

2020 VOLUME 4

VOICES

CHANGING LIVES ON THE "ROOF OF AFRICA"

The Kingdom of Lesotho is affectionately known as the "roof of Africa." Lying at an average altitude of 2,200 meters (7,218 feet) above sea level, it is the highest country in Africa and the sixth highest in the world. It is a country of pristine rivers, deep lakes and snowcapped mountains.

Yet life in this picturesque setting is hard. Winter temperatures frequently reach -18°C (0°F) while summer rainfall is variable, leaving the country prone to drought. Almost 60% of the population lives below the national poverty line - defined as earning less than \$20 per month - while more than a quarter of the workforce is unemployed. With the country producing less than 20% of its food needs, hunger is an ever-present threat.

This is precisely why 1K Africa's investment in SanLei® Trout - our third portfolio company and first foray into Lesotho - has already contributed to the prosperity of Africa. 1K Africa's backing has not only helped solidify SanLei's strategic distribution agreement with CGC Japan Co Ltd. (CGC), Japan's largest joint-procurement supermarket chain, but has also contributed to the livelihoods of its 96 employees.

Research by Talmar Sustainable Developments shows that the average SanLei employee earns a salary 10 times higher than the national poverty line and is responsible for the welfare of three dependents. That suggests 288 people (96 employees X 3 dependents) are reliant on the salary of a SanLei employee not counting the 77 indirectly employed by suppliers and the additional 96 jobs created further down the value chain.

Considering that on average, each SanLei employee is currently putting two children through school, 1K Africa has also contributed to the educational futures of 192 children. While Lesotho's net enrolment in junior school averages above 80%, this figure slumps to just 10.7% at secondary school level for the lowest wealth quintile (versus 61% for the highest wealth quintile). Jobs are therefore crucial to children's education outcomes.

While Lesotho is still ranked 160th of 188 countries on the United Nations Human Development Index, with your help 1K Africa is making a difference. By leveraging our investor's capital we believe we can fundamentally improve the lives of people in one of Africa's most under-developed nations.



HAVING A JOB AT SANLEI HELPS ME TO FEED MY FAMILY AND STAY PART OF MY COMMUNITY. I DON'T HAVE TO TRAVEL FARAWAY TO A BIG CITY LIKE JOHANNESBURG TO LOOK FOR WORK."



FREE ENTERPRISE IS CONTRIBUTING TO PROSPERITY IN ONE OF AFRICA'S MOST UNDER-DEVELOPED NATIONS, THE KINGDOM OF LESOTHO.