

Inqo Investments Limited

Investment in Sanergy Inc.



Company Registration Number 1998/024741/06	Share Code INQO	ISIN Number ZAU 000014391
---	--------------------	------------------------------

27 October 2020

Inqo Investments Ltd, the AQSE Exchange-listed ('INQO') social impact investment company today announced a group investment in Sanergy, a Kenyan based organic waste recycling firm adopting an innovative circular economy solution.

Sanergy is a Nairobi based firm recycling sanitation and organic waste into high protein animal feed, fertilizer and biomass briquettes using an innovative circular economy approach. Sanergy currently recycles 12,000 tons of organic waste per year and will shortly complete building a factory capable of processing 72,000 tons per year. The factory is funded with a US \$5M loan from the Overseas Private Investment Corporation (OPIC).

Sanergy mixes sanitation and organic waste into a feedstock for Black Soldier Flies (BSF) to produce a safe high protein animal feed in the form of fly larvae. Sanergy is able to produce a consistently high-quality product that has been approved by the Kenya Bureau of Standards and has been well received by feed millers and breeding farms. The organic material left over from the initial processing can be either composted into a high-quality organic fertilizer or converted into biomass briquettes with a similar calorific content to wood.

Sanitation waste comes from Sanergy's partner company, Fresh Life Initiative, which has a network of 3,400 franchised toilets in Nairobi's informal settlements to provide 24/7 access to safe sanitation for low-income residents. Sanitation is a key issue in informal settlements where a sewerage system is not available and challenging to install. Fresh Life Initiative provides sanitation services to 120,000 people every day, creating over 2,500 jobs in the process.

Nairobi generates more than 1,650 tons of solid organic waste per day in the form of agricultural waste and food waste from the hospitality industry and grocery sector. According to research by campaign group Feedback, 30% of food is rejected at the farm-level in Kenya with a further 20% rejected before export – primarily for cosmetic reasons. Agriculture is the second largest source of global greenhouse gas emissions making food waste a significant global issue. Sanergy's innovative circular economy approach limits the impact of food waste by efficiently recycling waste organic matter back into the food chain.

Sanergy generates income through their waste collection services and the sale of their end-products: KuzaPro animal feed (from fly larvae), Evergrow organic fertilizer and biomass briquettes. Through their pioneering circular economy approach, Sanergy tackles several important social and environmental issues in Nairobi. Sanergy's long term vision is to expand their approach to other African cities with an aim to process 1 million tons of organic waste per year in the next five years.

Inqo is investing alongside a number of other investors including Novastar Ventures.

Enquiries:

Inqo Investments Limited

Chris Bertie, Chief Financial Officer and Chief Operating Officer Tel: +27 (0)83 6254069

Hobart Capital Markets LLP

AQSE Corporate Adviser and Broker

Dr Wang Chong Tel: +44 (0)20 7070 5665

About Inqo Investments Limited

'INQO' (www.inqo.co.za) is a South Africa-based social impact company listed on the London AQSE Stock Exchange. It makes strategic acquisitions and investments in businesses designed to tackle poverty and provide employment, products and services to the poor in Low Income Countries (LICs).