

A large herd of white and black goats is gathered in a dry, hilly landscape. In the background, several people are visible, including a woman in a black and white patterned headscarf and a man in a red headscarf. The landscape is arid with low hills and sparse vegetation. The sky is clear and blue.

INVESTOR CONCEPT NOTE · OCTOBER 2026

Somaliland Livestock Gateway

An integrated, export-grade livestock platform — feeding, animal care, quarantine, processing and transport — built to serve Gulf markets from the port of Berbera.

Seeking \$16M equity · \$40M programme

Facilitated locally by BHR

THE INVESTMENT AT A GLANCE

\$40M to own the chain from fodder to vessel

One operator that controls feeding, animal care, certification, processing and transport, and keeps the margins that today go to feed traders, middlemen and Gulf importers.

Phase 1 · \$24M

Fodder estate, finishing feedlot, export quarantine, animal care, transport fleet

Phase 2 · \$16M

Halal export abattoir, cold chain, tannery and rendering

23%

Target equity IRR,
base case

5.7×

Equity multiple over 10
years, including exit

~27%

Annual cash yield on
equity at maturity

\$60M

Annual revenue from
Year 6

\$9.5M

Annual EBITDA at
maturity (16% margin)

18%

Project IRR before any
borrowing

A PROFITABLE MARKET

Over \$1 billion of livestock trade passes through Berbera every year, with almost no value added at origin

\$465M

Live exports, 2024

Up 26% on 2023. Livestock earns about 85% of Somaliland's exports.

3.7M

Head exported, 2024

Sheep, goats, camels and cattle, up 19% in a single year.

\$1.3B

Dry-season feed demand

6.6M t needed for 3 months of Jilaal. Local fodder meets under 30%.

\$3.1B

GCC sheep & goat meat

Imports up 11% in 2024. The Gulf produces only 71% of what it eats.

~\$5B

Standing value of the national herd of 18.6M head. Today the margins go to whoever controls feed, finishing, certification and processing, and almost none of them operate at origin.

LOCATION

Why Somaliland, and why Berbera

On the Gulf's doorstep

850 km of Gulf of Aden coastline beside Bab el-Mandeb, days by sea from Jeddah, Oman and the UAE.

A world-class port

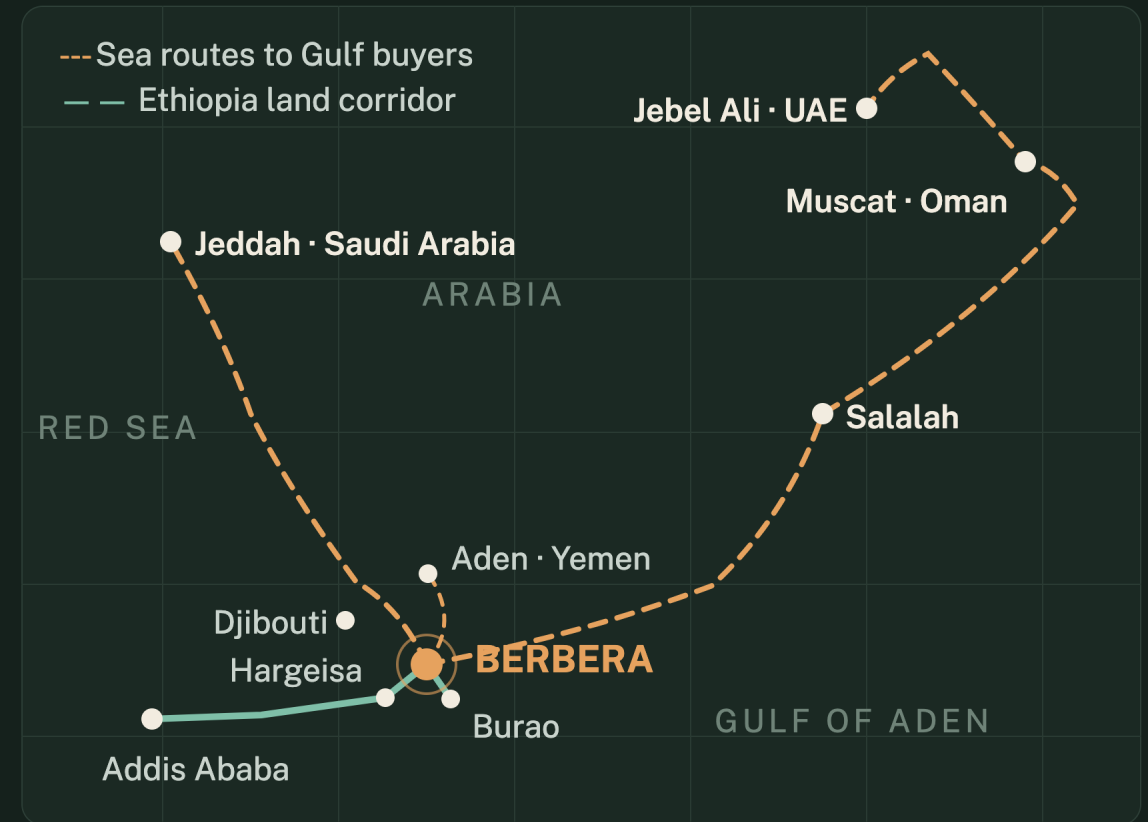
DP World Berbera: 500k TEU today, 2M planned; about 4M head of livestock a year; a Jebel Ali service every 9 days.

A second market inland

The Berbera Economic Zone and the Berbera–Ethiopia corridor open access to Ethiopian supply and demand.

Three decades of stability

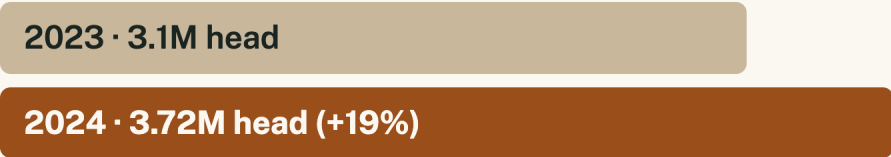
Peaceful, elected government since 1991 and a working livestock rulebook, from the Veterinary Code to the Quarantine Bill.



Exports are growing fast, and peak around Hajj

One year of growth, 2023 → 2024

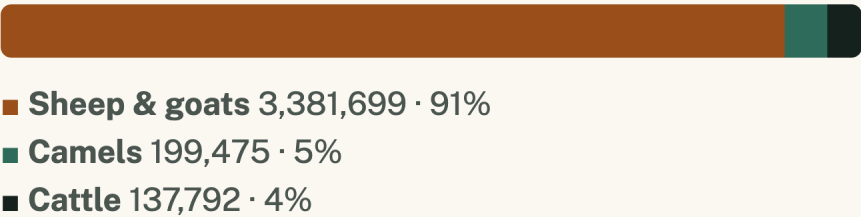
Head exported



Export earnings



What was shipped in 2024



~70% in Hajj season

Most sheep and goats ship between Rajab and Dhul Hijja. Only males are exported; females stay home for breeding.

BUYERS

Gulf demand is structural, seasonal and premium

Saudi Arabia

Main buyer of Somaliland sheep and goats. Hajj and Umrah create a guaranteed annual peak.

UAE

Largest GCC importer of sheep and goat meat: 64k t worth \$395M in 2024.

Oman & Yemen

The two main destinations for Somaliland cattle, and steady buyers of small stock.

Qatar, Kuwait, Bahrain, Egypt

Established secondary markets for live animals and chilled meat.

\$3.6B

GCC sheep & goat meat market by 2035, from \$3.1B in 2024

71%

Gulf self-sufficiency: almost a third of what the region eats must be imported

+11%

Growth in GCC imports of sheep & goat meat in 2024 alone

THE GAP

Today, value leaks out at every link of the chain

01 · Feed

A chronic feed deficit

Local fodder meets under 30% of demand. Exporters spend ~\$45M on feed in a single 19-day export window.

02 · Fodder losses

No mechanisation

Post-harvest losses exceed 30%, and hand harvesting costs half the crop in labour.

03 · Processing

Raw exports only

Animals leave live at commodity prices. No meat has been exported at scale since the Burao plant closed in 2010.

04 · Certification

Thin quarantine capacity

Three stations serve 3.7M head. Saudi Arabia's 2000–2009 import ban showed what weak certification costs.

05 · Finance

No letters of credit

Traders lack LCs and working capital, so they sell early, cheap and in small lots.

06 · By-products

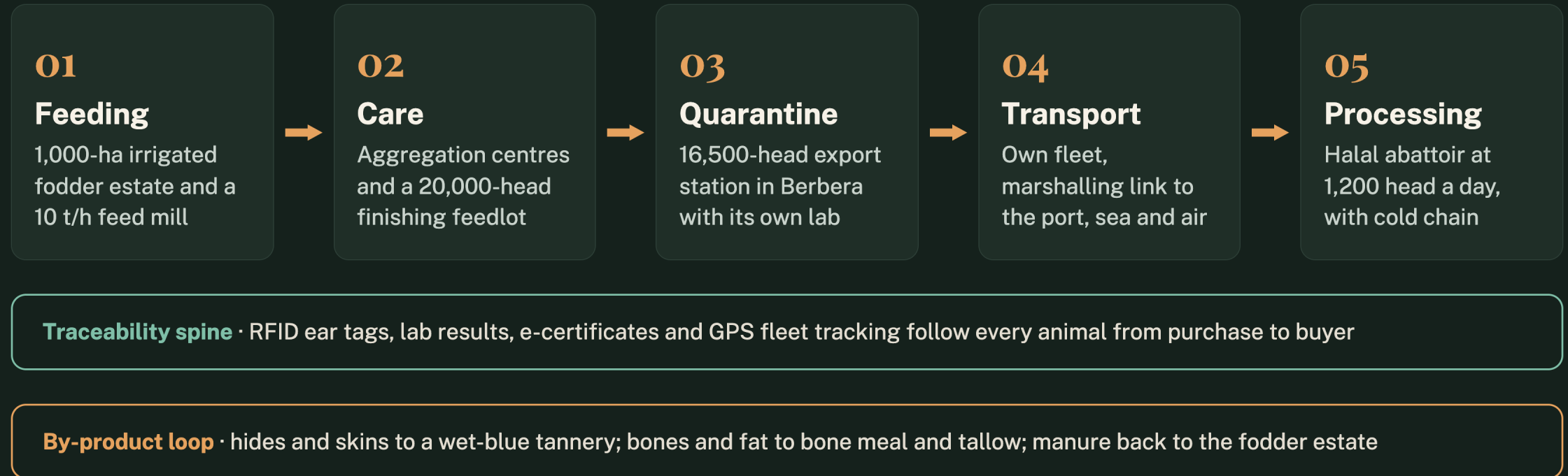
Waste, not revenue

603,500 hides and skins left raw in 2023. Bones, fat and offal are largely unused.

Each gap is a margin pool for one integrated, well-capitalised operator.

THE SOLUTION

One platform, five integrated pillars



Our own fodder, all year round

What we build

- 1,000 ha of irrigated fodder: solar boreholes, drip and spate irrigation from under-used watersheds
- Drought-tolerant forages: Rhodes, Sudan grass, Buffel, Panicum, forage sorghum, cowpea, leucaena
- Mechanised harvesting and baling to cut post-harvest losses from over 30% to below 10%
- A 10 t/h feed mill making ~30,000 t a year of rations and pellets, including Prosopis pods
- A 90-day strategic fodder bank to carry operations through drought
- Outgrower contracts with smallholder fodder farmers (4,000 producers nationally)

\$11M

Revenue at maturity,
25% EBITDA margin

18,000 t

Hay a year from the
estate, plus 30,000 t
of rations

69%

Net margin smallholders
already earn: \$1,077 on
\$1,557 a season

\$200/t

Fodder market value:
227,103 t valued
at \$45.4M

PILLAR 1 · FEEDING

A feed portfolio built on what Somaliland already grows

Feed source	Nutritional value	Role in the platform
Natural rangeland grazing	High in the rains; poor in drought	Base diet of the pastoral herds we buy from
Crop residues (sorghum, maize)	Low protein, high fibre	Low-cost roughage in rations, bought from agro-pastoralists
Baled natural grass (20 kg)	Moderate; price swings by season	Quarantine and transit feed; a traded product
Processed Prosopis pods	Moderate to high	Cheap energy and protein in pellets, while clearing an invasive tree
Drought-tolerant forages	High; built for arid land	Core estate crop: Rhodes, Sudan grass, Buffel, Napier, legumes

Buy right, finish well, lose nothing

20,000 head

Standing feedlot capacity

60 days

Finishing cycle · ~120,000 a year

+8–10 kg

Target gain per sheep or goat

<1%

Mortality target

- Aggregation centres on the Burao–Hargeisa–Berbera axis buy direct from pastoralists: weighed, graded, paid by mobile money
- Selection to export grade: males, age, conformation and Hajj-season buyer specifications
- Shade, clean water and daily veterinary rounds, to WOAHP animal-welfare standards
- Vets and keepers trained with STVS and the Burao veterinary faculty



PILLAR 3 · QUARANTINE

Certification that Gulf buyers trust

01

Arrive

Sorted into
clean pens on
arrival

02

Examine

Health check
and spray for
parasites

03

Identify

RFID ear tag
linked to each
record

04

Test

Brucellosis, TB
and diseases
importers list

05

Vaccinate

Against the
required
endemic
diseases

06

Observe

14 days in
quarantine,
then 7-day
clean-down

07

Certify

Health
certificate,
marshalling
yard, vessel

FACILITIES ON SITE

Holding sheds

Animal clinic

Diagnostic laboratory

Post-mortem room

Incinerator

Emergency slaughter & cold room

Feed store

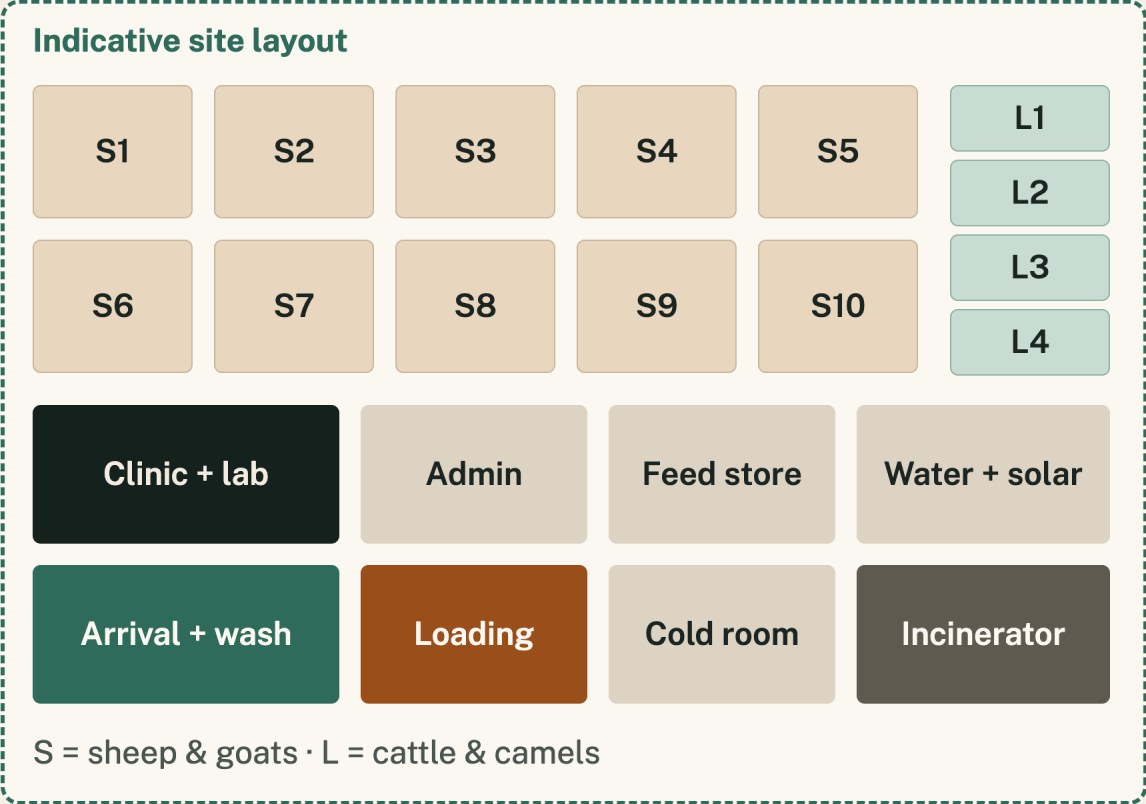
Water treatment

Solar power

Biosecurity perimeter & wheel-wash

Administration & data office

Built for scale: 16,500 head at a time



	Sheep & goats	Cattle & camels
Sheds	10 × 20×80 m	4 × 20×75 m
Space per head	1 m ²	4 m ²
Standing	15,000	1,500
Per year	240,000	24,000

Basis: 14-day quarantine plus 7-day clean-down, a 21-day cycle run 16 times a year (~92% utilisation).

Scale: 6.7× the 2,200-head station in the preliminary study.

Fees: \$6 per sheep or goat, \$15 per head of cattle or camel, plus feed at cost-plus, charged to third-party exporters and our own stock.

Controlled movement from farm to vessel



Livestock fleet

Ventilated 10-t and 3-t trucks with water on board, plus cranes and forklifts

Marshalling link

Yard and safe animal crossing from quarantine to port, a MoLRD priority (PPP)

By sea

Livestock carriers to Jeddah, Aden and Salalah; reefers on the 9-day Jebel Ali service

By air

Chilled carcasses flown to premium Gulf buyers

Welfare in transit

Set loading densities, rest stops and water on every leg

Traceability

GPS on every truck, RFID scans at each gate, e-certificates

Halal chilled and frozen meat for Gulf buyers

1,200

Head a day, single shift

~3,000 t

Carcass meat a year from
Year 6

\$22.7M

Revenue, 14% EBITDA margin

1,000 t

Cold store capacity

What we build

- Halal small-ruminant line run to HACCP and ISO 22000
- Chillers, blast freezers and a 1,000 t cold store
- Chilled carcasses by air; frozen cuts by reefer container
- Halal and importer plant approvals in place before the first shipment

Lessons from Burao (2006–2010)

The last export abattoir closed under drought, animal prices rising against flat end-market prices, and costly airfreight.

Our answer: own feed and feedlot hold input costs steady; sea reefers cut freight; offtake contracts are signed before we build; Phase 2 starts only once Phase 1 proves supply.

BY-PRODUCTS & GROWTH

Every part of the animal earns

IN THE BASE CASE · \$3.0M REVENUE, 20% EBITDA MARGIN

Hides & skins

Wet-blue tannery. 603,500 pieces left raw in 2023; 963,374 head slaughtered locally add supply.

Rendering

Bone meal goes back into our feed; tallow is sold to soap makers.

Manure

Organic fertiliser for the fodder estate, cutting input costs.

UPSIDE OPTIONS · NOT IN THE NUMBERS

Camel dairy

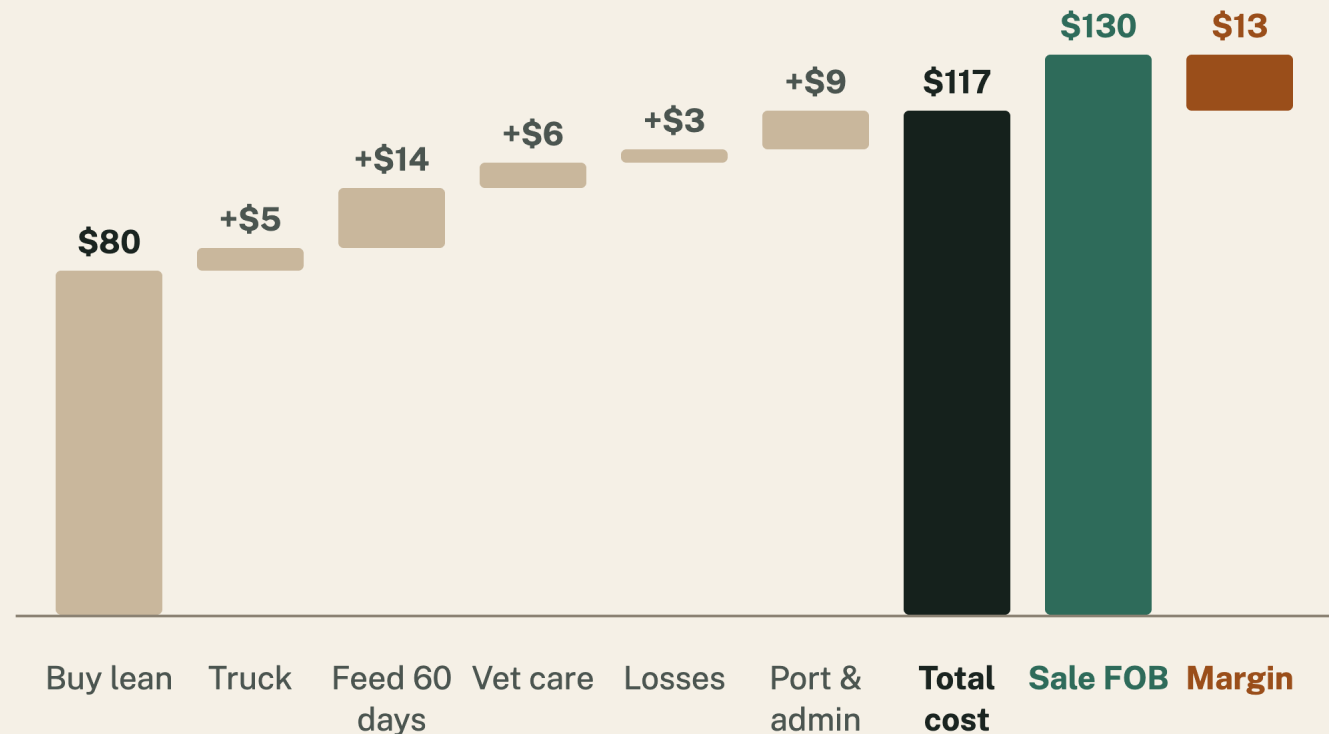
1.6M camels. In 2023 Somaliland imported 13.9M kg of milk powder and 8.2M litres of milk.

Poultry & dairy feed

15 commercial poultry farms with 162,700 layers, all importing their feed. Our mill can serve them.

UNIT ECONOMICS

Where the money is made, per export sheep



~\$17 a head

\$13 trading margin plus ~\$4 of feed margin from our own estate. A trader buying at market keeps an estimated \$4–6.

Same animal, sold as meat

14 kg carcass × \$7.50/kg = \$105, plus skin and offal: an \$11–16 margin a head, earned all year.

Plus fee income

\$6 a head from other exporters' animals in our quarantine, at ~45% margin.

INVESTMENT REQUIRED

What it costs to build it properly: \$40M

Facilities		\$20.5M	Quarantine \$5.0M · feedlot \$3.5M · abattoir & cold store \$9.0M · tannery \$3.0M
Feeding		\$7.5M	1,000 ha irrigated estate, solar boreholes, machinery, feed mill, hay sheds
Animal care		\$2.0M	Biosecurity: lab, clinic, vet equipment, incinerator, water treatment, RFID
Transport		\$1.5M	Livestock trucks, crane truck, forklifts, reefer containers
Working capital		\$5.5M	Livestock inventory and feed stocks through the export cycle
Contingency		\$3.0M	Design, permits, training and start-up costs
Phase 1 · \$24M · Years 0–1		Phase 2 · \$16M · Years 1–2	

BUSINESS MODEL

Five revenue streams, one integrated margin

Stream (Year 6+)	What we sell	Revenue	Margin	EBITDA
Fodder & feed	Hay, rations, pellets to us and other exporters	\$11.0M	25%	\$2.8M
Finishing & live export	Hajj-grade sheep, goats, cattle, camels FOB	\$21.2M	10%	\$2.1M
Quarantine services	Lab, certification and housing fees	\$1.8M	45%	\$0.8M
Chilled & frozen meat	Halal carcasses and cuts for GCC buyers	\$22.7M	14%	\$3.2M
Hides, skins & rendering	Wet-blue hides, bone meal, tallow	\$3.0M	20%	\$0.6M
Total		\$59.7M	16%	\$9.5M

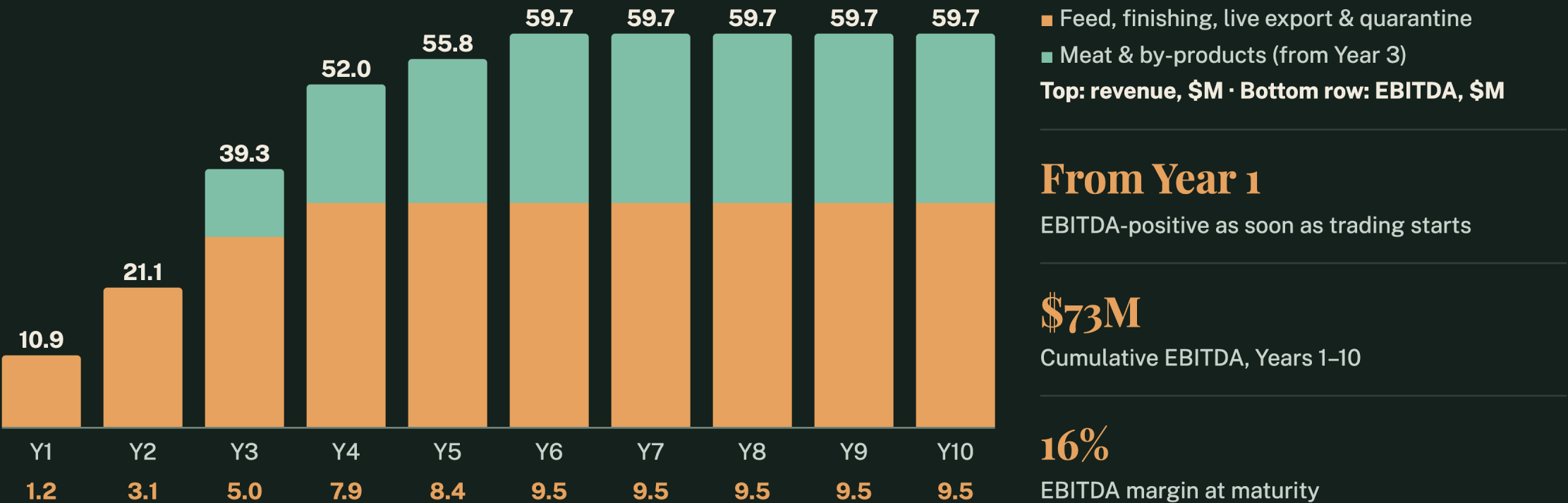
Where EBITDA comes from: no single stream exceeds a third



Meat · Feed · Live export · Quarantine 9% · By-products 6%

FINANCIAL PROJECTIONS

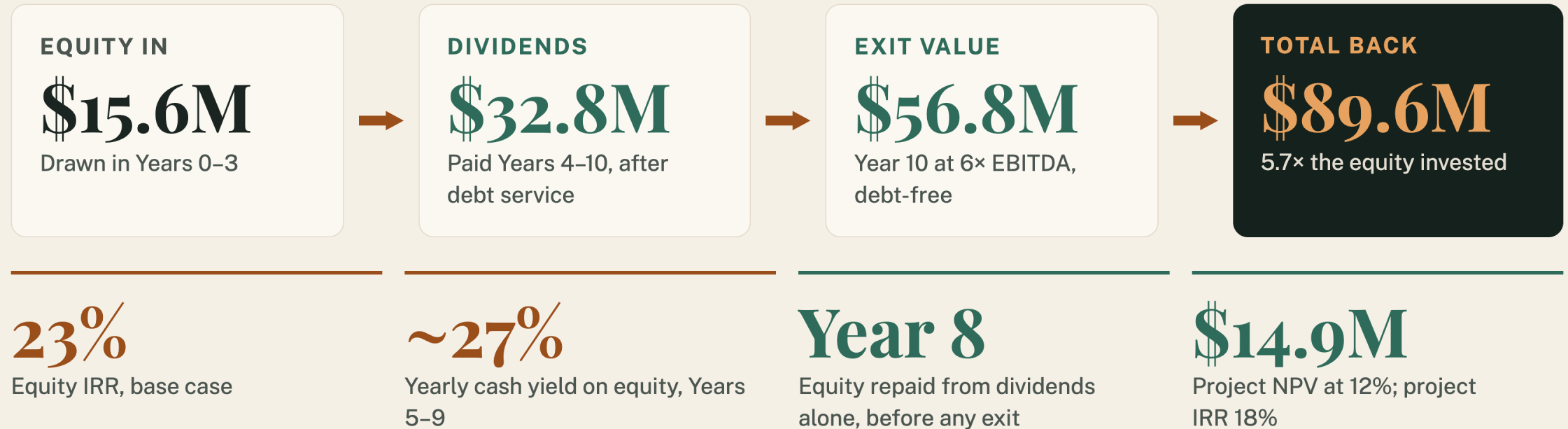
Revenue reaches \$60M by Year 6



Indicative base case, USD millions; Year 1 = first operating year after a 12-month Phase 1 build

RETURNS TO INVESTORS

Every \$1 of equity returns about \$5.70



Indicative base case: 40% equity, 20% concessional debt at 6%, 40% senior debt at 9%; 10% tax after a 3-year holiday (to be confirmed)

HOW INVESTORS MAKE MONEY

Four sources of return, three ways to invest

SOURCES OF RETURN

- 1 Operating margins as dividends.** Feed, live trade and meat profits are paid out from Year 4.
- 2 Contracted fee income.** Quarantine fees and feed sales to other exporters give a steady, infrastructure-style yield.
- 3 Capital gain at exit.** Sale to a Gulf food-security or agrifood group, a DFI-backed secondary, or a regional listing.
- 4 Strategic supply.** Gulf importers who invest can secure certified, traceable animals and meat.

WAYS TO INVEST

A · Platform equity

Full integrated upside across all five streams. Target 23% IRR.

B · Single-asset entry

The quarantine station as a BOT or PPP concession (~45% margin), or the fodder estate with platform offtake (~25%).

C · Debt & Islamic finance

Murabaha or ijara for equipment and working capital; trade finance against export receivables.

STRESS TEST

Returns hold up under pressure

Scenario	Equity IRR	Project IRR
Revenue +15%	27.5%	20.5%
Base case	23.3%	17.9%
Revenue -15%	18.7%	15.0%
Capex +20%	18.1%	14.6%
Margins -20%	17.0%	13.9%
All three at once*	10.8%	10.0%

Still positive in a severe downside

With revenue and margins both 15% lower and capex 15% higher at the same time, equity still earns about 11% a year.

Margin is the biggest lever, which is why the platform owns its feed and finishing.

*Revenue -15%, margins -15%, capex +15% together · indicative model, including exit at 6× EBITDA

THE ASK

\$16M of equity in a \$40M programme

Equity · \$16M · 40%

This raise: strategic and financial investors

Concessional / DFI · \$8M · 20%

Development finance and blended climate funds, ~6%

Senior & Islamic debt · \$16M · 40%

Commercial and trade finance, ~9%; 7-year repayment after a 2-year grace period

EQUITY DRAWDOWN

Tranche 1 · ~\$10M at close

Funds the Phase 1 build: feed, care, quarantine, transport

Tranche 2 · ~\$6M, Years 1–3

Released for Phase 2 only once Phase 1 hits its targets

INDICATIVE INVESTOR PROTECTIONS

Board seats and full information rights · milestone-gated Phase 2 · offshore holding company · co-investment and offtake rights · IFRS audited accounts

RISKS

The risks are known, and designed out

Risk	How the platform mitigates it
Import bans, disease	WOAH-aligned quarantine with its own lab and RFID traceability; markets spread across Saudi Arabia, Oman, UAE, Yemen and Egypt
Drought, feed prices	Own irrigated estate, a 90-day fodder bank, and Prosopis and crop residues as low-cost inputs
Hajj seasonality	Year-round meat, feed and fee income; commercial-season contracts; flexible feedlot cycles
Price swings	Forward offtake contracts with Gulf importers; purchase prices linked to export prices
Finance & recognition	Offshore holding company, political-risk insurance, escrow and export-receivable structures, DFI and Islamic finance partners
Execution	Phase 2 gated on Phase 1 results, an experienced operator, local facilitation by BHR, IFRS audited accounts

IMPACT

Returns that build a stronger economy



~900

Direct jobs at full operation (estimate)

Fair prices

Weighed, graded and paid by mobile money for pastoralists

90 days

Drought feed bank; Prosopis cleared and turned into feed

More FX

More value earned per animal before it leaves the country

Aligned with SDGs 1, 2, 8 and 13, and designed to meet IFC Performance Standards for DFI co-investors.

Rules in place, and a government asking for partners

Legal framework

- National Livestock Policy (2006)
- National Veterinary Code (2006)
- Meat Inspection and Control Act (2012)
- National Animal Welfare by-law (2014)
- Livestock Export Quarantine Bill (2017)
- National Feed Policy (2025, before cabinet)
- Disease contingency plans; Dairy Bill (draft)

MoLRD priorities we can deliver as PPP

- A livestock holding ground with feed reserve and vet services
- A marshalling yard between quarantine and Berbera port
- A safe corridor for animals across the main road
- Upgrading veterinary professionals

Assets to partner with: 3 quarantine stations, 3 holding grounds, export abattoirs in Berbera and Burao, STVS and the Burao veterinary faculty.

ROADMAP

From financial close to first exports in 18 months

Months 0–6

Feasibility & close

Bankable feasibility study, land and sites, permits, offtake MoUs, financial close

Months 6–18

Phase 1 build

First fodder planted; feedlot, quarantine and fleet in place; staff trained

Month 18

First exports

Own animals and other exporters' stock through our quarantine

Months 18–36

Phase 2

Abattoir, cold chain and tannery commissioned; first meat shipments

Operating Year 4+

Scale & dividends

Full utilisation, dividends begin, dairy and poultry-feed options



Each phase is gated: Phase 2 capital is committed only once Phase 1 meets agreed volume, mortality and margin targets.

PARTNERSHIP & NEXT STEPS

On the ground with BHR

BHR'S LOCAL ROLE

- Site identification and secure land access
- Liaison with MoLRD and the Ministry of Investment; permits and PPP structuring
- Introductions to pastoral markets, fodder producers and exporters
- Project management and local hiring through the build

NEXT STEPS FOR INVESTORS

- 1 Sign an NDA; receive the data room and model
- 2 Site visit: Berbera, Burao and Hargeisa
- 3 Co-fund the bankable feasibility study
- 4 Term sheet and financial close

BHR · [Contact name]

[email] · [phone] · Hargeisa, Somaliland

APPENDIX

Sources and key assumptions

Sources

- MoLRD, livestock sector summary and fodder research (2024 data)
- MoLRD fodder value-chain survey (Nov 2023)
- Livestock quarantine in Somaliland, preliminary study
- Primary and supplementary fodder types in Somaliland
- Rako Research, livestock market price data
- DP World, Jebel Ali–Berbera route (Oct 2025)
- British International Investment, Port of Berbera
- IndexBox, GCC sheep and goat meat market (2024)

Key assumptions (indicative)

- USD throughout; AED converted at 3.6725
- 10-year model; exit at 6× EBITDA
- Lean purchase \$80; finished FOB \$130; carcass \$7.50/kg
- Fodder \$200/t; quarantine fee \$6 small, \$15 large stock
- Debt: 20% at 6%, 40% at 9%; tax 10% after 3 years
- Herd figures are MoLRD estimates; no official census exists

This concept note is indicative and for discussion only. It is not an offer of securities; all figures are subject to a bankable feasibility study and due diligence.