

## Tiger Brands VC fund invests in SA plant-based food producer Herbivore

Tiger Brands' newly-established Venture Capital Fund has made its first investment in Herbivore Earthfoods, a Cape Town-headquartered business specialising in the manufacture and sale of plant-based food products.



From left: Barati Mahloele (Tiger Brands), Noel Doyle (Tiger Brands), Chanel Grantham and Davey du Plessis (Herbivore Earthfoods), and Kuhle Mhisi (Secha Capital). Source: Supplied

The Venture Capital Fund was launched in mid-2021 with the aim of driving growth by investing in innovative SMEs based in sub-Saharan Africa with offerings that respond to the growing consumer trends of health & nutrition, 'snackification' and economical food.

### Promising market opportunity

Having taken interest in the plant-based food category, Tiger Brands notes that the African plant protein market, of which South Africa represents 57%, is estimated to grow at a compound annual growth rate (CAGR) of 6.5% to \$560.62m by 2023\*.

Together with co-investor, Secha Capital, an early-stage impact private equity firm, the Tiger Brands Venture Capital Fund has become a minority shareholder in the business, which is co-run by founder, Chanel Grantham and Davey du Plessis, Herbivore Earthfoods director.

“In line with global trends, consumers in South Africa and across the continent are driving increased interest and desire for a wide range of plant-based products. Herbivore’s innovative and tasty meat and dairy alternatives have gained significant traction, with scope to scale and drive further penetration. This is a compelling opportunity, where we are very proud to back innovative entrepreneurs and we are inspired by the team’s underlying desire to improve eating habits and change the current food system for the better,” says Barati Mahloele, recently-appointed Venture Capital Fund director at Tiger Brands.

“Our partnership with the Herbivore team will involve leveraging each other’s combined strengths to achieve their growth strategy and to push the boundaries of an affordable and healthy alternative product offering to consumers,” adds Mahloele.



Source: Supplied

## Making plant-based foods accessible, affordable

Herbivore Earthfoods was founded in 2014 by Grantham with the aim of making healthy, plant-based foods accessible and affordable in South Africa. The company’s product line includes dairy-free milk alternatives and desserts, confectionery and protein alternatives.

“At Herbivore we see plant-based as the future of food, and we pride ourselves as being at the forefront of plant-based food innovation in South Africa. More consumers are realising the benefits of a plant-based diet. Our goal is to give our consumers more plant-based options that are tasty and affordable,” says Grantham.

“In drawing on the knowledge and experience of strategic partners Tiger Brands and Secha Capital we will be able to capitalise on current and future trends in the plant-based food and food technology space,” comments du Plessis.

“ Huge congrats to Herbivore Earthfoods, a locally-made [#plantbased](#) food brand that's been announced at the first recipient of [@TigerBrands](#) first venture capital fund investment in partnership with [@SechaCapital](#). [#NurtureandNourish](#) <https://t.co/EGY7PFxxwM> [pic.twitter.com/lcaACmILPi](https://t.co/EGY7PFxxwM)— Bizcommunity Retail (@Biz\_Retail) [March 28, 2022](#) ”

## Supporting Herbivore's growth ambitions

Within a few months of launching the Tiger Brands Venture Capital Fund, the vehicle received more than 500 expressions of interest from eligible businesses operating within the food tech and agri tech sector, where its focus is.

Tiger Brands and Secha Capital will use its considerable experience in the food and beverage sector to help grow and scale Herbivore Earthfoods with one of its objectives being to make plant-based foods more accessible and affordable for the South African consumer.

The Tiger Brands' Venture Capital Fund will be actively involved in supporting Herbivore's growth ambitions through improved governance and strategic guidance, as well as leveraging the group's route-to-market and research and development expertise.



### Tiger Brands appoints first Venture Capital Fund director

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Secha Capital brings expertise in the FMCG market, investing in established SMEs across Africa, and Tiger Brands recognised the added value they would help to unlock in Herbivore.

“At Secha, we believe that sustainability is a current and future driver of the economy and that plant-based foods are not a trend but a permanent category growing in every aisle and foodservice restaurant globally.

“We are proud to invest in the Herbivore team because they have been persistent early innovators in the category and their success has shone through in their product range and market adoption. We're equally proud of the impact the business has by being 7x more water-efficient and producing 90% fewer greenhouse gas emissions than animal-based products,” Kuhle Mnisi, principal at Secha Capital.

\* *Africa Plant Protein Market - Size, Trends, Competitive Analysis and Forecasts (2018-2023)/*

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