

Pinnacle Farm Bahamas Limited



Business Rationale

Food Security! The Bahamas in 2018 imported an estimated 40 million pounds of chicken meat to supply the domestic market. With little to no production since Abaco Birds was impacted by Hurricane Dorian in 2019, the Bahamas has lost all sustainable production of poultry meats thus importing 100% of consumer demands. It is also estimated that 3 million eggs are imported annually. With there being some small eggs growers, to produce a small domestic supply hardly adequate to change the import mix of eggs into the Bahamas.

Pinnacle Farm Bahamas is a relaunch of Harmony Poultry Producers, and will strategically focus its operations on the production of high quality and affordable poultry meats, eggs, and other poultry by-products within the Bahamas and region. Pinnacle Farm Bahamas, will be managed by a team of industry professionals with a combined 40 years of poultry and livestock farming experience.

Pinnacle Farm Bahamas, will produce and wholesale grade quality eggs and broiler chickens for an assortment of poultry meat whole and cut portions. PFB will provide full-scale state of the art egg hatchery with the capacity to produce 20,000 chicks per day and a state of the art processing production, packaging and cold storage plant with a daily capacity of 20,000 chickens or 60 million pounds of meat per year. With a 30,000 egg laying caged chicks broiler, PFB can produce 6.1 million eggs per year.



HARMONY COMPANY HISTORY

Harmony Poultry Producers Limited (HPPL) was the brainchild of Zhivargo Laing, former Member of Parliament, Cabinet Minister and economist. Talks with former poultry producer, farmer, and owner of the largest poultry production facility in the country led Laing to pursue the business. Harmony Poultry Producers Limited was launched. HPPL was Incorporated in 2014. It became a licensee of the Grand Bahama Port Authority in the same year. Zhivargo Laing entered a 5-year Lease of Bahamas Poultry Limited Facilities in Freeport, Grand Bahama at \$20,000/month, first 2 years exempted. It began operations in January 2015.

The farm which sits on 40 acres of property, had 8 of its 26 broiler houses completely renovated by HPPL and an additional 4 houses were partially renovated. 13 houses on the farm remain in need of renovation. Each chicken house can house a maximum of 30,000 chickens. Each house can produce 100,000 lbs. of chicken every 8 weeks which means that it can produce 4.8 million pounds of chicken with 8 houses renovated and 15 million with 26 houses operating. It has an automated processing plant capable of processing 6,000 birds per hour. The plant has a commercial freezer and coolers in need of upgrade and expansion.

HPPL's first two years of operating proved quite challenging. It suffered extraordinary cost increases in a number of areas, quality and shipping delays on key supplies, however such start-up setbacks ultimately resulted in the eventual closure of the facilities after 2 years.



Harmony Top Related Failure Causes

During the first 2 years of HPPL operations the key reasons for closing were mainly start up related and capacity related as follows:



1. European Installer of processing plant equipment delivery and installation to bring slaughter process online. This resulted in 2 broilers of 50,000 birds needing to be fed for an additional month before first slaughter and sale. Resulting in a cost impact of \$250,000
2. Death of a Broiler and a half house filled with 35,000 birds due to shipping delays on feed supply and cash flow related issues resulting in additional losses of \$200,000 in inventory and potential revenue.
3. Inadequate processing plant to reduce labor cost and build in automation to cut birds into portions, package and label. With such automation the ability to drive top line sales from the 3 of the largest fast food consumers was not realized given the labor required to portion cut birds by hand.
4. Growth size of birds to meet the needs of each type of tier 1 thru 3 customers that care about size and color. HPPL was growing birds to pre slaughter weight of only 3.5 pounds which resulted in meat of bird being pinkish in color and resulted in a perceived quality complaint from one of the fast food giants that tried the product.
5. Harmony reliance on hotels and grocery retailers limited its capacity to build additional revenue sources and more consistent supply chains leaving much revenue potential on the table due to its lack of capacity and reliance on import of major operational inputs that require payments upfront.

Harmony Poultry Producers Financials Snapshot



	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	TOTAL
CASH INFLOWS													
Revenue	-	799,260	-	799,260	799,260	-	799,260	-	799,260	799,260	-	799,260	5,594,820
VAT Refund		76,728.96		76,728.96	76,728.96		76,728.96		76,728.96	76,728.96		76,728.96	537,103
Total Receipts	-	875,989	-	875,989	875,989	-	875,989	-	875,989	875,989	-	875,989	5,594,820
CASH OUTFLOWS													
Variable Costs													
Feed	246,629	-	246,629	246,629	-	246,629	-	246,629	246,629	-	246,629	-	1,726,402
Veterinary Supplies	8,312	-	8,312	8,312	-	8,312	-	8,312	8,312	-	8,312	-	58,186
Litter/Bedding	21,740	-	21,740	21,740	-	21,740	-	21,740	21,740	-	21,740	-	152,179
Vitamins Supplements	2,055	-	2,055	2,055	-	2,055	-	2,055	2,055	-	2,055	-	14,387
Disinfectants	3,106	-	3,106	3,106	-	3,106	-	3,106	3,106	-	3,106	-	21,740
Day old chicks	100,478	-	100,478	100,478	-	100,478	-	100,478	100,478	-	100,478	-	703,349
Mortality Cost Day old chicks	9,545	-	9,545	9,545	-	9,545	-	9,545	9,545	-	9,545	-	66,818
Feed Freight	68,645	-	68,645	68,645	-	68,645	-	68,645	68,645	-	68,645	-	480,515
Propane	5,709	-	5,709	5,709	-	5,709	-	5,709	5,709	-	5,709	-	39,963
Other Inputs Costs 3	4,019	-	4,019	4,019	-	4,019	-	4,019	4,019	-	4,019	-	28,134
Other Outflows													
Water	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Electricity	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	225,000
Repairs and Maintenance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Salaries	28,060	28,060	28,060	28,060	28,060	28,060	28,060	28,060	28,060	28,060	28,060	28,060	336,720
Marketing Advertising	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Transport/Fuel	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	16,200
Other Expenses	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Insurance	4,500	-	-	-	-	-	-	-	-	-	-	-	4,500
Professional Fees	2,500	-	-	-	-	-	-	-	-	-	-	-	2,500
Business Licence Fee	1,500	-	-	-	-	-	-	-	-	-	-	-	1,500
#REF!	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000
#REF!	11,250	-	-	-	-	-	-	-	-	-	-	-	11,250
#REF!	33,750	-	-	-	-	-	-	-	-	-	-	-	33,750
#REF!	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000
Dividend	-	-	-	-	-	-	-	-	-	-	-	45,000	45,000
Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax	-	95,911	-	95,911	95,911	-	95,911	-	95,911	95,911	-	95,911	671,378
Total Payments	621,399	148,571	522,899	618,810	148,571	522,899	148,571	522,899	618,810	148,571	522,899	193,571	4,738,471
SURPLUS / (DEFICIT)	(621,399)	727,418	(522,899)	257,179	727,418	(522,899)	727,418	(522,899)	257,179	727,418	(522,899)	682,418	856,349
OPENING BANK BALANCE	1,803,386	1,181,987	1,909,405	1,386,506	1,643,685	2,371,103	1,848,204	2,575,622	2,052,723	2,309,902	3,037,319	2,514,421	
CLOSING BALANCE	1,181,987	1,909,405	1,386,506	1,643,685	2,371,103	1,848,204	2,575,622	2,052,723	2,309,902	3,037,319	2,514,421	3,196,838	2,659,736

Balance Sheet

	Dec 31, 16	Dec 31, 15
ASSETS		
Current Assets		
Checking/Savings		
Harmony Poultry		
Checking	-6,761.37	33,339.21
Petty Cash / Cash on Hand	7,664.16	0.00
Total Checking/Savings	902.79	33,339.21
Accounts Receivable		
Accounts Receivable	23,979.30	34,928.24
Total Accounts Receivable	23,979.30	34,928.24
Other Current Assets		
*Inventory Asset	108,423.17	116,694.65
Due From	6,007.34	3,857.34
Total Other Current Assets	114,430.51	120,551.99
Total Current Assets	139,312.60	188,819.44
Fixed Assets		
Furniture and Equipment	13,367.10	13,367.10
Poultry House Equipment	251,483.88	251,483.88
Processing Plant Equipment	168,856.77	168,856.77
Vehicles	53,100.00	53,100.00
Total Fixed Assets	486,807.75	486,807.75
TOTAL ASSETS	626,120.35	675,627.19
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	189,035.23	100,281.38
Total Accounts Payable	189,035.23	100,281.38
Other Current Liabilities		
Loan from Alfred Stubbs	2,499.20	6,500.00
Payroll Liabilities	618.93	0.00
VAT Payable	6,178.77	13,006.94
Total Other Current Liabilities	9,296.90	19,506.94
Total Current Liabilities	198,332.13	119,788.32
Total Liabilities	198,332.13	119,788.32
Equity		
Capital Stock	1,118,165.74	1,049,165.74
Opening Balance Equity	1,729,938.10	1,729,938.10
Retained Earnings	2,223,264.97	0.00
Net Income	-197,050.65	2,223,264.97
Total Equity	427,788.22	555,838.87
TOTAL LIABILITIES & EQUITY	626,120.35	675,627.19

Income Statement

	Jan - Dec 16	Jan - Dec 15
Ordinary Income/Expense		
Income		
Interest Income	8.15	17.55
Sales Income	130,823.49	294,759.41
Total Income	130,831.64	294,776.96
Cost of Goods Sold		
*Cost of Goods Sold	80,663.45	715,291.57
Purchases - Resale Items	0.00	0.00
Total COGS	80,663.45	715,291.57
Gross Profit	50,168.19	-420,514.61
Expense		
Advertising and Promotion	217.05	4,844.28
Automobile Expense	1,968.99	2,764.40
Bank Charges	2,295.93	9,729.54
Donation	655.34	100.00
Insurance Expense	0.00	2,966.93
Janitorial & Cleaning	1,446.36	5,419.37
Meals and Entertainment	62.18	61.33
Mechanical/Maintenance		
Staff	5,000.00	50.00
Office Supplies	918.14	3,266.73
Payroll Expenses	114,224.07	448,109.78
Processing Staff Wages	16,087.09	0.00
Professional Fees	1,550.00	2,035.72
Rent Expense	3,400.00	0.00
Repairs and Maintenance	4,452.82	64,965.03
Telephone Expense	2,332.84	4,740.17
Travel Expense	3,831.52	4,839.02
Utilities	88,776.51	78,973.62
Total Expense	247,218.84	632,865.92
Net Ordinary Income	197,050.65	1,053,380.53
Other Income/Expense		
Other Expense		
Pre-opening Expense	0.00	1,169,884.44
Total Other Expense	0.00	1,169,884.44
Net Other Income	0.00	1,169,884.44
Total	197,050.65	2,223,264.97

HPPL Financials Snapshot Cont.



Harmony to Pinnacle Merger

Understanding the major challenges that Harmony has experienced, the upside potential and lessons learned for sustainable farming and demand consumer market of poultry products, Pinnacle Farm Limited will be the relaunch of Harmony Poultry Producers Limited.

Pinnacle Farm has found the acquisition merger of Harmony Poultry Products Ltd (HPPL) as a most viable option to move forward with immediate success. HPPL, brings with it a list of existing revenue producing clients, an existing physical plant requiring upgrades, environmental and municipal permits and approvals in hand. In addition to concessions and reduce tariffs and tax rates for its operations. HPPL at present has a net cash value of \$2.5 million less \$60,000 in outstanding debt relating to deferred payroll, which will be converted in share value during the merger of HPPL being acquired by Pinnacle Farm Limited.

The owner of 85% share holdings of HPPL Mr. Zhivargo Laing has agreed in principal terms to a merger agreement with Pinnacle Farm. A present lease in place with an option to purchase of the 40-acre site is in the name of Mr. Laing and not HPPL, which 25 broiler houses 8 of which were completely refurbished, 1 building for processing slaughter and an adjacent 5-acre site with egg laying and processing production. HPPL has been sitting dormant needing an estimated \$3 million to bring it back online. Current circumstance, the principal and land owner is motivated to make a deal and a win for all concerned to making this deal much more attractive for redevelopment.



Pinnacle Farm
Bahamas Limited





Site Location Freeport GB

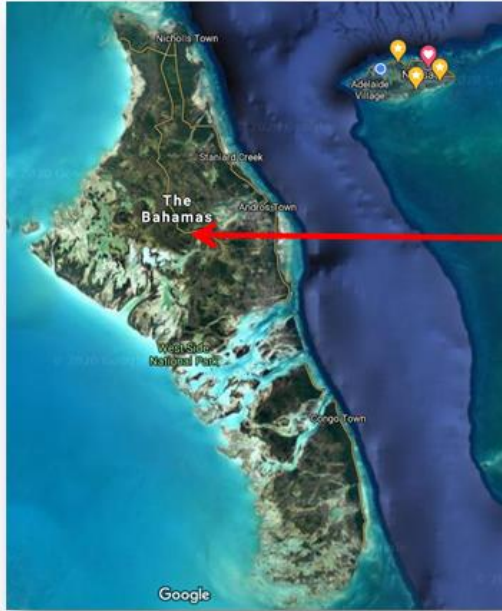
Pinnacle Farm Bahamas Limited will be redeveloped and located on the island of Grand Bahama, Bahamas. It is an ideal location for our operation given it has one of the region largest sea port for cargo. An existing physical plant with a turnkey operation. Expansion to available land to the North and East to accommodate additional broiler units as new construction.



Harmony
Poultry
Products
Ltd

Site Location Andros

Pinnacle Farm Bahamas Limited will in addition to the Freeport Grand Bahama located, will build out a second farm on the island of Andros Bahamas. It is an ideal location for our operation given Andros is the largest landmass in the Bahamas and has unlimited supply of fresh water. Andros has a number of agriculture farms lending to the opportunity in the use of poultry waste as fertilizer in the domestic market.



San Andros Airport North



Pinnacle Farm Site

Government Agriculture Farm & School (B.A.M.S.I)



HELLO! REBIRTH



**Pinnacle Farm
Bahamas Limited**

**Bahamas & Regional
Food Security is
finally here!**

Pinnacle Farm Bahamas Limited is focused on 100% achievement of eliminating all egg and poultry meat imports into the Bahamas with the capacity to export to the world.



Pillars to Sustainable Poultry Farming in the Bahamas

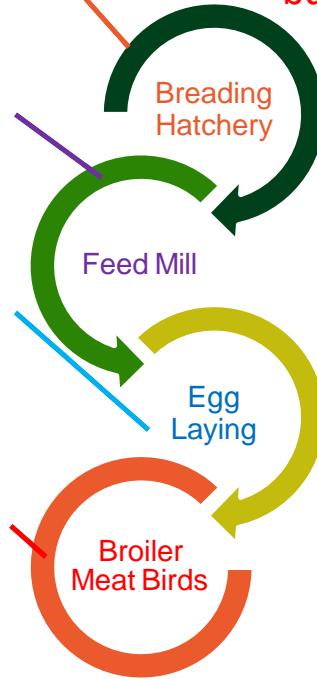


Breeding of fertilized eggs to produce chicks continuously is essential to our sustainable and self sufficient goals.

Operating our in-house feed mill is key to managing the most significant cost of goods. Use of indigenous products a must to create a viable feed is essential.

Egg laying broiler birds are essential to meeting our egg demand of non-fertilized eggs for consumption.

Meat bird broilers are critical to meeting our chicken meat demand of whole and portion meats, processed and packaged for retail sales.



The objective of Pinnacle Farm Bahamas Limited is to be a self sustaining poultry operations by incorporating the 4 pillars of poultry business process into our model.

Cost of doing business in the Bahamas is an extremely high factor of production, doing 1 or 2 of these and not all 4, will put the project at a cost disadvantage increasing risk of failure. All 4 pillars must be adopted to make this project viable.

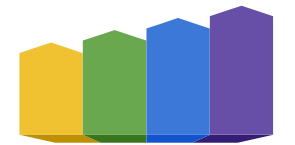
Pinnacle Farm Bahamas Limited



- First priority of Pinnacle Farm will be to complete the acquisition merger of Harmony, performing all necessary legal transfers of lease, permits and license renewals accordingly.
- Perform site assessments to produce scope of works needed to bring all systems back on-line with the relevant insurance coverages along the way to include business disruption and risk lost recovery for potential storm impacts.
- Conduct cost analysis in conjunction with revenue drivers on prior production process to determine the additional equipment required to meet those new revenue driver needs. For example, cutting portions of meats are required by the 3 fast food giants which accounts for an estimated 40% of annual consumption of chicken in the Bahamas; what additions to the production line is needed to automate this process eliminating the labour need. Thus, reducing cost and increasing revenue.
- Rebranding, packaging and labeling of product will be automated with bagging sealing and wrapping accordingly. A well presented product for tier one consumers at retail grocers will benefit from a quality fresh product.
- Quality vs Quantity retailers. In some cases size matters and in others it does not. For Pinnacle the cost per pound at or below \$1 and a comfortable 30 to 50 cents mark up will drive our revenue target results. Our objective is manage cost that HPPL were not able to and sell at the highest price per pound possible not leaving revenue on the table.
- In addition to eggs and meats, PFB, in the near term bring to market various bi-products of eggs and meats. Such as, chicken franks, chicken nuggets and tenders, egg whites, egg yolks and beat eggs to build additional revenue segments.

Pinnacle Farm Bahamas Limited

Tier Consumer Matrix:



Pinnacle Farm
Bahamas Limited



Under a relaunch PFB, ALL tier segments will be targeted with our products to drive brand awareness and product volume. Tier 3 is our volume accounts but require specialty cuts and sizes accounting for 25% of the market. Tier 2 are the accounts that have seasonally driven demands based on tourism occupancy on the islands accounting for 30% . Tier 3 are the retail grocery and wholesale outlets where most end consumer purchases occur, accounting for 45% of the total market.

Pinnacle Farm Bahamas Limited

Revenue Potential Yield Analysis:



Bamboo Shack – Consumption Demand is 1,000,000 lbs of chicken meat annually and is the least of the 3 leading fast food chains with 6 take-out restaurants. Leg Quarters and Breast Bone In and Boneless are the largest attributes: At a sell rate of \$1.30 per pound = **\$1,300,000** in revenue from one account.



Popeye's Chicken – Estimated to be 3 times the amount of Bamboo Shack with 3 restaurants or 3 million lbs per year of all cuts of chicken. 3 mil x \$1.30 = **\$3,900,000** in sales.



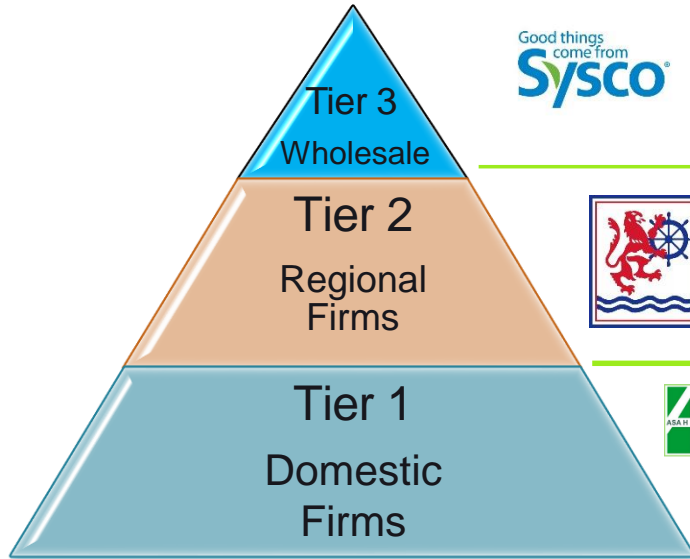
KFC – The most popular chicken restaurant in the Bahamas with 9 locations is estimated to consume 6 times Bamboo Shack volume, all cuts of Chicken. 6 million lbs x \$1.15 = **\$6,960,000** in sales.



From the Tier 3 segment of potentially **\$12.1 million** in potential sales, PFB can exceed the revenue of HPPL that was unable to supply this market for operational limitations. The 6.5 combined million between these 3 chains is 20% of the 32 million recorded demand.

Pinnacle Farm Bahamas Limited

Top Regional Distributors & Purveyors



PROGRESSIVE
DISTRIBUTORS LTD



ASA H. PRITCHARD



With a robust marketing campaign and product branding, ALL tier segments will be targeted with our products to drive brand awareness and product volume. Tier 3 is our volume accounts based in mainland Florida USA that provide distributor shipping to 80% of the Caribbean. Tier 2's are directly located in key regional destinations and rely heavily on tourism on the islands accounting for 30%. Tier 1 is where most end consumer purchases occur, accounting for 45% of the total market in the Bahamas. We at PFB will leverage marketing dollars to maximize existing consumer supply chains.

Egg Hatchery/ Breeding



WHY?

As a part of PFB cost reduction and revenue retention plans, setting up a breeding process and state of the art incubator to produce constant supply chain of new chicks for both egg laying and slaughter daily is key to our strategic success plans. Reduce purchase abroad of direct cash imports.

100,000 new chicks per month at max breeding production.



Feeding Mill

WHY?

One of the largest cost of goods is to feed the chicks for up to 48 days in a growth cycle. Feed risk are high given the fluctuation of commodity pricing of corn, soy and wheat. PFB objective is to find best alternative indigenous product additive to add to feed to reduce cost and the high cost of freight and taxes payable on same . Freight and landed cost even though fed import is duty free there is still the impact of 28% cost impact to the import of feed in addition to the cost of purchase. A small feed pellet plant can produce 10,000 pounds of feed per hour.



**Pinnacle Farm
Bahamas Limited**

Egg Layers



Part of PFB revenue mix is to capitalize on egg production which is a significant revenue driver for PFB.

- 40,000 Egg laying hens broiler capacity x 4
- Max Production of 50 million eggs per year
- Meet demand of 2.5 million dozen eggs imported per year

Fresh, healthy and locally produced Grade A and Organic eggs. Meet demand of all hotels, restaurants, bakeries and retail stores throughout the Bahama. Ensuring the reliance on broiler meat sales as a single driver to sure up cash flow position.



Slaughter & Packaging



Make enhancement to the processing line to create full automation to include scaling, packaging and sale of the highly sort after chicken feet, heart and liver market for export and or domestic consumption.

- Minimum 10,000 slaughter per day
- Max 50,000 slaughter per day
- Meet demand of 25+ million pounds per year imported meat of the estimated 40 million lbs. import market

FRESH, not shipped or frozen, healthy and locally produced quality whole chicken and portions. Meet demand of hotels, restaurants, fast foods and retail stores throughout the Bahamas. Capacity to export.



Pinnacle Farm
Bahamas Limited



Liver



Gizzard



Giblets

Mid joint wing



Wing tip



Breast



Wings



Breastfill



Tenderloin



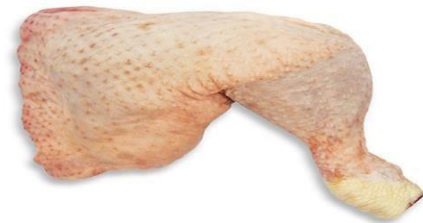
Drumstick



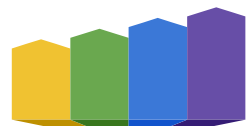
Ham



Leg-quarter

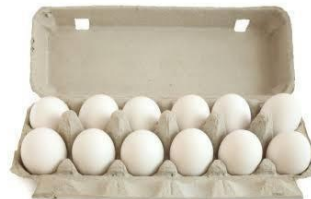


Thigh



Pinnacle Foods
Bahamas Limited

Concept of Retail and Wholesale Package



**Pinnacle Foods
Bahamas Limited**

OTHER RETAIL BI-PRODUCTS



Pinnacle Farm Bahamas Limited will in the near term of relaunch seek to expand its revenue base by creating market products for retail consumption. While this will be a strategic initiative, the cost analysis and development plans will occur in year 2 to determine capital needs to bring program on line with speed to market.

INVESTMENT

\$230 MILLION

- Acquisition of Harmony Poultry Operation
- Construct 40 new broiler units with FF&E
- Restore & Repair 26 Broiler Houses 20,000 Sq. Ft. each
 - 5- Egg Layer Broiler Upgrades
 - 24- Chicken Free Range Repairs / Upgrades
 - 1-Slaughter House Upgrade
- Construct Water Treatment Plant
- Purchase Land and Construct Shoppers Mart Stores with FF&E
- Stock 3 Shoppers Mart Store Locations
- Construct Feed mill
- Construct Breeding & Hatchery
- Construct Energy Plant
- Construct Office and Support Building
- Purchase of Shipping Vessels
- Set-up of Nassau Depot and Retail Outlet
- Purchase all support equipment



Pinnacle Farm
Bahamas Limited



Project Capital Outlay

Capital Outlay Funding Requirements

<u>Start-up Expenses</u>		<u>Notes</u>
Advertising & Marketing	\$8,000,000.00	PR and Company Brand Launch
FF&E Fit Out Offices	\$5,250,000.00	3 Offices Build Out / HVAC / Furniture
Broiler Houses Poultry 40 Units Andros	\$13,000,000.00	Chicken Broiler / Hatchery / Free Range
Land Purchase Andros	\$4,000,000.00	Crownland Purchase
Broiler Houses Poultry 30 Units Freeport	\$5,000,000.00	Chicken Broiler / Hatchery / Free Range
Land Purchase Freeport	\$8,250,000.00	Purchase of Harmony Farms
Broiler Houses Poultry Equipment	\$8,720,000.00	Egg Layer / Auto Feeder / Harvester
Feed Mill Production	\$18,000,000.00	Feed Production (Florida & New Providence)
Land Purchase Florida / New Providence	\$5,250,000.00	Site Purchase of Facilities
Slaughter House Equipment	\$11,400,000.00	Slaughter House Equipment
Processing Packaging Plant	\$17,000,000.00	Cold Cuts and Retail Packaging
Broiler & Slaughter House Install	\$10,600,000.00	Construction/ Assembly / Commissioning
Land Clearing & Ground Prep	\$3,750,000.00	Land Prep for Building Installs
Depot Location Nassau	\$4,400,000.00	Gladstone Rd Inland Depot
Cement Plant	\$4,659,000.00	Cement Production Equipment & Truck
Heavy Equipment	\$7,100,000.00	Grader / Dump Truck / Dozer / Excavator / Roller
Living Quarters Modular	\$4,425,000.00	Staff Living Quarters Construction
Paving of Road and Passage Ways	\$2,575,000.00	Paving of walk-ways and driveways
Shipping & Transport	\$15,000,000.00	Purchase of Shipping Vessels
Signage	\$500,000.00	Building Interior and Exterior Signage
Vehicles / Heavy Trucks	\$3,800,000.00	Mack Trucks/Cargo Vans/Box Truck/Containers/Trams
Other Equipment	\$7,000,000.00	Forklifts/ Shelving/ Pallet Jacks/ Racks/ Chipper
Staff Uniforms & Suppleis	\$1,000,000.00	PPEs / Overalls / Polo's / Hats
Information Technology	\$4,700,000.00	POS/ Computers/ Printers/ Software/ ISP
Furniture & Equipment	\$2,271,000.00	Office Furniture/ Staff Lounge
Professional Fees	\$5,000,000.00	Legal/ Architect M.E.P/ Consultants/ Permits
Start Up Supplies	\$5,850,000.00	Feed Supply / Packaging/ Eggs / Hens
Housing Assistance / Construction	\$2,500,000.00	Staff Relocation Allowance / Rents
Insurance / All Risk Construction	\$3,000,000.00	Public Liability / Equipment / Business Interruption
Service Contracts / Renewable Energy	\$6,800,000.00	Solar / LED / Fuel / Refrigeration/ Gen-Set
Taxes & Fees	\$17,600,000.00	Government Taxes & Fees / VAT/ Stamp Tax
Additional Working Capital - 6 months	\$13,600,000.00	Payroll / Operating Expenses
Total Start-up Expenses	\$230,000,000.00	



**Pinnacle Farm
Bahamas Limited**



Revenue Forecast

**PINNACLE FARM
INCOME STATEMENT
5 Year Projection**

	Yr1	Yr2	Yr3	Yr4	Yr5	Cumulative
Description	2025	2026	2027	2028	2029	Total
Projected Sales (5% Y/Y)	75,000,000.00	78,750,000.00	82,687,500.00	86,821,875.00	91,162,968.75	414,422,343.75
Cost of Sales @ 40%	30,000,000.00	25,987,500.00	27,286,875.00	28,651,218.75	30,083,779.69	142,009,373.44
Net Sales	45,000,000.00	52,762,500.00	55,400,625.00	58,170,656.25	61,079,189.06	272,412,970.31
Administrative Expenses:						
Salary & Wages						
Payroll	5,200,000.00	5,252,000.00	5,304,520.00	5,357,565.20	5,411,140.85	26,525,226.05
Pension Contribution	260,000.00	262,600.00	265,226.00	267,878.26	270,557.04	1,326,261.30
Health/Medical Contribution	260,000.00	262,600.00	265,226.00	267,878.26	270,557.04	1,326,261.30
National Insurance	390,000.00	393,900.00	397,839.00	401,817.39	405,835.56	1,989,391.95
Performance Bonus	-	590,625.00	590,625.00	590,625.00	590,625.00	2,362,500.00
Total Salary & Wages	6,110,000.00	6,761,725.00	6,823,436.00	6,885,764.11	6,948,715.50	33,529,640.61



**Pinnacle Farm
Bahamas Limited**

Expenses & Debt Service Trends

Operating Expenses						
Telecom & Internet / VHF Radios	135,000.00	138,375.00	141,834.38	145,380.23	149,014.74	709,604.35
Energy / Solar	1,275,000.00	1,306,875.00	1,339,546.88	1,373,035.55	1,407,361.44	6,701,818.86
Water (R.O System)	300,000.00	307,500.00	315,187.50	323,067.19	331,143.87	1,576,898.55
Advertising/Marketing	450,000.00	461,250.00	472,781.25	484,600.78	496,715.80	2,365,347.83
Business License Fees (.05%) LTD	375,000.00	384,375.00	393,984.38	403,833.98	413,929.83	1,971,123.19
Professional Fees	450,000.00	461,250.00	472,781.25	484,600.78	496,715.80	2,365,347.83
Liability All Risk Insurance	1,200,000.00	1,230,000.00	1,260,750.00	1,292,268.75	1,324,575.47	6,307,594.22
Security Overnight	270,000.00	276,750.00	283,668.75	290,760.47	298,029.48	1,419,208.70
Staff Housing Allowance	360,000.00	369,000.00	378,225.00	387,680.63	397,372.64	1,892,278.27
Vehicle & Equipment Repair	360,000.00	369,000.00	378,225.00	387,680.63	397,372.64	1,892,278.27
Other	75,000.00	76,875.00	78,796.88	80,766.80	82,785.97	394,224.64
Building Repair & Maintenance	225,000.00	230,625.00	236,390.63	242,300.39	248,357.90	1,182,673.92
Fuel	225,000.00	230,625.00	236,390.63	242,300.39	248,357.90	1,182,673.92
Licensing	45,000.00	46,125.00	47,278.13	48,460.08	49,671.58	236,534.78
Insurance	90,000.00	92,250.00	94,556.25	96,920.16	99,343.16	473,069.57
Office Supplies	75,000.00	76,875.00	78,796.88	80,766.80	82,785.97	394,224.64
Software Point of Sale / Inventory /QB	150,000.00	153,750.00	157,593.75	161,533.59	165,571.93	788,449.28
Courier, Freight & Messenger	600,000.00	615,000.00	630,375.00	646,134.38	662,287.73	3,153,797.11
Customs Duty (Account for Exemptions)	675,000.00	691,875.00	709,171.88	726,901.17	745,073.70	3,548,021.75
CAPEX Reserve Funds 2% of Gross	750,000.00	768,750.00	787,968.75	807,667.97	827,859.67	3,942,246.39
Total Operating Expenses	8,085,000.00	8,287,125.00	8,494,303.13	8,706,660.70	8,924,327.22	42,497,416.05

Total Administrative Expenses	14,195,000.00	15,048,850.00	15,317,739.13	15,592,424.81	15,873,042.72	76,027,056.66
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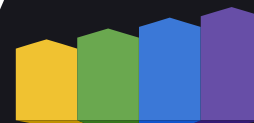
Net Income before Obligations & Service Agreements	30,805,000.00	37,713,650.00	40,082,885.88	42,578,231.44	45,206,146.34	196,385,913.65
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Debt Service Obligation	26,119,375.00	25,774,375.00	25,429,375.00	25,084,375.00	24,739,375.00	127,146,875.00
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Net Income after Debt Service Obligation	4,685,625.00	11,939,275.00	14,653,510.88	17,493,856.44	20,466,771.34	69,239,038.65
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Debt Service Ratios:

Debt/Sales	34.83%	32.73%	30.75%	28.89%	27.14%	30.68%
Debt/Net Sales	58.04%	48.85%	45.90%	43.12%	40.50%	46.67%
Debt/Net Income	84.79%	68.34%	63.44%	58.91%	54.73%	64.74%



**Pinnacle Farm
Bahamas Limited**

Site Location – Gladstone Road Depot & Retail Outlet

Pinnacle Farm Bahamas Limited will redevelop a depot and retail store on the island of New Providence, Bahamas. It is an ideal location for our operation which is centrally located and well suited for retail wholesale, warehousing and container movements from the Grand Bahama and Andros farm sites for eggs and chicken production.



**Pinnacle Farm
Bahamas Limited**



SHIPPING

GAME CHANGER

Pinnacle Farm Bahamas Limited will seek to acquire its own shipping vessel which will reduce the cost of operation significantly for direct shipping expenses. The value of vat tax, ocean freight from Florida to Grand Bahama and Grand Bahama to Nassau, and neighboring requires seamless logistics to reduce the overall cost of doing business between the farm and the farm depot on Nassau, New Providence and regional supply markets.

Whether importing day old chicks, or containers of supplies and feed, or the value of having our own vessel is a game changer in a price competitive market that not only serves as a cost reducer but also a revenue enhancer to have the vessel used for charters and other scheduled trips.

With an established vessel, with the necessary port registrations and bonds, PFB containers can be cleared for entry without having to pay upfront and cost thereby charged to the shipping company Customs Bond. This will help to better manage cash flows, avoiding past lessons learned from HPPL.



**Pinnacle Farm
Bahamas Limited**



“Pinnacle Farms”

▪ IDEAS

This slide is 100% editable. Adapt it to your needs and capture your audience's attention.

▪ INNOVATION

This slide is 100% editable. Adapt it to your needs and capture your audience's attention.

▪ THINK

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▪ SUPPORT

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▪ MANAGEMENT

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Corporate Leadership

Craig is CEO and Chairman of Caribbean Trading Group LLC (CTG), a Bahamian Holding Company. CTG is the parent company of Shopper's Mart, Caribbean Shipping Company (CSC) and Pinnacle Farms Inc. which is all 100% Bahamian owned.

Craig was born and raised on the island of New Providence, in the district of South Beach. He attended Government High School (GHS), where he successfully completed and attained his High School Diploma in 1987. Upon his completion, Craig sought to further his education where he could pursue an athletic career in Track & Field. In so doing, he was recruited by coach Harvey Glance, Head Coach at Auburn university in Alabama, where he became an All-American athlete in the long jump.

Craig was enrolled at Auburn University from 1990 to 1994, where he attained a Bachelors Degree in Marketing Education, School of Business. Once a World Class Long Jumper, Craig was ranked fourth in the world, and had held the Bahamas record since 1993. He is also a two time Olympian, and was regarded as one of the best Bahamian long-jumpers of all times. He represented the Bahamas at the 1992 and 1996 Olympics in Barcelona, Spain, and Atlanta, Georgia, United States respectively.

After his athletic career ended, Craig took off his track shoes, and replace them with work shoes. Staying true to his academic degree, he was employed at Butler & Sands, which was owned by Burns House Ltd., the largest wholesale liquor distributor in the Bahamas from 2001 to 2004 as a Brand Manager for (Absolut Vodka/ Becks Beer/ Bacardi Rum Brands). When presented with a more challenging opportunity, Craig left Butler & Sands to pursue employment at ASA H. Pritchard from August of 2004 to 2020, as Business Manager for (Mahatma Rice/JIM Smucker's). A post he held for the past 15 years.

Having an entrepreneurial spirit, Craig has always had aspirations of venturing out and owning his own business. And so, when the opportunity of a lifetime presented itself, Craig went in with all his heart, pursuing it with a fighting passion to build upon his dream.



**Pinnacle Farm
Bahamas Limited**

Stanford Williams

Stanford Williams is CFO and Director of Caribbean Trading Group Ltd., with over twenty (20) years of experience in the offshore financial industry. Stanford a Bachelor's of Science Degree in Accounting, with emphasis in Finance from Gannon University in Erie, Pennsylvania in 1993.

Owen Burrows

Owen Burrows is COO and Director of Caribbean Trading Group Ltd., with over thirty (30) years of experience in major retail grocers and distribution companies. Owen holds a Bachelor's of Arts Degree from the College of The Bahamas, and a minor in Business Administration.

Zhivago Laing

Zhivago Laing is the former CEO of Harmony Poultry Producers Limited. As CEO he developed and ran the operations of Harmony as the majority shareholder. Mr. Laing, hold a Bachelor of Art's Degree in Agro-economics, and a Master's Degree in Business Administration from George Washington University. He held a number of governmental advisory roles and served for 10 years as a Government Cabinet Minister most recently as Minister of Finance. Mr. Laing brings a wealth of hands on knowledge and governmental and international contacts to the team.

Rai Budhu

Rai Budhu is Operations Consultant/Advisor to Pinnacle Farms with over thirty (30) years of work-related experience.

Dave Fairman

Dave Fairman employed by a Jamaican Broiler is an Advisor to Pinnacle Farms

Syd Mogg

Syd Mogg of WinCorp International is an Advisor to Pinnacle Farms



**Pinnacle Farm
Bahamas Limited**

THANK YOU!

