

Quarterly Reporting Q3 2014

AATIF Highlights (Q3 2014)

AATIF signs USD 8m loan facility with Cape Concentrate (South Africa)

The Technical Assistance Facility Manager has issued a tender for four Rapid Appraisal Impact Assessments of AATIF investments

AATIF Investment Highlights (Q3 2014)

Cape Concentrate (Tomato Paste Processor South Africa); closed August 2014

On 17 August, AATIF signed a USD 8m facility agreement with Cape Concentrate, a South African agro processing company. Cape Concentrate, having commenced its operations in 2010, specialises in the processing of tomatoes into tomato paste, which is currently supporting the local market and serves as an import substitute. Due to adverse weather effects and failure of securing sufficient raw materials (tomato), Cape Concentrate suffered significant losses and was placed under business rescue in terms of Chapter 6 of the Companies Act 71 of 2008. Francois Vienings, the company's business rescue practitioner, has developed a business rescue plan in consultation with AATIF which provides for the complete restructuring of the business.

Cape Concentrate has been and continues to be actively involved in supporting the development of communal farming projects in the Eastern Cape and is currently focused on integrating rural communities, with undeveloped farmland, into sustainable economic and value adding enterprises in the agribusiness and food value chains. Immediately after the closing, Cape Concentrate started drafting an S&E Action Plan with the guidance of the Compliance Advisor addressing improvement potential identified during the due diligence. AATIF's Technical Assistance Facility Manager is in discussion with Cape Concentrate management on possible TA interventions. A TA mission to Cape Concentrate is scheduled for late November 2014.



Start of community farming operations in the Teyfu area

AATIF's financial commitment will allow Cape Concentrate to secure its current business operations and significantly expand the scope of its communal farming projects throughout the duration of the partnership. This creates the opportunity of securing employment for over 2,500 community members within five years, substantially increasing their productivity, improving their livelihoods, alleviating poverty and developing effective regional solutions for food security.

Chobe Agrivision (Wheat, maize and soy farm Zambia); closed October 2011

Chobe focuses on the cultivation of maize, soy and wheat. The acquisition of milling operations in the Mkushi region allowed Chobe to mill its produced maize and wheat and thus to vertically integrate its business.

Furthermore, the buildings of the local school have been fully refurbished and a school bus has been purchased which allows the transport of the children of the Chobe farm workers to school. Both measures have been co-financed by the AATIF TA.

Balmed (Cocoa trader Sierra Leone); closed December 2013

The Ebola outbreak has led to a significant reduction of economic activities in the affected regions in Sierra Leone. Balmed has stopped its trading activities and staff has started to support the efforts of tracking Ebola cases in Sierra Leone by providing the government with track and trace facilities based on its newly set up SAP cocoa tracing system. Balmed has worked with a consultant to make a social and environmental assessment report for the company available. However, the Ebola outbreak halted any further work on translating the assessment into a concrete action plan. Furthermore, the TA facility financed cocoa trading expert has been evacuated and his contract is currently suspended.

Preferential Trade Area Bank (PTA); closed September 2012

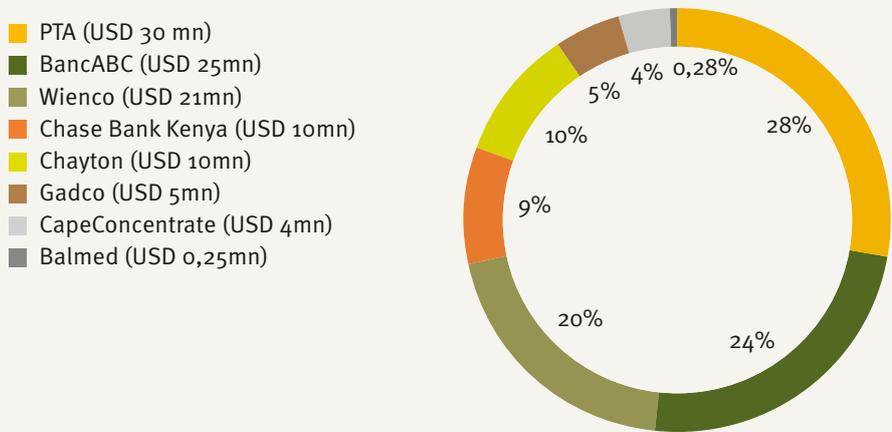
AATIF funding is applied towards project finance transactions with a focus on the sugar, cereals and tea sector. PTA has hired a consultant to undertake a thorough review process of the bank's social and environmental management system integrating improvement potential identified during AATIF's due diligence. The TA Facility financed staff member has developed a draft agricultural sector strategy for the bank and is now focusing on pipeline development and the practical assessment/due diligence of agricultural loan proposals.

Chase Bank (Kenya) Ltd; closed October 2012

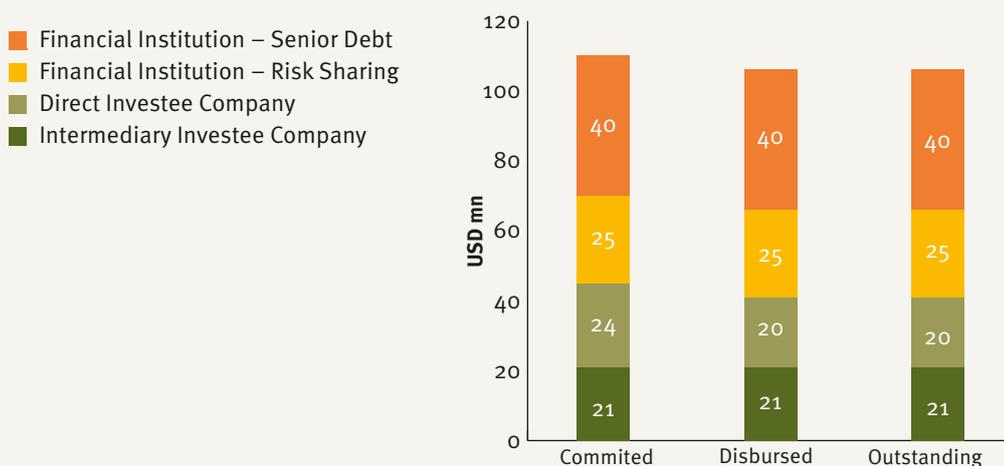
Funds under the AATIF facility have been seasonally on-lent primarily by way of working capital facilities. The focus is on food crops, with dairy and horticulture also gaining momentum, a positive indicator to the AATIF TA facility activities. Chase Bank, DEG and the AATIF compliance advisor jointly finalised version 1.0 of the bank's social and environmental procedure including a facilitated appraisal of loans below USD 100,000. AATIF TA trained all agricultural relationship officers on the social elements of the procedure and backstopped the integration of templates into the bank's credit quality system. Chase Bank's agricultural desk started to pilot the social and environmental procedure in August 2014.



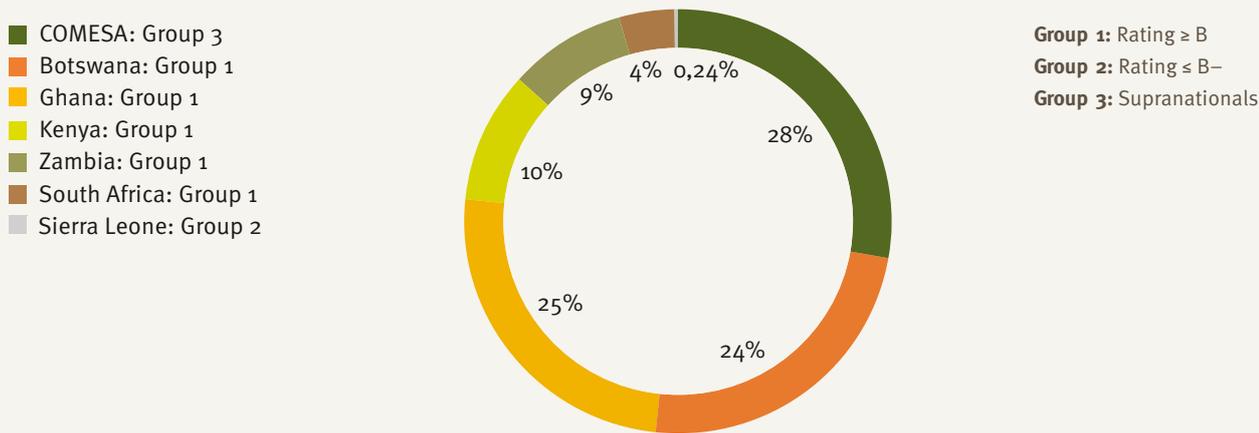
Portfolio Composition by Partner Institution



Portfolio Composition by type of Partner Institution



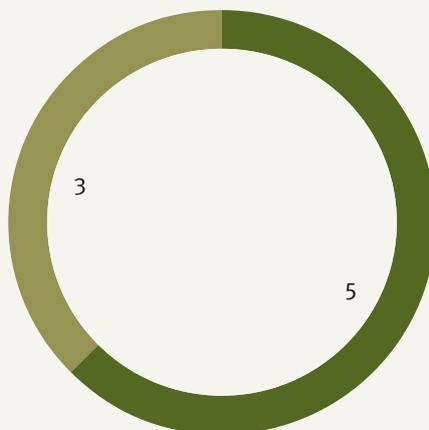
Portfolio Composition by Country Groups



Group 1: Rating ≥ B
Group 2: Rating ≤ B-
Group 3: Supranationals

Portfolio Composition by LDC and Sub-Saharan Countries

- Sub-Sahara
- Sub-Sahara/LDC



LDC: Least Developed Country as defined by the United Nations

Commitments



- KfW on behalf of BMZ
- KfW
- Deutsche Bank
- Private sector investors (EUR tranche)
- Private sector investors (USD tranche)

Total A Share Investors:
 USD 28 m (USD 4 m, EUR 18 m, EUR amount converted at FX rates of 1.30 to 1.33)

Subscriptions



- KfW on behalf of BMZ
- KfW
- Deutsche Bank
- Private sector investors (EUR tranche)
- Private sector investors (USD tranche)

Total A Share Investors:
 USD 28 m (USD 4 m, EUR 18 m, EUR amount converted at FX rates of 1.30 to 1.33)

Partners and Investors



Implemented by:

KFW



Disclaimer

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