



**INFORMATION MANUAL
BLUEBERRY**


What is Impact Farming?

Impact Farming is an alternative income generator. Instead of investing in companies or bonds, you, as an Impact Farmer, own the physical asset that produces your income. In this instance you own the biannual blueberry harvest from the blueberry bushes that you purchase on our platform.


These bushes are housed on the farms of our accredited blueberry farmers. We take care of the insurance, harvest and sale of your blueberries, all included in your purchase price.

You then earn an income twice a year from the sale of your blueberries.





BLUEBERRY




Own blueberry bushes on a smart blueberry farm.

Earn an income twice a year from the harvest of your blueberries.

| | | |
|----------|---------------|----------|
| 12% p.a. | R300 per bush | 8 yrs |
| Return | Price | Lifespan |

Mookgophong (Naboomspruit), Limpopo

Location

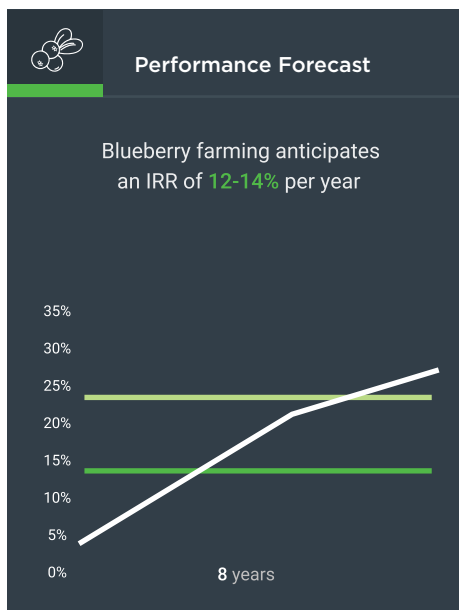


Harvest forecast:

The first project consists of 96 000 blueberry bushes that are projected to produce 55 tonnes in year one and 190 tonnes in year two.

Annual income: An internal rate of return of 12% to 14%.

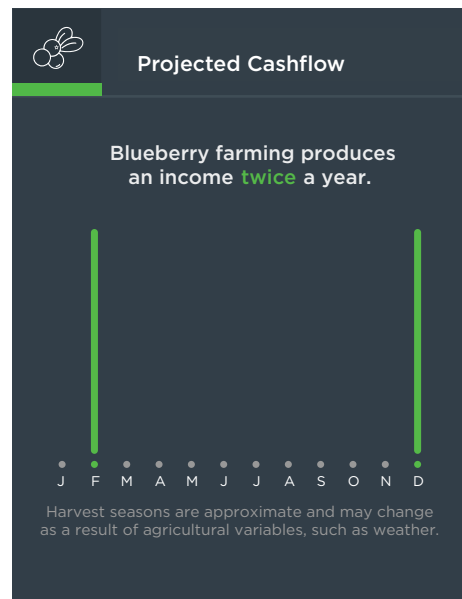
Your internal rate of return (IRR) is the rate you earn after your asset has paid for itself. This is determined by subtracting your initial purchase price from your projected returns.



Expected returns over the lifespan of the asset. Harvest seasons are approximate and may change as a result of agricultural variables such as weather.

Projected returns:

You earn an income twice a year, following the two harvest periods in February and December.



Your projected returns are linked to inflation. As the price of blueberries increases each year, so do your returns.

How we measure impact



Fedgroup carefully selects our Impact Farming ventures for both the financial impact on your wealth creation and the positive economic, social and environmental impact on the world.

Key Benefits



Above are only some of the key benefits from Impact Farming in blueberries. For further benefits, log onto: www.impactfarming.co.za

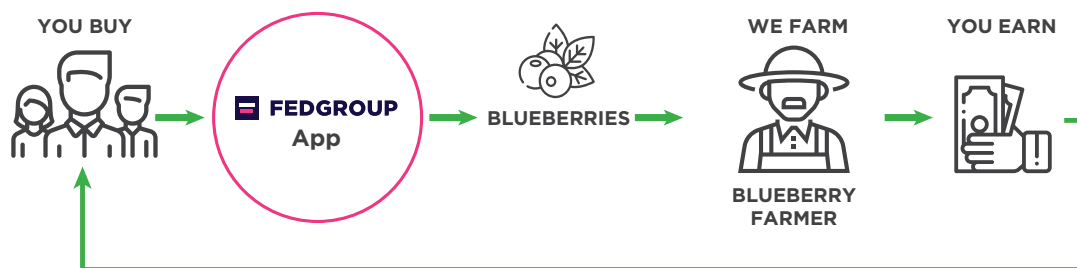


Potential tax rebates

You can apply for a tax rebate under Section 11(e) for the wear and tear on your asset. This allows you to claim back 12% p.a. over the lifespan of your asset. This means that investors can claim the platform fee as a deduction as well. Fedgroup will assist you with claiming back your tax. Fedgroup does not offer tax advice. Please consult your tax practitioner for advice on your potential benefits.

Our business model

The Fedgroup Impact Farming model features a combination of strong relationships with industry experts, service providers, wholesalers and other role players, connected to you, the individual asset owner, courtesy of our technology.



Our partners and service providers



United Exports

United Exports was established in 2002. The company's initial focus was the export of early-season stone fruit from the north of South Africa, but this very quickly expanded to an all-inclusive stone fruit package from early to late harvest. In 2009, United Exports extended focus on blueberry programmes, buying into the Early Blue blueberry breeding programme, allowing it to provide blueberries to Europe during their winter.

OZblu

Brings you a variety of bigger, bolder blueberries year-round by working with Mother Nature, adding a little bit of science and a whole lot of passion.

Identified risk and mitigation strategies

| Risk Description | Mitigating Action |
|--|---|
| Environmental risks (drought) | Due diligence done on the farms in order to assess water quantity and quality. Farmers also use drip irrigation which is very efficient in water conservation. |
| Environmental risks (hail) | Blueberries are farmed under specially constructed hail nets. |
| This is a new business model. How can I be sure it is legitimate? | The assets are real - whether it is a solar panel, a blueberry bush or a beehive. Fedgroup has a long track record in South Africa's financial sector and we stand behind these products. And while we offer attractive returns we don't make promises that you'll get rich overnight. Look at our projected average returns. |
| Returns less than quoted | Tested assumptions and applied sensitivity models. However there is always a risk involved, there are some things we can't control. |
| Liquidity, what happens if I want out? | Secondary market to be launched on V2 of the App (expected 2019) and an undertaking by Fedgroup to buy back the asset at 70% of its market value. |
| Where can I find the terms and conditions? | Go to your profile on the Fedgroup App and tap on About. |

How do I get started?

Download the App today to start your Impact Farming journey.



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