

The Original Grain

C O M P A N Y P T Y L T D



Willingness to Farm

There is no shortage of available land in the greater Free State Region. Many land-owners leave their land unproductive or lease the land out for the following reasons –

1. They lack the Capital to invest into the Planting Season
2. They lack the knowledge and/or Expertise
3. They have no drive or willingness to be active farmers given the challenges which present themselves
4. A combination of the above.

The solution

01

A commercial farming business that grows crops using investor capital on private land, sells the crops after harvesting and shares a portion of the profit with the landowner in the form of a Rental.

02

Development of a database of land available to The Original Grain Company to utilize each new harvest Cycle thus increasing the footprint of land to 5000 HA's



Business model

Dry-land grain farming on private owned agricultural land that the landowner does not have the capital nor the skills to farm at a commercial scale.

Value chain

01

Sign agreements with land lessees.

04

Sell crops ex farm at SAFEX related price or plug into existing channels.

02

Secure farming input capital from investors.

05

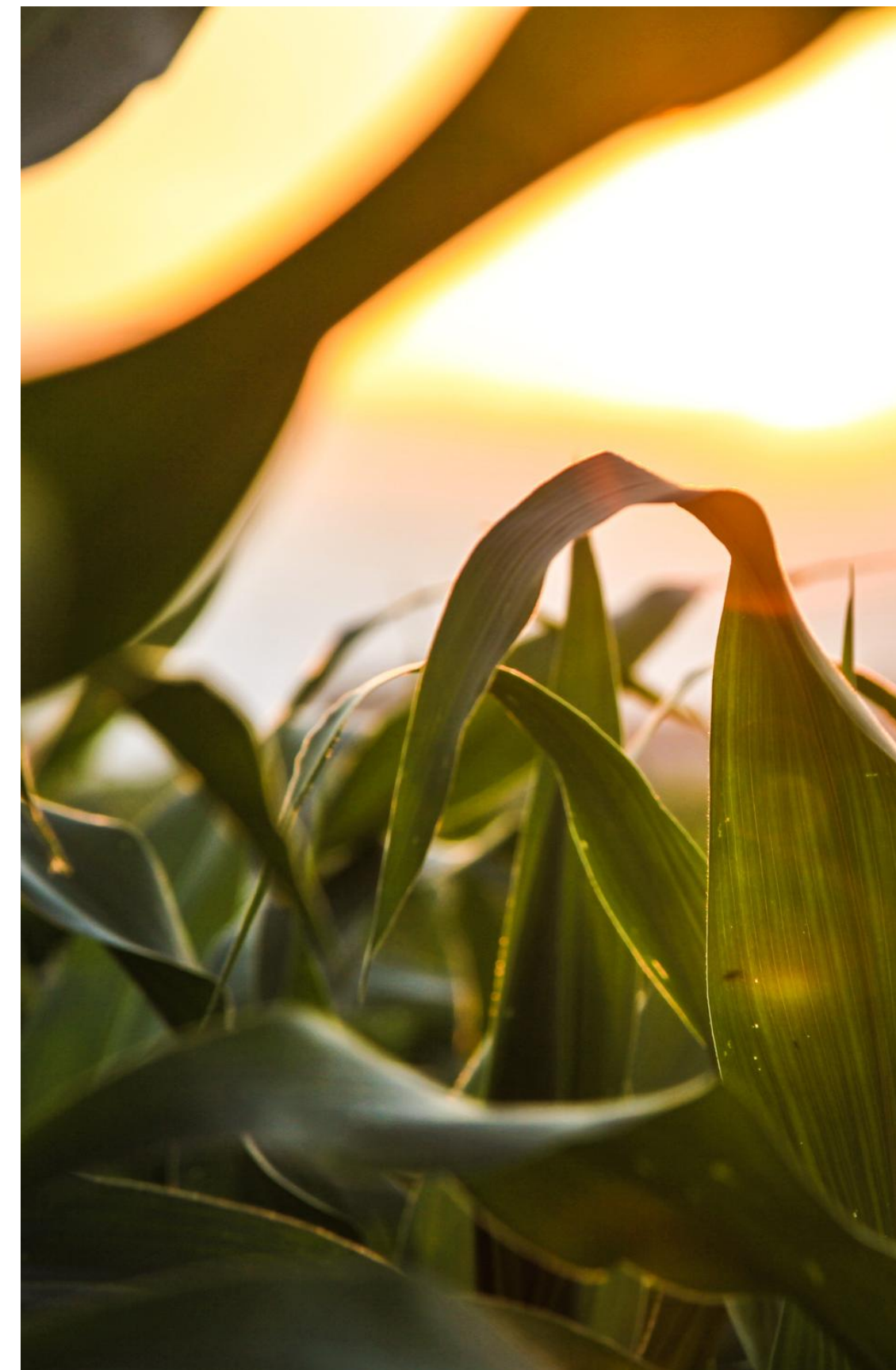
Pay landowner a profit share or Rental

03

Plant seeds, cultivate crops and harvest crops.

06

Provide investors ROCE (annualized).



Deal Specifics



Minimum Starting Investment : R1 000 000

Investment Term : 12 Months

Investment Return : 18 to 22 Percent on Capital

Farming Region : Vrede

Available Land Size : 3000 HA's

Total Investment : R50 250 000

Private sector entities are increasingly recognizing the potential in this space. For instance, Tiger Brands has established the R100-million Dipuno Fund, which supports local tomato farmers by providing them with market access through guaranteed offtake agreements.

With an Established Investors commercialization expertise and the strong relationships and on-the-ground experience of The Original Grain Company, is well-positioned for success.



The Original Grain Company

An established business founded in 2016 by Ryan New who is currently its sole shareholder.

The company is based in Cape Town, South Africa with other offices also located in Johannesburg, Gaborone, Harare and Dar Es Salaam.

Over the last two years, The Original Grain Company has successfully implemented its “Advanced Agri Purchasing” program upon which Grainco Empowerment’s business model is based. In addition to growing crops on leased & private land, the company also trades agricultural commodities, produces and sells maize meal from its mill in Hammanskraal.

SECURITY

- The formation of a NEWCO SPV to act at the vessel for the Investment providing Preferential Shareholding to Investors to secure ROI.
- Cession and Assignment of Crop
- Multi Peril Insurance Cover for the Capital Investment Sum. See next page.





Risks

Main risk is crop damage or low yield due to adverse weather conditions, pests and/or poor soil quality.

Mitigations

01

Insurance cover to the value of the input cost of the crop against hail damage only.

02

Spreading of investments across smaller units of land that are geographically dispersed.

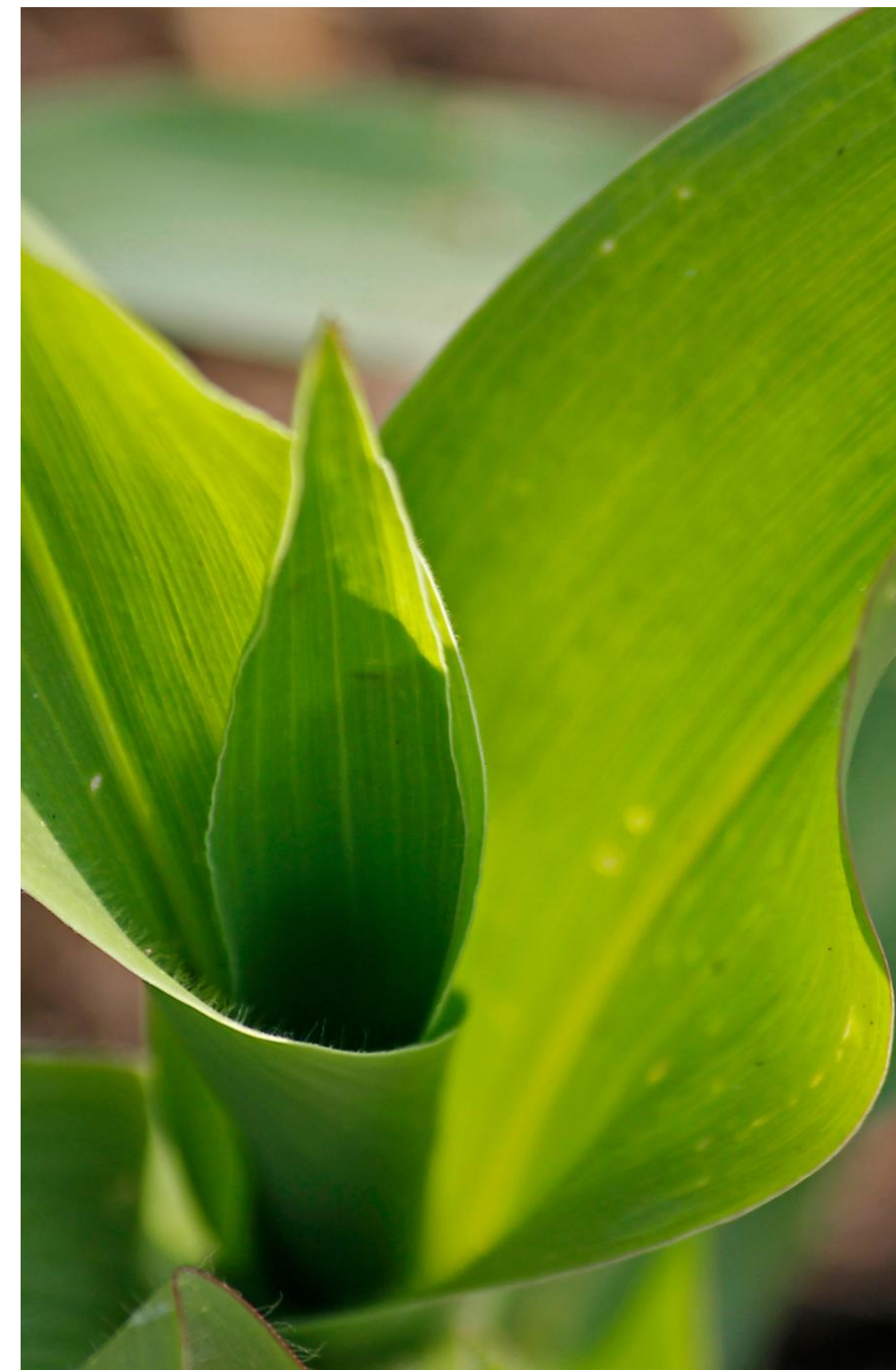
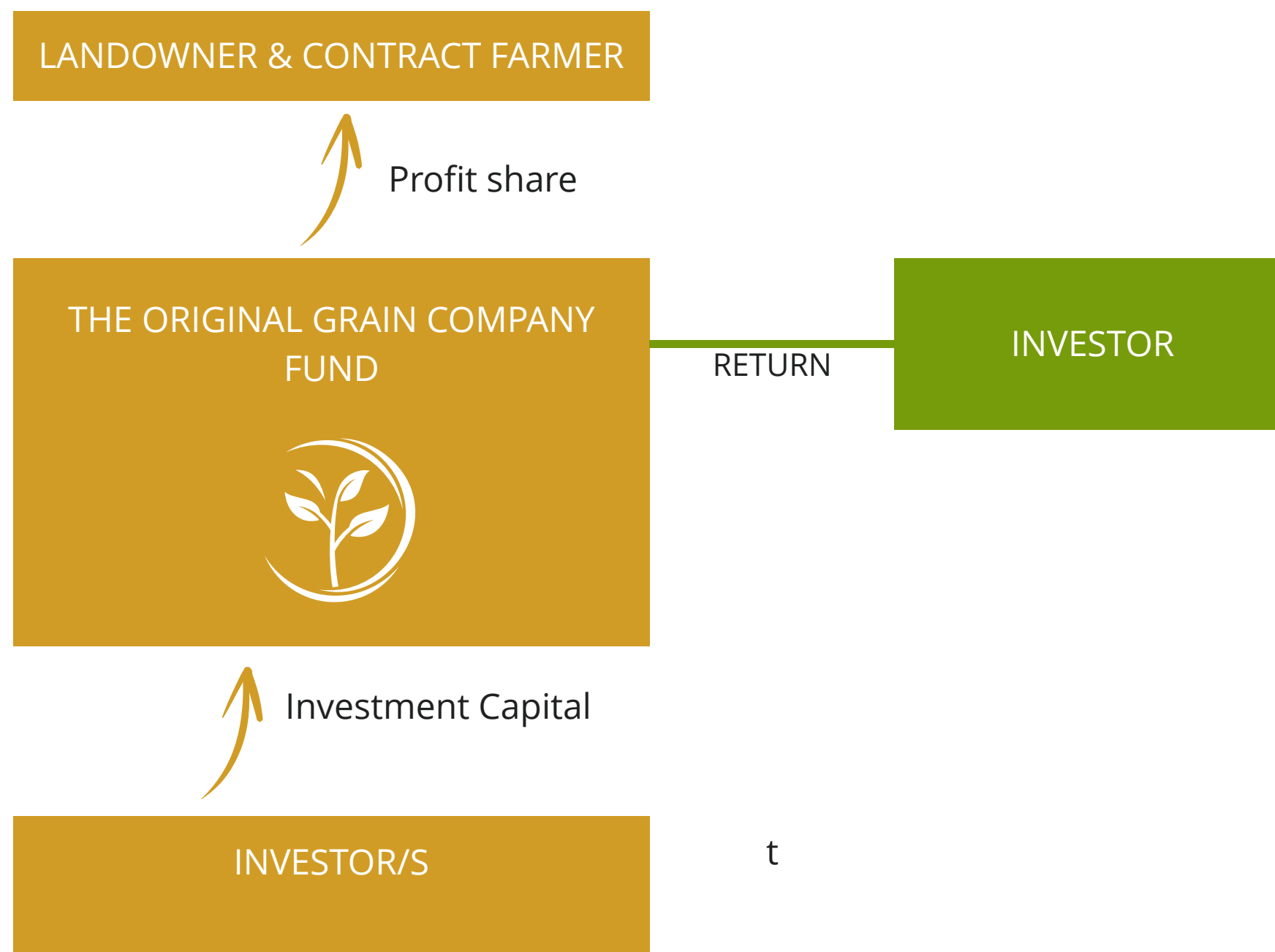
03

Significant investment in fertilizer, pesticides and quality seeds.

04

Professional management and control of all farming activities by expert team.

Commercial structure





Our ask

- A Capital Investment to realize the Potential of this Project by increasing the land coverage to 3000 plus HAs for the next growing Season.
- Capital Investment will be utilized for the direct costs including Purchase of Seeds, Fertilizer, Pesticides, Equipment Rental, Labor and Contracting Fee's

A photograph of a person standing in a field of young corn plants. The person is wearing dark clothing and boots. The image is overlaid with a warm, yellowish-orange filter, creating a soft, golden glow. The text "Thank you" is written in a large, white, sans-serif font across the center of the image.

Thank you