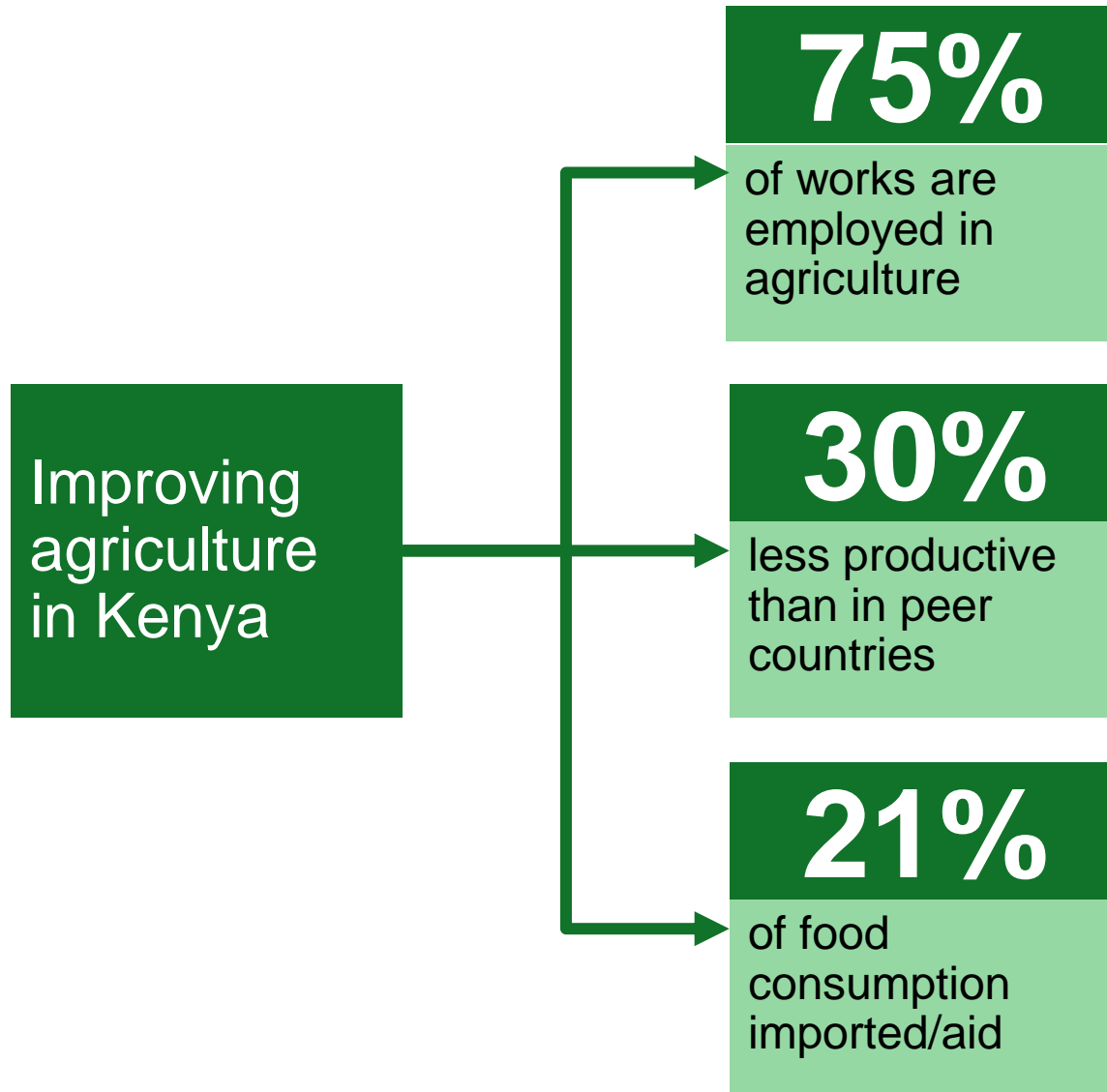




Juhudi Kilimo

Changing the way farmers do business
Presentation to potential investors

Improving agriculture -> big social impact

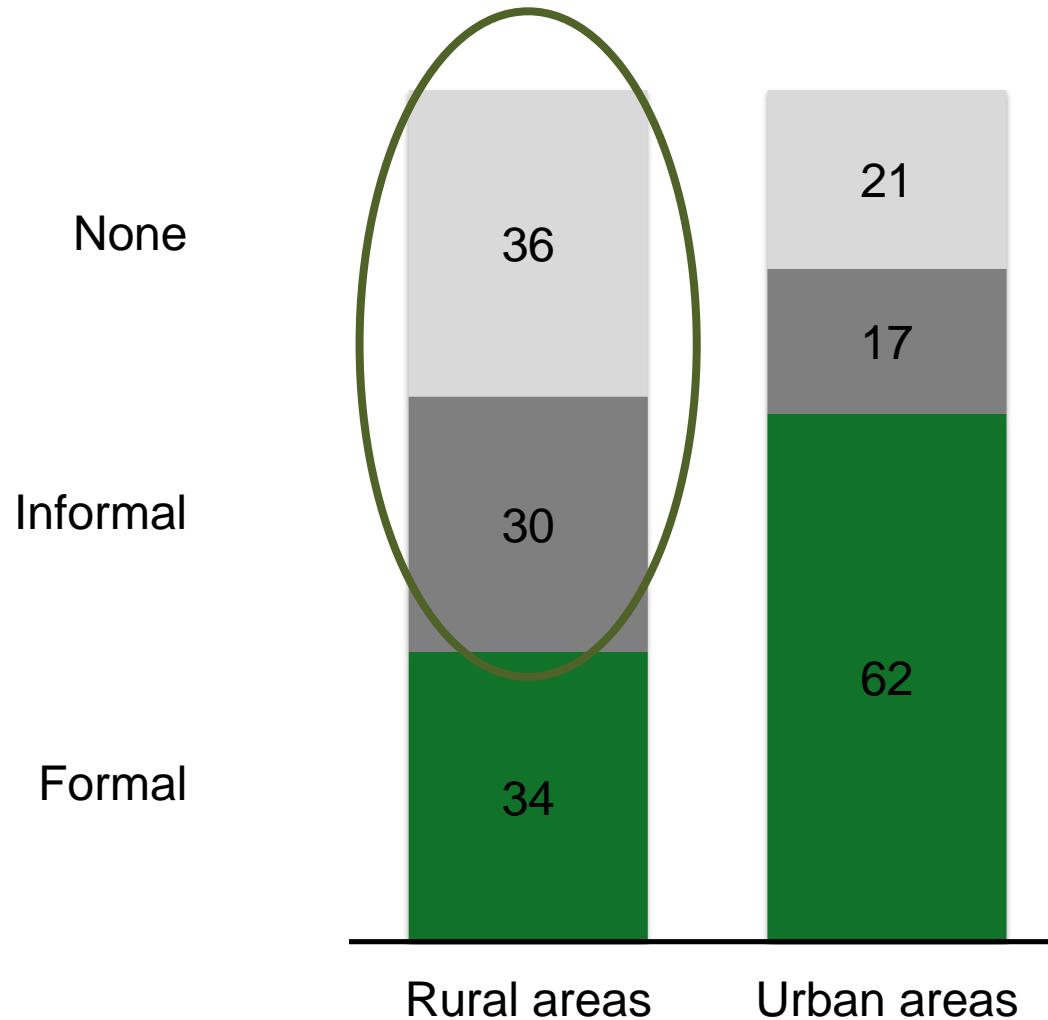




Capital needed
to become
more productive

Limited access to finance

% of population with access to financial services



As much as 66% of the rural population do not have access to formal financial services

Juhudi Kilimo was created to address this problem



Founded: in 2009 as a for-profit entity and spun-off from the pilot program under the NGO called the K-Rep Development Agency

Mission: To provide market driven, wealth-creating financial services that empower smallholder farmers and rural enterprises to create sustainable agri-businesses and improve their livelihoods

Clients: 10,550 clients

Offices: 8 offices covering central and western agricultural hubs of Kenya

Repayment Rate: Average 95% over two years



Product Features: Sample Assets



Dairy cows



Cooling tanks



Irrigation equipment



Greenhouses



Poultry



Grain Mills

Other Features

Grace Period:
up to 2 months of interest only due

Insurance:
covering death and disease

Savings:
Required 15% upfront cash collateral

Success Factors: Traditional Microfinance vs Asset Finance

Traditional Microfinance and Credit

Working capital
and consumption
loans

Demand
collateral used in
foreclosure

Can keep clients
in a poverty
cycle

Asset Financing

Assets generate
cash to pay the
initial loan

Assets are
collateral

Build wealth over
each loan cycle

Success Factors: More than just financing

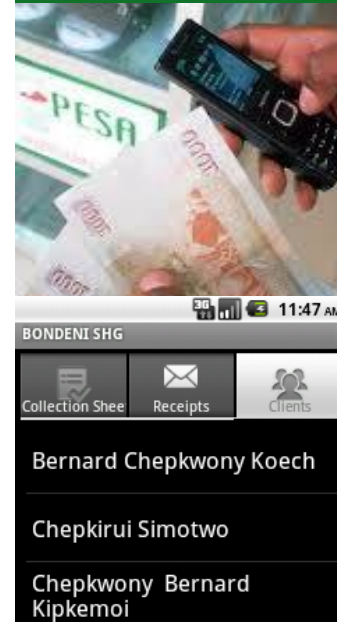
Group Training



Linkages to Experts



Mobile Technology



Insurance



RISK

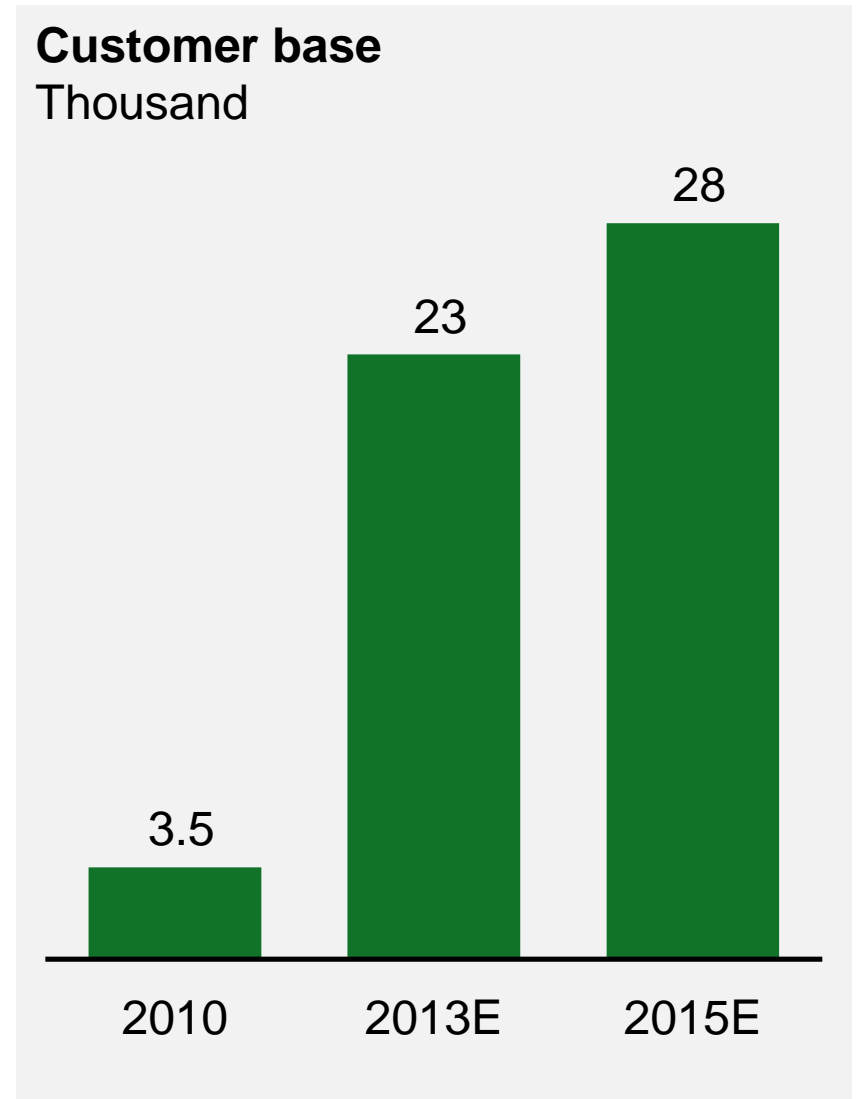
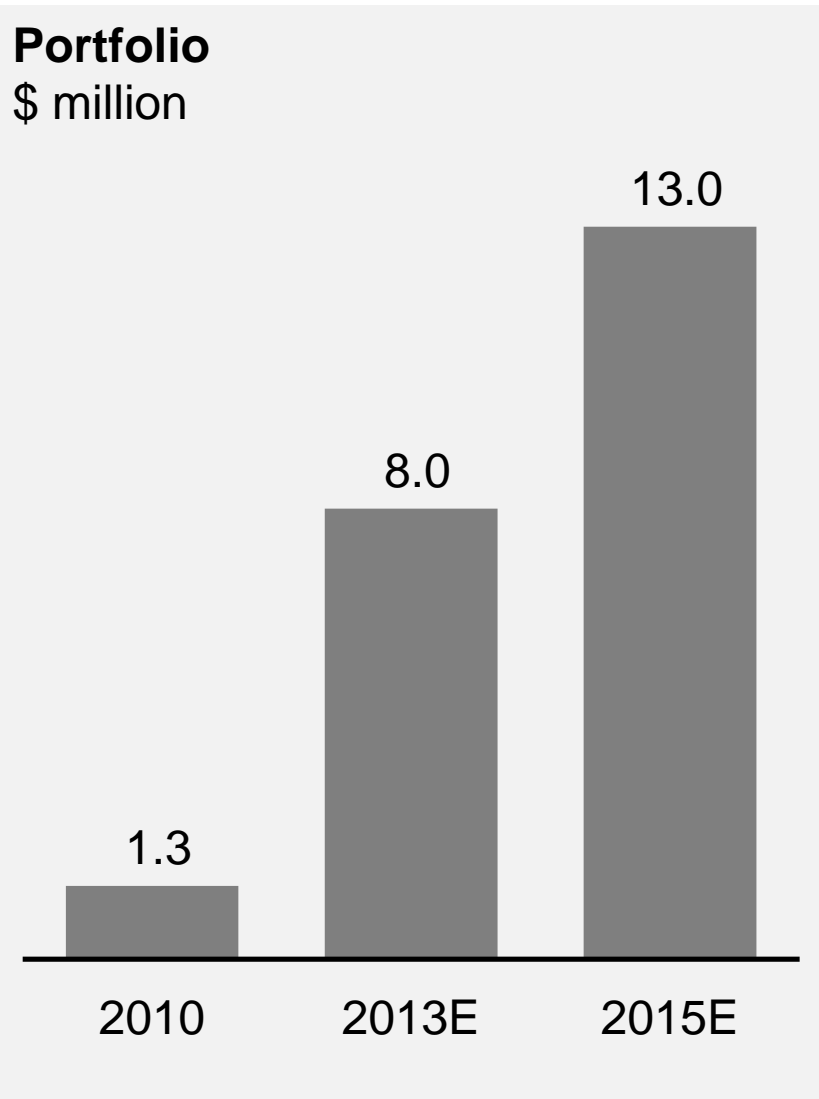
Success Factors: Strong partners

Juhudi Kilimo's partners



- USD 3 mn plus strong balance sheet funded by 7 partners
- USD 3 mn of additional funding already secured

Key Statistics: Strong portfolio growth



Challenges

Challenge	Explanation	Mitigation
Sector concentration	Too many clients in one type of asset or geographical region	Build portfolio diversification targets for field offices
Variation in climate	For assets used in agriculture, weather patterns can have serious negative impacts on repayments	Diversify portfolio with assets that are less affected by variable weather
Going deep rural	Administration costs can be high in remote rural areas	Carefully consider transportation issues when expanding to new groups of clients

2011 Schwab Social Entrepreneur of the Year



**Aleke Dondo
for Juhudi Kilimo**



Questions?