



AL MABROOR
PROJECTS

SECURE YOUR
FINANCIAL FUTURE
THE SHARIAH WAY

SHEEP INVESTMENT
OPPORTUNITY

21 NOVEMBER - 15 DECEMBER 2022



ABOUT

Al Mabroor Agri has been involved in sheep farming on a relatively small scale over the past 18 months and the returns to a small group of investors have been very pleasing. We started with 2 000 ewes as a trial and are farming with around 10 000 sheep in the Colesberg and Smithfield areas at present. We feel that the results have been good enough to expand to 25 000 ewes at present and 50 000 ewes in the next 3 years.

Many farmers in the Karoo have lost substantial portions of their sheep herds during the drought of 2018 - 2020. With the recent good rainy seasons in most parts of the country, many of these farmers have excellent sheep grazing, but limited stock numbers. Al Mabroor Projects have identified 6 very capable and respected sheep farmers that are willing to enter into agreements with Al Mabroor Agri. The transaction will be structured to the benefit of both the investors and the participating farmers.

INVESTMENT MODEL - Mudarabah Model

Al Mabroor Agri or the investor is the Rabal-Maal in the project. The farmer will be the Mudarib. Al Mabroor Agri will purchase ewes and place them in the care of the farmer on the farmer's land. These ewes will remain the property of Al Mabroor Agri. The farmer will farm these animals together with his existing herd. All operational expenses relating to the animals owned by Al Mabroor Agri will be carried by Al Mabroor Agri.

All proceeds from the sale of lambs and wool will be split in a 60:40 ratio to Al Mabroor and the farmer. Al Mabroor Agri will sell a certain portion of older ewes on an annual basis and replace them by buying younger ewes. This will ensure the sustainability and longevity of the breeding project.

Returns will be payable every 4 months. Additionally, Al Mabroor Agri will get first option to buy the lambs owned by the farmer at RPO market price.

ADDITIONAL OPPORTUNITIES

This model can be replicated to include Angora Goats and normal Boer Goats. Al Mabroor have established relationships with very reputable farmers and are keen to expand to these sectors as well. An added benefit will be to supply all our loyal investors during Qurbani.

Ultimately, we want to be in a position where we have enough animals to supply sustainably to the export market, as well as Halaal butcheries across the country.

RISK MANAGEMENT

The Al Mabroor Agri team will oversee all these ventures similarly to what they currently do on the cattle side. Physical stock counts will be done every 60 days. Every farmer will provide additional security by way of land. Al Mabroor Agri will have first right to cancel the agreement at any stage if they feel their investment is at risk. Al Mabroor Agri will have the right to remove their sheep from the farmer's land.

INVESTMENT OPPORTUNITY

Investments will be treated on a first-come-first-serve basis.

Capital required	R 40 000 000
Capital raise term	18 November - 15 December
Profits payable	Every 4 months
Minimum investment amount	R 25 000
Minimum investment period	24 months

FINANCIAL DETAIL

Below is an estimate of the project costs. Actual prices may vary.

Capital expenditure

15 000 ewes @ R 2 300 – R2 500 per ewe	R 36 000 000
Transport cost	R 500 000
Initial expenses for first 5 months	R 3 500 000
Total investment	R 40 000 000



Expected Income and Expenses

Estimated annual wool sales (60%)	R 3 400 000
Estimated annual lamb sales (60%)	R 8 750 000
Less estimated expenses for last 7 months	(R 4 900 000)
Distributable income to investors	R 7 250 000
Estimated annual profit percentage	18.1%
85% profit share to Al Mabroor investors	15.4%

CONTACT US

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