Transforming Nigeria's Livestock Sector

Poultry pilot design and implementation

April 2026

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Poultry

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Poultry value chain phase 2 – Executive summary

Dimension	Description
Offtaker arrangements	**Pilot design for offtakers centred on how to make offtaker arrangements** operational for the Champions including key elements of offtaker contracts, tailored incentives (including penalties) and how to monitor farmers. The Committee agreed with the approaches with non-financial penalties and financial incentives identified as key loyalty drivers **Two pilots are now operational** • Dayntee Farms has engaged 5 individual farmers in Kwara state in association with Skretting, with 10k chicks • Durante Farms is running its first production cycle in Oyo with 200k day-old chicks supplied to 5 farmers **Farmer financing identified as a critical bottleneck — but partly solved:** Various financing pathways were also identified, with 9 financiers identified and tailored fact packs shared with the respective Champions. Food Concepts is funding Durante's farmers directly, while Dayntee is currently engaging Bank of Industry and Food Concepts for farmer financing, anchored on predictable offtake cashflows
Alternative energy for processors	**Dayntee - A 100kWp solar pilot is live** on the production farms (brooders and farm-house), delivering ~2.5MWh/month at a **54% lower unit cost** than grid/diesel (N0.12 vs. N0.28/kWh) with zero CAPEX via an Energy-as-a-service model. Solar currently covers ~2% of total energy use; with further rollout planned **Pullus -** Plant construction is **~80% complete, and would start** energy audits of the full processing plant once fully operational (May 2026)
Shared cold chain	Shared cold chain identified as an **additional priority investment opportunity** following a white-space analysis of the previously identified ideas and Committee feedback. Only **~10% of Nigeria's cold chain serves poultry**, contributing to **~22%** of meat lost to wastage across the value chain, thus the need for cold chain A business case for a **100MT shared cold storage facility** serving processors, retailers and spot buyers — has been developed with ColdHubs as the identified champion, Eja Ice and Koolboks expressed interest. The facility requires **~$400k investment** (60% grant, 40% concessional debt at 11%) with a **4-year payback** at 70–80% average utilisation

Preliminary – Subject to being refined and improved

Overview of the Poultry Committee members

Private sector

○ Offtaker arrangements champion ○ Solar and gas champion

Input supply[1]

Hussein Sabra

Founder, AA Breeders

Neal Roper

Business head for Parent stock and Hatchery, Olam Agri

Integrated farms

Bertus Kirstein,

MD, Valentine Chickens

Ibrahim Idowu,

Head Support Services, Dayntee Farms[1]

Carl Alakija

Executive Director, Durante Farms

Johannes Flosbach

Executive Director, CHI Farms

Energy providers

Satish Kumar

Business Head – Gas, Greenville LNG

Cold chain

Natalie Casey

Chief Business Officer, Koolboks

Ope Olanra-waju

CEO, Kennie O

Nnaemeka Ikegwuonu

CEO, ColdHubs

Offtaker

Paul Farrer

Food Concepts

Christian Pantung

Atreos

Associations

Onallo Akpa

DG, Poultry Association of Nigeria

Financiers

Akinola Baiyewu

Principal Manager, NIRSAL

Abubakar Makinta

Head of Agriculture, Jaiz Bank

Hadiza Shuaib

Group Head, Bank of Industry

Processors

Monday Ojeamiren

Elmond Veterinary Services

Opeoluwa Fayomi

Co-Founder/CEO, Pullus Africa

Development Partners

Rita Duwong

Propcom+

Tunde Amole

Nigeria Country Representative, ILRI

Sponsor

Yemi Oluwakuyide

Nigeria Country Lead, Manufacturing Africa

Government

Alike Peter

Director Technical, Office of the Permanent Secretary, FMLD

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[1] Also championing solar and gas

Overview of our Livestock Sector Transformation Effort in Nigeria

🟥 We are here now

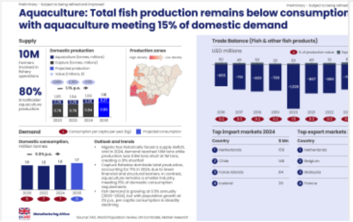
Phase 1a: Diagnostic and Committee set-up

1 month

Diagnostic – Develop a fact base of ~6 value chains across the country

Committee set-up – Establish Committees with industry leaders across 3 priority value chains (aquaculture, poultry, feed)

Initiative prioritisation – Hold a vote among the Committees to identify 6 priority investment ideas (2 per value chain)


Aquaculture: Total fish production remains below consumptior with aquaculture meeting 15% of domestic demand


Aquaculture: Five potential investment ideas to transform the sector

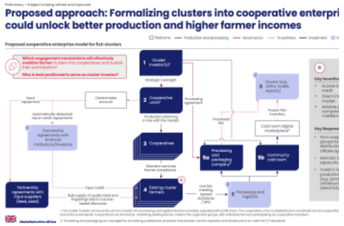
Phase 1b: Investment idea development and pilot design

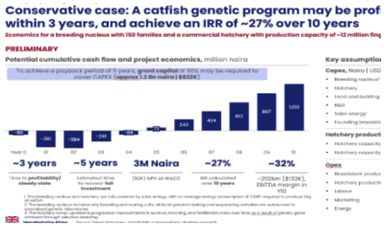
3 months

Analytical sprints – Develop investment ideas and pilot designs including conceptual and financial analysis

Champion engagement – Identify investment Champions; work with them to validate direction and test the design of the investment ideas

Implementation plans – Develop initiative-specific implementation plans with clear milestones and tracking mechanisms


Proposed approach: Formalizing clusters into cooperative enterpri could unlock better production and higher farmer incomes


Conservative case: A catfish genetic program may be prof within 3 years, and achieve an IRR of ~27% over 10 years

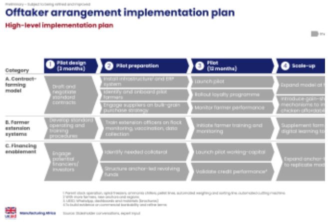
Phase 2: Implementation transition

4 months

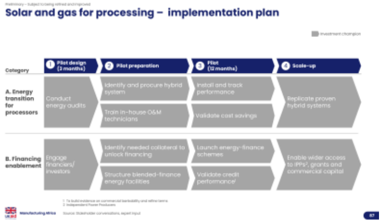
Pilot launch and ownership transition – Support Champions to move toward pilot launch; build buy-in to drive implementation beyond project support

Financing support – Help Champions identify potential sources of finance (debt and grant capital) as required to launch pilots

Pipeline development – Identify additional investment ideas and potential Champions to take them forward


Offtaker arrangement implementation plan

High-level implementation plan


Solar and gas for processing – implementation plan

Progress of our Poultry Transformation Effort in Nigeria

Impact potential from pilot to scale-up

~N250Bn($182Mn) total investment opportunity	**~N11Bn(~$8Mn)** investment required for pilots	**~N740Mn($550k)** currently invested in pilots	**~N500/kg($0.36)** consumer savings[1]	**20%** industry commercialisation[2]

Phase 1A: Diagnostic and issue mapping

Diagnostic fact base built

22%	of meat lost to wastage
26th	in Africa in poultry meat productivity
53%	processing capacity utilised
10%	of current cold chain serving poultry
70%	of birds raised in low yield systems

Phase 1B: Opportunity development and pilot design

5 investment opportunities identified…

…2 prioritised and moved into pilot phase

1 Offtaker arrangements

Assess impact of incentives and contract structure on farmer loyalty

$6m Investment required per farm

~19% farmer margin growth

2 Alternative energy for processing

Deploy alternative energy to reduce unit costs and increase plant reliability

$1m Investment required per plant

~30% energy cost savings targeted

Phase 2: Pilot preparation and early implementation

Offtaker arrangements

1 **Pilot started** DFL

200k day-old chicks supplied	**5** farmers

2 **Financing secured** DAYNTEE FARMS

10k+ day-old chicks supplied	**5+** farmers in Kwara[4]

Alternative energy for processors

3 **100kWp solar pilot started** DAYNTEE FARMS

54% savings realised	**~2.5MWh** usable power per month

4 Pullus — Plant construction is 80% complete and pending finalisation

5 **Shared cold chain**

Business case for **100MT** facility developed

$400k investment required for 100MT facility

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1 Specifically on price per kg of chicken
2 Up from current 15%
3 Energy audits pending, to be completed once plant is up and running
4 With plans to expand into Osun state in May 2026

Offtaker arrangements– Executive summary

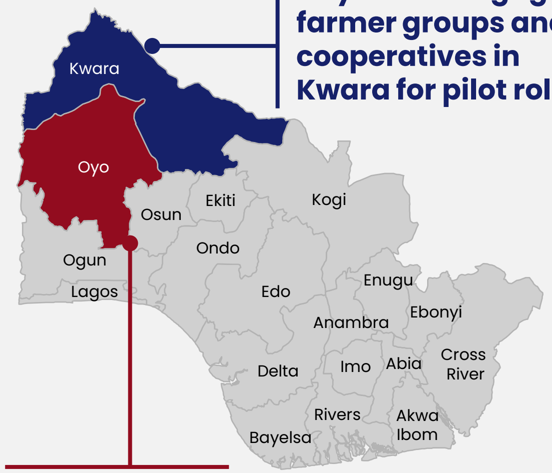
DAYNTEE FARMS DFL

Dimension	Description
Pilot design	**Three key design elements** were completed: • **Offtaker contract guidelines** — assessed key elements and learnings from international case studies • **Farmer incentive structure** — developed performance-based bonuses, input discounts, and penalties • **M&E framework** — created a simplified monitoring framework covering mortality rate, FCR, weight, and cycle time, with a three-pronged compliance approach (self-reporting, periodic communication, spot checks)
Financiers	**Nine financiers identified** across three financing options for the offtaker arrangement pilot: **Catalytic grants / TA** — best fit for public-good elements (biosecurity, farmer training with no repayment pressure during early cycles • **Blended finance** — lower pricing than commercial debt while building farmer's credit history, where they are offered directly to smallholder farmer as obligors • **Commercial / concessional working capital** — fastest liquidity if guarantee coverage is solid, builds credit history Food Concepts is **already funding Durante's farmers directly**. Dayntee is engaging **BOI and Food Concepts** for farmer financing, anchored on predictable offtake cashflows
Pilot update and next steps	**Both pilots are live.** Dayntee's first production cycle is underway in Kwara (200k DOCs, 5 cooperatives); Durante has started farmer engagement in Oyo (10k DOCs, 6 farmers) with Food Concepts financing in place. The next 60 days focus on three activities: **Run the first production cycle** with already-contracted farmers — monitor performance against M&E KPIs (mortality rate, FCR, weight, cycle time) and maintain active communication through agreed reporting channels **Review production-cycle performance** and refine contracts, farmer support, and incentive arrangements as needed based on observed outcomes from the first cycle **Onboard additional farmers** for the next cycle and put rolling farmer enrolment in place — expanding Dayntee to 8–10 cooperatives and Durante toward its full 20-farmer target

Scale of offtaker arrangements has been defined, farmer financing remains key bottleneck yet to be fully resolved

Pilot

Assess impact of incentives and contract structure with input financing and extension support on productivity, across:
Dayntee: **8-10** cooperatives; and
Durante: **20+** individual farmers

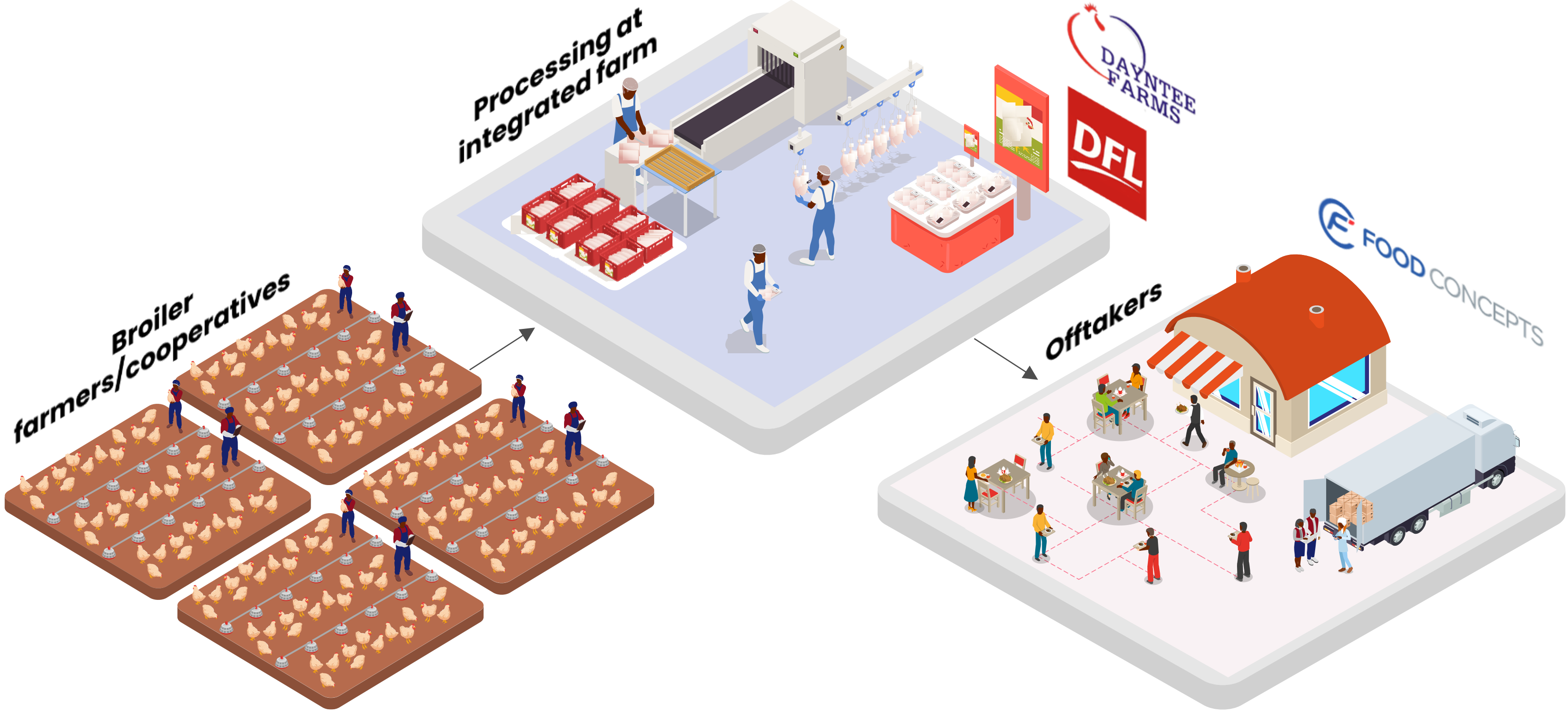


Dayntee is engaging farmer groups and cooperatives in Kwara for pilot rollout

Durante is engaging 20+ farmers in Oyo for pilot rollout

Pilot Objectives

- **Increase productivity** through performance incentives and quality input
- **Reduce side selling** by implementing robust incentives and monitoring frameworks
- **Increase farmer income and loyalty** through guaranteed offtake and incentives



3 key activities carried out as part of offtaker pilot preparation effort with key milestones achieved

Champions: DAYNTEE FARMS DFL

Activity	Milestones
1| **Offtaker contract guidelines**	**Assessed six key elements of offtaker contracts,** capturing learnings from case studies, including Nigeria's Anchor Borrowers Program
2| **Farmer incentives**	**Developed a farmer incentive structure**, including performance-based bonuses, financial and non-financial penalties
3| **Monitoring and evaluation (M&E) framework**	**Created simplified monitoring and evaluation** framework for offtakers to use with their farmers, tailored to the critical phases of the typical production cycle

SOPs – standard operating procedures

1| Key elements of the pilot offtaker contract

Parties and governance

Contracting parties, roles, and decision rights, including escalation and approval pathways e.g., clear bird ownership rights defined from growing to culling

Farm and harvest requirements

Minimum farm practices (e.g. number of birds/m2) and harvest protocols (e.g. average weight before harvest notice) to support consistent supply

Monitoring and evaluation

Performance tracking approach, including KPIs (e.g. MR[1], FCR[2], average weight) and clear data collection channels

Timelines

Contractual timelines including expected production cycle (e.g. 35-42 days), notice periods and contract length

Payment terms

Pricing structure for inputs and outputs, including clear pricing waterfalls and payment timelines, provided before the start of the next cycle

Risk, remedies and dispute resolution

Key risks allocated between the offtaker and the farmer across the whole production cycle with a defined dispute resolution process included

Typical offtaker contracts include foundational elements, but their level of detail necessitates enhancement to ensure clarity and enforceability

1. Mortality Rate
2. Feed conversion ratio

1| Learnings from various case examples could be considered as processors develop offtaker contracts with farmers (1/3)

Lever	Key learnings	Case examples
Parties and governance	- **Define roles, decision rights, signatories, and escalation paths** across farmers/cooperatives, offtaker, input suppliers, financiers, transporters, and technical partners - **Make exclusivity enforceable** via farmer registration, authorised buying/collection channels, and traceability (paired with reciprocal offtaker obligations so the contract is perceived as fair) - **Institutionalise joint governance** (e.g., price/issue review forum) and require farmers to receive a contract copy in the local language[1] before any input is deployed	**Zambia cotton outgrowers:** Contracts initially collapsed when farmers took input loans from one firm but side-sold to another for a better net price, and compliance improved only after ginners introduced labelled cotton bags that could only be sold back to the contracting buyer plus a distributor system that prepared individual contracts and managed default/renegotiation, lifting repayment rates materially **Ghana (Guinness Sorghum Project):** Delivery discipline weakened because many farmers were informally registered and not properly informed or issued written contracts, so the scheme struggled to secure consistent compliance and predictable volumes
Farm and harvest requirements	- **Codify minimum farm infrastructure and biosecurity requirements** (housing specs, stocking density, perimeter control, disinfection routines, downtime between cycles) as hard preconditions verified through pre-cycle audits - **Embed husbandry SOPs and mandatory record keeping** (e.g., mortality, feed intake, medication, environmental conditions) with compliance scoring, and consequences - **Standardise harvest readiness and acceptance criteria** e.g., target weights, maximum age, fasting windows, crate standards, condemnation rules - **Embed structured farmer capacity building and re-certification** as a contract annex (e.g., initial training on SOPs before first placement and periodic refresher training, and re-certification gates for protocol changes)	**Bangladesh (contract broiler model): Offtakers minimised technical variance** by sourcing housing and equipment that meet specified standards while the company supplied chicks, feed, and vaccines and charged a fixed growing fee, ensuring key aspects remain standardised and operational control becomes straightforward **India (contract poultry, documentation gaps):** Disputes arose when contracts were incomplete (e.g., missing chick weight/feed specs), not written in farmers' language, and often not shared with farmers, creating ambiguity on what "compliance" meant

1. Based on their language proficiency

Source: Zambia cotton outgrowers, Ghana (Guinness Sorghum Project); India (contract poultry, documentation gaps); Bangladesh (contract broiler model)

1| Learnings from various case examples could be considered as processors develop offtaker contracts with farmers (2/3)

Lever	Key learnings	Case examples
Monitoring and evaluation	• **Implement a layered assurance model** combining farmer logs, scheduled extension visits, and risk-based spot checks, supported by clear inspection rights and data-retention requirements • **Track a tight KPI set** (e.g., mortality, FCR, weight, on-time reporting, time from cycle start to offtake) and tie it to performance incentives • **Operationalise exception management through predefined triggers for intervention** (corrective action plans, intensified visits) and escalation to cure/termination if non-compliance persists	🇮🇳 **India (contract broiler integrator):** Performance became governable at scale because line supervisors visited daily to check conditions and records, and growers were graded at liquidation, creating a credible feedback loop between observed compliance and future flock allocation 🇮🇩 **Indonesia (seed contracts):** Quality discipline was maintained because extension officers visited at set points and a pre-harvest inspection gate resulted in meaningful rejection rates, making monitoring and acceptance rules the mechanism that protected the buyer's quality promise
Timelines	• **Hard-code the production calendar** (placement windows, input delivery cadence, inspection checkpoints, harvest readiness criteria) and define the downtime between cycles • **Specify collection windows**, maximum allowable delays, and fallback logistics (including who bears incremental feed/space costs if collection slips)	🇮🇩 **Indonesia (contract broilers):** Cycle planning was feasible because contracts were structured around a ~35–45-day production period (often managed as ~40-day contract cycles), enabling repeatable scheduling and multiple cycles per year 🇮🇳 **India (broiler contracting, Punjab):** Grower economics deteriorated when contracting agencies delayed procurement/collection, because growers carried the extra days of feed and operating costs while having limited bargaining power once birds were market-ready

Manufacturing Africa | UK International Development Partnership | Progress | Prosperity

Source: India integrated broiler farming, Indonesia smallholder contract farming case study 2

Preliminary – Subject to being refined and improved

1| Learnings from various case examples could be considered as processors develop offtaker contracts with farmers (3/3)

Lever	Key learnings	Case examples
Payment terms	• **Implement formula-based pricing and predefined repricing triggers** such as feed price shifts, FX fluctuations or inflation indexation, with established review cycles. • **Publish payment service level agreements** (SLAs) and automate netting at offtake while providing farmers with clear settlement statements	**Ghana (GREL[1] rubber outgrowers): Side-selling risk was reduced because pricing was indexed** (SICOM[2]-based), payments were made weekly into bank accounts, and loan repayments were automatically deducted, aligning cash discipline with financing recovery **Kenya (dairy, New KCC[3] arrears): Offtake volumes weakened because delayed payments** created liquidity stress, pushing farmers to divert milk to private buyers offering faster cash conversion
Risks, remedies & dispute resolution	• **Allocate key risks explicitly** (e.g., mortality/disease, input quality, price shocks, FX, logistics disruptions) and require fit-for-purpose insurance coverage for farmers and the offtaker where commercially viable • **Embed a stepwise remedy ladder including cure periods**, make-good/replacement, set-off/netting, suspension, termination and define the dispute forum (mediation → arbitration/courts) with timelines • **Institutionalise change control** focusing on who can approve changes, what triggers a change, and how price/terms adjust to prevent ad-hoc renegotiation and opportunistic behaviour	**Thailand (CP Foods contract farming): Disputes were structurally reduced because CPF[4] revised agreements toward UNIDROIT[5]-aligned principles**, introduced a complaint centre, and bundled support mechanisms such as disaster insurance and clearer incentive logic to increase perceived fairness and resilience **Bangladesh (broiler contract disputes): Trust collapsed when farmers alleged one-sided enforcement tools** (e.g., blank cheques and legal cases) and failures in promised support (e.g., delayed medicine) increased mortality risk, highlighting why balanced remedies and enforceable offtaker service SLAs matter as much as farmer obligations

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1. .Ghana Rubber Estates Limited; 2. SICOM - Singapore Commodities Exchange Market; 3. KCC - Kenya Cooperative Creameries; 4 .Charoen Pokphand Foods; 5. UNIDROIT - The International Institute for the Unification of Private Law

Source: Ghana (GREL rubber outgrowers), Kenya (dairy, New KCC arrears), Thailand (CP Foods contract farming), Bangladesh (broiler contract disputes)

2| Offtaker–supplier loyalty is built on performance and trust through four levers

NON-EXHAUSTIVE

▨ Details follow

Levers	Description
1 Performance metrics	• Mortality Rate (MR), Feed Conversion Ratio (FCR), bird weight, and cycle time
2 Incentives (financial and non-financial)	• **Financial incentives** e.g., input subsidies and performance bonuses • **Non-financial incentives** e.g., awards for top-performing farmers and access to third party asset financing
3 Penalties	• **Non-financial penalties** e.g., input allocation limits, contract suspension and blacklisting • **Deductions** based on the missed performance target, should be implemented sparingly to avoid alienating farmers

4 Safeguards and accountability	• **Mutual accountability mechanisms e.g.,**
	  • Putting everything in writing
	  • Post-cycle reviews with farmers

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Source: FAO UNIDROIT

2| Potential offtaker incentives model (1/3)

Considerations for Champions

Incentives

Financial

Financial incentives may be given to the farmer/cooperative upon meeting specified targets through **either one of the following approaches:**

- **Input discounts** by lowering the cost of day-old chicks and feed for the upcoming cycle e.g., lowering the cost of DOCs by 5–10%
- **Performance bonuses provided as additional payments** based on key metrics (primarily FCR) achieved at the end of each cycle e.g., Additional bonus per kg, when FCR is within target range, ₦100–200 per additional bird above target mortality rate[1]

Financial incentives may be funded through:

- **Additional earnings resulting from a lower mortality rate** (MR) allocated to the farmer/cooperative, to provide an incentive to farmers

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Non-financial

- **Awards and recognition of top-performers** among peers on preferred platform[2] based on performance metrics e.g., Top-performing Dayntee cooperative or top-performing Durante farmer
- **Enabling access to third-party asset financing from local banks for high-performing farmers** with proven track records, with repayments linked to future earnings

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[1] If farmer had 1,000 DOCs and achieves a 5% mortality rate, against a target of 10%, then they should earn ₦100–200 for the additional 50 birds

[2] e.g., shared WhatsApp group for all company affiliated farmers, company's social media platforms/website

Source: FAO UNIDROIT

2| Potential offtaker incentives model (2/3)

Considerations for Champions

Penalties

Non-financial

- **Limited input allocation for underperforming farmers** in the next cycle based on their missed target to optimise resource distribution e.g. Deliver 80% of the inputs allocated in the previous cycle, if the farmer's mortality rate was 20% above threshold
- **Suspension period for farmers** whose performance does not improve, allowing a cure cycle to address issues
- **Blacklist of farmers** with repeated violations or severe misconduct such as gross negligence, side selling, or fraud

Financial

Deductions may be sparingly applied to discourage gross misconduct, without alienating farmers. Various key metrics may be used to calculate these deductions:

- **Target weight** – Charge a fine (₦ 100–200) for every bird that is below the target dressed weight (e.g. charge a fine for birds below 1.6kg if target is 1.6–1.8 kg)
- **Mortality rate** – Implement a two-tiered charge system for mortality exceeding the agreed threshold. Apply lower penalties for mortalities before day 20 (Tier 1 – ₦50–200) and higher penalties after day 20 (Tier 2 – ₦2,500–3,000) to deter side selling

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1. Equivalent to discount from offtaker on DOC pricing vs market price; 2. Based on the current offtake price

Source: FAO UNIDROIT

2| Potential offtaker incentives model (3/3)

Safeguards and accountability

Proposed approach

Building trust and transparency between farmer/cooperative and offtaker is essential to implementing a successful incentives framework. Effective strategies include:

- **Holding post-cycle reviews with farmers** to discuss successes, challenges, and necessary adjustments, building trust through ongoing dialogue. Investigating performance shortfalls thoroughly by identifying causes such as farmer negligence, input failure, disease or weather-related factors
- **Putting everything in writing**: every obligation, formula, penalty, remedy and timeline in a written contract, building transparency and reducing trust erosion caused by verbal ambiguities

Source: Expert input, FAO UNIDROIT

3| M&E accountability requires collaboration between farmers and offtakers via a three-pronged strategy to boost compliance

DETAILS FOLLOW

① Self-reporting

Farmers provide daily updates through selected channel on various KPIs e.g.,

- Mortality bands
- Feed usage
- Vaccination status

② Periodic communication

Offtakers communicate often with respective farmers through one or more of the following channels:

- USSD/SMS
- WhatsApp
- Dedicated application

③ Spot checks

Processors carry out targeted visits, strategically aligned with the production cycle:

- During days 3–5, when mortality peaks
- Between days 5–19, to monitor ongoing health; and
- Just before harvest, between days 20–42

Source: FAO UNIDROIT , GFRAS

Preliminary – Subject to being refined and improved

3| Proposed M&E approach focuses on three critical facets to ensure the success of offtaker arrangements

Digital tools allow for daily farmer updates and enhance two-way communication

	① **Self-reporting**	② **Periodic communication**	③ **Spot checks**
Proposed approach	**Farmers to self-report key KPIs including** mortality bands, feed usage, vaccination status, estimated average live weight and water/power outages. This may be done through one or more of the following channels: • **USSD / SMS:** Use a short USSD menu to allow the farmers to record KPIs daily, visit requests, harvest notifications and outbreak alerts • **WhatsApp:** Use for daily KPI updates and evidence-based reporting through photos and videos during priority times e.g., disease outbreak • **Customised app:** Dedicated app to deliver daily KPI updates, offering a customised, farmer-centric interface and centralised data collection that enables comprehensive data analytics	**Offtakers to communicate often with respective farmers through one or more of the following channels:** • **USSD / SMS: Quick, low-cost check-ins** and reminders including vaccinations, harvest time and critical, time-sensitive alerts such as disease outbreaks • **WhatsApp: Use for group coordination, reminders, and guidance** to farmers from various sources on a single platform. Share various media on the platform such as training documentation and vaccination schedules. Embedding chatbots[1] would allow for fast and tailored responses to each farmer while reducing response time • **Customised app**: **Centralises communication**, allowing farmers to request services, receive reminders, access training, and get alerts on critical issues like disease outbreaks	**Offtakers to carry out targeted spot checks** (propose minimum of 3) for each farmer, strategically aligned with the production cycle: • During days 3–5, when **mortality peaks** • Between days 5–19, to **monitor ongoing health**; and • Just before harvest, between days 20–42, when side-selling risks escalate. Leverage these checks to cross-verify with self-monitoring data, reducing routine visits per cycle and improving overall oversight
Case examples	 **Farmforce in Africa digitises data collection via mobile apps.** Supervisors and lead farmers record mortality, yields, and compliance data directly into the app with photos and GPS records ensuring verifiable audit evidence. Data is collected weekly and verified per visit, with automated reminder  **One Acre Fund's USSD in East Africa provides a low-bandwidth communication channel** where farmers verify status or report issues via short USSD menus with monthly reminders or during key events	**India – Suguna Poultry provides weekly updates to farmers** via in-person visits, messages and calls**.** Communication prioritised during critical times such as DOC placement, mid-cycle, and pre-harvest focusing on feed intake, mortality, vaccination, and housing. Responsiveness influences flock allocation and ongoing engagement iCow in Kenya employs **scheduled SMS** and **in-app prompts** during production stages, supplemented by **farmer-triggered messages** for issues. Communication peaks during **high-risk periods** like disease outbreaks or vaccination windows, with engagement shaping follow-up and support levels	**ABFL in Bangladesh carries out unannounced inspections** focusing on biosecurity and mortality accuracy during high-risk periods; repeated failures lead to reduced support or suspension  **Farmforce carries out random spot checks to complement routine visits.** Mobile tools record GPS-tagged inspections and compliance data; non-compliance triggers corrective actions or exclusion

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1. Chatbots - embedded AI chat apps powered by large language models e.g. ChatGPT and Claude. It would require usage within specific guardrails to ensure accuracy of responses

Source: Farmforce, Suguna Foods ;AFBL - Bangladesh ; iCow

Offtaker arrangements

- Pilot design
- **Financiers**
- Pilot update

Alternative energy for processors

Shared cold chain

Government interventions

Next steps

Three possible financing options with 9 relevant financiers for the offtaker arrangement pilot were identified

PRELIMINARY, NOT EXHAUSTIVE

▨ Deep dives follow

Financing options	Pros	Cons	Relevant financiers
A Catalytic grants + technical assistance (TA)	- **Best fit for "public good"** elements (biosecurity systems, farmer training) - **No repayment pressure** during early operational cycles - De-risks initial OPEX for farmers	- **Slower cycles, heavy compliance** and reporting, and is time-bound - **Often restricted to certain cost categories** and may not fully cover routine operations - **Complicated and competitive application** process with limited scalability - Some require an intermediary (government/another bank)	- Gates Foundation - Heifer International - Mastercard Foundation - Global Innovation Fund
B Commercial bank working-capital loan[1]	- Fastest path to liquidity if guarantee coverage and documentation are solid - **Builds farmer's credit history** for further debt options - **Scalable in line with cash flow** growth and proven performance	- **Requires collateral**, covenants, and robust cash-cycle discipline - **Pricing can remain high** without strong de-risking; renewals depend on portfolio performance - **May be inaccessible to smaller farmers** without a proper credit history	- Bank of Agriculture - Bank of Industry
C Blended finance	- **Lower pricing and more flexible** than pure commercial bank debt - Creates a track record for later commercial refinance	- **Requires strong governance**, controls, and auditability - Can still take time to structure and approve	- Goodwell Investments - Acumen - SEFAA[2]

[1] Includes local concessional and subsidised loans from providers such as NIRSAL and other grantors

Source: gatesfoundation.org; Nigeria | Mastercard Foundation; Agriculture | Global Innovation Fund; Bank of Agriculture; Goodwell Investments; Acumen International; Heifer International; SEFAA; Stanbic IBTC

Preliminary – Subject to being refined and improved

A| Potential donors for offtaker farmers have been identified based on feasibility and typical ticket size

CATALYTIC GRANTS AND TECHNICAL ASSISTANCE FOR PILOT OPEX

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◐ Medium ○ Low

Financier	Alignment[2] Agriculture	Alignment[2] Africa	Average grant size	Rationale	Priority
Gates Foundation	●	◐	USD 0.1m–5m	Drives **agricultural productivity and livestock health initiatives** by prioritising **agricultural development and nutrition**, exemplified by funding poultry value chain enhancements in Nigeria's smallholder sector, including a **~$5m grant to Amo Farms** to expand day-old chick production	✅
Mastercard Foundation	●	●	USD 0.5m–2.5m	Focused African agriculture programs, such as initiatives to **generate employment** in poultry and associated **value chains across West Africa** (HAPPY[4] project). Substantial investment and training efforts aim to enhance smallholder farmers' **productivity and income** in Nigeria, exemplified by the **Babban gona program**	✅
Global Innovation Fund	◐	◐	USD 50k–230k for pilot up to $2.3m for scale-up	Focused African agriculture initiatives, such as the **HAPPY3 project**, aim to generate **employment in poultry and associated value chains** across West Africa. Delivers substantial investments and training to boost the **productivity and income of smallholder farmers** in Nigeria	✅
Heifer international NG	●	●	USD 50k-1m	Operates initiatives that bolster livestock farmers and agritech in Nigeria – e.g., Amo Farms and Hello Tractor, enhancing outcomes for smallholder farmers, while traditionally delivering livestock and training to communities	✅
AGRA-YEFFA[3]	●	◐	$100k-$5m (pool-$350m)	Collaborates with **poultry feed companies** and **farmer groups** on **value chain initiatives** to enhance input supply, deliver farmer training, and expand market access. Targets low smallholder incomes by positioning **agricultural income** as the core solution. Designated lower priority given the pending launch of the **Nigeria window**	✓
ECOWAS - ARAA	●	◐	USD 50k–1m	Targets West African states through a DFI-funded agriculture initiative aimed at **enhancing nutrition, food security, and productivity**. The focus on agricultural productivity includes **offtaker arrangements** and is awaiting a **call for projects**, with specific attention to **Nigeria**. Timing for the next challenge remains uncertain	✓

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1. High: clear, active focus and repeat activity; Minor: adjacent focus or indirect exposure; Low: limited evidence of focus // 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Agriculture and (ii) Africa //; 3. The Youth Entrepreneurship for the Future of Food and Agriculture; 4. Harnessing Agricultural Productivity and Prosperity for Youth

Source: gatesfoundation.org; Nigeria | Mastercard Foundation ; Rockefeller Foundation ; Healthier diets for all | GAIN; Agriculture | Global Innovation Fund; Partner with Heifer - Heifer International; Skoll | Skoll Awards; AGRA-YEFFA; (HAPPY) | Mastercard Foundation; Babban gona | Mastercard Foundation

A| Potential donors for offtaker farmers have been identified based on feasibility and typical ticket size

CATALYTIC GRANTS AND TECHNICAL ASSISTANCE FOR PILOT OPEX

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◑ Medium ○ Low

	Alignment[2]				
Donor	**Agriculture**	**Africa**	**Average grant size**	**Rationale**	**Priority**
GAFSP	◑	●	USD 1–5m (via partners)	GAFSP funds **food security initiatives** via **DFIs** and **governments**, leveraging **public sector supervisory agencies** while piloting a **private sector financing window** for grants and concessional loans It does not **directly fund private organizations**, only through **DFI initiatives**	✓
developPP	◔	◑	USD 0.1m–2m	**Innovative projects** focusing on **sustainability** and **enhancing local income**. Technical assistance provided to **winning companies** with the support of **local and international experts**. Requires a **50% match** and ~**USD 800k annual turnover**	✓
IKEA foundation	●	●	USD 1m-30m+	Collaborates with **partners experienced in supporting agricultural initiatives** across Africa. Depending on the **chosen partner**, offers a **combination of technical assistance and grant funding**. Operates through **partner-based contributions**, without accepting **individual applications**	✓
CYFE [2] Nigerian window	●	●	EUR 200k+	Provides **technical assistance** and **concessional loans** to Nigerian youth via challenge funds exceeding **EUR 200k**, with a **50/50 matching contribution** in cash or in kind for **CAPEX projects** that generate at least **500 jobs**, of which over **50%** benefit women	✓
Rockefeller foundation	◑	●	USD 0.1m – 5m	**Comprehensive investments in agriculture** through **multiyear programmes**, such as YieldWise, across Africa; **partnership-driven support** leveraging grants and **technical expertise**. Applications available by invitation only	✓
Skoll foundation	◑	●	USD 0.1–2m	Invests in **high-impact projects** addressing **climate change** and fostering **innovation**, including **agribusiness ventures** such as Babban Gona in 2017. Leverages prior experience with **comparable offtaker arrangements** in the region. Accessible by **nomination only**	✓

1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus // 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Agriculture and (ii) Africa // 2. Challenge Fund for Youth Employment (CFYE)

Source: ECOWAS - ARAA; developPP; IKEA Foundation; GAFSP

A| Potential engagement plan for Dayntee Farms with the Gates Foundation

Funding Overview

Gates Foundation supports livestock projects in Nigeria, including poultry grants, aiming to enhance sustainability and smallholder farmers' income through its agricultural development program. Recent Nigeria-focused agricultural grants range from **$0.1m to $5.0m**, typically averaging **~$1–4m**

Considerations

Proposed financial support

Dayntee could seek **$0.72–1.0m catalytic grant** (target: **$720k**) to pilot anchor-led poultry offtaker arrangements

Strategic fit

Directly aligned with the Gates Foundation's focus on solutions that support smallholder farmers with sustainable income.

Positions Dayntee as a learning and implementation platform for scalable poultry biosecurity and disease-control models

Examples of Gates Foundation beneficiaries

Amo Farms received **$~5m** in agricultural development grant funding for farmer aggregation, productivity, and market access in Nigeria

Fan Milk PLC obtained **$4.9m** to deploy technology that enhances productivity for small-scale dairy farmers and pastoralists in Nigeria

Engagement plan

1. **Engage Gates Foundation directly** through the local office in Abuja, Nigeria to build relationship with program officers
2. **Apply to a grant challenge in the agricultural development** and nutrition sectors, subject to availability
3. **Respond to a request for proposal** (RFP) in line with the agricultural development and nutrition sectors and the African region, subject to availability

Preparation for engagement

Elements to enhance credibility

- Lead with **impact and system change**, "not fund my working capital", focusing impact to the livelihood of farmers and food security
- Be explicit on **measurable milestones** (12-month metrics on productivity and income)
- Prove **execution readiness** (identified farmers, offtaker contracts) and clear scaling plans

Materials

- Concept note (problem, solution, why now, why Dayntee Farms)
- Detailed budget with milestone-linked tranches
- Implementation plan (workstreams, owners, partners) and risk register
- M&E framework and baseline approach
- Company proof pack: audited or management accounts, governance, operational track record, compliance and safeguarding

Source: Gates Foundation

A| Dayntee Farms’ engagement plan with the Mastercard Foundation

Funding Overview

The Mastercard Foundation prioritises agriculture-led job creation, MSME formalisation, and youth and women inclusion across African value chains, including poultry. Funding is typically provided through programmatic grants or challenge funds, often linked to pathways into partner-bank MSME finance. Relevant agribusiness pilots commonly range from $0.5–2.5m

Considerations

Proposed financial support

Dayntee could seek **$0.72–1.0m catalytic grant** (target: **$720k**) to pilot anchor-led poultry offtaker arrangements

Strategic fit

Catalytic grant and technical assistance to launch Dayntee’s **poultry offtaker arrangement as a job-supporting and creating MSME platform**

Funding would support **farmer clustering**, **youth-led extension services** and formalisation required for reliable offtake

Examples of MCF beneficiaries

Babban Gona (Nigeria) received support to develop a farmer aggregation and MSME platform, within the Young Africa Works program supporting SMEs across Africa (total fund of $500m)

Sa'ï'anwara'I'jumai Consultaire Limited (SCL - Nigeria) received support to develop a regenerative agriculture project into livestock, apiculture, poultry, and crop farming with farm-farmer teaching model for youth

Engagement plan

1. **Engage directly with Nigeria Agriculture and MSME jobs team** framing the pilot as a youth employment and MSME formalisation pathway, not an offtake guarantee

2. **Apply to an open, relevant challenge** for instance, previous viable funds include the Africa Growth Fund or FRP[1], where SMEs could get between $0.5m–2.5m in grants

Preparation for engagement

Elements to enhance credibility

- Lead with impact and system change with a focus of job creation, not “fund my working capital”
- Clear measurable milestones (12-month pilot outputs, adoption targets, cost per beneficiary)
- Prove execution readiness with a clear business plan

Materials

- Concept note (problem, solution, why now, why Dayntee)
- Detailed budget with milestone-linked tranches
- Implementation plan (workstreams, owners, partners, proposed jobs impact) and risk register
- M&E framework and baseline approach
- Company proof pack: audited or management accounts, governance, operational track record, compliance and safeguarding

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1. Fund for Resilience and Prosperity

Source: Programmes | Nigeria | Mastercard Foundation ; Babban Gona Agricultural Franchise | Mastercard Foundation ; MSME Revitalisation Project | Mastercard Foundation ; Our Portfolio - Africa Growth Fund ; Press search ; SCL-NG

A| Potential engagement plan for Dayntee Farms with the Global Innovation Fund

Funding Overview

Global Innovation Fund supports evidence-driven innovations that address systemic market failures and demonstrate a credible path to scale. GIF's funding typically begins with grant or early-risk capital, progressing only where learning and replication potential are strong. Dayntee can capitalise on this grant to set up a successful pilot that cascades into further grants or de-risked capital. Typical initial grants range from $200k–1.5m

Considerations

Proposed financial support

Dayntee could seek **$0.72–1.0m catalytic grant** (target: **$720k**) to pilot anchor-led poultry offtaker arrangements

Strategic fit

The pilot offtaker arrangement is the **key innovation**, addressing incentive issues and contract failures from past poultry schemes in Nigeria, while enabling technology adoption upon success

This supports GIF's mandate to **fund market-shaping delivery and incentive innovations**, beyond mere sector growth

Examples of GIF beneficiaries

ONE ACRE FUND

One Acre Fund received ~$15m grant to enhance productivity and income for smallholder farmers in Kenya and Nigeria through farming innovations under GIF's climate lens investing

THE toothpick PROJECT

The **Toothpick project (Kenya, TZ[1], NG[2]) received $0.6m** to deploy organic herbicide across farms for subsistence crop farmers as part of GIF's climate lens investing

Engagement plan

1. **Apply directly during open funding calls**, as all GIF funding goes through the application process

Preparation for engagement

Elements to enhance credibility

- Focus on impact to **smallholder farmers and the improvement to their livelihoods, positioning pilot as a test for scalability**
- Be explicit on **measurable milestones** (12-month outlook to number of farmers impacted, productivity improvement and financial benefit)
- Prove **execution readiness** to obtain funding, prioritising **proof of scalability**

Materials

- Concept note (problem, solution, why now, why Dayntee)
- Detailed budget with milestone-linked tranches
- Implementation plan (workstreams, owners, partners) and risk register
- M&E framework and baseline approach
- Company proof pack: audited or management accounts, governance, operational track record, compliance and safeguarding

1. TZ-Tanzania
2. NG - Nigeria

Source: Babban Gona | Global Innovation Fund; The Toothpick Project | Global Innovation Fund ; One Acre Fund | Global Innovation Fund

A| Potential engagement plan for Dayntee Farms with Heifer International

Funding Overview

Heifer International is a livestock-focused development organisation that designs and implements market-based programmes to improve farmer incomes, productivity, and inclusion, often in partnership with private-sector anchors. Heifer typically mobilises funding as grants, informal and formal loans (bilateral and foundation) and deploys it through multi-year livestock programmes, where it plays an active implementation role

Considerations

Proposed financial support

$0.72–1.0m catalytic grant (target: $720k) to pilot anchor-led poultry offtaker arrangements

Strategic fit

Heifer promotes sustainable livelihoods through livestock, prioritising market access, farmer organisation, and productivity

Offtaker contracts ensure stable income and embed growth in a sustainable model

Examples of Heifer beneficiaries

Amo Farms (Nigeria) – Received technical assistance and grants focused on farmer out-grower models, extension services, and productivity improvements in poultry

Best-fit Heifer international pathway

- **Naija unlock**[1] – continuous programme to increase agricultural production across three value chains, with poultry as one of the main ones, enabling 2 million households to achieve sustainable living income

Engagement plan

① **Direct application** to become a local partner, several local partners in Nigeria, including other poultry farms (e.g. Amo Farms)

Preparation for engagement

Elements to enhance credibility

- Lead with impact and system change, not “fund my working capital”, with specific asks for technical assistance
- Be explicit on measurable milestones (12-month farmer income improvement and productivity improvement)
- Position the pilot as a test for the contract and incentive mechanism, outlining where technical help is needed

Materials

- Concept note (problem, solution, why now, why Dayntee)
- Detailed budget with milestone-linked tranches
- Implementation plan (workstreams, owners, partners) and risk register
- Company proof pack: audited or management accounts, governance, operational track record, compliance and safeguarding

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[1] Consists of a mix of micro-loans for women and youth, funded primarily through donations and initial seed capital

Source: Local Partners - Heifer International; Nigeria - Heifer International; Micro-loans - Heifer International.

Preliminary – Subject to being refined and improved

B| Potential financiers for offtaker farmers have been identified based on sector alignment, interest rate and loan size (1/2)

CONCESSIONAL AND COMMERCIAL LOANS

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◐ Medium ○ Low

	Alignment[2]				
Financier	**Agriculture**	**Africa**	**Average ticket size and interest rate**	**Rationale**	**Priority**
NIRSAL (Credit Risk Guarantee)	●	●	+27.5%, with a 40% interest buyback	**NIRSAL has committed over ₦100bn in credit guarantees**, significantly **lowering bank credit risk** and **enabling its partner banks to extend more financing**	✅
Bank of Industry (BOI)	◕	●	9–12%, 5–7 years $250k–3m	**BOI offers subsidised, long-term debt tailored for key Nigerian industries**, including specialised funding for projects with competitive interest rates and flexible tenures. For cooperative-level loans for CAPEX	✅
Commercial banks with specific schemes for MSME/Agriculture	●	●	Less than 27.5%	**Banks develop tailored programmes, supported by DFIs**, to enhance credit access at lower interest rates for smallholder farmers within traditional banking frameworks. These programmes require strict KYC processes that may limit farmers access to credit	✅
Bank of Agriculture	◐	●	9%	BOA offers farmer cooperatives **fair interest rates** for OPEX and CAPEX, aligned with **diverse tenure requirements, for agriculture, interest rate capped at 9%.** Dayntee's preferred obligor structure may not work with BOA's preferred anchor-based lending system	✓
IFAD – Private Sector Financing Programme (PSFP)	◐	●	Not standardised	IFAD PSFP delivers **debt, equity, and guarantees** through **strategic partners** while enabling **indirect poultry financing** via banking and government **intermediaries** or **blended vehicles** to support **SMEs**	✓
AgDevCo (patient capital)	●	●	USD 3m15m (typical)	AgDevCo supplies **patient debt** and **blended capital** to **agribusinesses across SSA**, fuelling **early growth** and **strengthening poultry aggregators** that anchor smallholder networks	✓
Central Bank of Nigeria – Commercial Agriculture Credit Scheme (CACS) (through banks)	●	●	Up to NGN 2 billion ($4 m) at 9% p.a.	CBN intervention funds have been paused post-2023. Given the newly reconstituted board, there is a chance these could come back in the same or different forms	
Agricultural Credit Guarantee Scheme Fund (ACGSF) (Administered by NIRSAL)	●	●	Up to NGN 50 million (loans ~9% p.a.)		
Anchor Borrowers' program (ABP) (CBN/NMFB input-finance scheme)	●	●	~NGN 250kNGN 500k per farmer; 9% p.a. interest		

1. 1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus. 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Poultry (ii) Africa. 3. Interest buyback based on proven loan payback for 6+ months.

Source: AgDevCo AgDevCo, Homepage Root Capital, IFAD PSFP, Eligible Investments AATIF Africa Agriculture and Trade Investment Fund, Credit Risk Guarantee NIRSAL Plc, Commercial Agriculture Credit Scheme | Central Bank of Nigeria, Empowering Agri-Business | Bank of Agriculture, Get Access to MSMEs in Nigeria | Development Bank of Nigeria, ACGSF; Intervention Funds Retail | Polaris Bank Limited

B| Potential financiers for offtaker farmers have been identified based on sector alignment, interest rate and loan size (2/2)

CONCESSIONAL AND COMMERCIAL LOANS

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◐ Medium ○ Low

Financier	Alignment[2]		Interest rate range	Rationale	Priority
	Agriculture	Nigeria			
Microfinance Banks	◐	●	30–50% (effective)	Microfinance banks emphasize **rapid, group-based lending** over **scaling operations**, offering **short-term bridging finance** to bridge **small cash flow gaps** with **monthly interest rates around 3-4%**	✓
Typical commercial bank loans	◐	●	>27.5%	Strict **KYC requirements** for farmers **hinder accurate creditworthiness evaluations**, risking **interest rates** that may become **unviable** and **exceed** the already **elevated market rates**	✓
Development Bank of Nigeria (DBN, via PFIs)	◐	●	8–12% (on-lent)	DBN provides wholesale SME and agriculture funding to commercial banks, facilitating their expansion into small business and farmer financing. It offers a credit risk guarantee comparable to NIRSAL, but with a higher maintenance fee of 1.5% compared to 1%	✓

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1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus // 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Agriculture (ii) Nigeria

Source: Press Search; CBN; WEEKLY INTEREST RATES AS AT FEBRUARY 21, 2025.pdf ; African Development Bank Group | Making a Difference

B| NIRSAL CRG through a commercial bank offers farmers cheaper financing with up to 40% interest buyback[1]

Funding Overview

The Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) de-risks agricultural lending by offering **Credit Risk Guarantees (CRGs)** and interest rebates. It guarantees **a share of principal exposure** for participating banks and rewards borrowers with lower rates for adherence to repayment schedules

Considerations

Proposed financial support

Dayntee could seek a CRG-supported bank facility that finances input costs for poultry offtaker arrangements pilot

Strategic fit

Capital flows directly to organised farmer groups, with NIRSAL absorbing a defined portion of downside risk (typically 50%), as offtaker-backed cash flows materially reduce default probability. This aligns with NIRSAL's mandate to shift banks from avoidance to disciplined agricultural lending

Role of Dayntee

- Provides a contractual offtaker guarantee (volume, pricing band, quality standards) to farmer cooperatives
- Aggregates birds and manages delivery into formal markets
- Deducts loan repayments at point of offtake before farmer distributions
- Provides extension, monitoring, and compliance enforcement

Engagement plan

1. **Shortlist commercial banks** based on previous work/engagements with the banks, provided they support NIRSAL[2]
2. Select a bank based on **relationship and effective rate**[2]
3. Introduce cooperative leadership to bank, structuring the loan with Dayntee **defined as guaranteed buyer** and **farmer cooperative as obligor**
4. **Use offtaker arrangement as proof of revenue** as well as any other supporting documentation from the cooperative

Preparation for engagement

Elements to enhance credibility

- Emphasise that it is farmer credit with private-sector discipline, not social lending, attaching a carrot-and-stick policy to loan application documents
- Be explicit on measurable milestones for all farmers
- Clear repayment policy where Dayntee deposits directly into loan accounts to ensure repayment

Materials

- Detailed business plan, with guaranteed quantities by offtaker
- Cooperatives profiles and governance structure
- Clear cash flow and repayment waterfall in line with the bank's repayment tenure
- Farmer eligibility and monitoring framework clearly defined, including consequences for non-compliance
- Any other required compliance documentation as requested by the bank

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1. Offered to clients who pay consistently for 6 months. This would lower the effective interest rate, making it more affordable than typical commercial loans, including agriculture-focused loans.
2. Currently, not all commercial banks work with NIRSAL. So far, only Stanbic IBTC and Nova Bank have been confirmed as actively working with NIRSAL.

Source: Credit Risk Guarantee - NIRSAL Plc

B| Potential engagement plan for Dayntee with the Bank of Industry

Funding Overview

Bank of Industry's **Smallholder Farmer Cluster Financing product** is designed to finance agriculture value chain clusters through **intermediaries that act as farm aggregators**. The published terms include **10% per annum** interest, a **maximum tenor of 36 months** with up to **12 months moratorium**, and a **single obligor limit of up to NGN 10 billion**, with security that includes a **100% bank guarantee** and **guaranteed off-take agreements covering at least 50% of the facility**

Considerations

Proposed financial support

Dayntee could seek a working capital financing facility to fund farmers input, with repayment structured through **closed-loop controls** tied to verified input delivery and sales collections through the aggregation channel

Strategic fit

This facility aligns with Bank of Industry's MSME and agriculture value chain mandate because Dayntee operates as a **farm aggregator** that can expand access to affordable inputs for smallholders

Engagement plan

1. **Confirm eligibility and structure fit with BOI**
2. **Agree on repayment controls** using offtake linked deductions and transparent records
3. **Launch a cohort** then scale based on repayment and productivity results

Preparation for engagement

Elements to enhance credibility

- **A borrower eligibility framework** that is auditable and repeatable
- **A closed loop repayment mechanism** through controlled sales channels and transparent deductions
- **A monitoring plan** that tracks production and cash flows across cycles

Materials

- Pilot term sheet, borrower screening tools, distribution and repayment controls, monitoring dashboard

Source: BOI; SFCF

Preliminary – Subject to being refined and improved

C| Potential financiers for offtaker farmers have been identified based on pilot investment alignment and average contribution

BLENDED FINANCE OPPORTUNITIES

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◐ Medium ○ Low

Financier	Alignment[1]		Average investment size	Rationale (Short, Evidence-Based)	Priority
	Agriculture	Africa			
Acumen International	◐	◐	USD 0.3m–3m	**Patient capital:** Deploys philanthropic capital to drive social impact ventures, such as agribusiness investments in Nigeria, exemplified by Tomato Jos. Prioritises impact over profit through long-term tenures by integrating repayable grants to alleviate interest pressures. Equity investment: ARAF4 fund, backed by the Gates Foundation and KFW, utilises blended finance to empower smallholder farmers in sub-Saharan Africa	✅
SEFAA[3]	●	●	USD 0.3m–2.4m	**Debt financing:** Sahel Capital offers a strong Nigerian footprint focused on SMEs engaged in processing, aggregation and value addition that drive local job creation. Delivers expertise and technical assistance to enhance productivity for smallholder farmers while addressing their broader funding needs	✅
Goodwell investments (Alitheia Capital –NG)	◐	●	USD 1m–5m	**Equity investment**: Deployed capital into agribusiness start-ups across Africa, with strategic investments in Nigeria (e.g., Tomato Jos). Prioritised impact-driven initiatives by backing scalable models, primarily after achieving success at the pilot stage	✅
GAIN – N3F	●	●	USD 0.1m–1m	**Patient capital and equity investment:** GAIN collaborates with SMEs through multiple funds, including the N3F fund, delivering blended finance tailored to animal protein value chains. It emphasises enhancing productivity and nutrition by applying deep expertise and targeted technical assistance	✓
Village capital	◐	●	USD 50k - 500k	**Equity investment:** Targeted investments in agribusinesses across Africa, prioritising smallholder farmers and strategies to enhance their income (e.g., backed Crop2Cash in Nigeria). Focuses on high-impact opportunities benefiting smallholder farmers in underserved regions, ensuring alignment with pilot objectives	✓
Proparco (France's DFI)	●	●	USD 1m-20m	**Debt financing :** Provides financing for agribusiness in West Africa, such as loans to dairy and food processing firms, with potential to expand into poultry processing. Complements French development efforts by directly investing in private sector initiatives, particularly in agribusiness and food processing	✓
Root Capital	◐	●	USD 150k–2m	**Debt financing:** Root Capital focuses on working capital secured by purchase agreements across Africa, with a strategic expansion into Nigeria. It targets short-term poultry OPEX supported by robust offtake contracts and disciplined cash management	✓

1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus // 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Agriculture (ii) Africa // 3. Social Enterprise Fund for Agriculture in Africa // 4. Acumen Resilient Agriculture Fund

Source: SEFAA ; GAIN ; Proparco ; uMunthu II – Goodwell; ARAF – Acumen Resilient Agriculture Fund ; Village Capital ; Press search; Goodwell capital investments; Acumen International; Tomato Jos | Goodwell Investments

C| Potential engagement plan for Dayntee Farms with Acumen

Funding Overview

Acumen is a global impact investor deploying philanthropic-backed patient capital into market-based solutions that improve livelihoods for low-income communities. Agriculture is a core focus area, with Acumen historically deploying over $115m into 120+ enterprises using equity, debt, and flexible instruments designed for higher risk and longer time horizon. **Typical ticket size is $0.3–3m**

Considerations

Proposed financial support

Dayntee could seek **$0.72–1m patient capital** structured as a mix of debt and repayable grants to the farmer cooperatives

Strategic fit

Aligns with Acumen's goal to **promote impact-driven, market-building enterprises**, supporting **initiatives that increase income for smallholder communities**. **Boosts long-term commercial sustainability** via **technical assistance and extended repayment terms** for the farmer cooperatives

Examples of Acumen beneficiaries

ethio chicken

EthioChicken in East Africa secured a $750,000 loan in 2014, along with an undisclosed grant, enabling them to grow their hatchery business 23x by 2018 and fully repay the loan

Tomato Jos

Tomato Jos in Nigeria, specialising in tomato processing, received undisclosed patient capital via a funding round of EUR 3.9m, which included investments from Acumen

Engagement plan

1. **Engage Acumen Nigerian team** with initial proposal
2. **Position Dayntee as an offtaker lobbying** on behalf of farmer cooperatives
3. **Engage Acumen with cooperative representatives**, aligning on obligor and debt structure (cooperatives as obligor)

Preparation for engagement

Elements to enhance credibility

- Focusing impact to the **livelihood of farmers, food security** and **expected productivity increase**
- Be explicit on **measurable milestones** (12-month metrics on productivity and income)
- Prove **execution readiness** and clear scaling plans, beyond Acumen

Materials

- Concept note (problem, proposed solution, why the capital)
- Detailed budget with milestone-linked tranches, for each of the cooperatives
- Implementation plan and clear debt and revenue agreement with each respective cooperative
- Dayntee proof pack: audited or management accounts, governance, operational track record, compliance and safeguarding
- Cooperative governance, equity structure and membership contracts

Source: Increasing Food Security in Ethiopia Case Study – Acumen; Acumen-Investing-as-a-Means-Report.pdf;

C| Potential engagement plan for Dayntee Farms with SEFAA

Funding Overview

The **Social Enterprise Fund for Agriculture in Africa (SEFAA)**, managed by **Sahel Capital**, provides **USD-denominated impact debt** to **agribusinesses** and **structured farmer groups** improving **smallholder market access**, **income stability**, and **value-chain efficiency**. Typically invests in **inclusive value-chain models** where **repayment** is anchored in **predictable offtake and cashflows**, making it well suited to **offtaker-backed cooperative financing** in **poultry**. **Typical investment size: $300k-2.4m**

Considerations

Proposed financial support

Dayntee could seek debt financing to pilot anchor-led poultry offtaker arrangements

Strategic fit

Strong **alignment with SEFAA's impact-oriented mandate** to support **inclusive agribusiness models** that **deliver measurable income gains** for **smallholder-linked producers**, enabled through **patient capital**, embedded **technical assistance**, and **repayment tenures** aligned to **agricultural cycles**

Examples of SEFAA beneficiaries

KKL obtained a US$2.4m working capital facility from SEFAA to fund cocoa procurement from 100,000+ smallholder farmers via cooperatives

Tomato Jos secured impact financing to enhance smallholder-linked tomato processing in Nigeria, boost productivity, quality, and market access, aligning with SEFAA's goal for inclusive, viable agribusinesses

Engagement plan

1. **Apply to the fund on their website** with a clear business plan, financial strategy including investment amount and repayment strategy, including cooperative profile and Dayntee offtaker arrangement
2. **Provide any other required documentation**, once shortlisted as part of pre-funding due diligence

Preparation for engagement

Elements to enhance credibility

- Lead with **commercial discipline-based plans not subsidy and show the positive** impact to the livelihood of farmers
- Be explicit on **measurable milestones** including **repayment timelines**
- Prove **execution readiness** (identified farmers, offtaker contracts) and clear scaling plans

Materials

- Cooperative governance, equity structure and membership contracts
- Detailed budget with milestone-linked tranches, based on production cycle
- Implementation plan and clear debt and revenue agreement with each respective cooperatives
- Farmer eligibility and monitoring framework, including sanctions for non-compliance
- Dayntee proof pack including audited financials and governance structure

Source: Press search; KKL; Tomato Jos

C| Potential engagement plan for Dayntee Farms with Goodwell investments

Funding Overview

Goodwell Investments is an impact-focused firm providing patient debt and quasi-equity to enterprises advancing inclusive food systems, financial inclusion, and market development in Africa. It invests in models generating liveable income for smallholder farmers through strict, scalable commercial discipline, with technical support and long tenure, aligning with offtaker-backed cooperative financing structures. Typical investment size: $1m–5m

Considerations

Proposed financial support

Dayntee could seek **$0.72–1m patient capital** structured as a mix of debt and repayable grants to the farmer cooperatives

Strategic fit

Strong alignment with **Goodwell's impact-first, market-building mandate**, supporting **farmer cooperatives** through **patient capital, technical assistance**, and **longer repayment tenures** while advancing a **clear pathway toward commercial sustainability**

Examples of Goodwell beneficiaries

complete farmer. — Complete Farmer raised **US$10.4m**, including **US$2m** from Goodwell's uMunthu II fund, to **scale a digital marketplace** connecting **smallholder farmers to buyers** and **enhance value-chain efficiency**

Tomato Jos — Tomato Jos secured **€3.9 million**, led by **Goodwell Investments** via **Alitheia Capital**, to **expand processing** and **boost smallholder impact** in Nigeria's tomato value chain

Engagement plan

1. **Apply to one of Goodwell Investments' funds** on their website that is focused on agribusiness in Africa, e.g. uMunthu fund and Goodwell V
2. **Provide concrete details on the cooperatives'** proposed financing structure with Dayntee, including a clear repayment plan and any other required documentation as part of the evaluation process

Preparation for engagement

Elements to enhance credibility

- Lead with **impact and system change**, not "fund my working capital", focusing impact to the livelihood of farmers and food security
- Be explicit on **measurable milestones** (12-month metrics on productivity and income)
- Prove **execution readiness** (identified farmers, offtaker contracts) and clear scaling plans

Materials

- Cooperative governance, equity structure and membership contracts
- Detailed budget with milestone-linked tranches, based on production cycle
- Implementation plan (workstreams, owners, partners) and signed offtaker contract
- Farmer eligibility and monitoring framework, including sanctions for non-compliance
- ESG and impact narrative in line with SEFAA goals

Source: Complete Farmer; Tomato Jos; Alitheia Capital Homepage - Goodwell ; Fund Overview - Goodwell

3| Overview of Bank of Industry Product offerings for the Agriculture sector

BANK OF INDUSTRY
...transforming Nigeria's industrial sector

NON-EXHAUSTIVE

Overview

The Bank of Industry (BOI) is Nigeria's leading development finance institution, providing long-term financing to priority sectors, including agriculture

Relevant product offering

Smallholder financing

BOI finances smallholders through an anchor/aggregator model, where the aggregator borrows and on-lends to farmers in-kind (inputs and services)

Agro-processor financing

BOI provides term loans for equipment, facility expansion, and cold-chain infrastructure, alongside working capital facilities for input procurement and seasonal operations. These are suited to processors, feed mills etc.

Energy & climate financing

BOI offers concessional renewable energy financing, including solar solutions, to support reliable power, energy efficiency, and climate-smart infrastructure for agribusinesses

Bundled financing solutions

BOI can combine multiple facilities (e.g., term loans, working capital, solar financing) into a tailored package to optimise overall cost of capital

For discussion

- BOI product offerings, applicable interest rates, and eligibility criteria
- Next steps

Source: BOI

Preliminary – Subject to being refined and improved

Pilot progress across 2 offtaker champions by end of Phase 2

✓ Pilot started ✓ Preparation in progress ✓ Not started ▨ Details follow

Offtaker arrangements

	DAYNTEE FARMS	DFL
Pilot description	Scale offtaker arrangements with 8–10 farmer clusters and cooperatives	Scale offtaker arrangements across 20+ individual farmers
Tentative start date	**Already started**	**Already started**
Status	✓ Pilot production cycle started 10k+ chicks provided to 6 farmers, offtaker arrangement with Food Concepts pending	✓ First production cycle in progress with 200k+ day old chicks supplied to 5 farmers

Source: Stakeholder interviews

Alternative energy for processors – Executive summary

Dimension	Description
Financiers	Four financing options were evaluated for alternative energy CAPEX: • **BOI Solar Energy Fund** offer concessional (11-15% effective interest rate) naira loans with 7–10 year tenure for solar deployments, Dayntee is actively engaging BOI to secure this financing • **Energy-as-a-Service / PPA** (Afrigreen, Rensource, Daystar) — fastest deployment, with zero upfront CAPEX and technology risk sits with provider. Dayntee is engaging additional EPCs to identify the right partner for the expansion of their current solar deployment • **Blended finance** (AECF) — lower cost than commercial debt, while building track record for later refinancing • **Catalytic grants** (Global Innovation Fund) — no repayment pressure; best for public-good elements but slower cycles
Pilot update	**Dayntee - A 100kWp solar pilot is live** on the production farms (brooders and farm-house), delivering ~2.5MWh/month at a **54% lower unit cost** than grid/diesel (N0.12 vs. N0.28/kWh) with zero CAPEX via an Energy-as-a-service model. Solar currently covers ~2% of total energy use; with further rollout planned **Pullus -** Plant construction is **~80% complete, and would start** energy audits of the full processing plant once fully operational (May 2026)
Next steps	**Review solar performance** and agree deployment scope for the processing plant and hatcheries, building on the live 100kWp farm installation **Conduct a full energy audit** of the processing plant once construction is finalized; use results to right-size the solar system and select the optimal financing structure **Shortlist EPC providers** and select the preferred solution (EaaS/PPA or outright ownership); lock the rollout plan with a savings-tracking framework

Agenda

- Offtaker arrangements
- Alternative energy for processors
  - **Financiers**
  - Pilot update
- Shared cold chain
- Government interventions
- Next steps

Preliminary – Subject to being refined and improved

Four relevant financing options for alternative energy CAPEX costs were identified(1/2)

▨ Deep dives follow

Financing options	Pros	Cons	Relevant financiers
A Catalytic grants	• **Best fit for "public good" elements** (biosecurity systems, farmer training) • **No repayment pressure during** early operational cycles • **De-risks initial OPEX for farmers**	• **Slower cycles, heavy compliance** and reporting, and is time-bound • Often **restricted cost categories** and may not fully cover routine operations • **Complicated and competitive application** process with limited scalability • Some require an intermediary (government/another bank)	GLOBAL INNOVATION FUND aecf
B Blended finance	• **Lower pricing and more flexible** than pure commercial bank debt • Creates a track record for later commercial refinance	• **Requires strong governance**, controls, and auditability • Can still take time to structure and approve	AFRIGREEN
C Energy as a service/ PPA[1]	• Fastest path to **deployment** • No upfront **capex** for **Dayntee** • Technology, **performance**, and **financing risk** sits with provider • Scales in **line with demand growth**	• Long-term **tariffs may exceed** owned-asset **LCOE** • Requires **strong contractual discipline** • Less **balance-sheet asset creation** for Dayntee	rensource DAYSTAR POWER ENERGY SOLUTIONS

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1. PPA- Power Purchase Agreement

Manufacturing Africa | UK International Development Partnership | Progress | Prosperity

Source: Global Innovation Fund; GET.invest ; AECF ; Afrigreen ; Rensource ; Daystar-Power

Four relevant financing options for alternative energy CAPEX costs were identified (2/2)

▨ Deep dives follow

Financing options	Pros	Cons	Relevant financiers
D **Commercial bank working capital loan1**	- **Fastest path to liquidity** if guarantee coverage and documentation are solid - **Builds farmer's credit history** for further debt options - **Scalable in line with cash flow growth** and proven performance	- **Requires collateral**, covenants and robust cash-cycle discipline - **Pricing can remain high** without strong de-risking; renewals depend on portfolio performance - **May be inaccessible to smaller farmers** without a proper credit history	Stanbic IBTC A member of Standard Bank Group jaiz bank WITH YOU FOR LIFE BANK OF INDUSTRY ...transforming Nigeria's industrial sector

Source: Bank of Industry; Jaiz Bank; Stanbic IBTC Bank

A| Potential donors for Dayntee have been identified based on alternative energy investment alignment and average contribution (1/2)

CATALYTIC GRANTS

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◑ Medium ○ Low

Financier	**Alignment[2]** **Energy**	 **Africa**	**Average ticket size**	**Rationale**	**Priority**
AECF – ETCF	●	● y	$100k-1m	The **Africa Enterprise Challenge Fund (AECF)**, through its **Energy Transition Challenge Fund (ETCF)** in Nigeria, provides **catalytic funding** with **1:1 matching** to **early- and growth-stage enterprises** to **accelerate the adoption of clean energy solutions**	✅
Global Innovation Fund (GIF)	●	◑	$0.2m-2m	The **HAPPY[2] project** drives **growth in West African agriculture** by **creating jobs in poultry** and related **value chains**, attracting substantial **investments**. It supports **renewable energy initiatives** like **Keep it Cool**, positioning **Dayntee** to leverage **GIF funding** at the intersection of **agriculture and energy sectors**	✅
Energy Catalyst (Innovate UK / Ayrton Fund)	●	◕	£50k–5m Current funding round	Target **non-dilutive grants** to **accelerate clean energy innovation** in **developing markets**, focusing on **solar, storage** or **hybrid models** that incorporate **new technologies** or **enhance productive-use applications** Requires a **UK-based implementing partner**	✓
REA (Nigeria) - SAS	●	●	$50k–250k (typical)	REA provides **performance-based grants** to **mitigate risks** in **productive-use and hybrid energy projects** throughout Nigeria, supporting early-stage feasibility studies, piloting initiatives and offering **first-loss support** for poultry energy investments Projects are supported by various **DFIs** and have specific **application windows**; currently no open window	✓
Sustainable Energy Fund for Africa (SEFA)	●	●	$1m – 40m	SEFA accelerates **renewable energy projects** by offering **early-stage catalytic finance**, **technical assessment** and **risk mitigation** through **guarantee programmes**, while actively linking companies with potential **grantors** and **impact financiers**; implemented through **government-to-government programmes**	✓

1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus
2. Alignment reflects evidence of active programmes or repeat transactions in (i) Energy, (ii) Africa
2. Harnessing Agricultural Productivity and Prosperity for Youth

Source: AECF-ETCF; REA (Nigeria) - SAS; GET.invest; Energy Catalyst; Global Innovation Fund

A| Potential donors for Dayntee have been identified based on alternative energy investment alignment and average contribution (2/2)

CATALYTIC GRANTS AND TECHNICAL ASSISTANCE

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◑ Medium ○ Low

Donor	Alignment[2]		Average ticket size	Rationale	Priority
	Agriculture	Africa			
Rockefeller Foundation – Energy & productive use programmes	●	◑	$100k-5m	Rockefeller Foundation supports the energy transition and productive-use programmes in Africa. Its initiatives have **targeted energy access for agriculture and SMEs, improving resilience and economic inclusion** in multiple African countries. Applications are not accepted openly; invitations are issued exclusively by Rockefeller staff	✓
Shell Foundation – Energy access & productive use	●	●	$50k-250k(typical)	Shell Foundation funds **scalable energy-access and productive-use solutions** in Africa. Programmes have supported **clean energy** for small businesses and value chains, with relevance to **agri-processing and cold-chain needs** in Nigeria	✓

1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus; 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Energy, (ii) Africa

Source: Sustainable Energy Fund for Africa; Rockefeller Foundation; Shell Foundation

A| Potential engagement plan for Daytee Farms with the Africa Enterprise Challenge Fund - ETCF[3]

Funding Overview

The Africa Enterprise Challenge Fund (AECF) runs the Energy Transition Challenge Fund (ETCF) in Nigeria to support the Energy Transition Plan via catalytic grants and blended finance that de-risk private investments and crowd in commercial capital. ETCF is funded via BMZ/KfW and targets commercial & industrial energy efficiency, renewables and transition solution. **Current grants are between €100k–€800k**

Considerations

Proposed financial support

Dayntee could seek **$230k to pilot** solar-powered processing plant and **$605k** for full scale up

Strategic fit

ETCF's objective is to accelerate private sector adoption of clean energy and energy efficiency in line with NEP[2]

Dayntee's commercial poultry operations are well-matched to ETCF's commercial/industrial window. ETCF explicitly looks to de-risk investible projects for renewable energy

Examples of AECF beneficiaries

Ethio Chicken in Ethiopia – AECF partnered with the company from 2011 to 2018, enabling it to expand from a modest farm with 152 employees to 929 employees by 2018 while achieving sales of over 15m chicks and 20k MT of feed in that same year

Engagement plan

① **Apply to CAPEX based funding program**. Given the large size of the deployment, CAPEX funding would only cater to a maximum of $250k, would improve IRR while reducing investment risk

② **Apply to matched funding program.** Through self funding or other investment[4], by matching grant amount, unlock the full possible grant amount of €800k

Preparation for engagement

Elements to enhance credibility

- Use funds matching to increase the plausible grant amount either through investors or a banking facility, as these have a higher priority
- Be explicit on measurable milestones, in line with programme requirements e.g., utilisation rate

Materials

- Concept note (problem, solution, why now, why Dayntee) needed for initial application phase
- Detailed business plan including three-year forward projection and implementation plan with financial models to show project efficacy
- Company proof pack e.g., audited accounts, governance, operational track record, risk & compliance; financials should show proof of funds matching
- Completed energy audits, with precise utilisation

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1. Energy Providing Service 2. Nigeria Energy Transition Plan 3.ETCF - Energy Transition Challenge Fund
4. Funding may include, but not limited to: investments (equity or impact), crowd funding, internal resources, loans from financial institutions

ETCF_Commercial-and-Industrial-Termsheet.pdf; EthioChicken PLC - AECF

A| Potential engagement plan for Dayntee Farms with the Global Innovation Fund

Funding Overview

Global Innovation Fund supports evidence-driven innovations that address systemic market failures and demonstrate a credible path to scale. GIF's funding typically begins with grant or early-risk capital, progressing only where learning and replication potential are strong. Dayntee could capitalise on this grant to set up a successful pilot that cascades into further grants or de-risked capital. **Typical initial grants range from $200k–1.5m**

Considerations

Proposed financial support

Dayntee could seek **$230k to pilot** solar-powered processing plant and **$605k** for full scale up

Strategic fit

The **solar pilot** could drive **transformative change** in Nigeria's **unreliable grid**, tackling **high chicken processing costs**, **system reliability**, and **limited access to financing** that hinder **clean-energy adoption** among agro-processors. Its success could establish a **proven model** for **scalable deployment** and **broader energy transition** in the sector

Examples of GIF beneficiaries

HUSK Power Systems

Husk Power System in Nigeria secured initial grant funding to pilot and expand solar-hybrid energy solutions for productive users and communities

KeepITCool

KIC[1] received funding from the GIF to develop its solar-powered cold chain platform, dramatically reducing post-harvest losses for Kenyan smallholder farmers, and earned a 2024 Earthshot Prize

Engagement plan

1. **Apply during open funding calls.** All GIF funding goes through the application process

Preparation for engagement

Elements to enhance credibility

- Focus on impact to smallholder farmers and the improvement to their livelihoods through cheaper processing, positioning pilot as a test for scalability
- Be explicit on measurable milestones (1 year outlook to number of farmers impacted)
- Position Dayntee as a pioneering poultry processor running on 100% solar after project completion

Materials

- Concept note (problem, solution, why now, why Dayntee)
- Detailed budget with milestone-linked tranches
- Implementation plan (workstreams, owners, partners) and risk register
- M&E framework and baseline approach
- Company proof pack: audited or management accounts, governance, operational track record, compliance and safeguarding

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[1] KIC - Keep It Cool Kenya

Source: Global Innovation Fund ;

B| Potential financiers for Dayntee Farms have been identified based on alternative energy investment alignment and average contribution

BLENDED FINANCE

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◐ Medium ○ Low

	Alignment[2]				
Donor	**Energy**	**Africa**	**Average ticket size**	**Rationale**	**Priority**
Afrigreen debt impact fund	●	●	$0.5m–15m	Afrigreen extends **long-term project debt** to **C&I solar and hybrid energy projects** throughout West Africa In Nigeria, Afrigreen financed **Rensource Energy's C&I solar portfolio**, supporting the deployment of **embedded solar solutions** for **commercial and industrial off-takers**, e.g. Valentine Chickens	✅
InfraCredit – Climate Finance Blending Facility (CFBF)	●	◐	$100k–5m	InfraCredit leverages **first-loss and guarantee structures** to channel **domestic institutional capital** into **renewable energy investments**. Its **climate facility** enhances **project bankability** by **mitigating credit risk** for lenders, thereby **accelerating decentralised solar and hybrid projects** across Nigeria	✓
ElectriFI (EDFI Management Company	●	●	$0.5m–10m	ElectriFI, an **EU-backed blended finance facility**, offers **concessional debt** and **quasi-equity** to accelerate **clean energy growth**. It manages a **Nigeria country window** and actively supports **distributed renewable energy providers** targeting C&I clients	✓
Clean Technology Fund (CTF)	●	◐	$30k–150k	CTF channels **concessional capital** via MDB-managed lines of credit, driving **private sector investment** in **renewable energy**. In Nigeria, it has facilitated **renewable energy** and **energy-efficiency loans** through intermediary financial institutions	✓
All On (Nigeria energy investment platform)	●	◐	$0.5m–5m	All On leverages both **philanthropic and commercial capital** to **accelerate Nigerian clean-energy startups**. Its investments enable deployers to implement **solar and hybrid systems** powering productive activities such as **agriculture processing and cold-chain logistics**. The focus remains on **small and medium off-grid installations** that serve **local communities**, primarily partnering with **energy providers** to **expand access and impact**	✓
GEAPP-backed energy platforms	●	●	$1m–10m	The **Global Energy Alliance for People and Planet** leverages **concessional capital** alongside **private investment** to **accelerate** scalable **productive-use energy solutions**	✓

1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus; 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Energy, (ii)Africa

Source: Afrigreen; InfraCredit ; All On; ElectriFI ; Clean Technology Fund | CIF ; GEAPP

B| Potential engagement plan for Dayntee Farms with Afrigreen

AFRIGREEN

Funding Overview

Afrigreen Debt Impact Fund is a DFI-backed blended finance vehicle managed by RGREEN Invest, providing long-term senior debt to commercial and industrial (C&I) renewable energy projects across Africa. The fund is backed by IFC, EIB, FMO, Proparco, BIO, and commercial banks, and targets solar, storage, and hybrid energy systems **typically sized 100 kW–15 MW**

Considerations

Proposed financial support

Dayntee could seek **$230k to pilot** solar-powered processing plant and **$605k** for full scale up

Strategic fit

Afrigreen funds **small or risky projects** with **high impact**, enabling **clean energy infrastructure** for Dayntee to **reduce costs**, **stabilise operations**, and benefit farmers through **lower charges** and poultry prices per kilogram. It supports Afrigreen's goal to **finance energy** that **enhances real-economy value chains**

Examples of GIF beneficiaries

Justrite SUPERSTORE

Afrigreen facilitated a $10m senior debt facility for Justrite Limited in Nigeria to deploy a 3.05MWp solar power system and 6MWh of energy storage, with Empower New Energy acting as the installer and operator

Engagement plan

1. **Confirm project fit** with Afrigreen's mandate (size, technology, off-take structure)
2. **Structure financing based on Afrigreen 's preferred financing** route: senior debt with security over project assets and revenues
3. **Receive disbursed funds against construction milestones,** with ongoing performance and impact reporting

Preparation for engagement

What to include to increase credibility

- Proposed reduction in grid and diesel usage
- Willingness to commit to a multi-year loan
- Alignment on sustainability, climate and food-system impact metrics
- State measurable milestones, in line with programme requirements e.g. utilisation rate

Materials

- Concept note (problem, solution, why now, why Dayntee)
- Detailed budget with milestone-linked tranches
- Implementation plan, including technical partners
- Company proof pack: audited or management accounts, governance, operational track record, compliance and safeguarding

Source: Afrigreen

Preliminary – Subject to being refined and improved

C| Potential energy providers for Dayntee Farms have been identified based on typical project size deployed

ENERGY AS A SERVICE & PPA

Priority: ✅ Major focus ✓ Minor focus | **Alignment:** ● High[1] ◐ Medium ○ Low

	Alignment[1]					
Provider	**Energy**	**Africa**	**Typical structure**	**Average system size**	**Rationale**	**Priority**
Daystar Power (shell-backed)	●	●	**PPA[2]/Lease**	500 kW – 20 MW	Pan-African **C&I[3] solar provider** delivering **large-scale solar and hybrid systems** under **PPAs** In Nigeria and across **West Africa**, Daystar supports **industrial and agribusiness clients** seeking **long-term cost savings** and **emissions reduction**	✅
Rensource	●	●	**PPA/rental**	100 kW – 5 MW	Nigerian **clean-energy provider** delivering **solar and hybrid power** under **long-term service contracts** to **commercial and industrial clients**. Rensource has deployed **C&I solar** across Nigerian **manufacturing** and **FMCG facilities**, enabling **businesses** to reduce **diesel dependence** and **stabilise operating costs**	✅
Starsight	●	●	**Lease/hybrid PPA**	50 kW – 3 MW	Nigerian-origin provider of **solar and hybrid energy services**, historically **strong in telecoms and commercial real estate**. Starsight’s **energy-as-a-service model** has expanded into the **agroprocessing productive sector**, focusing on both **energy and cooling solutions**	✓
Amergy	●	●	**Lease/hybrid PPA**	30 kW – 2 MW	Nigerian **solar-plus-storage provider** offering **EaaS models** for SMEs and **mid-scale industrial users**. Arnergy’s deployments support **productive use of energy** in food processing and cold-chain operations, **improving resilience** for local value chains	✓
Axxela- solar/hybrid solutions	●	●	**Lease/hybrid PPA**	1 MW – 10 MW	Traditionally a **gas infrastructure leader**, Axxela increasingly **integrates solar** into **hybrid EaaS solutions** for **industrial clients** in Nigeria, combining **renewables** with **firm power** to support **continuous processing** operation	✓

1. Alignment reflects evidence of active programmes or repeat transactions in (i) Energy, (ii) Africa
2. PPA - Power Purchase Agreement
3. C&I - Commercial and Industrial

Source: About Us - Daystar Power Solutions ; Who We Serve - Starsight Energy ; Offerings – Rensource Energy ;Amergy Solar ; Axxela

C| Potential engagement plan for Dayntee Farms with Daystar Power

Funding overview

Daystar Power is a pan-African commercial and industrial (C&I) solar and hybrid energy provider, backed by Shell, delivering large-scale solar, storage and hybrid systems under long-term power purchase agreements (PPAs). Dayntee, partnering with Daystar, and deploying 1.5–2 MW of solar capacity, including storage and hybrid solutions, without upfront capital, allows it to leverage its experience in large-scale solar projects across Nigeria

Considerations

Proposed support

Installation and maintenance of a **1.5–2 MW Energy-as-a-Service** solar installation at Dayntee's processing plant

Strategic fit

The Daystar partnership tackles scale, reliability and bankability challenges in Nigerian solar adoption. A long-term PPA with a creditworthy processor unlocks institutional capital for productive-use solar solutions. Daystar assumes construction, performance and financing risks from Dayntee, ensuring project stability and investor confidence

Best-fit pathways

- **Lease-to-own structure**
  A long-tenor lease with an option for Dayntee to acquire the asset at the end of the term, gradually transitioning ownership
- **Energy-as-a-Service / PPA**
  Daystar Energy finances, owns and operates the solar (and storage) system, selling power to Dayntee at a fixed or indexed tariff below grid-equivalent costs

Engagement plan

1. **Conduct joint technical and commercial scoping** with Daystar Power by assessing Dayntee's load profile, operating hours, roof/land availability and reliability needs to determine the optimal system size and configuration
2. **Agree on commercial terms,** including tariff, tenor, escalation, availability guarantees and risk allocation under an Energy-as-a-Service or lease structure

Preparation for engagement

What to include to increase credibility

- Clear, documented long-term site control and creditworthy offtaker
- Willingness to commit to a multi-year energy services contract
- Alignment on sustainability, cost reduction and operational resilience objectives, including uptime and maintenance schedules

Materials

- Historical load and diesel consumption data
- Site layouts and asset ownership documentation
- Financial information for credit assessment
- ESG and sustainability priorities

Source: Rensource Energy – Powering Africa's C&I Sector with Clean Energy; Daystar Power

C| Potential engagement plan for Dayntee Farms with Rensource Energy

Funding Overview

Rensource Energy is Nigeria's leading provider of solar and hybrid energy-as-a-service, delivering reliable, sustainable power to manufacturing, cold chain and processing facilities via long-term contracts. Dayntee, partnering with Rensource, is deploying 1.5–2MW of solar capacity, including storage and hybrid solutions, without upfront capital. Its experience in project structuring, funded by blended debt, impact funds and DFIs, further enhances the financial outlook

Considerations

Proposed support

Installation and maintenance of a **1.5–2 MW Energy-as-a-Service** solar installation at Dayntee's processing plant

Strategic fit

The Rensource partnership enables Dayntee to overcome capex, FX, and tenor constraints that typically prevent agro-processors from adopting clean energy in Nigeria.
Rensource also has experience working with DFIs to finance solar installations at a chicken processing farm, e.g., Valentine Chicken

Best-fit pathways

- **Lease-to-own structure**
  A **long-tenor lease** with an option for Dayntee to acquire the asset at the end of the term, gradually transitioning ownership
- **Energy-as-a-Service / PPA**
  Rensource finances, owns, and operates the solar (and storage) system, selling power to Dayntee at a fixed or indexed tariff below grid-equivalent costs

Engagement plan

1. **Conduct joint technical and commercial scoping** with Rensource by assessing Dayntee's load profile, operating hours, roof/land availability, and reliability needs to determine the optimal system size and configuration
2. **Agree on commercial terms**, including tariff, tenor, escalation, availability guarantees, and risk allocation under an EaaS or lease structure
3. **Align project financing through Rensource's existing relationships with impact debt funds** (e.g., Afrigreen), blended finance facilities and DFIs—without burdening Dayntee's balance sheet

Preparation for engagement

What to include to increase credibility

- Clear, documented long-term site control and creditworthy off-take
- Willingness to commit to a multi-year energy services contract
- Alignment on sustainability, cost reduction, and operational resilience objectives, including uptime and maintenance schedules

Materials

- Historical load and diesel consumption data
- Site layouts and asset ownership documentation
- Financial information for credit assessment
- ESG and sustainability priorities

Source: Rensource Energy – Powering Africa's C&I Sector with Clean Energy;

D| Potential financiers for Dayntee Farms have been identified based on pilot investment alignment and average contribution (1/2)

CONCESSIONAL AND COMMERCIAL LOANS

✅ Major focus ✓ Minor focus | ● High[1] ◑ Medium ○ Low

Financier	Alignment[2] Energy	Alignment[2] Africa	Avg interest rate Ticket size	Rationale	Priority
Bank of Industry					
1. Solar Energy Fund (SEF)	●	●	6-9% N50m-10bn	Dedicated **renewable energy financing window** supporting Nigeria's **energy transition**. BOI's **Solar Energy Fund** has financed **captive and embedded solar projects** for industrial and agro-processing firms, **reducing diesel dependence** and **operating costs** while supporting **local manufacturing** and **job creation**	✅
2. Renewable and agroprocessing finance windows	◑	●	~7-12% N100m– 10bn	**BOI's core development lending supports agro-processing and manufacturing** across Nigeria. These windows have enabled processors to invest in energy infrastructure and productivity upgrades, strengthening agricultural value chains and domestic food production	✓
NIRSAL (Credit Risk Guarantee)	◑	●	Market interest rate with 40% interest buyback	**NIRSAL has committed over ₦100bn in credit guarantees**, significantly lowering bank credit risk and enabling banks to extend more financing through its partner banks, e.g. Stanbic IBTC	✅
AfDB	◑	●	6-8% USD eq.	AfDB supports Nigeria's **industrialisation** and **energy transition** through **concessional credit lines** channelled via **local DFIs**. These facilities extend **tenor** and **reduce pricing** for **priority sectors**, including **agro-processing** and **clean energy**	✓
IFC	◑	●	Market-based	IFC provides long-term climate and SME funding to Nigerian financial institutions. These lines have supported private-sector investment in energy efficiency and renewable energy for businesses across Africa, including Nigeria, primarily through government-to-government deals	✓
Development Bank of Nigeria (DBN)	◑	●	8-12%(on-lent)	DBN provides **concessional wholesale funding** to Nigerian banks to **expand SME lending**. Through **capped on-lending rates**, DBN has enabled **affordable financing** for energy and productivity investments by agri-businesses and manufacturers across Nigeria	✓

1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus; 2. Alignment reflects evidence of active programmes or repeat transactions in (i) Energy, (ii) Africa

Source: Development Bank of Nigeria ; International Finance Corporation (IFC); African Development Bank Group (AFDB); Bank of Industry ; Credit Risk Guarantee - NIRSAL Plc

D| Potential financiers for Dayntee Farms have been identified based on pilot investment alignment and average contribution (2/2)

CONCESSIONAL AND COMMERCIAL LOANS

✅ Major focus ✓ Minor focus **High**[1] ● **Medium** ◐ **Low** ○

	Alignment[2]				
Financier	**Energy**	**Africa**	**Avg ticket size/ Interest rate**	**Rationale**	**Priority**
Commercial Banks	◐	●	+27.5%	Some commercial banks **offer preferential rates for solar installations**, with reduced cost of equipment from their OE2 partners. Offer market interest rates, unless through fund collaborations e.g., with BOI or another development partner	✓
Microfinance Banks	◐	●	30–50% (effective)	Microfinance banks emphasise **rapid, group-based lending** over **scaling operations**, offering **short-term bridging finance** to bridge **small cash flow gaps** with **monthly interest rates around 3-4%**	✓
Central Bank of Nigeria – Commercial Agriculture Credit Scheme (CACS) (through banks)	●	●	Up to NGN2 billion (≈$4 m) at 9% p.a.	CBN intervention funds have been posted post 2023, given the newly reconstituted board, there is a chance these could come back in the same or different forms	
Agricultural Credit Guarantee Scheme Fund (ACGSF) (Administered by NIRSAL)	●	●	Up to NGN50 million (loans ~9% p.a.)		
Anchor Borrowers' program (ABP) (CBN/NMFB input-finance scheme)	●	●			

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1. High: clear, active focus and repeat activity; Medium: adjacent focus or indirect exposure; Low: limited evidence of focus // 3. Alignment reflects evidence of active programmes or repeat transactions in (i) Energy and (ii) Africa
2. 2 OE = Original Equipment.

Source: Press Search; CBN; WEMA Bank Green Energy Finance - Quick and Flexible Financing Options; Solar Energy Loan

Manufacturing Africa | UK International Development Partnership | Progress | Prosperity

D| Potential engagement plan for Dayntee Farms with the Bank of Industry

BANK OF INDUSTRY
...transforming Nigeria's industrial sector

Funding Overview

The Bank of Industry (BOI) Solar Energy Fund (SEF) is a dedicated concessional financing window designed to accelerate adoption of renewable energy solutions by Nigerian manufacturers and agro-processors. The Fund provides long-tenor, below-market naira loans to finance on-site solar and hybrid energy systems, reducing exposure to diesel price volatility and grid instability. **Typical tenure: 7–10 years**

Considerations

Proposed financial support

$230k to pilot solar-powered processing plant and **$605k** for full scale up

Strategic fit

The **BOI Solar Energy Fund reduces energy costs** for agro-processors by **financing solar infrastructure**, enabling **Dayntee** to **secure stable, long-term energy costs**, improve **cash flow**, and **decrease reliance on diesel**

Best fit BOI pathway example

- **One-time CAPEX investment**
  Daytnee can secure a BOI loan to finance the complete development of its solar installation in partnership with an implementation provider
- **Energy-as-a-Service/PPA model**
  Daytnee can collaborate with an energy-as-a-service vendor to mitigate risks in the short term, test solar's operational viability, and later leverage a BOI loan to acquire the installation outright

Engagement plan

1. **Complete technical and financial appraisal** and submit solar feasibility studies, EPC contracts, load profiles, and cashflow projections
2. **Structure loans aligning security with key revenue streams**. Primary security encompasses the solar asset and processing revenues
3. **Receive funds upon achieving defined milestones**; solar systems commissioned and seamlessly integrated into operations

Preparation for engagement

What to include to increase credibility

- Position the facility as productive energy finance, not consumer subsidy, to be in line with BOI broader goals
- Demonstrate strong governance and repayment controls

Materials

- Detailed solar feasibility study and EPC quotes
- Processing load profile and diesel displacement analysis
- Historical processing volumes and margins
- Clear cashflow and repayment waterfall in line with the bank's repayment tenure
- Any other required compliance documentation as requested by the bank

Source: Bank of Industry Solar Energy Fund

Agenda

- Offtaker arrangements
- Alternative energy for processors
  - Financiers
  - **Pilot update**
- Shared cold chain
- Government interventions
- Next steps

Preliminary – Subject to being refined and improved

Pilot progress across 2 alternative energy Champions by end of Phase 2

✓ Pilot started ✓ Preparation in progress ✓ Not started ▨ Details follow

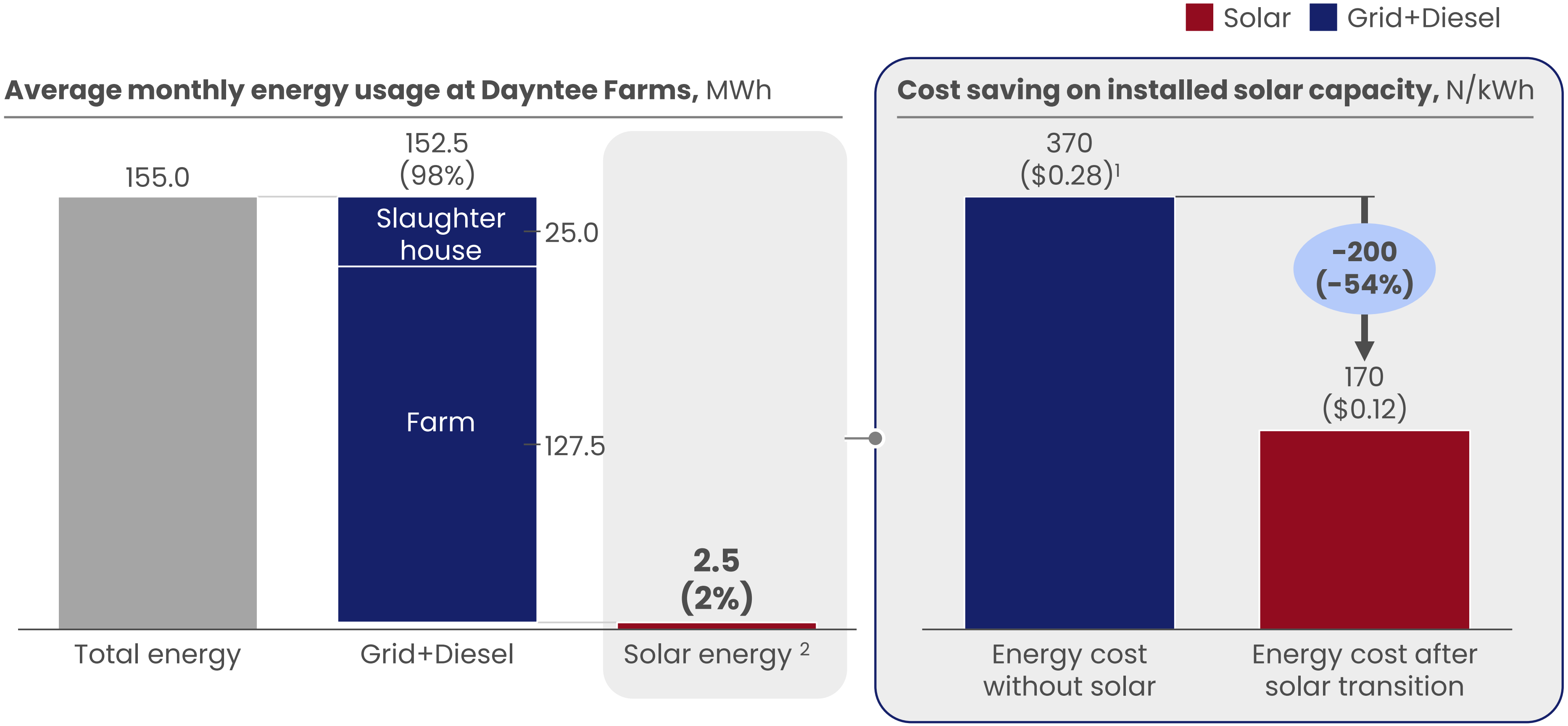
	Alternative energy	
	DAYNTEE FARMS	Pullus
Pilot description	Install alternative energy at the processing plant and production farm	Install alternative energy solutions at the major processing plant
Tentative start date	**Already started**	**May 2026**
Status	✓ Early stage of current solar installation	✓ Solar installation currently ongoing

Source: Stakeholder interviews

Preliminary – Subject to being refined and improved

Daynteee has saved 54% energy costs where solar was installed, albeit this is only ~2% of total energy requirement

Solar has only been rolled out to ~2% of total energy use at Dayntee and though the current savings are low at 1%, it could be higher given per unit cost for solar is 54% lower than grid + diesel cost



Takeaways

- By using an energy providing company (EPC), Dayntee was able to reduce costs without incurring any CAPEX costs
- As next steps, the goal is to scale this up by identifying and connecting Dayntee with more solar EPCs

1. Used 1450 naira = 1 USD
2. 100KWp solar installation deployed on the production farms i.e., brooders and farm-house

Source: Stakeholder conversations

Agenda

Offtaker arrangements

Alternative energy for processors

Shared cold chain

- Additional prioritised opportunities – Whitespace analysis
- Investment case

Government interventions

Next steps

Shared cold chain – Executive summary

Dimension	Description
Additional prioritised initiatives	The shared cold chain was identified through a **structured three-step process**: • **A whitespace analysis** to map unaddressed salient challenges against identified opportunity areas across the poultry value chain • **Engagement of 10 Committee members** to validate and prioritise the most compelling opportunities • **Solution development** — consolidating Committee insights and conducting a deep dive into the shared cold storage distribution centre opportunity, supported by targeted analysis and relevant case studies Two further investment ideas remain for future prioritization: **scaling modern parent/grandparent stock and hatchery operations** (high priority; constrained by HPAI vaccine policy and CAPEX requirements) and **scaling farmer cooperatives with bundled services** (medium priority)
Investment case	Business case developed for a **100MT shared cold storage facility** (Lagos, Abuja, Port Harcourt, or Kano) targeting **70–80% overall average annual ultilisation, including other products e.g., fruits and vegetables stored in the same facility.** Financial structure: **~$400k total investment** (60% grant ~$240k + 40% concessional debt at 11%), with a **4-year payback period** **Pricing:** N80k/month base for processor leases; +15% for retailers; +25% for spot buyers, **Energy:** 100% solar (enables BOI concessional financing access), **Fleet:** 2 × 5-tonne refrigerated trucks for last-mile delivery
Next steps	**Confirm pilot location:** Screen cities on demand, processor concentration, route economics and land availability; select preferred city and define site footprint **Secure anchor demand:** Engage large/mid-sized processors, retailers, and distributors; negotiate MoUs for first-year utilisation commitments **Firm up funding:** Refine pilot CAPEX/OPEX; shortlist project financiers; test blended-finance structures; finalize operating model, governance and implementation plan

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1. Technical and Vocational Education and Training

Agenda

Offtaker arrangements

Alternative energy for processors

Shared cold chain

- **Additional prioritised opportunities – Whitespace analysis**
- Investment case

Government interventions

Next steps

A three-step process was used to assess and prioritise a new investment opportunity within the poultry value chain

x Detailed next ■ Offtaker 🟩 Integrated farm ▯ Processor 🟥 Cold chain 🟦 Associations

1. Whitespace analysis

Conducted a whitespace analysis to map unaddressed salient challenges against the identified opportunity areas

2. Committee engagement

Engaged 10 committee members to validate and prioritise the most compelling opportunities

3. Solution development

Consolidated committee insights and conducted a deep dive into the shared **cold storage distribution centre opportunity**, supported by targeted analysis and relevant case studies

- 🟩 **Dayntee Farms**
- 🟩 **CHI Farms**
- 🟥 **KCCL**
- ▯ **Elmond Veterinary Services**
- ■ **Food Concepts**
- 🟩 **Durante Farms**
- 🟦 **Poultry Association of Nigeria[1]**
- 🟥 **Cold Hubs**
- ▯ **Pullus**
- ■ **Arteos (Bokku)**

Preliminary – Subject to being refined and improved

Shared cold storage distribution centres prioritised as investment opportunity for this phase

⬜ Detailed next **Prioritisation** 🟢 High 🟠 Medium 🔴 Low

Transformation drivers

1. Scale production of quality poultry in high productivity systems
2. Improve the resilience of poultry flocks and reduce mortality
3. Organise farmers and provide access to bundled services
4. Establish improved infrastructure for market access

Investment ideas	Driver	Considerations	Prioritisation
Develop a network of shared cold storage distribution centres	4	• **Need to maintain competitive advantage** between various stakeholders despite shared infrastructure • **High setup and management costs**, that would need to be offset through guaranteed capacity leases and usage	🟢
Scale modern parent and grandparent local stock operations and hatcheries	2	• **Strict regulation on grandparent stock licenses** from both the international supplier and government authorities, limiting potential investment opportunity • **High CAPEX and OPEX** demands to setup and run hatcheries, with increased risk due to absence of clear vaccination policies (e.g., ban on HPAI[1] vaccine)	🟠

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[1] Highly Pathogenic Avian Influenza

Source: Stakeholder interviews

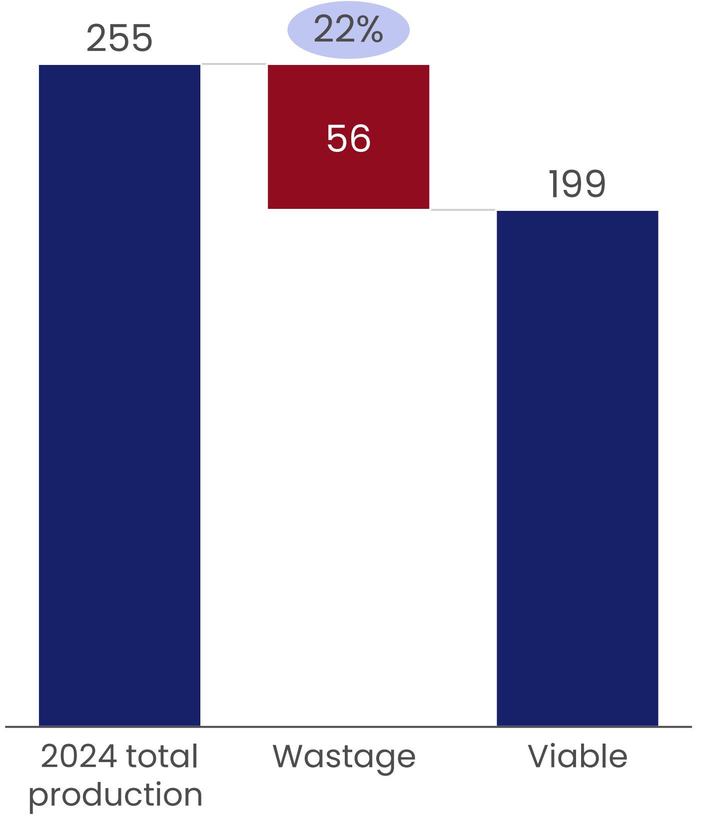
Manufacturing Africa | UK International Development Partnership | Progress | Prosperity

Preliminary – Subject to being refined and improved

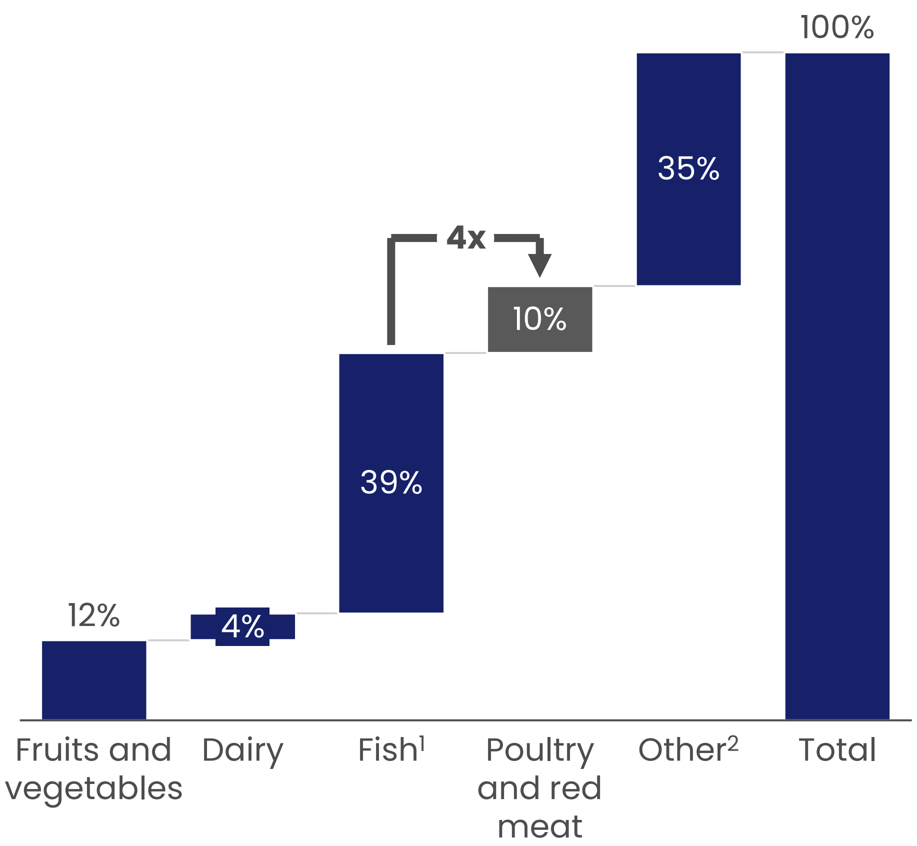
Nigeria loses ~22% of poultry meat due to limited refrigeration, with only ~10% of cold chain capacity serving the industry

X % of poultry meat lost to wastage

2024 estimate of poultry meat loss due to cold chain failures, MT



2023 utilisation of cold chain infrastructure in Nigeria, %



Key insights

- **~22% of poultry meat production is lost due to limited refrigeration**, with only ~10% of Nigeria's cold chain capacity serving both poultry and red meat (vs. 39% for fish)
- **Frozen chicken demands a more intensive cold chain**, beyond the capabilities of current infrastructure designed mainly for already frozen fish
- **Shared cold chain infrastructure** for poultry processors could close the refrigeration gap

1. Dominated by imported frozen fish
2. Storage and transportation of vaccines and pharmaceutical products

Source: GAIN; , Efficiency For Access

Preliminary – Subject to being refined and improved

Four enablers have been identified to address existing pain points within the cold hub infrastructure

Willingness to pay ● High ◐ Medium ◔ Low

Customer segment		**Pain points with existing external cold storage infrastructure**
● **Processors** (Large and medium)		• **Insufficient guarantees and transparency** into temperature integrity and safety compliance • **Insufficient dedicated cold storage for poultry**, with shared use for fish risking product quality and safety • **Unreliable last-mile distribution from logistics providers** hampering delivery from distribution centres to customers • **Insufficient systems to manage competitor-related risks** in existing shared storage environments
◔ **Offtakers**	Modern retailer	• **Satellite towns require setup of freezer rooms** near stores to supplement central distribution centres
	QSR	• **Weak infrastructure forces companies to build their own distribution networks** limiting capacity and expansion efforts

Enablers of change

Shared cold storage across major regions with the following enablers:

1. **Strict controls and governance** at distribution centres, e.g., dedicated zones, access controls, and audits, to maintain competitive advantage
2. **Guaranteed cold-chain performance** enforced through strict SLAs[1]
3. **Dedicated third-party facilities** serving only poultry clients
4. **Reliable distribution network** through committed delivery cadence and service levels

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1. SLAs- Service Level Agreements

Source: Stakeholder interviews

Case study: Mets Cold Storage built a multi-client platform by combining cold storage and additional services[1]

Background

Demand for meat and poultry cold-chain logistics in the Philippines grew with modern trade, QSR expansion, and imports, increasing the need for reliable multi-client frozen storage

MCSSI[2] evolved into a comprehensive multi-client platform, expanding from cold storage to blast freezing and toll processing under a unified operation

The platform fosters trust through its NMIS[4] accreditation and HACCP[3] certification

How it works

- **Operator-led multi-client model:** MCSSI manages cold storage and related services for multiple clients—importers, processors, and distributors—who lease capacity and pay for handling and value-added services
- **Integrated service offering:** Combining cold storage, blast freezing, and toll processing reduces customer capital expenditure on separate facilities for each process
- **Trust layer:** Compliance with standards like NMIS Triple A, GOP[5], and HACCP, supported by accreditation at Balagtas, improves onboarding and audit confidence
- **Commercial mechanics:** Standardised tariffs and clear service-level agreements streamline storage, handling, temperature control, and turnaround expectations

Key offering and element

- **Advanced freezing system** combines multi-temperature control with high throughput, accelerating freeze times and improving product quality
- **Standardised operation—'one operator, one SOP[6]',** reducing contamination risk and ensures process consistency across sites
- **Enhanced product perception** through regulatory compliance by integrating accreditation and HACCP, turning quality assurance into a competitive edge

Impact so far

- **Consolidated multiple customer segments onto a single platform** across 7 facilities with 100k pallet positions each
- **Built user trust through certifications**, simplified onboarding, and provides a competitive advantage in logistics
- **Integrated additional services** e.g., blast freezing increasing revenue per pallet, improve ultilisation and strengthening cold room economics

Key learnings

Regulatory credibility is a faster trust accelerator than relationships

Accreditation and HACCP-style controls provide a neutral trust standard for competing users. In Nigeria, aligning with NAFDAC[7] expectations and buyer audits can play a similar role

Design for tropical realities: power stability and humidity control are core

MCSSI's positioning explicitly reflects tropical operating constraints. For Nigeria, EaaS integration (backup power + controls) should be treated as part of the cold-room product, not an optional add-on

Scale through adjacent add on services

Blast freezing and adjacent services increase value capture, while reducing CAPEX needs for you customers

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1. Including blast freezing and processing//2.MCSSI - Mets Cold Storage Services//3. HACCP - Hazard Analysis Critical Control Points
4. NMIS - National Meat Inspection Service // 5.GOP - Good Operating Practices//6.SOP - Standard Operating Procedure7.NAFDAC - National Agency For Food and Drug Administration and Control

Source: METS Cold Storage Services

Case study: Snowman built multi-client cold-chain trust using BRCGS certification and real-time logs

SNOWMAN

Background

India's protein value chains rely on reliable cold storage amidst fragmented producers, transporters, and buyers, but quality issues cause high costs and disputes

Snowman standardised cold storage through industrial service warehouses into a pan-India cold logistics platform by standardizing cold storage operating across ambient-to-frozen ranges, integrated with temperature-controlled line-haul and last-mile delivery to QSRs[1] and retail outlets

Snowman's success hinges on third-party certification and digital proof—using WMS[2] and GPS/temperature logs to replace trust with verifiable audits

How the ecosystem operated

- **Shared assets**: clients ultilise pallet space across multi-temperature warehouses from +25°C to -25°C, including blast-freezing
- **Integrated transport**: reefer fleet, cargo consolidation, and last-mile delivery support QSR, retail, and hospitality
- **Traceability**: WMS and ERP[4] systems enforce lot and pallet discipline; GPS and temperature logging enable full visibility
- **Food-safety trust**: ISO 22000, ISO 14001, and BRCGS[3] Storage & Distribution certification enhance audit rigor, security, and vehicle standards

Key offering and element

- **BRCGS S&D functions as a contractual standard**, providing an auditable checklist for hygiene, calibration, training, security, and documentation
- **Digital verification: GPS tracking and temperature logs** offer objective evidence for SLA enforcement, audits, and claims
- **Multi-client framework: zoning, slotting, and blast-freezing workflows** reduce cross-contamination and improve throughput

Impact so far

- **Scaled to 33 warehouses in 15 cities,** with capacity for over 100,000 pallets, around 293 reefer vehicles, and a team of more than 1,400
- **Certified by BRCGS Storage & Distribution across six of its largest warehouses** and complies with ISO 22000/14001 standards across all its warehouses enhancing trust among its customers

Key learnings

Risk transfer must be explicit to be bankable

BRCGS S&D reduces onboarding friction: buyers know what controls exist, and operators know what will be audited, selling not just a cold space but also compliance

Use digital logs as the undisputable dispute resolution mechanism

GPS + temperature logs turn failures into diagnosable events, enabling fair claims and SLA penalties, essential when multiple processors share assets and liability is high

Pooling only works with operational discipline

Multi-client cold stores win on utilisation requiring strict zoning, training and documentation to prevent cross-contamination

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1. QSR - Quick Service Restaurant 2.Warehouse Management System 3.Brand Reputation through Compliance Global Standards (BRCGS)
4. Enterprise Resource Planning

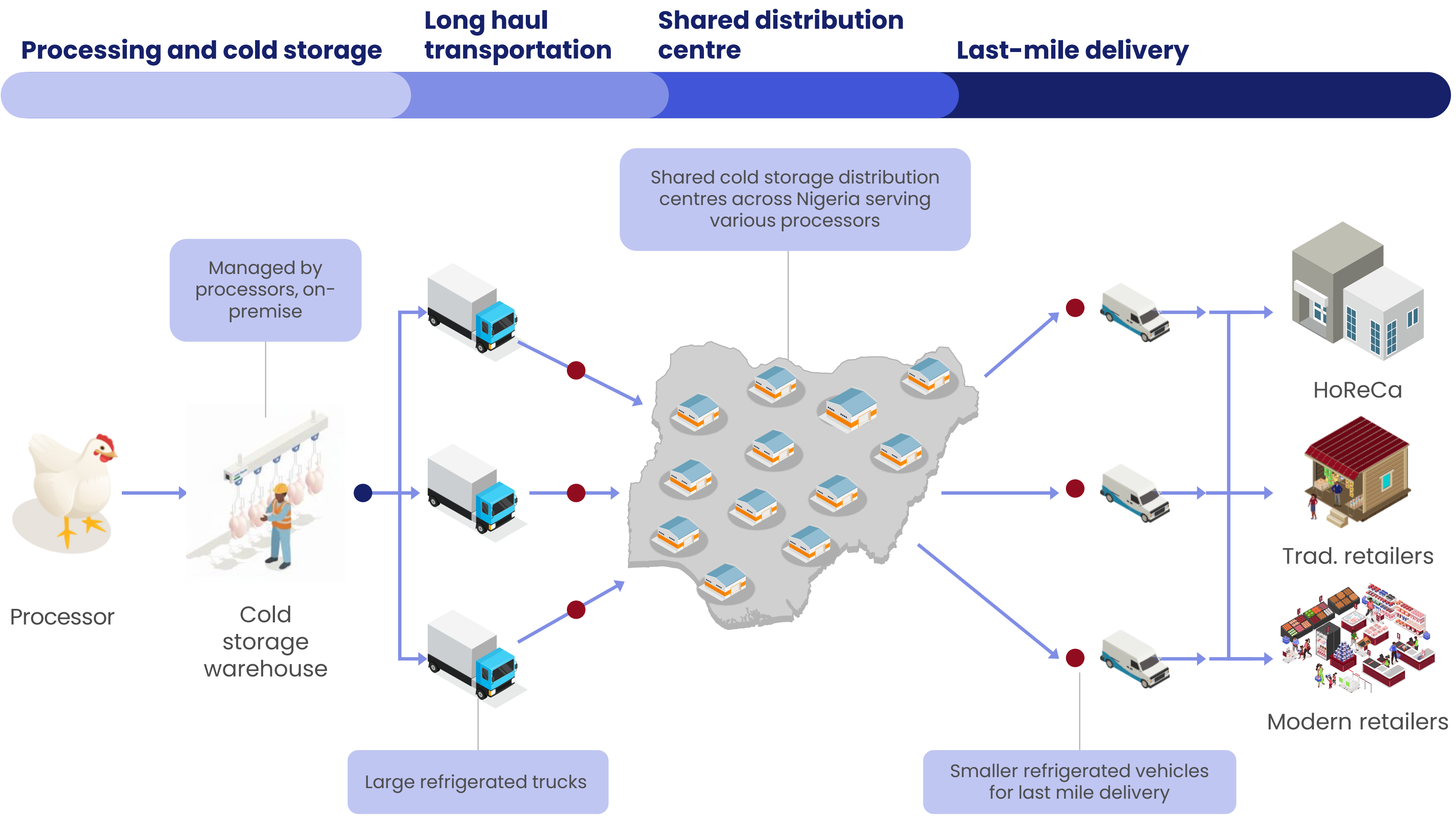
Source: Snowman

Preliminary – Subject to being refined and improved

Proposed shared distribution centre approach

A network of shared distribution centres would expand market reach for both poultry processors and offtakers

Owner: ● Processor ● Cold chain company or processor ▨ Cold chain company



Processing and cold storage

Long haul transportation

Shared distribution centre

Last-mile delivery

Managed by processors, on-premise

Shared cold storage distribution centres across Nigeria serving various processors

Large refrigerated trucks

Smaller refrigerated vehicles for last mile delivery

Stakeholder roles at shared distribution centre

Processor

- **Leases dedicated storage** based on their needs at the shared distribution centre, ensuring streamlined operations
- **Delivers on-site inventory management** through dedicated staff, fostering trust and supporting competitiveness

Cold chain company

- **Provides transparent oversight** achieved through SLA-based monitoring, ensuring accountability and performance

Source: Stakeholder interviews

Agenda

Offtaker arrangements

Alternative energy for processors

Shared cold chain

- Additional prioritised opportunities – Whitespace analysis
- **Investment case**

Government interventions

Next steps

Preliminary – Subject to being refined and improved

6 key elements could enable the shared cold chain facility for poultry to be investable

Category	Description	Rationale
Utilisation rate	**30% minimum year-round** utilisation commitment by mid-sized processors	**Provides base load** that then allows the facility to achieve an average annual utilisation rate of 70-80%
Pricing	**Minimum N80k ($58[1]) / month charge to processors**, to achieve a payback period of <4 years **+15%** premium for retailers and **+25%** for spot buyers	**Processors are willing** to pay this amount **Discounted prices attract** longer term leasers, retailers and spot buyers
Financing	**60% ($250k for 100MT)** grant financing **40%** debt at **11%** concessional rates	**Grant funding lower than 60% increases financing costs**, payback period, or price above the range of processors' willingness to pay
Energy source	**100%** solar	**Solar reduces OPEX cost vs grid/diesel generators** while allowing cold chain provider to access concessional financing products e.g., Bank of Industry Solar Energy Fund
Fleet utilisation rate	**>70%** average utilisation rate	**Enables acceptable pricing** for last mile distribution
Location	Lagos, Abuja, Port Harcourt, Kano	**High population (> 5 million)** locations close to retailers and end consumers

1. NGN to USD conversion rate - 1372

Source: Stakeholder interviews, Bank of Industry Solar Energy Fund

There are 4 distinct customer types for shared cold chain

	Large processor	Mid-sized processor	Retailers	Spot buyers
Contract length[1]	**1-6 months**	**6+ months**	**3-7 days**	**3-7 days**
When	May to February	All year	All year	All year
Peak period	May to August	September to December	September to December	September to December
Rationale	**Have existing distribution centres,** so only use additional storage during off-peak periods	**No existing distribution centres**, utilising cold storage to support last mile efficiently	**Limited in-house cold storage** so need to use for short-term stock to support sales	**Limited in-house capacity,** used for short-term stock to support daily operations (e.g., small restaurants)

---

1. Typical dwell time for processors is 3 -4 weeks at a time

Dwell time – Amount of time a product/load stays the storage facility i.e., storage time

Source: Stakeholder conversations

1. Average yearly utilisation rate of 70-80% is achievable by sharing cold chain facilities among various customer types

X Price per kg, N · 🟦 Large processor(s) · 🟦 Mid-sized processor(s) · 🟥 Retailers[1] · 🟦 Spot buyers

Projected month-to-month utilisation rate of a 100MT facility

Ramp down from peak

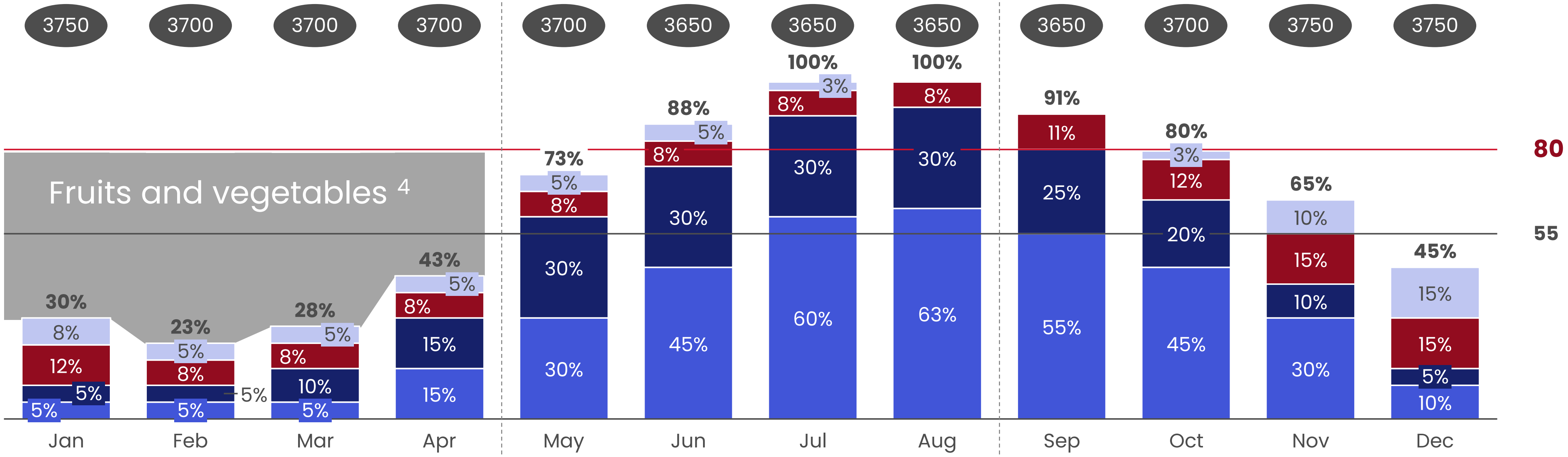
- Capacity need reduces across the board as demand softens from the holiday season highs

Off peak season

- Large-scale processors stockpile as demand stays subdued
- Mid-sized processors retain contracted capacity as capacity needs reduce for retailers and spot buyers

Peak season

- Large processors capacity needs reduce as demand supports P2C[2] sales
- Mid-sized processors, retailers and spot buyers need for capacity increases to match holiday season consumer demand



Target avg yearly utilisation

~80%

Per customer type

- ~5%
- ~10%
- 35%
- ~30%

1. Based on 50-70% average utilisation across the year with 100% utilisation in peak months in a 15-tonne facility 2. Plant to consumer distribution without need for cold storage or distribution centres 3. Mid sized processors, retailers and spot buyers 4. By segmenting the cold room, fruits and vegetables may be stored in the same premises during post holidays ramp down, increasing overall utilisation to 80%

Manufacturing Africa | UK International Development

Source: Stakeholder interviews

Preliminary – Subject to being refined and improved

A 4-year payback period is achievable by maintaining a 70-80% average utilisation rate while keeping prices between N80-90k

▨ Above processors price ceiling 🟩 Potential win-win combinations Less/equal to 4 years 🟥 Above 4 years

Payback period based on pricing and utilisation rate

Base price (MT/Month)[2]

Utilisation →	60%	65%	70%	75%	80%	85%	90%	95%	100%
₦60k ($43)	7	7	6	6	5	5	5	5	4
₦70k ($51)	7	6	6	5	5	5	4	4	4
₦80k ($58)	6	6	5	5	4	4	4	3	3
₦90k ($66)	5	5	5	4	4	3	3	3	3
₦100k($73)	5	5	4	4	3	3	3	3	2

Key takeaway

- Based on projected achievable utilisation rate of **70-80%,** some **combinations** could be potential **'win-win solutions'**, primarily driven by **N90k/MT-month price ceiling** that processors are willing to pay

1. Based on stakeholder conversations, retailers would have a minimum of 50% average yearly utilisation
2. Price for long term leases i.e. processors, retailers price at 15% premium above this and for spot leasers 25% above this rate as well

Source: Stakeholder interviews

Preliminary – Subject to being refined and improved

Financial assumptions – Cold chain providers

▨ Details follow

	Key assumptions		Values
Revenue	**Facility**	**Initial facility footprint**	1 facility, total 100MT operating size
		Capacity	100MT per facility
		Y1 storage utilisation rate	~79%
	Fleet	**Last-mile delivery price**	₦ 40,000 per trip ($29)
		Size of truck	5 Tonnes[5]
	Demand growth		3.9%[1]
	Price per MT per month	Processors: ₦ 80k($58)[6] | Retailers – ₦92k($67) | Others – ₦100k($73)	
Costs	**Facility**	**Civil works costs**	₦ 13,720,000 ($10k)[2]
		Cost of land	₦ 20,580,000 ($15k)[3]
		Power and refrigeration equipment	₦ 456,000,000 ($300k)
		Warehouse staffing[4]	3 staff at ₦100k /month/person ($73)
	Fleet	**Fuel costs per litre**	₦ 1,300/litre ($0.95)
	Insurance	**Maintenance per truck per month**	₦ 250k/truck/month ($18) | 3% of asset value, 5% of fleet value
	Payback period		4 years
	Overhead		10% of total operating expenses

1. Growth in line with urban aggregation expected in areas with highest cold chain demand (urban areas) 2. 1372 Naira to USD exchange rate 3 Land costs depend on location, with a wide range e.g., in Lagos, this would be higher ~$40k 4. Does not include other overhead costs such as admin 5. 70% utilisation assumed, based on stakeholder conversations 6. Base price for processors paying through a long-term lease; Pricing for retailers 15% higher and for spot 25% higher than base price

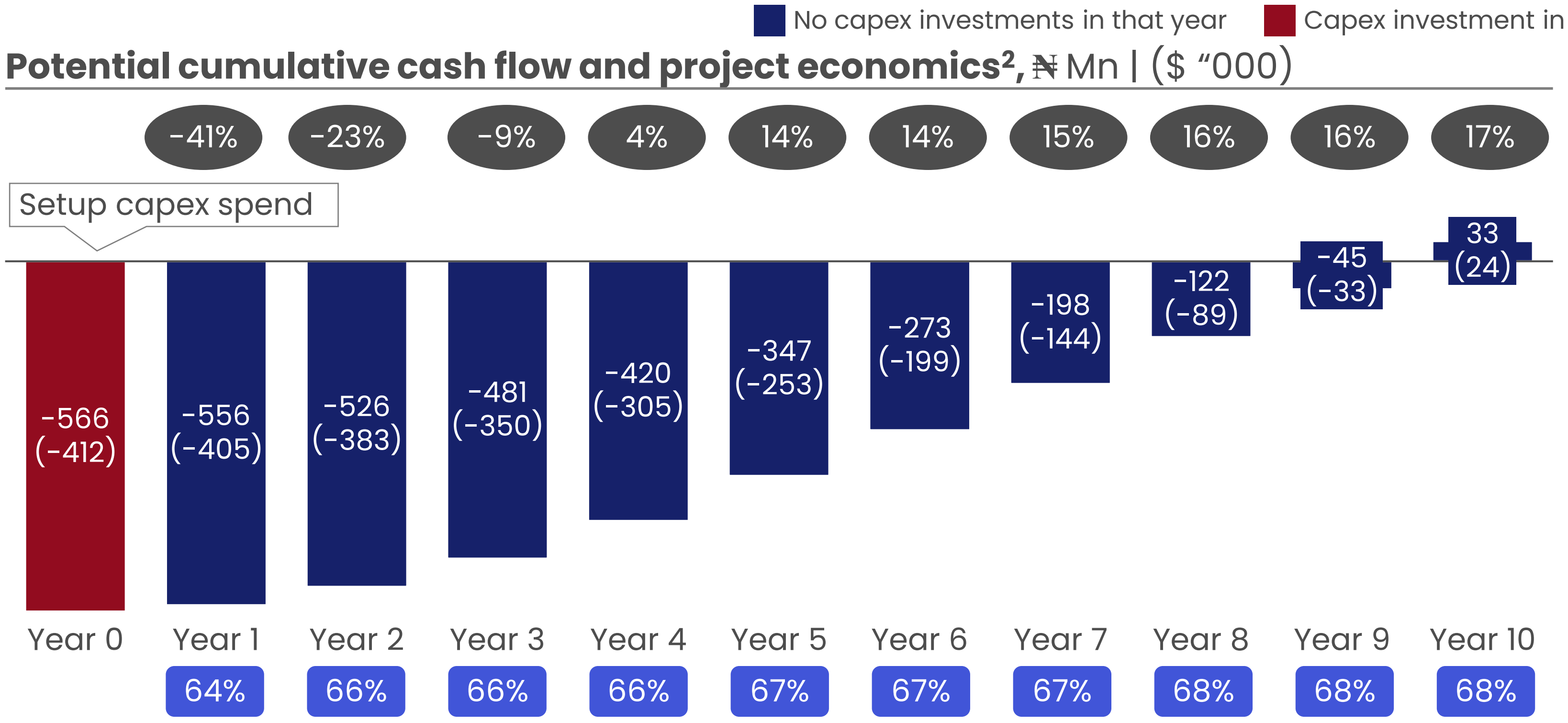
Source: Stakeholder conversations, expert input, Press search; Nigerian population outlook; Population Stat Nigeria

Preliminary – Subject to being refined and improved

Even with 11 % concessional debt for Year 1 CAPEX requirement, shared cold chain facilities are not investable

Financial economics for a 100MT facility targeting ~70-80%[1] utilisation from year 1

Potential cumulative cash flow and project economics[2], ₦ Mn | ($ "000)



~10 years	**1%**	**29%**	**₦ 78Mn | $54k**
Time to **profitability/ steady state**	ROI in Year 10	IRR calculated over **10 years**	EBITDA in Y10

Key assumptions

• Growth rate CAGR[3]	**3.9%**
Capex per facility	
• Civil works costs[4]	**N14Mn ($10k)**
• Power and refrigeration equipment costs[5]	**N456Mn ($300k)**
• Fleet costs[6]	**N90Mn ($65k)**
Opex per facility	
Cold storage	**N24Mn($17k)**
• Cold storage maintenance	**N4.8Mn($3.4k)**
• Insurance costs	**N14Mn($10k)**
• Warehouse staff	**N3.6Mn($2.6k)**
• Utilities (non energy)	**N1.3Mn($0.95k)**
Fleet	**N39Mn($28k)**
• Fuel costs	**N17Mn($12k)**
• Driver salary	**N4.8Mn($3.5k)**
• Insurance	**N11Mn($8k)**
• Fleet maintenance	**N6Mn(4.3k)**

1. Utilisation influences capex investment decisions, and is above 70% for the projected ten years, increasing by ~4% per year to align with increased urban aggregation 2. Storage pricing based on achieving payback of 4 years while in N70k-N90k range pricing for processors 3. Assumes incremental volume growth driven by increased urban aggregation in the cities, with shared cold chain facilities enabling capture of ~90% of the urban population growth rate (4.31%), supporting an increase in cold-chain provider's market share from 6.37% in Year 1 to 6.7% by Year 10 4. Includes land acquisition, base preparation and facility office cost 5. Full solar installation with no grid or diesel generator support 6. Assumes each facility requires 2 trucks each of 5 tonnes

Source: Expert interviews, stakeholder conversations, Press search;

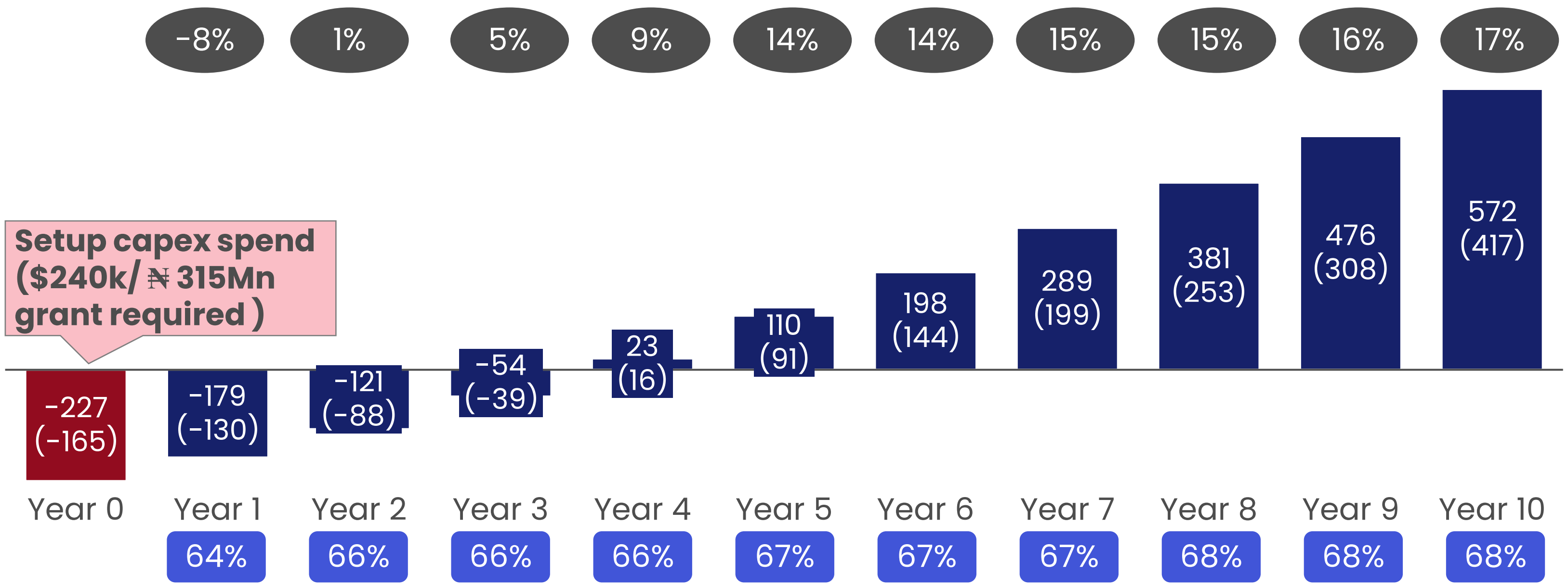
Preliminary – Subject to being refined and improved

60% grant and 40% concessional debt is required to make shared cold chain facilities economically viable

Financial economics for a 100MT facility targeting ~70-80%[1] utilisation from year 1

🟦 No capex investments in that year 🟥 Capex investment in that year X% EBITDA margins X% Net margins

Potential cumulative cash flow and project economics[2], ₦ Mn | ($ "000)



~4 years	15%	29%	₦ 78Mn | $54k
Time to **profitability/ steady state**	ROI in Year 10	IRR calculated over **10 years**	EBITDA in Year 10

Key assumptions

- Growth rate CAGR[3]	**3.9%**
Capex per facility	
- Civil works costs[4]	**N14Mn ($10k)**
- Power and refrigeration equipment costs[5]	**N456Mn ($300k)**
- Fleet costs[6]	**N90Mn ($65k)**
Opex per facility	
Cold storage	**N24Mn($17k)**
- Cold storage maintenance	**N4.8Mn($3.4k)**
- Insurance costs	**N14Mn($10k)**
- Warehouse staff	**N3.6Mn($2.6k)**
- Utilities (non energy)	**N1.3Mn($0.95k)**
Fleet	**N39Mn($28k)**
- Fuel costs	**N17Mn($12k)**
- Driver salary	**N4.8Mn($3.5k)**
- Insurance	**N11Mn($8k)**
- Fleet maintenance	**N6Mn(4.3k)**

1. Utilisation influences capex investment decisions, and is above 70% for the projected ten years, increasing by ~4% per year to align with increased urban aggregation 2. Storage pricing based on achieving payback of 4 years while in N70k-N90k range pricing for processors 3. Assumes incremental volume growth driven by increased urban aggregation in the cities, with shared cold chain facilities enabling capture of ~90% of the urban population growth rate (4.31%), supporting an increase in cold-chain provider's market share from 6.37% in Year 1 to 6.7% by Year 10 4. Includes land acquisition, base preparation and facility office cost 5. Full solar installation with no grid or diesel generator support 6. Assumes each facility requires 2 trucks each of 5 tonnes

Source: Expert interviews, stakeholder conversations, Press search;

Financial assumptions – Shared cold chain facilities for mid-sized processors

PRELIMINARY

	Key assumptions	Values
Revenue	**Production growth**	3.92% CAGR[1]
	Shared cold chain facility rental	Average 35MT rented capacity in Y1, 30 MT dedicated all year round (100MT total size)
	Base volume rerouted through shared cold chain	5%
	Volume uplift owing to access to cold chain [4]	10%
	Additional volume uplift in subsequent years[2]	2%
	Additional revenue from lower-volume consumers	₦ 100 ($0.07)
Costs	**Unit opex (less distribution)**	₦ 3300[3] ($2.4)
	Discount for pickup at shared cold chain locations	₦ 20 ($0.014)
	% of consumers picking up from shared cold chain locations	50%
	Discounts from third-party providers	20%
	Shared cold chain location cost	₦ 80k ($58)/MT/month

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1. Projected production growth rate from OECD-FAO Nigeria agricultural outlook 2025-2034;
2. Assumes that processor will be able to capture 50% (in base case, 75% in best case) of the 4.31% volume required due to increased urban aggregation;
3. Naira to USD exchange rate : 1372
4. For the first year alone, subsequent years this figure grows based on the demand growth

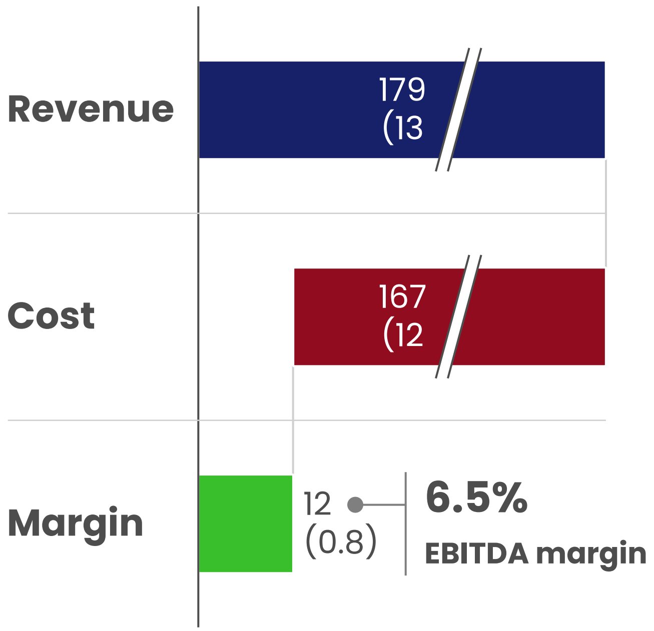
Source: Stakeholder conversations, expert input, OECD, Press search

Mid-sized processors gross profit could potentially grow by 4% YoY through additional sales enabled by shared cold chain

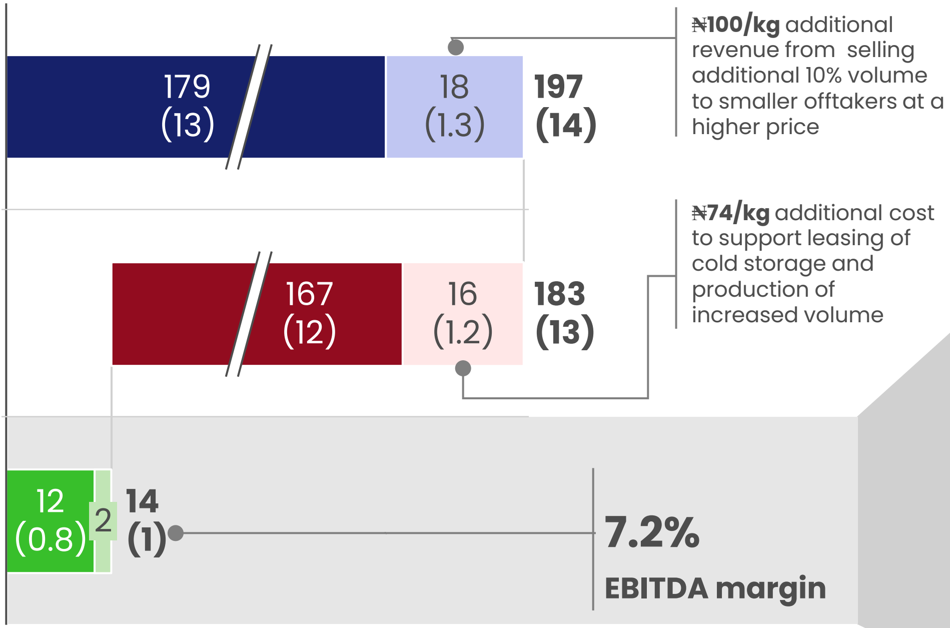
A mid sized processor (~4.8k MT annually)could utilise shared cold storage to sell an additional 10% volume at N100/kg price premium to smaller offtakers[1]

🟦 Base revenue[A] 🟦 Additional revenue[B] 🟥 Base cost[C] 🟥 Additional cost[D]

Margin breakdown without cold chain Year 1, ₦ Bn | ($Mn)



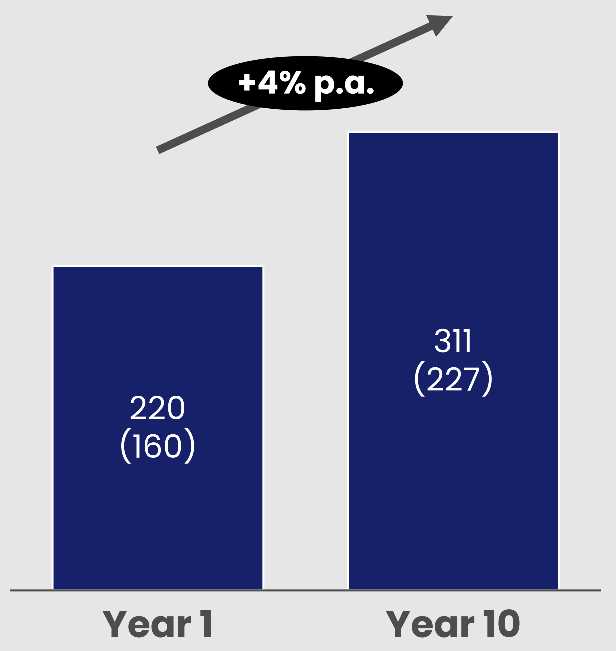
Margin breakdown with cold chain Year 1, ₦ Bn | ($ Mn)



₦100/kg additional revenue from selling additional 10% volume to smaller offtakers at a higher price

₦74/kg additional cost to support leasing of cold storage and production of increased volume

Potential additional gross profit from higher margin, ₦ Mn | ($ '000)



Assumptions

Revenue

A. **Base revenue**: Farm gate price – N3700 // Total volume: ~4.8k MT

B. **Additional revenue**: Sales price for smaller offtakers price – N3800 //Additional volume enabled by shared cold chain – 10% of total volume (~480MT), serving 5-10 small offtakers each buying 0.5-2tn of frozen chicken per week

Cost

C. **Base Costs** : Production cost, including salaries - N3308/kg // Cost of distribution[2] - N94/kg

D. **Additional Costs** : Production cost for additional volume - N3308/kg // Cost of distribution including last mile (50% of smaller offtakers pick up at shared cold chain locations) and line haul costs - N112/kg // Cost of storage – N80k/MT/month // Average storage use per month - 35MT // typical dwell time 3-4 weeks

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1. Offtakers unable to handle the typical 15-20tn truckload size, instead work with smaller volumes, 0.5-2tn per week, with limited storage. For
2. Processor handles distribution from plant direct to customer, either through own trucks or third-party logistics provider

Source: Expert interviews, stakeholder conversations

Agenda

Offtaker arrangements

Alternative energy for processors

Shared cold chain

Government interventions

Next steps

Potential government interventions will be critical in supporting transformation of the Poultry value chain

Interventions highlighted by stakeholders

Affordable financing across the value chain	**Smallholder farmers:** Provide single-digit concessional lending, structured in line with production cycles
	Agribusiness: Offer large, low-interest (<10%) and long-term loans to support business setup and expansion
Predictable import policy	Stabilise import policy on inputs e.g., maize, soya etc.,
	Liberalise parent and grandparent stock imports through controlled licensing to reduce hatchery setup costs
	Tighten anti-smuggling enforcement on frozen chicken imports
Fertiliser subsidies for feed producers	Use targeted fertiliser support and grain-development programmes to lower feed costs and build local capacity in key feed inputs rather than relying on imports
Market creation and production security	Expand institutional offtake such as hospitals, universities, military etc.
	Improve security in production clusters so farmers can scale flock sizes and commit fresh capital

What stakeholders are saying

> *"High borrowing costs are limiting flock expansion, there is need for affordable financing directly to smallholder farmers"*

> *"Well managed intervention funds catering to different poultry agribusinesses e.g., hatcheries would support these businesses to scale"*

> *"Policy uncertainty on poultry imports discourages investment and creates room for smuggling of finished products"*

> *"Feed is primary cost pressure; reducing fertiliser costs would enhance local feed supply over importing lower-quality alternatives"*

> *"School feeding programmes provided stable demand while they were running"*

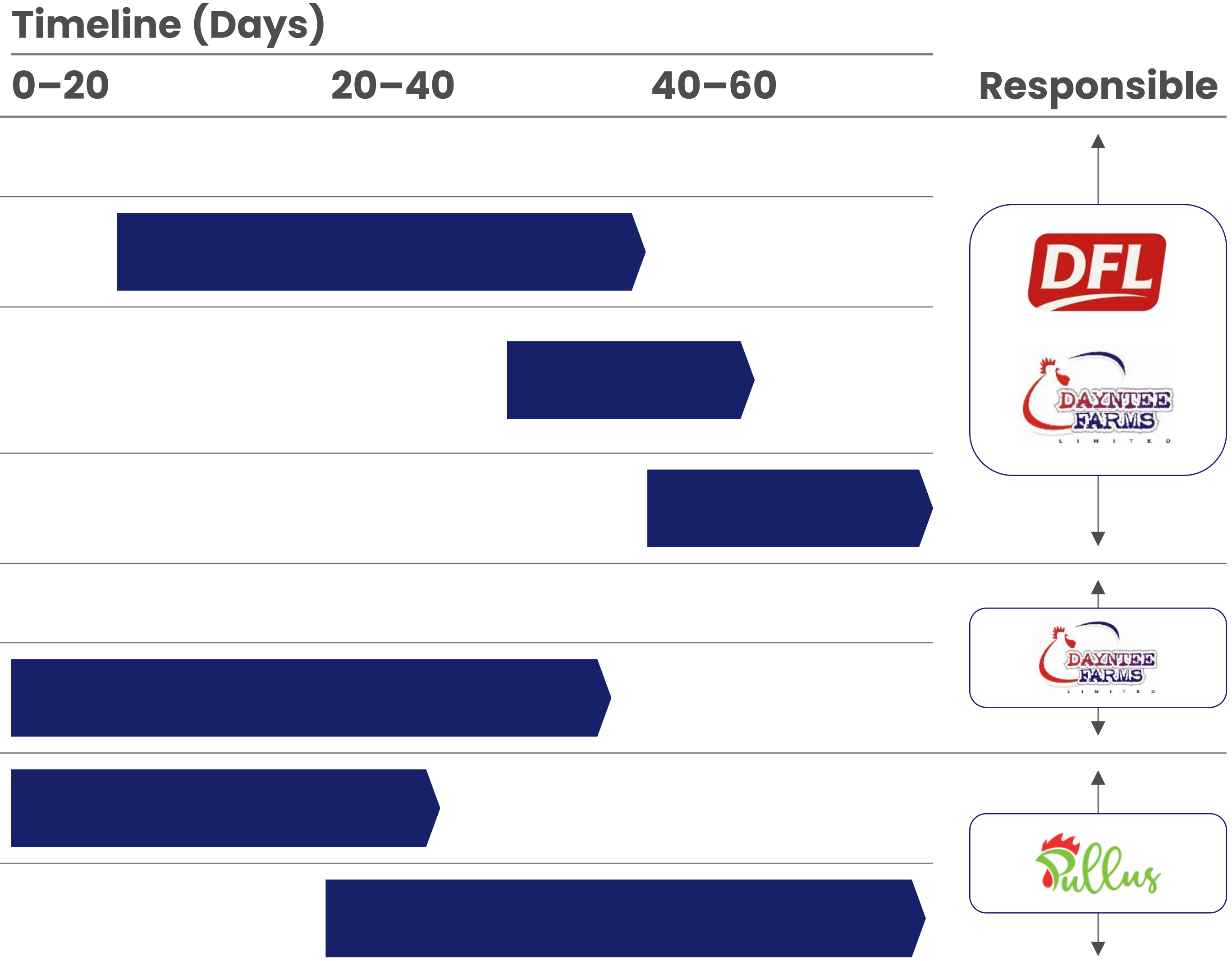
Agenda

- Offtaker arrangements
- Alternative energy for processors
- Shared cold chain
- Government interventions
- **Next steps**

Preliminary – Subject to being refined and improved

The next 60 days across piloted investment opportunities

Illustrative 60-day view across current offtaker and alternative energy pilots



Activity

A. Offtaker arrangements

A1. Run the first production cycle with already-contracted farmers

A2. Review production-cycle performance and refine contracts, support and farmer arrangements as needed

A3. Onboard additional farmers for the next cycle and put rolling farmer enrolment in place

B. Alternative energy

B1. Review current solar performance and agree next-phase deployment for hatcheries and processing

B2. Conduct energy audits and identify the right pilot size based on economics and financing options

B3. Shortlist providers, select the preferred solution and lock the rollout and savings-tracking plan

Preliminary – Subject to being refined and improved

The next 60 days for the shared cold chain provider pilot

Shared cold chain pilot: ColdHubs-led design stage with pilot city and anchor processor to be confirmed

Activity

A. Define pilot location and scale

A1. Screen candidate cities against demand, processor concentration, route economics and land practicality

A2. Select the preferred pilot city and define indicative site footprint, storage capacity and fleet need

B. Secure anchor demand and utilisation

B1. Identify priority large and mid-sized processor(s) & retailers / distributors for the pilot & test interest levels

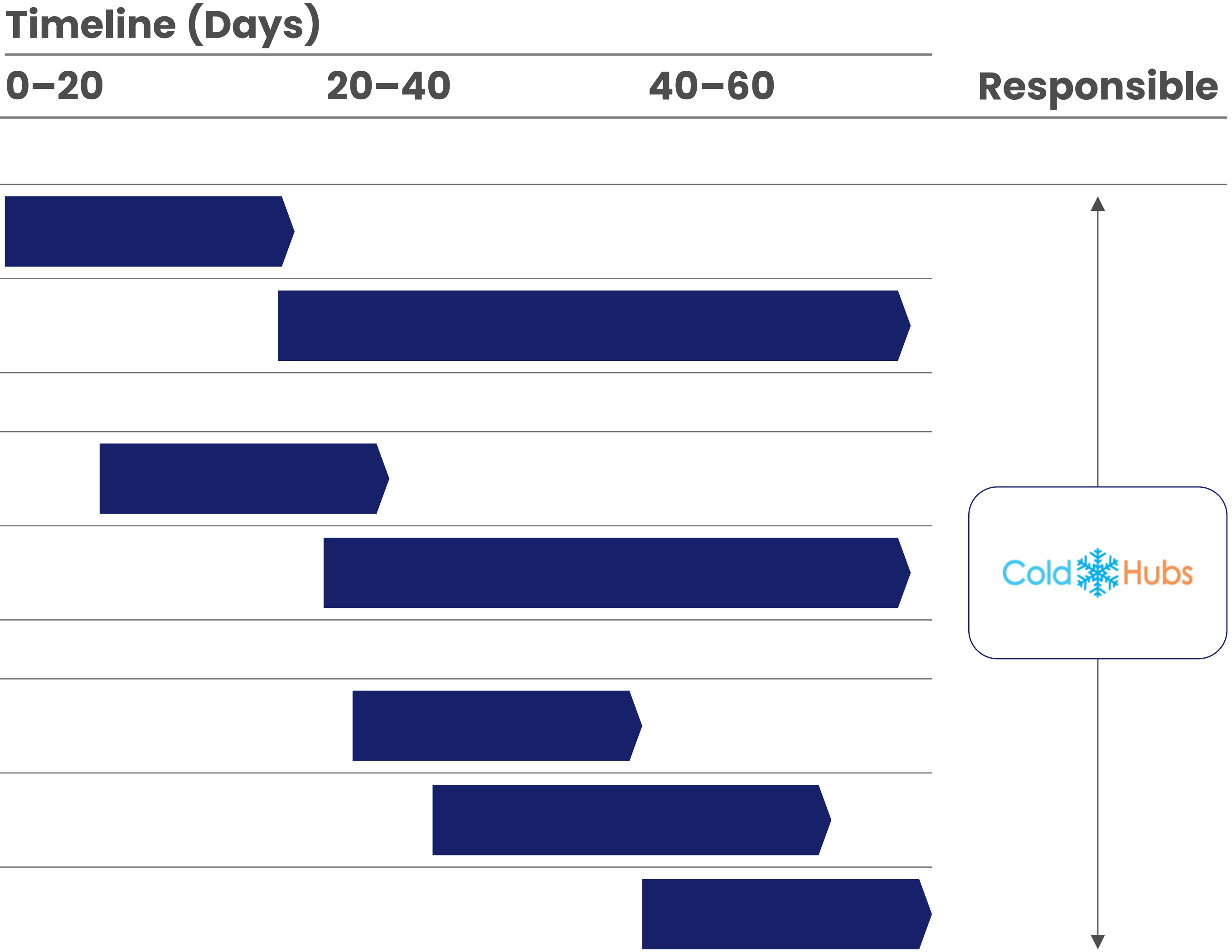
B2. Determine the anchor processor/retailer & negotiate MoU[1]s for first-year utilisation commitments

C. Firm up funding and launch readiness

C1. Refine pilot economics, capex, opex and the total funding requirement

C2. Shortlist project financiers and test debt and blended-finance structures

C3. Finalise the operating model, governance and implementation plan for pilot launch



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1. MoUs - Memorandum of Understanding

End