



Hass Avocado - Thika, Kenya

3 April 2023

Is there a good business case to add value to 'Process Grade' Avocado by making Avocado Oil?

**AvoHealth** has a mission to help grow very successful Avocado Oil companies.

Yet - we advise all growers to focus on selling their avocado to fresh fruit markets.

# Avocado Growing is a rapidly expanding industry

## **AvoHealth advises:**

*“Exporting fresh avocado is the most profitable option for growers”.*

Always a % of avocado are not Export Quality

**There’s room for many more Avocado Oil factories.**

Avocado Oil adds value to Process Grade avocado.

**These fruit have no other market**

.... they fall off trees & rot.

World Vegetable Oil demand per person, grows each year:  
2022: >222,000,000 tonnes.

Avocado Oil is very healthy.  
As the world becomes more affluent, it will never be possible to meet demand.

## To consider entering this industry:

- 1) **Climate is an important factor.** We do not want high temperatures - 24 hours a day, 365 days per year.
- 2) **A significant supply of 'mature' fresh, process-grade avocado.** Hass avocado are best.
- 3) **The Avocado must be 'mature'.** The higher the **Dry Matter Content** the better. At least 22%.
- 4) **The length of your Processing Season** may also be important.
- 5) **Cost per kilogram** to buy avocado at your factory door will always have some importance.





# We typically work with 3 types of investor:

- 1) Avocado Growers + Export Pack Houses** are in the 'optimum position'.  
There is a 'social responsibility' to *look after growers*, & buy 100% of their crop.
- 2) Newcomers to the Avocado Industry.**  
Investors with no previous background in the industry.  
..... Remember we all started somewhere!!
- 3) Major Avocado Oil Buyers.** E.g. refinery, cosmetic or food manufacturer.



## Budgeting - 4 main investment areas to plan:

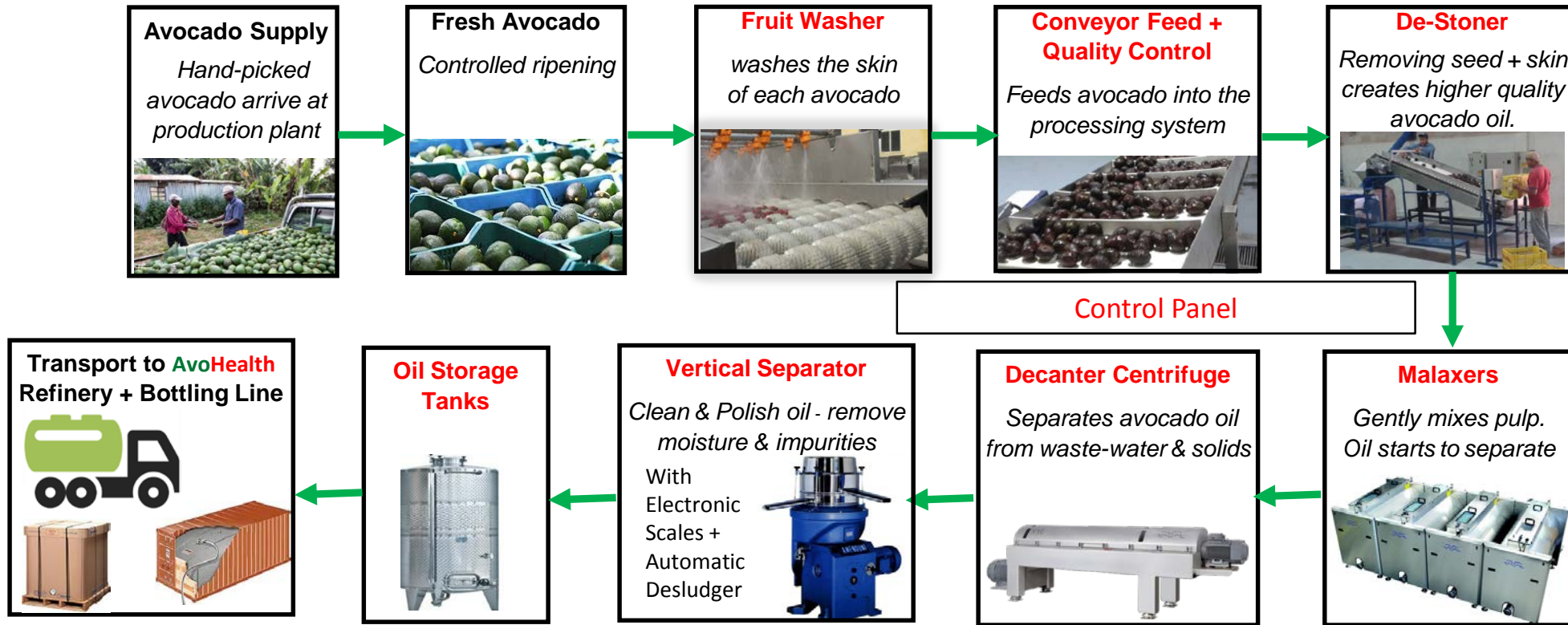
**Each situation is 'unique'.**

- 1) Factory & land.
- 2) Working Capital.
- 3) Market Development.
- 4) Machinery & Equipment.

**Budget at least US\$1.6 – 2+ million**



# AvoHealth – Avocado Oil Process Line



**Notes:** Work 24/7, or as required. No need to work @ full capacity

# Locate more lines side-by-side to expand

# Larger production lines, are more robust, have a longer life expectancy, and achieve much better economies-of-scale.

- Other necessary machines:**
- **150kw Emergency Generator & Hot Water Boiler.** With many suppliers throughout East Africa, check if it's 'better value' to buy locally.



## Every business has risks. So does Avocado processing:

- Complex, demanding, high volume, logistical business requires significant work & many skills
- Need to purchase best machines @ best prices with good payment terms.
- Require excellent technical service & back-up.
- Increasing global extreme/unpredictable climate events
- Unexpected & unpredictable challenges. Support infrastructure is often poor.

### **Finance might be difficult + expensive:**

- Production line & support equipment.
- Establish factory building.
- Working Capital to start oil production.

### **Unknown Markets**

- Who will you sell to & how long will it take?
- How much will it cost to develop markets?
- How much will you earn & how quickly are you paid?



# Big opportunity - add value to Waste Products

- 1) In this room, we understand Avocado are the healthiest fruit on earth.
- 2) Oil extraction multiplies some health benefits. Now, we need to add value to lots of 'good stuff' left in waste water, seed, skin & waste paste.
- 3) So far, very little seems to be happening anywhere in the world.
- 4) **AvoHealth** plans a series of experiments in 2024 and will report all results. We have a couple of 'game-changing' ideas.





# Thanks for watching our presentation.

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**Avocado Health Limited**  
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incorporated in New Zealand



**AvoHealth Global PLC**

Public Company – but, unlisted on  
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(Parent Company)

incorporated in London, UK



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‘Center-of-Excellence’ company #1  
about to be incorporated in Kenya



**AvoHealth’s Finance  
Company**

about to be incorporated in  
London, UK