Jane and her team take the business from here!

I will continue to keep you posted!

Wouter Vandersypen

Executive Director, Kampani NV

PS: If you would rather not receive this newsletter, just let me know.

Kampani is a social impact investment fund that aims to unlock the potential of entrepreneurial farming in selected countries in Africa, Asia and Latin America. Kampani is a pioneering way to fight poverty and promote development. It provides growth capital investments to poor, but entrepreneurial, smallholder farmers organised in cooperatives.