

THE AGSOL MICROMILL IN NUMBERS

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SUMMARY

- The top third of MicroMill owners:
 - generate a **payback of less than 3 months**
 - generate an **average income over 500 USD/month**, 3 times higher than the low-income threshold
- The average MicroMill owner generates a **payback of 8 months**
- Estimated market size opportunity for Kenya: 50,000 MicroMills



Introduction

This report is based on data from 15 diverse miller profiles that use the Agsol MicroMill to generate income. The data was gathered using remote monitoring tools that measure energy consumption and combined with qualitative data collection about fees charged for milling and/or flour sales. The remote monitoring data was collected over a period of 4-12 months. The MicroMil can either be powered by grid or solar. Out of the 15 millers, 10 use solar while 5 are connected to the grid. The Recommended Retail Price (RRP) for a solar MicroMill is \$1,300 (Kes 185,000) and \$600 (Kes 85,000) for the grid version.

About Agsol

Agsol is a social impact company focused on supporting communities across Africa to produce affordable and more nutritious food, and on expanding women's access to productive use of renewable energy (PURE). Established in 2018 in Kenya, we have since developed the world's most efficient small grain mill – 2.5x more efficient than competition – for off-grid communities. Agsol is committed to robustly monitoring and measuring the impacts of our millers, as their success is our success.

Benefits of sustainable solar milling

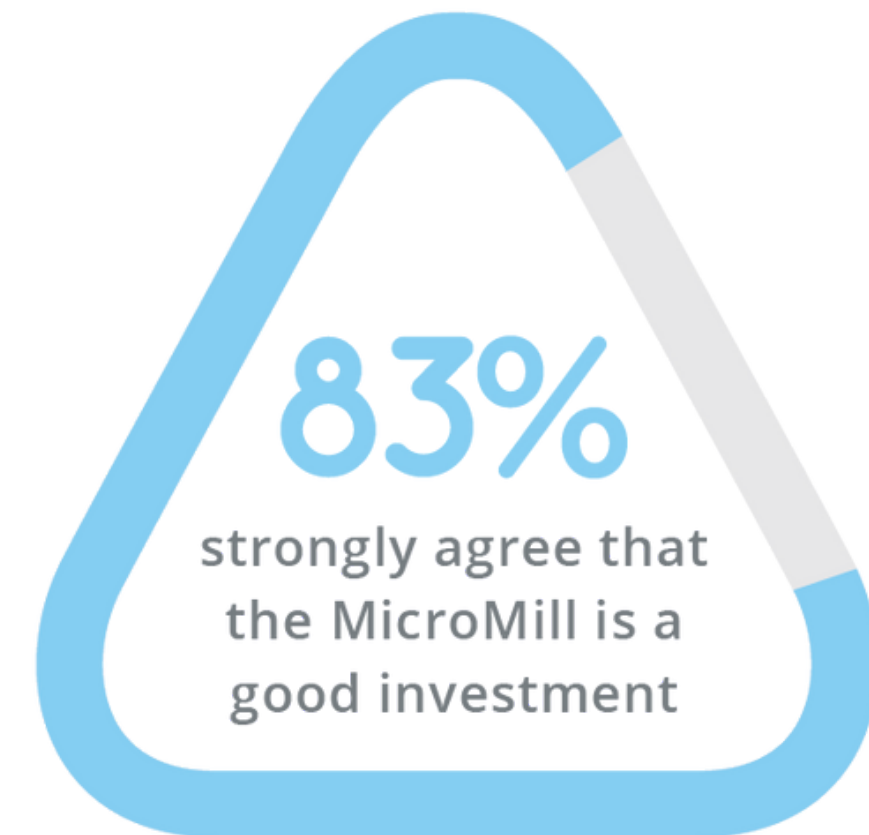
Agsol's solar-powered electric mill – the MicroMill – is a revolution for the informal milling sector. Compared to diesel mills they are more affordable, more profitable, fully automated, maintenance-free, and produce better quality flour. They democratise and decentralise the important rural economic activity of milling, bringing milling services closer to where they are needed. **Benefits of the MicroMill include:**

- More affordable food – 41% cheaper on average than diesel mills
- New revenues for rural communities – 1.8 million USD per year from just 1,000 MicroMills



THE MICROMILL: A GOOD BUSINESS!

- The top 5 (out of 15) millers collectively contribute \$2,674 monthly to the local economy.
- Each of the 15 miller profiles constitutes a sound and profitable business, with an average capital return on investment typically ranging between 5 to 12 months. For the top 5 millers, the average payback period is 2 months.
- On average, solar millers earn \$243 per month, with a slightly higher income for grid-connected millers at \$284.
- In general, the median miller earns \$176 per month. With 85% of MicroMill owners running the milling business alongside an existing business, this revenue is additional to existing business revenues.
- Mill owners with an existing business also report increased revenues from their core business activities because the MicroMill drives more customer foot traffic to their business. These additional revenues are not captured in this report.
- The World Bank states that 36% of Kenyans fall into the lower income class, earning below \$178 monthly. With the 15 MicroMill owners averaging an income of \$240 per month, and up to \$711 per month for one miller, the MicroMill helps lift households out of poverty.



Reported by 60 Decibels 2023



PROFILE OF A MICROMILLER

The MicroMill's user friendly technology naturally opens the door to new-time millers, especially women. Agsol has seen the following lucrative business profiles emerge:

Traditional grain traders and small grocery shop owners present the most lucrative profile for the MicroMill, offering a one-stop-shop experience. The inclusion of milled grain as part of their product offerings, as opposed to just raw grain, results in notable revenue increase ranging from 15% to 30%.

Mid-sized and small-scale poultry or grain farmers can boost their income by milling and selling chicken feed, adding value from grain to flour/grits.

Current and previous diesel millers in rural areas MicroMillers have a competitive advantage by switching to solar milling due to high cost of fuel and maintenance. The solar-powered MicroMill has zero operating or maintenance costs compared to a diesel mill, resulting in an 80% increase in profitability. Agsol's highest performing miller is a former diesel miller who switched to the MicroMill, and now makes an average of \$711 per month.

EFFICIENT CLEAN FOOD-PROCESSING



A G S O L

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