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# Mozambique Renewables Ltd

## Business Overview

**ESTABLISHED:** 2013

**LOCATION:** London, UK

**LISTING:** Unlisted

**TYPE OF COMPANY:** For profit

**NUMBER OF EMPLOYEES:** 10 - 50

**BUSINESS AREA:**

Renewable Energy

### BUSINESS OVERVIEW

Mozambique Renewables Ltd (MoRe) brings sustainable biomass from Africa to the international energy market. The company only collects crop by-products and weeds to fuel its customers' boilers, so no trees are cut down.

MoRe is creating an entirely new market for crop by-products so that local farmers in Africa can obtain higher returns from their crop production, without losing any food output. The utilisation of crop by-products and weeds has significant social and environmental benefits by stopping the traditional land use practices that pollute the air and degrade the soil.

MoRe operates in Mozambique where the company sources crop by-products in the northern Province of Nampula. MoRe plans to construct a manufacturing plant near Nacala to make its biomass pellets and export the product from the local deep water port to the UK.

The company is organised in a group holding structure using registered legal entities in Mozambique, Mauritius and the UK.

### SOCIAL MISSION

MoRe's mission is to build a vertically integrated heat utility using sustainable biomass from Africa.

According to P&S Market Research, the global biomass power market is expected to witness growth of 12.4% compound annual growth rate during 2015 – 2020. The biomass heat market has the largest market size, with volume of 14,256 million tons in 2014, projected to reach 27,122 million tons by 2020, growing with a compound annual growth rate of 8.7% during the period 2015-2020 (P&S Market Research, 2015).

Given these forecasts, MoRe estimates that significant volumes of crop by-products will be needed. It plans to leverage Africa's potential, since currently, crop by-products and weeds are mostly burned or left as waste. These can in fact be converted into sustainable fuels. In the process, the company intends to create an entirely new rural economy benefiting hundreds of thousands of the poorest people in Africa.

### WHO BENEFITS?

**LOCAL FARMERS:** Improved access to sources of income, infrastructure and employment for farmers in Mozambique.

**AFRICAN HOUSEHOLDS:** Decreased exposure to air pollution caused by widespread use of dirty energy sources such as charcoal and kerosene.

**GOVERNMENT OF MOZAMBIQUE:** Increased tax income from exports of MoRe's products.

**THE ENVIRONMENT:** Reduced emissions and soil damage due to burning agricultural residue.

## Commercial and Financial Summary

### CORPORATE STRUCTURE

The company is a private limited company. The subsidiary company in Mozambique, Mozambique Renewables SA will be the local operating entity.

### FINANCIAL INFORMATION

MoRe is a pre-revenue company in the startup phase of its operations.

### FINANCIAL PERFORMANCE

(£k)	30-Nov-15
Revenue	0.00
Profit before tax	-150.13
Fixed Assets	0.00
Shareholders' Funds	-148.51
Cash Balances	16.88
Cash flows from operating activities	NA
Quick Ratio <sup>3</sup>	NA
PE	NA

### BUSINESS HIGHLIGHTS

MoRe plans to build a client base in the UK, increasing from 10,000 tonnes to 75,000 by year three of its business plan.

The company has a Letter Of Intent (LOI) from the London office of commodity traders Hartree Partners, one of the world's largest biomass traders. Under the LOI Hartree Partners will purchase MoRe's production, to be utilised as a heating fuel and/or electricity generation fuel for their customers around the world.

By Year 10 of its business plan, MoRe plans to roll out new pellet plant facilities across Sub-Saharan Africa and produce in excess of 1,000,000 tonnes per year. The goal is to make biomass the fuel of choice in Africa and internationally.

<sup>3</sup> (Cash+Marketable Securities+Receivables/Current Liabilities)

## Impact Assessment Matrix

### ECONOMIC IMPACT

	MEASUREMENT	REPORTED DATA
<b>Employment</b>	Number of employees at Pellets Plant in Mozambique	20
	Number of employees at Crop Trials Farm	120
<b>Local Economy</b>	Increase in the amount of area of local farms in Mozambique	To be reported
<b>Research &amp; Development</b>	Increase in yields of Biomass feed in Mozambique	To be reported

### SOCIAL IMPACT

	MEASUREMENT	REPORTED DATA
<b>Community</b>	Increase in yields of Biomass feed in Mozambique	To be reported
<b>Training</b>	Number of enrolment at the UK Agricultural University	To be reported

### ENVIRONMENTAL IMPACT

	MEASUREMENT	REPORTED DATA
<b>Energy</b>	Supply of pellets (kg)	To be reported
<b>Emmissions</b>	Sulphur dioxide (SO <sub>2</sub> ) emissions avoided	To be reported
<b>Water Management</b>	Volume of water depletion avoided (m <sup>3</sup> )	To be reported
<b>Air Pollution</b>	Nitrogen oxides emissions avoided	To be reported

### GOVERNANCE

	MEASUREMENT	REPORTED DATA
<b>Diversity</b>	% of female employed	50% targeted

## MUST READ

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