Ghana Status 2016-2018

Reversing Climate Change by Doing Business

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Executive Summary

Gro is a climate startup that builds forests in emerging markets. We commercialise small subsistence farmers, and contract them to produce agricultural and forestry products. The forests provides safety for the plants and makes the production resilient to climate change. The global consumer becomes CO2 neutral when buying our product, when they are produced in forest systems like eGros.

Are farmers are educated in using two well known methods called agroforestry, and permanent agriculture, we are the first company to use these methods In a large commercial scale. The methods have been used worldwide for fighting desertification and regenerating forests, but has never been used for-profit in large bulk market production. We contract the farmers to produce for us, and thus give the farmers access to market, as well as knowledge, capital and technology to start their production. We buy back the products from the farmers at a very fair price, and market it under our own private label.

We partner with specialty stores and do campaigns with our merchandise to spread the story of the water efficient and how it captures CO2. It help regenerate soil fertility and refill water aquifers, stopping desertification, alleviating extreme poverty by creating jobs in rural emerging markets stopping needs to migrate to urban areas and other continents.

CEO Letter

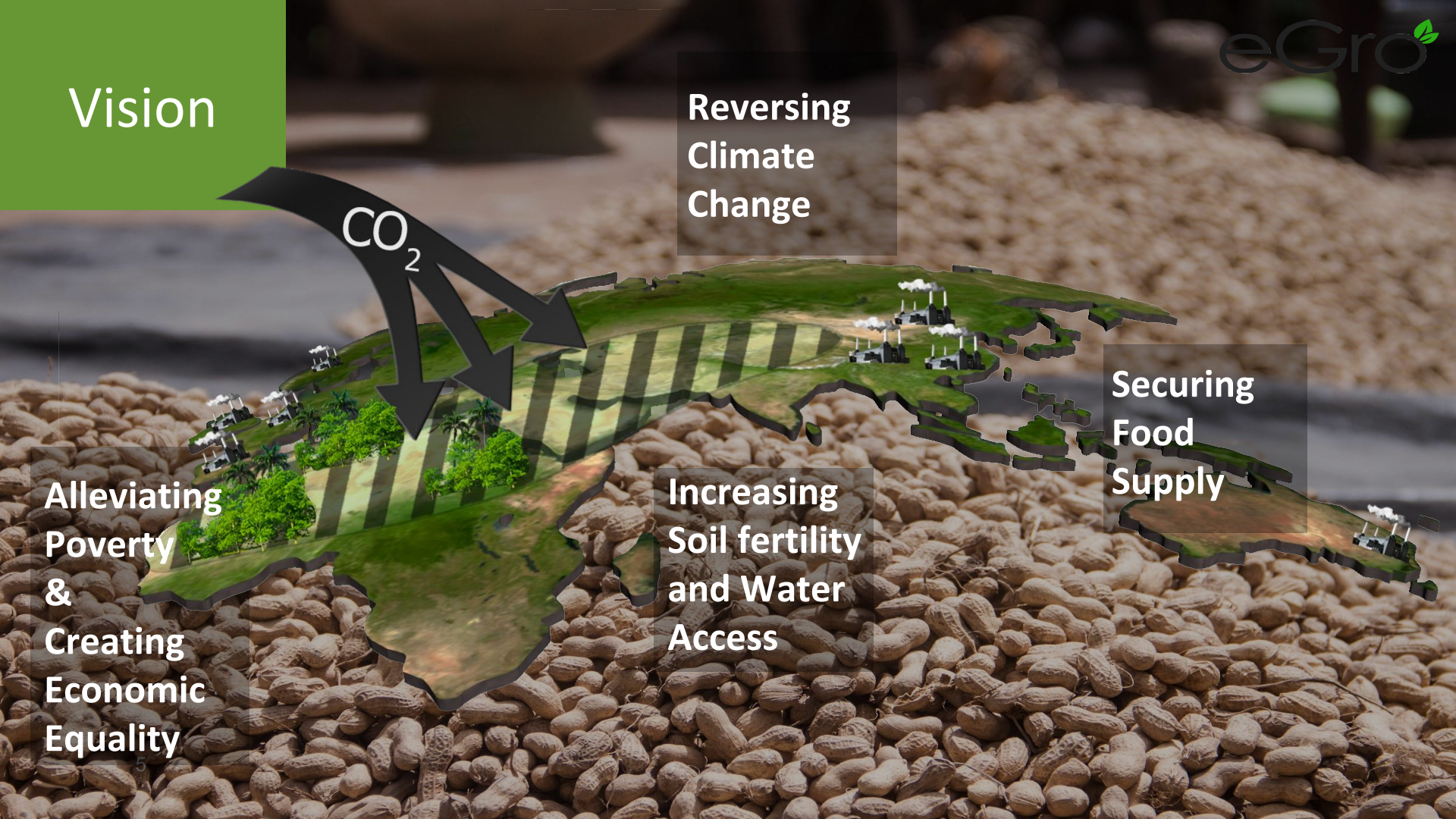
The year's 2016 to 2018 was the time we finally settled on a path and started operating. The journey since 2008, when I decided this was going to be my life has been long and filled with hurdles and painful pits to fall into.

We have settled on a business model making and we have found the first reliable African country and established our first subsidiary outside Denmark. We know we can commercialise farmers, now we need to make the things we promise work, like the actual ecological, social and global climate impact. Still we are unstable when it comes to finances and even with the publicity of Prince Harrys visit, we have a long way before being known outside our own office space and entrepreneurial startup scene.

Operationally we have proven good production increase, and we have a realistic idea of how solid our value chain is and how hard it will be, but good our processing can be in the future. This helps us keep costs down and gives us ability to scale. Combining the two. Business operations and impact is when you come down to it, what we have set out to do with this organisation. Either one in focus, we will continue with our learnings and eventually get it right. Hope you are in it for the long run, just like us.

by Jacob Vahr Svenningsen, eGro Founder

Vision


CO_2
Reversing Climate Change
Securing Food Supply
Increasing Soil fertility and Water Access
Alleviating Poverty & Creating Economic Equality

Targets 2016-18

Production

There are 112 farmers in 2018, all received the same variety of seed from eGro Ghana Ltd and are contract to farm along with planting trees to regenerate the soil for future generations.

In 2017 they planted 1000 trees, that had a first year survival rate of 24%

None are commercial farmers yet and most are in a period of transition to work in market terms with eGro to as much as 40% of their field acreage.

The production is pesticide- and fertiliser free, and only naturally fed by rain water. This has a very low little environmental impact.

First Drying

eGro provided heavy black plastic sheets for the drying of peanuts in the sun, and gave simple instructions via our field officers.

The farmers will continue to use these methods while we test for toxins at different levels of processing with the aim to live up to european food regulations on particular aflatoxin levels.

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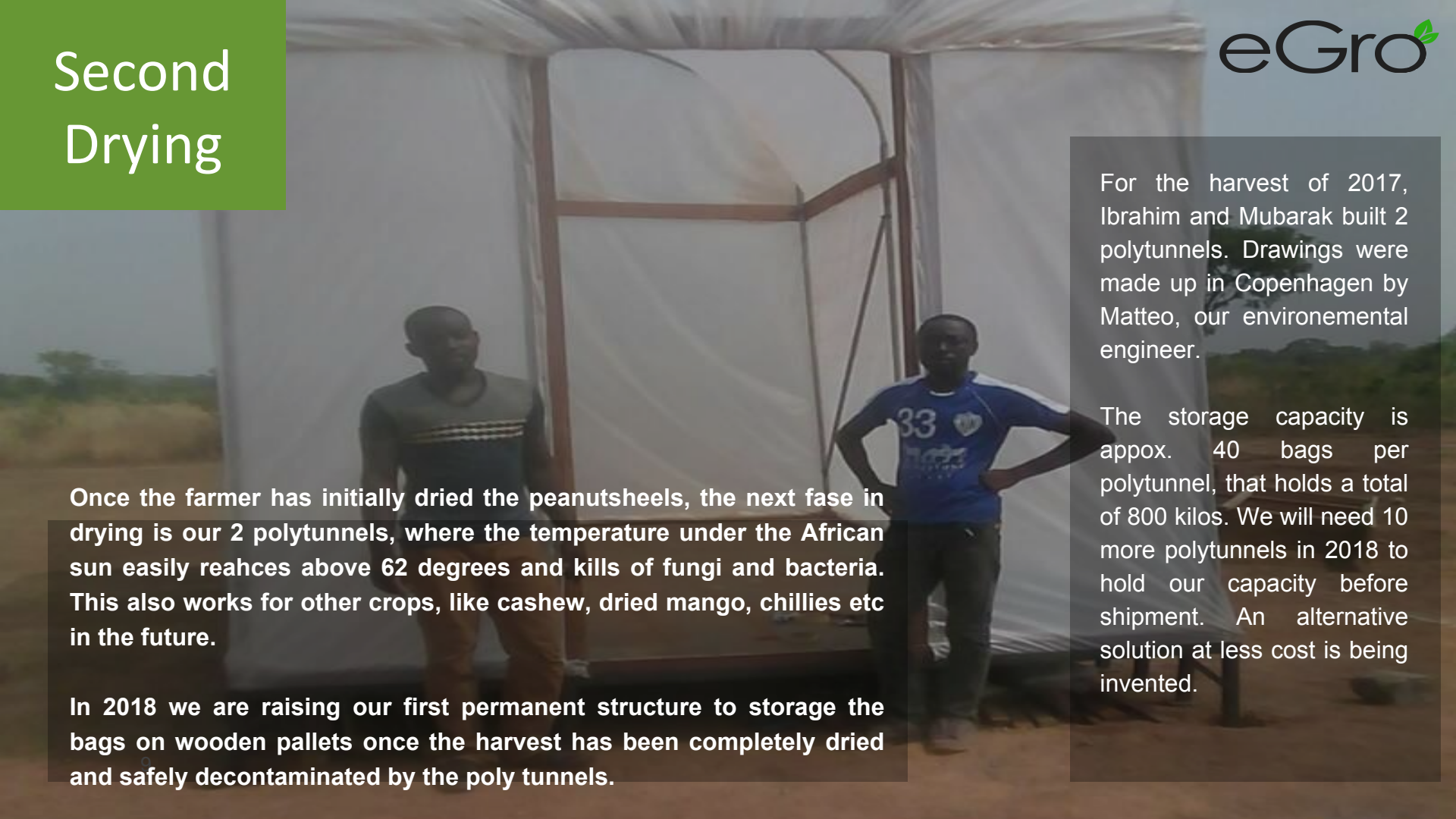
The local farmers have extensive experience with drying of peanuts for own storage and consumption.

Second Drying



Once the farmer has initially dried the peanutsheels, the next fase in drying is our 2 polytunnels, where the temperature under the African sun easily reahces above 62 degrees and kills of fungi and bacteria. This also works for other crops, like cashew, dried mango, chillies etc in the future.

In 2018 we are raising our first permanent structure to storage the bags on wooden pallets once the harvest has been completely dried and safely decontaminated by the poly tunnels.

For the harvest of 2017, Ibrahim and Mubarak built 2 polytunnels. Drawings were made up in Copenhagen by Matteo, our environemental engineer.

The storage capacity is appox. 40 bags per polytunnel, that holds a total of 800 kilos. We will need 10 more polytunnels in 2018 to hold our capacity before shipment. An alternative solution at less cost is being invented.

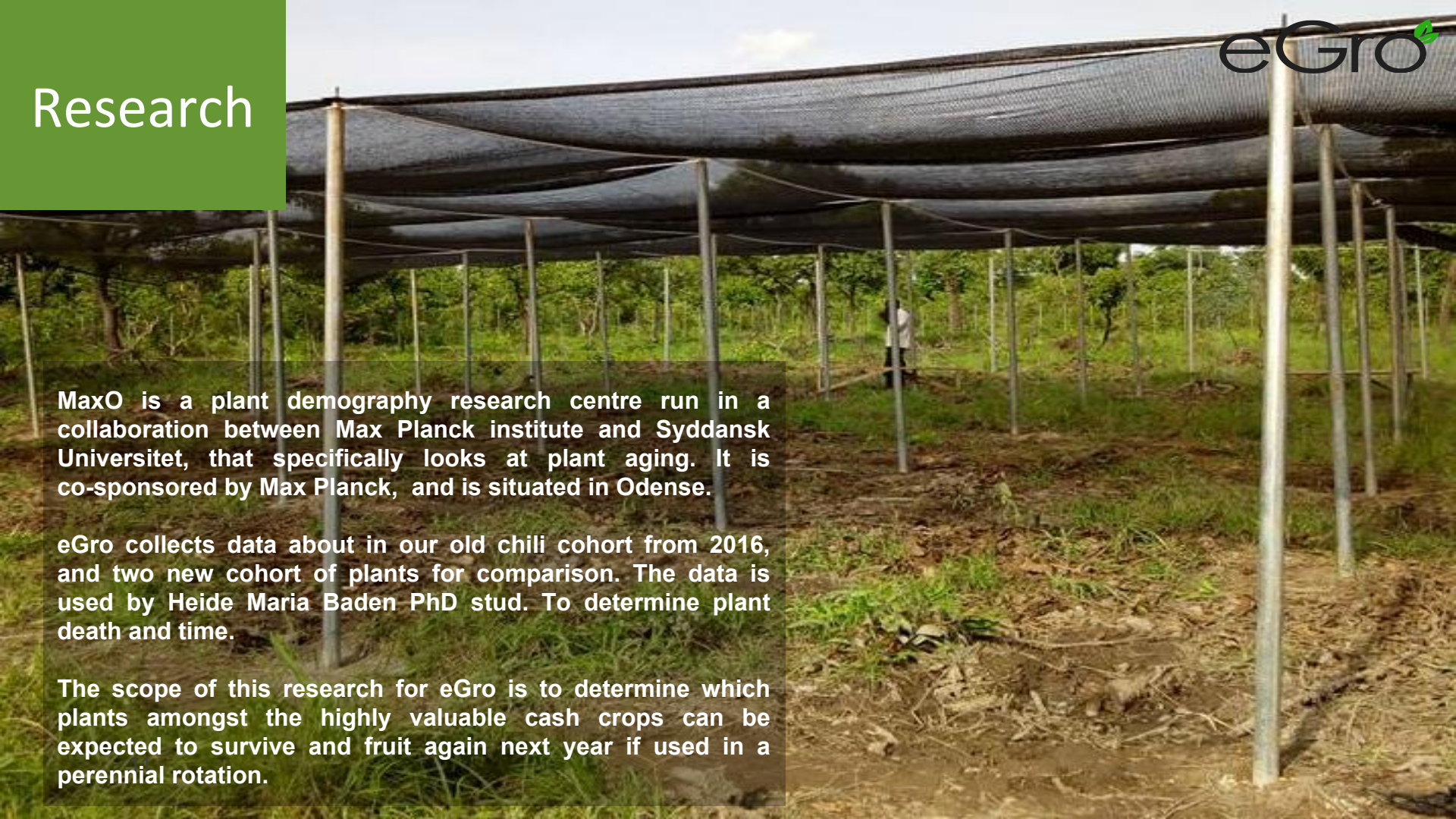
First Partner

December 2017 - OK Snacks A/S agreed with eGro to make a test sample of the product from Ghana. They helped us with processing our first peanuts, and gave advise to market entrance, and branding aswell.

The partnership with OK Snacks A/S was established by intern Ina for the processing of our test product 1 kg of penuts that came in 2 different varieties, "SAMNUT 23" and "Chinese".

The verbal agreement with factory manager Preben was to potentially do further processing and bagging of our product in the future, given that they would do our first packaging in already available cups they had surplus in storage.

Research



MaxO is a plant demography research centre run in a collaboration between Max Planck institute and Syddansk Universitet, that specifically looks at plant aging. It is co-sponsored by Max Planck, and is situated in Odense.

eGro collects data about in our old chili cohort from 2016, and two new cohort of plants for comparison. The data is used by Heide Maria Baden PhD stud. To determine plant death and time.

The scope of this research for eGro is to determine which plants amongst the highly valuable cash crops can be expected to survive and fruit again next year if used in a perennial rotation.

Our People

In Denmark were we run our HQ, people are not yet employed, instead we have been more than 50 people involved with generating knowledge and building up the procedures neccesary to run a high risk slow company.

Aroforestry in emerging markets is slow. Even being an early startup before it's growth phase we use a lot of volunteer resources like other value based companies.

This will likely be the company structure of the future like it is the case with all crwdsourcing organisation like the Hyperloop and parts of SpaceX research programmes.

After the first meeting between Ibrahim and Jacob in Copenhagen in spring of 2016, the staff and farmers have increased each year. There are still 2 full time employees, Ibrahim as project manager and Mubarak as our agronomist.

They have hired 8 seasonal field officers. One in each community where we are present.The field offciers recruit, organise, facilitate, train and do consulting and monitor operations of a total of 112 farmers on 140 acres in 2018.

Each of the farmers have their family involved in the crucial parts of operations like seeding, weeding, harvesting. Thus more than 1400 people are involved in 2018.

Key Figures

All figures DKK	2016	2017	2018 May
Budgetized	50.000	265.000	460.000
Raised	45.000	237.000	120.000
Earned	0	0	-
Produced	3.5kg	550kg*	5.000kg est.
Market Value	15.000	65.000	630.000
Net	- 45.000	- 200.000	180.000

Loans

Maxwell Brandon	160.000
Chritian Grønkjær	100.000
Kristian Kjær**	16.800
Louise Pierrel** *	20.000
Jacob Vahr	50.000
Roman Suleinman	50.000
Others**	10.500

*able to be processed **No Terms ***Old eGro company registration

Legal

1) An eGro Ghana Ltd. has been established to run operations on the ground.

2) A personal company by Jacob Vahr runs the science project as a service to MaxO.

3) A new company structure is being formed to replace eGro Holding IVS

- eGro Holding IVS is filled for solvent liquidation decision pending as of 7th May 2018.
- No financial report for the company was due during the life of the company.

Ghana Status
The End

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