



Business and Investment Snapshot Coffee Briquetting Company	
Sector(s):	Renewable energy: biomass fuel
Location(s):	Addis Ababa, Ethiopia
Product Line(s):	Coffee parchment-based biomass fuel / briquettes
Management:	The company was founded in 2010 by a expat who worked previously with an NGO. He has a background working in large commercial organizations internationally.
Opportunity:	<p>The company presses a mix of coffee parchments, saw dust and/or peanut husks to produce briquettes that can be used for small business and industrial energy production. The company is looking to raise \$178K to be used for purchase of a dryer, crusher and power generator to improve the current production capacity and meet an unfulfilled demand worth \$1.2M in annual revenue.</p> <p>The company is the only briquetting establishment in Addis Ababa. There is currently only one other such company operating in Awassa city (around 260 km south of Addis Ababa).</p>
Market Trends:	The company has unfulfilled demand (to its existing customers) of 280 tons per month, which amounts to annual revenue of \$375K and a potential additional demand (from leads/potential targets) of approximately 600 tons per month (equivalent at current prices to annual revenue of \$805K). The company's main customers are small businesses (mainly restaurants) and factories (mainly tanneries, brick factories and textile manufacturers). The Ethiopian government is currently actively encouraging the manufacturing sector through tax holidays and duty-free privileges on imports. Therefore the company's customer base is expected to grow significantly over the next two to five years. Further, the company plans to expand into regional areas of Ethiopia and produce briquettes from other materials such as sesame husk.
Investment Amount:	\$178K
Projected Revenue:	\$550K
Post-Investment Net Profit Margin:	16%
Projected IRR:	>50%
Social impact:	Reduction in deforestation, reduction in respiratory disease resulting from wood fire burning; fuel efficiency

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