

ALLST

ALL STREET. TRANSFORMING RESEARCH



Sterling Suffolk Ltd



Business Overview

ESTABLISHED: 2014

LOCATION: Suffolk, UK

LISTING: Unlisted

TYPE OF COMPANY: For profit

NUMBER OF EMPLOYEES: < 10

BUSINESS AREA:

Agriculture: environmentally sustainable tomato growing and wholesale supply;
Renewable Energy

BUSINESS OVERVIEW

Sterling Suffolk Ltd (Sterling Suffolk) is located in close proximity to the Suffolk Energy from Waste facility, in Suffolk. The company aims to produce specialty varieties of tomatoes in modern glasshouse facilities and supply to major customers across the UK. Sterling Suffolk's customers are major retailers at the quality end of the supermarket sector that are themselves ethically based companies with a commitment to social and environmental sustainability.

The Suffolk Energy from Waste facility incinerates municipal waste to produce low carbon electricity for up to 30,000 households in the region (SITA UK, 2015). This process produces excess heat as a by-product that, if effectively utilised, can significantly increase the efficiency of the Suffolk Energy from Waste plant while displacing carbon intensive natural gas powered heating systems traditionally used in glasshouses.

SOCIAL MISSION

In a global context, agriculture sits at the heart of sustainable access to food, water and energy, accounting for 70% of global freshwater consumption, 30% of global energy consumption, and 14% of greenhouse gas emissions¹. While increased use of glasshouse agriculture can deliver increased agricultural yields for many fruit and vegetable species, this often comes with high energy consumption of heating and lighting.

Sterling Suffolk was established to address this challenge through the design and construction of a modern glasshouse system. Sterling Suffolk's primary social and environmental objectives are to:

Reduce greenhouse gas emissions from glasshouse agriculture through the efficient utilisation of partially renewable heat energy from the Suffolk Energy from Waste facility, displacing gas powered heating commonly used in the sector.

Minimise water and electricity consumption, and emissions of pollutants, through our innovative closed glasshouse production system.

Reduce food miles associated with the consumption of imported tomatoes by increasing local production capacity.

Create secure and fulfilling employment opportunities in the Suffolk region along with opportunities for skills development and capacity building in sustainable agriculture.

WHO BENEFITS?

THE ENVIRONMENT: Through limiting the emissions of greenhouse gases and the resulting climate change.

COMMUNITIES: Through dissemination of knowledge on glass house agriculture and carbon footprint. Increased employment opportunities from establishment of new food producer. Purchase of supplies from local communities which will raise economic activity.

YOUNG PEOPLE: Education about the science of glasshouse horticulture at the planned Visitor Centre.

¹ Source: FAO 2014, Smith et al, 2007

Commercial and Financial Summary

BUSINESS HIGHLIGHTS

The project was reviewed to identify how the original aims might be achieved. The revised strategy is based upon splitting the construction into 3 phases, installing high efficiency recirculating glasshouses, utilising CHP and renewable sources of energy.

The project now has full planning consent with all planning preconditions for Phase 1 fully discharged. Earthmoving activities to establish a level site for the first phase hydroponic glasshouse will commence in late February 2017. The glasshouses will be completed in time for planting during winter 2017/18.

FINANCIAL INFORMATION

Since the company is in the early stage of operations, no financial information is available.

Impact Assessment Matrix

ECONOMIC IMPACT

	MEASUREMENT	REPORTED OUTCOME
Local Economy	Annual expenditure on local goods and services	To be reported
Employment	Full-time equivalent positions hired	To be reported

SOCIAL IMPACT

	MEASUREMENT	REPORTED OUTCOME
Community	No. of staff using sustainable transport	To be reported

ENVIRONMENTAL IMPACT

	MEASUREMENT	REPORTED OUTCOME
Emissions	Annual net greenhouse gas emissions avoided by use of Waste to Energy facility	To be reported
	Annual net greenhouse gas emissions from transport avoided	To be reported
	Annual net greenhouse gas emissions avoided through efficient electricity	To be reported
Water	Usage of rainwater	To be reported
Pollution	Number of leaks and seepages into the ground	To be reported

GOVERNANCE

	MEASUREMENT	REPORTED OUTCOME
Community	Consulting with local residents on impact of glasshouse project	Created Community Liaison Group
Diversity	Breakdown of employees by age, gender and ethnic origin	To be reported

MUST READ

This report has been commissioned by the Social Stock Exchange Limited and prepared by All Street Research Limited ("All Street Research").

All Street Research has produced this report in reliance on an exemption from the Financial Promotion Restriction to be found in article 20 of the Financial Services and Markets Act 2000 ("FSMA") (Financial Promotion) Order 2005.

For these purposes, All Street Research's reports and website are considered to be a publication or service that is a "qualifying publication" under that article and under article 54 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001. It is therefore clearly understood that: No part of this research report amounts to the provision of investment advice specific to the investment circumstances of any user or other person.

This report is not to be construed as advice or recommendations to you specifically. This report is directed at individuals having sufficient investment sophistication to critically assess the information, analysis and opinion presented in herein. You should do your own due diligence, and take into account your personal financial circumstances and investment objectives, including your tolerance for risk, before investing.

By accepting this report you are deemed to warrant and to undertake that:

- (i) you are sufficiently expert to understand the risks involved with the investments to which this report relates; and
- (ii) you will comply with all applicable provisions of FSMA and the Financial Promotion Order with respect to anything you do in relation to this document.

If you are in any doubt about the investments to which this communication relates you should consult an authorised person who specialises in advising on this kind of investment

Provision of this report is not, in and of itself, intended to lead or to enable persons to invest. This report and any other materials on our website or publications should not be construed by any subscriber or prospective subscriber as a solicitation to effect, or attempt to effect, any transaction in a security. Use of All Street Research information available from this report is at your own risk. In no event will you hold All Street Research or any affiliated party liable for any direct or indirect trading or investment losses caused by any information on this document.

Trading involves risk, including possible loss of principal and other losses. All Street Research makes no representations that any of its materials will result in profits in trading. The value of securities mentioned in this report can fall as well as rise and are subject to large and sudden swings.

In addition it may be difficult or not possible to buy, sell or obtain accurate information about the value of securities mentioned in this report. Past performance is not necessarily a guide to future performance.

This report is published solely for informational purposes and is made available on a complimentary basis. This report is based on publicly available information, together with information provided by the companies profiled in this report. Such information is presented "as is," and All Street Research cannot guarantee the adequacy, accuracy, completeness or timeliness of such information. Any forward-looking statements, opinions, views, subjective statements, and other commentary (together, "Subjective Statements") contained herein do not represent the views or opinions of All Street Research, but have been reproduced from publicly available third party sources, or from information supplied by the companies profiled herein. Such Subjective Statements contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations. Any consensus forecasts provided herein have been reproduced in their entirety from publicly available information produced by third party data providers.

Cut-off dates have been applied to the information contained in the report such that some of the information published in the report may have changed between such cut-off dates, and the date of publication. Such changes may in some cases be material, such that there may be material differences between the current state and financial position of the companies and securities profiled herein, and the information presented herein. You should assume that all information that you review through this report is subject to change or updating at any time, and may be updated or deleted without warning or liability on our part. We may have previously distributed (and may in the future distribute) the information in these reports and analyses in different forms, including materially different or updated business, financial and market information in relation to the companies profiled herein.

Neither All Street Research nor any persons connected with All Street Research have any direct or indirect financial interest in any company that is reviewed in this report.

You agree that you will not communicate any content of this report to any other person unless that person has agreed to be bound by this Disclaimer. If you are acting as an agent for any other person, such person must also be identified by name to All Street Research. None of the material or any copy of it may be altered or distributed to any party without express written permission from All Street Research.