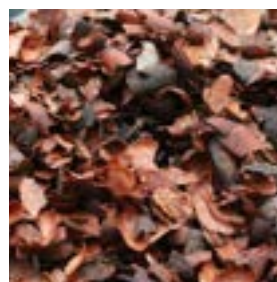


Update 09/09/2021

GREEN OPPORTUNITY TO INVEST

Proposal: Bulk trading in Oil Palm, Cocoa, Coconut & Shea



SYMBOIL TRADE

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“We recognize the fact that there are huge existing but also developing markets out there for the produce and products we deal in - and we are determined to take advantage!”

Ingka Enyan, Business Development DACH Region & UK

TABLE OF CONTENTS

1.0 Executive Summary	4
2.0 Business Unit Overview	
2.1 Vision & Mission.....	5
2.2 Current State of Affairs.....	5
2.3 Organisational structure.....	5
2.4 Drivers for Business Growth.....	6
2.5 Products	6
2.6 Markets.....	6
2.7 Brands	7
3.0 Strategy	
3.1 Marketing	7
3.2 Publicity.....	8
3.3 Pricing	8
4.0 SWOT Analysis	8
5.0 Business Opportunities	
5.2 Capital Requirement.....	9
5.3 Partnerships	9
5.4 Investment Options	9
6.0 Appendixes	10

1.0 EXECUTIVE SUMMARY

Proposal – Turn around Agribusiness (Agricultural Commodities Trading)

A one-off cash injection of just below EUR 2.5 Million is sought for sustainable commodity and bulk trading in Oil Palm, Cocoa, Coconut & Shea derived produce and products.

Background

Symboil Ghana Ltd is a registered private company (foreign) based in Ghana which is into oil and energy plants. The company was started in 2007 and after overcoming a decade-long land litigation the establishment re-branded in 2018. The innovative agribusiness has in stock 11,500+ acres of prime farm land and focuses on sustainable approaches to land cultivation and marketing of tropical oils and fats. The company has turned to a **green growth agenda** and splitting into six sections developing each section as a stand-alone business unit.

About Business Unit

Symboil Trade came out of the re-structuring process the company earlier embarked upon and has a dedicated team to develop the unit. It has strategic importance as it is vital for short-term revenue generation as well as to provide market for plantations produce in the long-term and thereby contributing to the vision.

The business unit has been granted a parcel of land of 25 acres for development with a value of estimated EUR 65,000. Marketing of available commodities and production capacities is steadily progressing and interest is emerging.

Purpose of Investment

1. To establish a trading stock and flexible trading in support of core activities.
2. To pay for operational costs to facilitate smooth running.
3. To develop a trading hub for agric commodities on company land near to Takoradi port.
4. To fund a farmer identification exercise and carbon trade funding process facilitation.

Green Investment Opportunity

The business unit offers to **environmentally conscious** investors short, medium and long-term opportunities to get involved by providing debt, equity, a combination thereof or otherwise. To benefit from this green business and or further information kindly contact finance@symboilgh.com.

Use of Funds	GHS	EUR*
Trading Stock (raw, semi raw materials)	4,760,000	680,000
Fixed Capital (construction and vehicles)	5,938,863	848,409
Business Cost (operational, overheads)	4,771,522	681,646
Special Projects (CFTIE 2021, Carbon Trade)	1,863,806	266,258
Total Capital Requirement	<u>17,334,191</u>	<u>2,476,313</u>

*EUR 1 = GHS 7

2.0 BUSINESS UNIT OVERVIEW

2.1 Vision and Mission

Vision: *To become a leading player in commodities trading in Ghana and beyond providing superior quality products derived from oil and energy plants.*

Mission: *To contribute to the vision by establishing, developing and maintaining trading activities related to oil and energy plants.*

2.2 Current State of Affairs

The company is duly registered and an export license has been obtained. Current operations are financed out of pocket of company directors and shareholders. Four persons are running the business unit. Office space in Accra has been secured in 2019 from where the company is currently operating from. An asset valuation (land) had been conducted. The company's trading bank account has been activated. Raw material suppliers have been identified and arrangements have been made (so far with suppliers of coconut oils, flour, charcoal, residue, cake and palm kernel oil, kernels and shells). Company pages have been set up on online trading platforms and social media such as Alibaba, Gust, Tradeford, Waystocap, Facebook, LinkedIn and others. Potential partners, investors and funds are currently being approached. A strategy for growth has been formulated. The business unit has been allocated 25 acres of land for its development as an agricultural trading and warehousing hub (FREEZONE) within the company's parcel of land in the Western Region of Ghana. The allotment is strategically located close to the recently rehabilitated railway line reaching the port of Takoradi in 45 minutes.

2.3 Organisational Structure

The department is managed in Europe by Ingka M. Enyan and in Ghana by Dehmark K. Regan, both seasoned and experienced business leaders and commodity traders. We place importance on choosing the right people to fill available positions. Those selected are not only competent but understand our core goals and objectives and are willing to do all they can to ensure that they are achieved.

The trade department team is currently structured as follows:

Trading Manager West Africa	Business Developpmt DACH & UK	Head of Finance	Marketing Manager
			

Dehmark K. Regan

Ingka M. Enyan

Victor A. Laryea

Sharon N. Coleman

2.4 Drivers for Business Growth

The business unit sees the following as next steps in its development.

- Cash injection into operations and trading stock
- Build-up of trading and associated activities
- Warehouse & hub development
- Integration of company's tenant farmers into sourcing mix
- Brand and product development, certifications and registrations
- Staff development

2.5 Products

Product portfolio:

Coconut	Capacity available	Oil Palm	Capacity available	Cocoa	Capacity available	Other	Capacity available
1. Fresh	Upon order	1. Crude oil	300mt/p.a.	1. Butter	120mt/p.a.	1. Shea butter	120mt/p.a.
2. Copra	Upon order	2. Kernel oil	400mt/p.a.	2. Seedlings	Upon order	2. Shea Cake	Upon order
3. Virgin oil	600mt/p.a.	3. Kernels	Upon order	3. Fruit juice	Upon order	3. Shea Kernel	Upon order
4. Crude oil	Upon order	4. Kernel shells	Upon order	4. Bean shells	Upon order		
5. Cake	216mt/p.a.	5. Seedlings	Upon order	5. Cocoa husk	Upon order	4. Body oil	upon order
6. Flour	216mt/p.a.	6. Pome	1000mt/p.a.			5. Body butter	upon order
7. Charcoal	Upon order	7. Fiber	Upon order			6. Body soap	upon order
8. Desiccated	Upon order	8. Kernel Cake	Upon order				
9. Seedlings	Upon order	9. Fresh fruit	Upon order				
10. Coir pith	1000mt/p.a.						
11. Coir fibre	1000mt/p.a.						
12. Water	Upon order						
13. Husks	Upon order						
14. Husk chips	Upon order						

2.6 Markets

Symboil Trade recognizes the fact that there are huge existing as well as developing markets for the produce and products it deals in. Locally and regionally focus is on Ghana and West Africa and globally on the DACH Region, the UK and Europe.

Business to Business (B2B) – bulk trading.

The business targets a broad spectrum of players within various industries and sectors as our produce and products are also varied and versatile in nature.

We are looking at the co-operative and organic sectors, the Food Industry, the Ingredients Industry, the Cosmetic Industry, Commodity Traders, Wholesalers, Renewable Energy markets, Animal Feed Industry and others.

Business to Consumers (B2C) - locally and world-wide.

-With our body care and food brands we target self-consciousness and “healthy living” end consumers who are more selective with their food (oils), skin and hair care products they consume and as such are gravitating towards natural, healthier options like shea butter, virgin coconut oil or cocoa butter.

-The well-known **Makola** cooking oil brand from Ghana will be used to increase market share in Ghana and expanding to neighbouring countries as well as targeting the African Diaspora world-wide but especially in Europe, North America. The focus is on heritage and quality.

-The **Tivoli Foods** brand is developed as a high end consumer brand for the German-speaking market (DACH) providing high quality edible oils and fats such as Cocoa butter, Virgin Coconut Oil, Shea and Olive. The focus is on quality, exclusivity and health benefits.

-**CocoMia** is a latin-sounding brand name developed for a mainstream, unisex, green and pure life-style brand with universal appeal providing affordable, natural body care products.

Regional Market Focus (West Africa):

Ghana – our home base; strong position with well-known VCO brand ‘**Makola**’, the pioneer in the industry.

Nigeria – Africa’s biggest market within proximity and member of ECOWAS; the trade department has at least one representative there.

Ivory Coast - leading French-speaking market using CFA/ECO which is aligned to the EURO; the company has a representative stationed at Abidjan

Niger – the company has good connections in that country.

Benin, Togo and Burkina Faso – French-speaking neighbouring countries using CFA/ECO and are especially interesting in terms of Shea. The trade department has at least one representative there.

Global Market Focus:

The DACH market and Europe. We are targeting the following countries: Germany, Austria, Switzerland, UK, Holland, Belgium and Luxembourg.

The European cosmetics market among others present good opportunities for exporters of natural ingredients from countries such as Ghana. Demand for natural ingredients in the European cosmetics sector is increasing. The main drivers of this demand are the growing consumer awareness for natural cosmetics and the desire of cosmetics companies to replace synthetic ingredients with natural variants.

Other Markets. Other markets of interest are the USA, Canada, UEA and China. The department intends to work with appropriate partners (i.e. Sole Distributors) in those territories.

2.7 Brands

Brands currently marketed:

Makola (Edible Vegetable Oils & Fats)	CocoMia (Skin & Body Care)	Tivoli Foods (Premium Edible Oils & Fats)

3.0 STRATEGY

3.1 Marketing

For the company to achieve, it is important that a holistic marketing plan is drawn following the set revenue objective. Such a plan not only focuses on market penetration and gaining

of market shares but also encompasses the human factor and the environment. This will enable the business to establish with a solid footing and compete favourably against competitors in future.

The importance of marketing for a business cannot be over emphasized because not only does marketing ensure that a business is able to generate revenue and profit but also that adequate awareness is created for the company as well.

3.2 Publicity

Below are some of the adopted strategies:

- Distribution of business cards, handbills and fliers in various strategic locations.
- Meeting contacts and reaching out to competitors and sector players.
- Use of the company's social media platforms to promote the business.
- Attending of industry related conferences and special events in order to network and gain prospective clients for the company.
- Sponsoring and participating in relevant community events that will ensure that we are able to boost our brand in the long run.
- Putting up an appropriate company website.

3.3 Pricing

Our charges and margins are based on research coupled with a conservative approach and as such that it will enable the business to offer moderate prices to end consumers and bulk customers alike while also not also running the unit at a loss. Where useful and applicable promotional rates will be offered to customers during some selected periods. As a rule raw material costs are calculated on the high side to our disadvantage and selling prices to our customers are calculated on the low side also to our disadvantage.

4.0 SWOT ANALYSIS

The company engaged business consultants for joint critical examination on the prospects of the unit as well as business unit self-assessment to be sure we have what it takes to run an agri-based commodities trading business which can compete favourably in the market.

As part of that we took stock of our strengths, our weakness, our opportunities and also the threats that we are likely going to be exposed to.

3.1 Strengths

- International links, partners and support network.
- Access various markets due to diversity of products and versatile applications.
- Various office and storage locations within Ghana available for usage.
- Having high quality Makola brand in portfolio.
- Having a sustainable development outlook.
- Company has strategic location of land close to port of Takoradi.
- Company's tenant farmers with existing farms having substantial annual yields.
- Long term security due to sufficient agricultural land (50year lease) in stock for organic farming.

3.2 Weaknesses

- No bankable business plan yet
- Capital need for operations, trading stock and hub development
- Newcomer unto the trading market

3.3 Opportunities

- Huge markets for products
- Financing options
- Collaborations with partners
- Newcomer to the trading market
- Cost reduction for raw materials with integration of tenant farmers into sourcing mix.
- Availability of 11,500 acres of land for cultivation and processing of oil and energy plants.

3.4 Threats

- Competing with already established players. This may lead to competing for the highly skilled workers and market share.
- Prolonged lockdowns and global stagnation and recession.
- Unforeseen circumstances such as recurring pandemics and acts of God.

5.0 GREEN BUSINESS OPPORTUNITIES

5.1 Capital Requirement

A one-off cash injection of **EUR 2,476,313** (Two Million Four Hundred Seventy Six Thousand Three Hundred Thirteen Euro) is required to meet projected working capital needs for the trading business unit.

The proposed capital investment splits into three portions as below:

	GHS	EUR
Trading Stock (raw, semi raw materials)	4,760,000	680,000
Fixed Capital (construction and vehicles)	5,938,863	848,409
Business Cost (operational, overheads)	4,771,522	681,646
Special Projects (CFTIE 2021, Carbon Trade)	1,863,806	266,258
Total Capital Requirement	<u>17,334,191</u>	<u>2,476,313</u>

5.2 Partnerships

Partnerships can come in various forms, are useful and a great way to get results. Interested parties may contact us with proposals.

5.3 Investment Options

The business unit intends to meet its financial needs as soon as possible through debt, equity, a combination thereof or other. We are interested in finding a partner or partners willing to negotiate with us on the above mentioned options. We are flexible and also consider other proposals leading to funding.

6.0 APPENDIXES

Upon request the following documents are available

- Opening Budget
- Trade department one pager
- Company Registrations
- Exporter certificate
- Proof of Need for CFTIE