

## FarmWorks Investment Co-operative Limited

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Dear Shareholder,

Thank you for your investments in [FarmWorks](#) over the years – as you know, your money is making a very significant difference, from farm to table, across Nova Scotia. We are told that without FarmWorks quite a number of food businesses would be unable to start up or grow. Please check the [Map of Clients](#) to keep up to date with all the clients who are using your funds to help grow Nova Scotia's food economy, and kindly tell others about the many benefits of supporting local producers! It is increasingly important that we support local food businesses to ensure they're able to help meet the challenges facing us in the days, months and years ahead.

Please review [FarmWorks Interim Financial Statements](#). This year FarmWorks' Eleventh Offer of Shares raised \$615,800 and of the \$79,000 of share capital redeemed, \$38,000 was reinvested by family members. Over the eleven years only \$208,500 (4.5%) has been redeemed, primarily by people collapsing RRSPs. Some RRSP holders reaching the age of 71 choose to switch to non-RRSP FarmWorks Shares.

The new investments of \$615,800 together with approximately \$75,000 being paid back monthly is used as soon as available to lend to the very significantly increased number of applicants. As of June 30, 2022, loans receivable amounted to \$4,175,730.

Over the eleven years \$7,820,620 has been loaned to 146 qualifying businesses that are helping to increase the benefits resulting from producing and eating Nova Scotian food. Loan recipients are carefully chosen by the Board to balance risk and achieve strategic goals: increasing the supply of healthy food, stimulating the economy, supporting people and communities and the environment. There have been fewer losses than expected (\$251,988 of \$7,820,620 = 3%) given the challenges faced by food providers: input costs, difficulty getting loans and finding mentors who fully understand food businesses, marketing (about 85% of food consumed comes from outside NS), transportation costs, COVID, climate change, and the usual challenges associated with being an entrepreneur.

Strong personal relationships are a characteristic of FarmWorks operations, helping to ensure the success of clients and of the organization. FarmWorks augments loans with mentoring of clients and by promoting the benefits of local, sustainable food production. In the words of a client – finding funds and meeting regulatory requirements increases stress, FarmWorks decreases stress.

Primary producers of food, locally and globally, have been increasingly and vastly under-appreciated and under-remunerated over the past decades and that must change for multitudes of reasons. The security of our food supply, particularly of healthy, less highly processed food from external sources, is becoming less certain. Helping to assure the security of supply of healthy food for all is a responsibility that FarmWorks does not take lightly. We work diligently to support producers and to help strengthen local food systems. Achieving this goal requires strategic development of infrastructure, distribution systems and increased entrepreneurial acumen. FarmWorks' Directors look forward to continuing to build on our relationships with the Department of Agriculture, the Farm Loan Board, Perennia, Regulatory Agencies, and other food related organizations.

Well-nourished children learn well, good food protects health, production creates opportunities, regenerative practices preserve soil, global environmental solutions are within the capacity of agriculture to mitigate. Collaborations to share knowledge and resources and to support producers will benefit everyone in the current milieu of food shortages and local and global insecurity.

Food production is a key to building new rural and urban economic capacity across this province. We have the people, the land, the climate, and many opportunities to ensure a healthy, profitable, food secure future. We look forward to discussing these opportunities with you.

The Directors of FarmWorks Investment Co-operative Limited come from across Nova Scotia and bring expertise in agriculture and food production, economic development, education, health, business, finance, sustainability and the environment. FarmWorks thanks our bookkeeper, administrative assistant and volunteer financial advisor for their help with the Interim Statements. Grant Thornton prepares the Year End Statements.

FarmWorks clients greatly appreciate having you buy their products and visit their businesses and they're pleased when they hear that you're associated with FarmWorks! Please keep the [Map of Clients](#) close at hand!

For more information please contact:

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