

## Everything you want to know about Investor Farm

### Frequently Asked Questions

#### Investment Farm Platform

##### What is InvestmentFarm?

InvestmentFarm” is a brand of AgroWorld (Pvt) Ltd registered as a private limited liability company with the Department of the Registrar of Companies under the Companies Act No 7 of 2007. In seeking ways to make investment in cultivation more accessible and approachable investment. AgroWorld created the InvestmentFarm platform to provide investors with direct and convenient access to this asset class. The InvestmentFarm platform is built by investment and agriculture professionals who have historically invested in cultivations and other assets. InvestmentFarm effectuates securities transactions on the platform by assisting the farmers who are seeking to raise funds through private placements for the purpose of acquiring Agro-input, improving, developing and operating cultivation investments, etc. InvestmentFarm receives fees from such farmers for its private placement services.

##### What is the mission of InvestmentFarm?

Our mission is to empower progressive farmers to secure investments into commercial cultivation; and to provide our customers / investors with a new asset class to invest into agriculture which provides transparency with advanced technology, data, and expertise.

##### How does InvestmentFarm work?

InvestmentFarm online platform enables investing in validated cultivation that can be short, medium, or long term. Through our website, investors can invest in prospective commercial cultivation and secure placements without facing any traditional challenges. Investors can browse potential offerings and review information about the subject property. If the decision is made to invest in an offering, the investor can complete the transaction securely online. Participating investors may then access information on their investment(s) via their individual investor dashboard 24/7.

##### What are the benefits of using InvestmentFarm to invest in crop cultivation?

InvestmentFarm makes it possible for any potential investors to invest in agriculture at ease and with utmost level of transparency across the entire value-chain process. The InvestmentFarm platform acts as a filter allowing only certain reviewed and validated cultivations / projects through for consideration. Investors do not need farming experience

or any prior knowledge in agriculture to understand this asset class. The experienced staff of the Agro World Team spends significant time and resources gathering relevant data and reviewing cultivations / projects to determine which ones are worthy of investor consideration and inclusion on the platform. The end result is a straightforward process designed to provide investors access to an asset class not traditionally attainable. InvestmentFarm has positioned itself at the intersection of tradition and technology bringing private capital to a vital industry.

What is the background of the executive team of InvestmentFarm?

At the core of InvestmentFarm, the team of AgroWorld (Pvt) Ltd professionals, combining decades of experience in financial services, agriculture and technology. Prior to starting AgroWorld, our Founder & CEO is a serial entrepreneur having extensive exposure in agriculture, management and cutting-edge-technology. Our Chairman was the ex-Managing Director of CIC Holdings PLC, which is; one of Sri Lanka's leading blue chip conglomerates with ventures in businesses ranging from agriculture to consumer goods and from pharmaceuticals to industrial solutions. He was instrumental in transforming CIC from a typical manufacturing and trading business to one of the leading conglomerates in the Country. Our Co-founder and Director is also the, Co-Founder of Hatch Works. He is an Angel Investor and also the Founder of Veracity Group. He is the visionary behind Sri Lanka's first operational IT Park - Orion City, home to some of the world's leading IT firms based out of Sri Lanka. He also serves as the CEO of Anton one of the largest plastic manufacturers in the country. Our CFO has worked in the Wall Street and managed significant number of investments for private fund. Other members of our team have extensive business and agricultural experience. The historic performance and/or success of our executive team is not indicative of the future success of InvestmentFarm or AgroWorld. Please see About Us page for more information.

Who is eligible to invest in InvestmentFarm?

Investing on the InvestmentFarm platform is only open to any registered investors. To qualify as a registered investor, you must complete and submit the "Investor Registration Form" which doesn't take more than 2 minutes.

Can Sri Lankan citizen invest in InvestmentFarm?

Yes, of course. As long as, the Investor Registration Form is duly completed and submitted.

Can non-Sri Lankan citizen invest in InvestmentFarm?

Yes, of course. As long as the Investor Registration Form is duly completed and submitted.

If I invest with InvestmentFarm, do I own the farmland property?

No. You will not own a specific location on the subject property or hold title to the property in which the cultivation will be conducted.

As an investor in what exactly does one invest?

You will be investing on the future yield that is predicted from the cultivation which is time-bound; and you do have ownership in the cultivation yield / harvest as per the Investment contract signed by and between AgroWorld and yourself.

Is there a minimum amount to invest in InvestmentFarm?

The minimum investment amount varies for each individual listing. Depending on the total size of the offering, crop, geographical location, and other factors. The minimum investment amount will typically vary. Find the minimum investment required for each individual listing on our Current Offerings page.

How do I get started investing in a cultivation via InvestmentFarm?

Anyone can create a free InvestmentFarm, Investor account just within 2 minutes. Approved investors can then invest in any of our active / current listings.

### Farmer Questions

How does InvestmentFarm find investable farms and cultivations?

We have a large network of sources that includes farmers, farmer organizations, Department of Agriculture, website visitors, cultivation brokers and wholesalers, Government / temple / community lands available for commercial cultivation, and industry contacts.

Who at InvestmentFarm actually cultivates the land?

The farmers who have been onboarded after rigorous validation and selection process will be fully involved and responsible for the conduct of cultivating as per the instructions provided by the agriculture/agronomy team of AgroWorld.

How do InvestmentFarm's cultivation management contracts work?

Our farm management contracts are designed to protect our investors and all on-going cultivations to secure the interest of the farmer who is mostly prone to cultivation risks. To ensure that the associated farmer is managing his or her operation according to industry practices, the farmer will have to strictly adhere to the scientific growing cultivation practices provided by AgroWorld through the light weight PlantCare mobile app, where the farmer will have to capture photos, videos and insert remarks as appropriate which will very simply guide and direct the farmer.

What does InvestmentFarm do if a farmer fails to achieve the prescribed yield?

This is a risk associated with any commercial cultivation that is conducted by any third-party, however the processes and highly precision level of remote monitoring using the PlantCare app helps to prevent or mitigate the risks as much as possible.

### Privacy / Security

Does InvestmentFarm have good security?

We have taken extensive steps to ensure that all personal data entered into InvestmentFarm platform is safe and secure. We use 256-bit encryption, the highest level of encryption commercially available, to ensure that every transaction, financial or otherwise, is processed securely.

What does InvestmentFarm do with my financial information?

Investment Farm's investors will see your personal financial information such as bank account numbers, or accreditation documents for purposes of complying with our obligations to perform Anti-Money Laundering, Know Your Customer and Approved Investor verifications. For bank account linking, staff can see only that a bank account has been linked and its last 4 digits; the full account number is not visible, and none of your login information is captured by InvestmentFarm platform or its systems. Please see our Privacy Policy for additional information

How is money transferred to InvestmentFarm from an investor?

When an investor funds his/her subscription, the funds are transmitted by the investor via a wire transfer directly to AgroWorld's Cultivation Investment Account which also serves as the escrow agent for our offerings / investments into cultivations. Each cultivation has a minimum subscription requirement that must be met before AgroWorld can proceed to closing the cultivation listing from its Current Offerings. AgroWorld does not take custody of investors' funds at any time prior to the investment being closed. At closing, the offering proceeds will be transmitted to the Company's bank account at which time the funds needed to invest in cultivation will be obtained from this escrow account and shall be

invested on a mile-stone achievement basis or will be reimbursed to the farmer as upon necessary verification is completed. Please reference the Financials Tab in each offering for more information on use of proceeds. For specific transfer instructions, please refer to individual listing documentation, and feel free to contact us at any time with questions.

How are the profits remitted from InvestmentFarm back to the investor?

Once the cultivation cycle is completed and the sales proceeds are received by AgroWorld from the Buyer; the AgroWorld system will automatically calculate the profit share as per the Investment Contract with the Investor, Cultivation Contract with the farmer and split the profit accordingly or on a pro-rated basis if the actual profit is above or below the estimated amount and the returns will be remitted to the investors' account.

How are legal documents handled at InvestmentFarm?

All legal documents can be sent and signed electronically through our website. This allows for efficient and seamless transfer of documents between you and InvestmentFarm, while maintaining the authenticity and security of your information. Investments are finalized once proper legal documentation is accepted, funds are confirmed received, and the overall offering is fully closed. For more information, please see our Privacy Policy.

### [Investors Questions](#)

What happens if InvestmentFarm has business problems?

Each commercial entity (typically a private limited liability company) is purposefully bankruptcy remote, so that you will retain your legal ownership of that entity regardless of any potential business issues with InvestmentFarm or AgroWorld (Pvt) Ltd. In the event of AgroWorld's insolvency, the entity has instructions to assign a reputable liquidator (which may be a third-party firm or a liquidating committee) to liquidate the entity in accordance with the terms and conditions set forth in the Agreement. After liquidation, the liquidator will be responsible for distributing the entity's assets to its stakeholders.

What are InvestmentFarm's distributions and how do I receive them?

Distributions, if any, of net cash from annual income received by the Company (after operating expenses have been paid), will typically be made once a year in March. The amount of distributions you receive will be based on your pro rata ownership of the Company based on the investments you have in terms of invested and active shares. Distributions are never guaranteed in amount or timing, and you should carefully read the offering documents on the specific deal you are interested in to fully understand the likelihood of distributions and the risks involved.

How quickly can I resell my investment made with InvestmentFarm?

Please consider the holding periods for each investment and be prepared to hold each investment for the entire duration of that period of time. Generally speaking, you may be able to sell your investment in active cultivation to others in a private transaction subject to the terms and conditions set forth in the Investment Agreement between AgroWorld and yourself as an investor. At present there is no established market for your “shares” so there is no guarantee that a sale could be completed, however AgroWorld is in the process of establishing a system in place to have multiple entry-points and multiple exit-points making it convenience to the investors to invest and pullout their money at ease. Accordingly, this investment should be considered “illiquid”, at a later date but this is not available at present.

Is my InvestmentFarm investment liquid?

No. The commercial cultivation investments found on InvestmentFarm are private transactions in physical cultivations. The investments or “Shares” are not traded on public stock exchanges and cannot be easily sold or traded. You may be able to resell your investment security in a private transaction freely if there is a willing investor to buy the shares from you, with the consent of AgroWorld. Since the resale options to investments made on the InvestmentFarm platform can be very limiting, you should not invest with the expectation of reselling your investment quickly or at all.

Is my investment risky?

There is risk in making any investment. There are no guarantees when investing in commercial cultivation or any other asset class such as money market, mutual funds, etc. Investments in commercial agriculture face risks such as pest & diseases outbreak, climate change impact, market volatility, crop and planting material failure, environmental risks, and natural disaster, etc. Although no investment outcome is ever guaranteed or free from risk, one benefit of investing in a validated commercial cultivation through a reliable state-of-the-art platform that will mitigate the risks whilst very clearly showcasing you the transparency throughout the crop life cycle. Your investment is made in a real cultivation, as opposed to a typical investment in stocks, bonds, or other non-physical assets. It’s important that you understand these risks.

How will I be updated about my InvestmentFarm investments?

You can view any updates about your investments when you log in to the InvestmentFarm website and view your investor dashboard. Additionally, investors are sometimes notified by email about updates to their investments.

Will Covid-19 or other worldwide pandemics affect my farm investment with InvestmentFarm?

Worldwide pandemics may have a negative impact on our stakeholders' revenue by affecting their ability to harvest their crops due to labor shortage, supply chain disruption, and import restrictions. Any of these or other unforeseeable factors could reduce our farmers' ability to conduct commercial cultivation and therefore decrease / limit our ability to pay distributions to our investors during a pandemic.

## Offerings

How does the actual investment process work with InvestmentFarm?

An investment is not final until all legal documents are signed and you have funded your investment. When you make your investment, the money is held securely in an escrow at AgroWorld Cultivation Investment account. Once the fundraising minimum subscription amount is met by the closing date of the investment or if the investment is fully subscribed, the money is transferred to the respective cultivation account for the sole purpose of closing the specific listing on the Current Offering and that will commence cultivation stage.

How does InvestmentFarm decide whether to offer a farm for investment?

We have a thorough process of reviewing a cultivation land and the farmer credentials and only accept if both qualifies after examination. Our review process includes both a comparable approach and income-based approach. We use a myriad of advanced software tools, including our proprietary comprehensive mapping and data science tools, and in-depth valuation techniques to account for all the unique aspects of each piece of property that we onboard in the AgroWorld platform. A member of our team will almost always conduct an on-site visit, or, at the very least, we have a local regional executive who will go out for us and conduct the on-site inspection.

It is crucial to note that completing the review process does not mean that we are making any recommendation as to any particular investment. Investors are independently responsible for examining the details of any investment they are considering before making a decision to invest.

We may from time-to-time gauge interest with our investors before listing a property or taking an offering live. Generally, if a farmland, and the farmer fits our parameters, we would expect to list the offering for up to 90 days on the site. In the event the offering does not become fully subscribed, we will remove it from the site and will close that particular proposed cultivation.

What happens if a sales contract is not closed on by InvestmentFarm?

Funds are held in escrow by AgroWorld Cultivation Investment account, which will refund subscription funds to the investors and send out proper notifications in the event a proposed cultivation doesn't close or doesn't get fully subscribed or at least meet the minimum subscription threshold.

Do I earn interest on my funds while they are in escrow?

No. Funds are held by AgroWorld Cultivation Investment account is a non-interest-bearing account.

When will I get my investment back from InvestmentFarm?

Different cultivations have different expected hold periods, typically 6, 12, 18, 24, 36, 48 months or even up to 20 years. A hold period is the anticipated time frame that investors should expect to be involved with the investment before the underlying cultivation cycle is completed. In the future, we may provide a means by which you can sell your investment earlier or exit if you are in need of money urgently prior to the closure of the full tenure. However, there is no guarantee this marketplace will be established, that there will be demand for your shares, or that the secondary market will provide a trading forum. It is important that you are able to hold your investment for the expected hold period.

How does the hold period work at InvestmentFarm?

The expected hold period for each cultivation is not a hard and fast rule, providing some flexibility on the completion of a cultivation cycle. The actual hold period will depend on the duration of the crop life cycle which is usually a predetermined time-period and opportunities at the time of sale. If the right buyer comes along, the yield of the cultivation could sell sooner than expected. Conversely, prevailing market conditions may result in longer hold periods.

What are the costs associated with using InvestmentFarm?

Creating an account and browsing the InvestmentFarm require no payment. For those who choose to invest, we pass through various closing costs (like legal and other administrative costs) associated with each initial investment (typically approximately 2% of the total offering value, but sometimes more or less).

This pays to manage the farm land, farmers, accounting, reporting, communications, and other administration. Our primary revenue source is the commission we charge to the seller on the cultivation produce. This fee is typically charged to selling yield / produce from the farm-gate to the buyer and, also expected to be charged at a 15% rate when the entire harvest is eventually sold.



Note that neither AgroWorld nor its affiliates charge a “carried interest fee” on offerings. You can find the specific fee structure for each deal when you browse our Current Offerings listing and review offering documents.

What is “carried interest” and does InvestmentFarm take carried interest in each farm’s upside?

Carried interest is generally considered to be the increase in value between the time an investment is made (in this case, the proposed cultivation) and its value at the time of sale of the harvest. AgroWorld does not take carried interest. All gains accrue to the investors of the Cultivation or other type of farm-land cultivation investment. In some specific cases, we may allow third parties (e.g., the local farmer with dirt-moving equipment) to participate in a carried interest. However, we will make very clear to investors any circumstances where it may apply in the future.

How can I contact InvestmentFarm or AgroWorld?

Here are the contact details of InvestmentFarm or AgroWorld,

Phone: +94770111999

Email: [info@agroworld.lk](mailto:info@agroworld.lk)

Address: No. 14, Sir Baron Jayathileke Mawatha, Colombo 01.

## How it Works

### Our Diverse Solutions

We democratize data for all stakeholders of the industry, connecting the farmers, investors, buyers, Agro-input providers, and the entire agribusiness ecosystem that empowers them to benefit from data-driven farming. The seamless applications of AgroWorld that are used by various stakeholders are scalable from; small holder farmers, to commercial farmers, to small & medium co-operatives, farmer producer organizations, to large agribusiness corporations, plantations, and government agencies & departments working in the agribusiness sector.

### Farm Validation

Onboard cultivators and farmlands to the AgroWorld platform after rigorous validation.

### Farm Management

Collect data during Farmer and Farm enrollment, Save and update it periodically, Data helps Government to formulate policies.

### Farm Inspection

For pests and crop diseases, Irrigation and fertigation processes, Whether crop calendar is implemented or not.

### Crop Calendar Implementation

Input crop calendars, Assign them to farmers and supervisors, Track and verify response of planning.

### Analytical Dashboard & Reports

Insightful dashboard, Simplified stats and reports, Quick data retrieval in filtered formats, Customized reports available.

### Farm Financial Management

Manage inventory accounts, Manage cost of cultivation, Manage your farm related financial accounts all-in-one place.

## Direct to Farmer Model

As an investor using this model, you will gain access to a comprehensive range of active investment offerings and have the flexibility to invest based on your preferences in various cultivation opportunities. This platform caters to enthusiasts interested in cultivation by providing a wealth of information on different crops, available farmland opportunities in different geographical locations, and the profitability associated with these cultivations.

By exploring the investment offerings, you can learn about a diverse array of crops and their potential returns. This platform enables you to assess the feasibility and profitability of investing in specific agricultural projects. You will be able to gather insights on factors such as market demand, regional suitability, and projected earnings for each cultivation opportunity.

To ensure that you make informed investment decisions, the AgroWorld agriculture team is readily available to assist you. They possess extensive knowledge and expertise in the field and can provide guidance and clarification on any questions you may have. Their assistance will help you navigate through the available investment options and choose the most suitable opportunity based on your interests, financial goals, and risk tolerance. This model empowers you as an investor to explore and evaluate various agricultural investment opportunities. It provides a comprehensive understanding of different crops, farmland options in different locations, and the profitability associated with each cultivation. By leveraging the expertise of the AgroWorld team, you can make well-informed investment decisions and participate in the cultivation projects that align with your investment objectives.

If you wish to gather more information, you may contact the AgroWorld agriculture team who can assist and clarify any questions that you may have in order to select the most suitable investment opportunity.

## Out-grower / Buyer to Farmer Model

As an out-grower, aggregator, or collector of farm produce, this model offers you unparalleled advantages in monitoring, managing, and collaborating with specific farmers or farmer clusters in real time. This level of visibility enables you to achieve higher yields, which ultimately leads to increased profitability.

With this model, you have the ability to assign the supervisory role to either your internal staff members or external resources. This delegation of operational tasks allows you to maintain control over the overall administration of the operation while focusing on strategic decision-making. By utilizing this platform, you can closely monitor the progress of farmers or farmer clusters under your supervision. Real-time data and analytics provide insights into various aspects of farming operations, including crop growth, pest control, irrigation, and

harvesting. This information allows you to identify potential issues or areas for improvement promptly and take appropriate actions to ensure optimal yields.

Collaboration tools within the model facilitate effective communication and coordination between you and the farmers. You can share important instructions, provide guidance, and receive updates on the status of tasks and operations. This streamlined collaboration streamlines processes and ensures that everyone involved is working towards the same goals. In exchange for these services, a nominal fee will be levied on a per-user or per-acre basis. This fee covers the cost of providing access to the platform, ongoing support, and maintenance.

In summary, this model empowers you as an out-grower, aggregator, or collector of farm produce to efficiently monitor, manage, and collaborate with farmers or farmer clusters. Real-time visibility and data-driven insights enable you to achieve higher yields and profitability. By assigning supervisory roles and leveraging the platform's collaboration tools, you can effectively oversee operations while maintaining control. The nominal fee associated with this service covers the cost of access, support, and maintenance.

#### [Bank / Financial Institution to Farmer Model](#)

This model presents a unique opportunity for banks and non-banking financial sector (NBFS) institutions to proactively invest in agricultural ventures based on milestone achievements of farmers. AgroWorld's innovative digital platform enables lenders to minimize risk and make investments in cultivations based on short Key Performance Indicators (KPIs) within the specified crop life cycle.

By leveraging this model, banks and NBFS institutions can consider offering discounted interest rates to farmers who are willing to adopt this progressive farming methodology. The key reason for this is the comprehensive recording and tracking of the entire cultivation process, including necessary images, videos, and remarks. This transparent mechanism allows for a thorough evaluation of the farmer's progress in relation to the specific cultivation. The availability of detailed records and real-time tracking enables lenders to assess the farmer's performance and adherence to predetermined milestones. This helps to mitigate risk and instill confidence in the investment. The short-term KPIs within the crop life cycle act as benchmarks for evaluating the farmer's achievements, ensuring accountability and transparency throughout the process.

Moreover, the digital platform facilitates early detection of potential pests, diseases, or other unfavorable conditions that could impact the yield. With timely identification, immediate corrective actions can be taken to mitigate the impact on the crop. This proactive approach minimizes losses and enhances profitability for the farmer. The transparent and data-driven nature of this model empowers lenders to make informed investment decisions based on tangible progress and outcomes. By offering discounted interest rates to farmers utilizing this progressive farming methodology, banks and NBFS institutions incentivize the adoption of advanced agricultural practices while simultaneously managing their own risk.

AgroWorld's digital platform enables banks and NBFS institutions to proactively invest in agricultural ventures based on farmers' milestone achievements. Comprehensive recording and tracking of cultivations, along with short KPIs and real-time monitoring, ensure transparency and accountability. This allows lenders to consider discounted interest offerings and make informed decisions. Early identification of potential issues further enhances profitability for farmers by enabling prompt corrective actions.