INVESTOR HOSTING CENTRE

WHAT INVESTORS LOOK FOR IN AGRIBUSINESS FINANCE

1 CLARITY OF THE AGRIBUSINESS MODEL & REVENUE LOGIC

What exactly is being produced, how is it sold & where does margin accumulate? 4 core elements must be clearly defined. These are commodity or product form, revenue mechanism, customer identity & the margin structure.

2 MARKET CERTAINTY, NOT HARVEST OPTIMISM

Who is buying, at how much, in what volume & under what contractual terms? The strongest evidence of market certainty here includes signed off-take agreements or supply contracts & letters of intent from processors, aggregators, traders or procurers.

3 EXECUTION CAPABILITY

Who runs the business & can they efficiently run it? Investors evaluate agribusiness execution with respect to 5 core roles. These are farm management, operations & logistics management, water resource management, financial management and technical management. A management team with farming credentials is expected.

4 LAND, WATER & RESOURCE SCALABILITY

Investors want to know if the production can scale & if the underlying resource rights are enough to justify long term capital commitment. There must be compelling evidence of physical resource security & production expansion potential.

5 FARM-LEVEL ECONOMICS THAT SURVIVE A BAD SEASON

Financial modelling must be built around seasonal variability (not best-case yields). Documented & defensible cost of production per hectare, yield assumptions, revenue per hectare scenarios, working capital cycle & breakeven analysis are expected.

6 RISK AWARENESS & MITIGATION

Agriculture simultaneously carries weather, biological, market, regulatory & operational risks. Investors expect well-defined identified risks & their respective mitigants that speak to those areas. In Zimbabwe pricing frameworks & policy shifts are particularly material in agriculture.

7 FINANCIAL DISCIPLINE & TRANSPARENCY

Agricultural financial management is structurally complex. Revenues often arrive in concentrated harvest windows, yet costs accrue continuously across a season. Investors expect to see this complexity modelled, managed & controlled. Every material financial variable should be fully incorporated.

8 VALUE CHAIN POSITIONING & PROCESSING INTENT

Investors evaluate not just where operation sits today, but where the value creation roadmap leads. There must be a clear value chain position with respect to current product form, processing infrastructure & market upgrade pathway.

9 IMPACT WITH PROFITABILITY

Food security, smallholder livelihoods, water stewardship & climate adaption are conditions under with DFI & impact capital flows. More & more investors now evaluate agribusiness opportunities against a defined impact framework. Having existing & documented conservation practices embedded is a plus.

10 SKIN IN THE GAME

Investors back farmers & agribusiness operators who have already committed land, capital, infrastructure & seasons of production data to the opportunity. Quantifiable metrics here include land already owned or leased, infrastructure already in place, crops already in place, production records & equity already committed.