LABL GROUP EAST AFRICA LTD

COMPREHENSIVE CONCEPT NOTE

A governed local-to-global regenerative materials, ethical fashion and community-enterprise platform | 2027–2030

CONCEPT	To mobilise commercial, technical, research and catalytic partnerships for a traceable Kenyan value chain that connects regenerative agriculture, ethical production, community enterprise, digital evidence, circularity and access to Kenyan, East African, European and conditional United States markets.

Corporate identity	Planning horizon	Operating anchors
PVT-PJU92LB • PIN P051868537Y **Registered 20 December 2019**	Mobilisation from 1 July 2026 Full plan: 1 January 2027–31 December 2030	Sagalla/Voi, Taita Taveta County Westlands, Nairobi, Kenya

Prepared July 2026 • Premium corporate edition

Document Control

Item	Position
Document owner	Board of Directors, Labl Group East Africa LTD
Executive owner	Chief Executive Officer
Purpose	To present the integrated 2027–2030 programme to investors, funders, development partners, government, research institutions, buyers and implementation partners.
Status	Management, partnership, financing and public-engagement document
Approval	Subject to Board approval and alignment with annual plans, budgets, contracts and permits
Review	Quarterly management review; annual refresh; Q4 2028 mid-term review
Confidentiality	Concept Note: controlled partner document; White Paper: public information document

QUALIFICATION	Targets, budgets and projections are management planning assumptions. They are not audited forecasts, guarantees, automatic spending authority or commitments of farmer income, market access, certification, regulatory approval or investment return.

Contents

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2026 CROSS-ENTERPRISE HARMONISATION

Labl Fashion LTD • Labl Farms LTD • Crostar Energy LTD

This controlled update harmonises the Labl Group East Africa LTD document set with the latest approved operating information from Labl Fashion LTD, Labl Farms LTD and Crostar Energy LTD. It supersedes inconsistent descriptions of entity roles, digital architecture, community organisation and the cotton-to-fashion-to-bioenergy interface.

A. Corrected corporate and delivery architecture

Entity	Status and accountability	Primary role
LABL GROUP EAST AFRICA LTD	Kenyan private social enterprise; registered 20 December 2019; Company No. PVT-PJU92LB; PIN P051868537Y.	Group strategy, governance, shared services, partnerships, capital mobilisation, market development and impact oversight.
Labl Fashion LTD	Independent Kenyan operating arm within the LGEA architecture.	Customer development, responsible sourcing, sampling, ethical garment production, quality, circular services and, later, weaving, knitting and organic-dye application.
Labl Farms LTD	Independent Kenyan operating arm within the LGEA architecture; farm operations begin January 2027.	Farmer mobilisation, regenerative and organic agriculture, research, aggregation, cotton and oilseed value chains, later cotton ginning and organic-dye production.
Crostar Energy LTD	Strategic partner; incorporated 1 September 2024 (PVT-MKU926M6; PIN P052358605F); subsidiary of Forest Energy B.V. It is not an LGEA subsidiary.	Specialist oilseed-to-biodiesel development, CEOS, energy market qualification and phased Crostar Energy Hub development.
AfriEuro Links	Consortium and facilitation platform led by LGEA, with a distinct public identity.	Facilitates development, deployment and use of the independent but interoperable Labl Digital Operating System (LaDOS) and Crostar Energy Operating System (CEOS).

B. Integrated value-creation sequence

Stage	Lead	Operating rule
1. Market qualification	LGEA + Labl Fashion LTD	Secure credible demand, specifications, pricing, delivery terms and responsible-sourcing requirements before scale commitments.
2. Community preparation	Labl Farms LTD	Mobilise voluntarily; sensitise; map land and households; establish transparent records; train; complete safeguarding and grievance arrangements.
3. Regenerative production	Labl Farms LTD	Start with 4,000 participating farmers in 2027, subject to verified demand, finance, capacity and county-entry gates; planning ambition doubles annually to 8,000, 16,000 and 32,000.

4. Responsible fashion ramp-up	Labl Fashion LTD	Initially source verified responsible materials; produce samples and small batches; build quality, workforce and customer feedback systems.
5. Local fibre and colour capability	Labl Farms LTD + Labl Fashion LTD	Labl Farms later gins cotton and develops qualified organic dyes; Labl Fashion later adds weaving, knitting and controlled dye application.
6. Circular use and recovery	Labl Fashion LTD + LaDOS	A QR-linked product identity supports traceability, care, repair, return, reuse, resale and, when no longer serviceable, repurposing or responsible material recovery.
7. Bioenergy pathway	Crostar Energy LTD	Assess qualified castor, jatropha, other oilseeds and cottonseed oil supplied through Labl Farms; proceed only after agronomic, food-security, environmental, technical, commercial and regulatory gates.

C. Community institutions and land aggregation

Self-help groups (SHGs) are voluntary, locally governed mobilisation and service units—not a transfer of land ownership. A planning model may organise up to 100 households in one SHG. Several SHGs may form a production cluster targeting at least 500 mapped acres where locally feasible. Acreage is a cluster planning threshold, not an assumed holding per farmer. Each participant retains control of land and makes an informed choice about participation.

SACCO participation is a separate, member-governed financial inclusion pathway. It may support savings, credit readiness, pooled services, emergency resilience and transparent payments, but must never be made a condition for employment, production contracts or access to grievances. SHGs organise production and community voice; SACCOs provide regulated member finance; Labl Farms LTD provides technical and market-linkage services.

D. Interoperable digital operating ecosystem

Layer	LaDOS — LGEA value chain	CEOS — Crostar energy chain
Identity and consent	Farmer, worker, supplier, customer, product and consent records.	Grower, feedstock, processor, buyer, consent and permit records.
Field intelligence	GIS plots, weather-station feeds, extension visits, input records and regenerative-practice evidence.	GIS feedstock zones, logistics, hub data, quality and environmental controls.
Operations	Orders, product development, small-batch production, quality, inventory, payments and QR traceability.	Feedstock aggregation, testing, conversion batches, storage, logistics and energy-product traceability.
Intelligence	Human-governed AI for planning, anomaly detection, demand scenarios and advisory support.	Human-governed AI for yield, feedstock, maintenance, logistics and risk scenarios.
Assurance	Role-based access, audit trails, data minimisation, cybersecurity, ESG/MEL evidence and climate-finance records.	Independent permissions, audit trails, environmental evidence, chain of custody and regulatory reporting.
Interoperability	Consent-based exchange through documented APIs and shared identifiers;	Receives only authorised, purpose-limited data; Crostar remains accountable

	no uncontrolled database merger.	for CEOS and energy data.

AfriEuro Links facilitates the programme, standards and partnerships required to develop, deploy and use both systems. LGEA remains the business owner of LaDOS; Crostar Energy LTD remains the business owner of CEOS; Afrisol Technologies provides technology development and support under approved contracts, security controls, testing and handover requirements.

E. Technology, evidence and finance enhancements

- Weather stations: phased local stations and trusted external data will support agronomic advice, production planning, drought and rainfall alerts, research and climate-risk records. Advice must be locally validated and must not be presented as a guarantee.
- GIS and environmental mapping: plot boundaries, land-use constraints, biodiversity and water-risk overlays will inform county entry, farm planning, monitoring and no-go decisions.
- AI governance: AI may assist forecasting and exception detection, but consequential decisions remain human-approved, explainable, reviewable and subject to data-quality checks.
- Payments: approved mobile-money, payment-gateway and banking integrations will reconcile contracts, deliveries, deductions and beneficiary payments, with segregation of duties and dispute controls.
- ESG, MEL and climate finance: evidence will be designed once and reused across operations, impact reporting and eligible climate-finance applications, without double counting or unsupported claims.
- Circular bioeconomy: cotton fibre, cottonseed, oilseeds, residues, organic colour sources and textile recovery will be assessed as connected but separately controlled material pathways. Food security, worker safety, environmental approvals and commercial viability are non-negotiable gates.

F. Geographic and implementation implications

The Rakhasi/Sagalla site near Voi remains LGEA’s demonstration and production anchor. Labl Fashion LTD begins initial operations from October 2026; Labl Farms LTD begins field operations in January 2027; full Group operations begin January 2027. The Westlands, Nairobi office is planned from January 2027. Expansion to other counties is conditional on demand, ecological suitability, community consent, partner readiness, infrastructure, finance, security and regulatory clearance.

Crostar Energy LTD’s pilot hub is separately planned for Mavueni, Kilifi County, with later consideration of Lamu, Kitui, Homa Bay and Nyeri subject to its own investment, permitting and market gates. These locations do not automatically become LGEA operating counties.

G. Updated management implications for this document

The programme proposition now combines rural production, regenerative agriculture, ethical fashion, interoperable digital infrastructure, community institutions and a qualified circular-bioeconomy pathway. Funding requests should identify the legal recipient, permitted use, milestones, safeguards, reporting obligations and ownership of resulting assets or intellectual property.

H. Updated source hierarchy

This update is informed by the latest approved Labl Fashion LTD business plan and operating manuals; the latest approved Labl Farms LTD business plan and operating model manual; the latest available Crostar Energy LTD business plan; and the LGEA governance, strategic, business, concept-note and white-paper record. Where information conflicts, signed legal records, approved board decisions, executed contracts and current regulatory approvals take precedence.

Version note: Cross-enterprise harmonisation completed July 2026. Financial figures remain planning assumptions unless expressly identified as approved budgets, contracted revenue, committed financing or audited results.

Executive Summary

Labl Group East Africa LTD is a privately held Kenyan social enterprise and an integral part of Labl Fashion Group B.V. in the Netherlands. It is building a commercially disciplined platform through which farmers, workers, artisans, local enterprises, fashion brands, researchers and investors can participate in a transparent local-to-global value chain.

The programme responds to a structural disconnect: rural producers and workers often remain outside reliable, quality-assured and traceable markets, while small and medium fashion brands struggle to secure flexible, responsible production. Labl Group addresses both sides by coordinating Labl Farms LTD, Labl Fashion LTD and the Labl digital operating system under one governance and evidence framework.

The four-year programme begins with proof. Labl Fashion will initially use responsible third-party suppliers and build reliable garment capability. Labl Farms will begin formal farmer operations on 1 January 2027, with 4,000 active farmers as a conditional service target. Ginning, plant-based dye inputs, weaving, knitting, dyeing and finishing are later-stage pathways—not automatic capital commitments. County expansion, processing and market entry proceed only after demand, technical, environmental, safeguarding, capacity and finance gates.

Dimension	2027–2030 position
People	Practical and safe pathways for farmers, workers, women, youth, artisans and community enterprises.
Planet	Regenerative practices, soil and water stewardship, diversified farms, waste prevention, circular product pathways and evidence-based claims.
Production	Flexible sampling and small-batch garment manufacturing; quality, fair labour and responsible sourcing.
Technology	A shared digital operating system covering identity, lots, production, quality, payments, evidence, QR product passports and returns.
Markets	Kenya and East Africa first; EU opportunity under the EU–Kenya EPA; gradual U.S. preparation subject to AGOA and other law in force.
Place	Sagalla/Voi production and demonstration platform; Westlands commercial office; initial farmer validation in Taita Taveta and Kilifi.

PARTNERSHIP ASK	Labl Group seeks buyers, catalytic funders, investors, research institutions, county and national-government partners, technical providers and community organisations that can finance or deliver measurable parts of the platform without weakening commercial discipline or community safeguards.

1. Organisational Identity and Strategic Intent

Element	Statement
Vision	A planet-positive fashion economy in which people, nature and technology cooperate to create shared value.
Purpose	To build a traceable local-to-global value chain that expands responsible production, regenerative livelihoods, learning and market access.
Positioning	A Kenyan social enterprise platform combining regenerative materials, flexible ethical manufacturing, community enterprise and digital evidence for small and medium brands and institutional customers.
Tagline	From soil to style—value shared, impact proven.
Values	Integrity; dignity; regeneration; transparency; inclusion; innovation; accountability; partnership.

Integrated Group Architecture

Layer	Lead	Core responsibility	Operating discipline
Group governance	Labl Group East Africa LTD	Strategy, capital allocation, partnerships, shared services, digital product governance, impact assurance and consolidated risk.	Entity-level contracts and accounts; Board gates; intercompany agreements.
Regenerative materials	Labl Farms LTD	Farmer services, regenerative agriculture, aggregation, agricultural research and qualified cotton, dye and oilseed pathways.	Preparation only in 2026; farmer operations from 1 January 2027; no automatic acreage or volume claims.
Ethical production	Labl Fashion LTD	Customer contracts, design, sampling, responsible sourcing, garment production, quality, circularity and delivery.	Controlled operations from 1 October 2026; responsible suppliers first; textile integration is stage-gated.
Digital backbone	Labl Group / AfriEuro Links	Development, deployment and use of the Labl digital operating system across approved locations.	Privacy, security, offline operation, role-based access, acceptance testing and evidence controls.
Specialist conversion	Crostar Energy LTD and qualified partners	Technical evaluation and potential conversion of suitable cottonseed and selected oilseeds into biodiesel pathways.	Separate feasibility, feedstock, environmental, product-quality, market and finance approval.

The value-creation sequence

01 • PROVE	02 • CONNECT	03 • PILOT	04 • SCALE

Responsible third-party materials; stable sampling, quality and garment production.	Traceable cotton, qualified ginning and validated plant-based dye inputs through Labl Farms LTD.	Weaving, knitting, controlled dyeing and finishing after technical and environmental approval.	Integrated field-to-fabric-to-garment production only where contracts, margins and safeguards are proven.

2. Problem Statement and Opportunity

2.1 The system problem

- Fragmented links between farmers, aggregators, processors, manufacturers, brands and end users create quality, timing, traceability and payment risk.
- Small and medium fashion brands need responsive sampling and lower-volume production but often face minimum-order quantities, limited visibility and weak sustainability evidence.
- Rural women and youth face restricted access to income, skills, safe work, finance, markets and decision-making structures.
- Conventional production can create water, chemical, energy, waste and labour risks that require operational controls—not marketing claims.
- Agricultural diversification, cotton by-products and circular textile flows remain underdeveloped when business models are designed as isolated projects.

2.2 The strategic opportunity

Kenya is actively developing its cotton, textile and apparel policy and value-chain approach, including local value addition, skills, sustainability, research and export readiness [E1–E3]. The EU–Kenya EPA has been in force since 1 July 2024 and combines market access with labour, gender, environment and climate commitments [E4]. The United States remains a potential apparel market, but preferential access must be treated as conditional: the AGOA extension bill had passed the U.S. House and was pending in the Senate in February 2026 [E5].

Labl Group's opportunity is therefore not to promise immediate vertical integration. It is to build verifiable capability in the correct order: contracted demand, responsible inputs, controlled production, reliable quality and cash conversion first; then qualified local materials, processing and textile capability.

3. Proposed Programme

Workstream	Core interventions	2027 proof point
Regenerative farmer platform	Baseline, voluntary onboarding, field extension, demonstration, crop planning, aggregation, payment controls, safeguards and traceability.	4,000 active farmers only if service capacity, demand and finance are funded.
Ethical fashion production	Customer discovery, design, sampling, costing, responsible sourcing, production cells, quality assurance, fair labour and delivery.	Repeat customers, accepted quality, on-time delivery and positive order contribution.
Materials and processing	Cotton-quality pathways, processor qualification, ginning and plant-based dye pilots; later weaving/knitting feasibility.	Pilot memoranda supported by demand, volume, technical, environmental and financial evidence.
Digital operating system	Farmer, lot, product, order, quality, payment, evidence and QR/circularity modules with offline capability.	Minimum viable system accepted by users and reconciled to finance and operations.
Community enterprise	Voluntary self-help groups, independently governed SACCO pathways, SMEs, artisan and tourism linkages.	Clear governance, safeguarding, selection, grievance and benefit-sharing rules.
Research and education	Living labs, student/worker learning, applied trials, material and garment research, wildlife/community studies and publications.	Approved research portfolio, protocols, consent and adoption measures.
Markets and partnerships	Kenyan institutional/corporate sales, SME-brand pipeline, EU buyer development and conditional U.S. readiness.	Signed orders, buyer qualification and channel economics.

3.1 Beneficiaries and customers

Group	Value proposition	Protection / commercial condition
Farmers	Extension, diversified production pathways, aggregation, evidence and qualified markets.	No guaranteed income; transparent contracts, grading, payment and grievance.
Workers and artisans	Dignified jobs, technical learning, progression and participation in circular production.	Fair labour, safety, anti-harassment, competence and documented terms.
Women and youth	Practical, safe and progressive entry through skills, work, enterprise and leadership.	Safeguarding, accessibility, non-discrimination and outcome tracking.
Brands and institutions	Responsive product development, small batches, ethical production and traceability.	Specifications, costing, deposits/credit, quality acceptance and claims evidence.
Researchers and educators	Applied field, material, garment, digital	Ethics, consent, IP/data terms, safety and

and socio-economic research environments.	publication protocols.

4. Theory of Change

If Labl Group establishes governed links between farmer services, responsible materials, flexible garment production, digital evidence, community enterprise, research and qualified markets—and if expansion is released only when demand, service quality, safeguards, technical readiness and finance are proven—then rural producers and workers can capture more value, brands can access reliable responsible production, and Kenya can strengthen a traceable, circular and increasingly integrated fashion economy.

Inputs	Activities	Outputs	Outcomes	Long-term impact
Facilities, people, partnerships, finance, systems and market relationships	Onboard, train, produce, test, trace, aggregate, research, sell, repair and report	Active farmers; competent workers; accepted garments; traceable lots; validated pilots; functioning groups; market contracts	Higher reliability and incomes; safer work; repeat orders; local value addition; stronger evidence; lower loss and waste	A commercially resilient, inclusive and planet-positive East African fashion value chain

4.1 Critical assumptions

- Farmer-service capacity grows at least as fast as the farmer target.
- Buyer demand, product margins and cash collection support production and aggregation.
- Permits, environmental controls, quality systems and competent staff precede new processing.
- Digital adoption is supported by offline workflows, human assistance and clear data rights.
- Women, youth and vulnerable participants can access opportunities safely and meaningfully.
- Intercompany pricing, restricted funds and working capital are transparent and governed.

5. Geographic and Farmer-Scale Strategy

Taita Taveta and Kilifi are the initial validation counties for the farmer-service model. The Sagalla/Voi facility provides the production, demonstration, research and tourism anchor. Westlands, Nairobi, provides buyer, finance, executive and partnership coordination from January 2027.

Year	Active-farmer target	Annual growth	Scale condition
2027	4,000	Starting base	Two-county service model, baseline, field ratios, demand, traceability, safeguards and working capital.
2028	8,000	100%	Approved county replication, lead-farmer/coordinator capacity, aggregation and payment evidence.
2029	16,000	100%	Multi-county service and digital capacity; stronger fibre volume and qualified processing linkage.
2030	32,000	100%	Scaled assurance, market and payment capability with no decline in farmer net benefit or service quality.

DEFINITION	An active farmer is a unique validated participant with an approved record, verified service interaction in the reporting period, relevant production/plot information and reconciled operational reporting. Pre-2027 contacts do not count.

5.1 County-entry gate

Gate	Minimum evidence
Market	Qualified buyer/process demand, product specifications and pricing logic.
Agronomy	Crop suitability, season, soil/water context, input legality and extension plan.
Community	County and community readiness, local partners, inclusion and grievance routes.
Safeguards	Labour, child protection, land, biodiversity, gender, safety and consent controls.
Delivery	Field-team ratios, logistics, aggregation, quality, storage and payment capacity.
Finance	Cost-to-serve, funding, working capital, downside scenario and farmer-payment protection.
Digital	Offline/online support, devices, data protection, training and help-desk capacity.

6. Market and Commercial Strategy

Market	Offer	Entry route	Decision metrics
Kenya	Corporate/institutional apparel, uniforms, hospitality garments, research, learning and controlled tourism.	Direct sales, framework contracts, partnerships and demonstrator relationships.	Pipeline, conversion, contribution, repeat orders, quality and collection.
East Africa	Flexible garment production and qualified regenerative-material services.	Distributor, brand, institutional and regional partner development.	Landed economics, compliance, service reliability and concentration.
European Union	Traceable responsible production for SME brands; sustainability evidence; product development.	Parent-company network, direct buyer qualification and EU–Kenya EPA readiness.	Buyer acceptance, due diligence, product rules, margin, FX and delivery.
United States	Gradual apparel readiness where lawful preference or ordinary trade economics support entry.	Eligibility monitoring, buyer qualification, customs/origin review and controlled trials.	Law in force, origin, duty, buyer compliance, logistics and margin.

6.1 Customer journey

Stage	Control
Discover	Brief, intended use, claims, compliance, quantity, timing and budget.
Develop	Design, material options, bill of materials, sample, cost and manufacturability.
Approve	Golden sample, specifications, quality plan, price, payment and production slot.
Produce	Lot identity, work-in-progress control, quality checkpoints and corrective action.
Deliver	Final inspection, documents, logistics, acceptance and cash collection.
Learn and circulate	Feedback, repair/return, reuse and repurpose information captured through the QR pathway.

7. Digital Operating System and AfriEuro Links

The Labl digital operating system is the enterprise and value-chain backbone. Labl Group owns product governance, data policy, roadmap, acceptance and sustainability. AfriEuro Links facilitates financed development, deployment and use across every approved operating location; it is not a separate competing platform.

Module	Core records and processes	Primary users
Identity and access	Role-based users, organisations, consent, permissions and audit trail.	Farmers, workers, coordinators, suppliers, buyers, administrators.
Farmer and field	Profiles, groups, farms/plots, services, observations, safeguards and grievances.	Labl Farms teams and approved partners.
Lots and aggregation	Harvest/lot IDs, grading, custody, storage, movement and reconciliation.	Farmers, coordinators, stores, processors and finance.
Orders and production	Briefs, samples, BOMs, routing, capacity, WIP, quality and delivery.	Labl Fashion, customers and qualified suppliers.
Payments and finance	Approved obligations, invoices, payments, restricted funds and intercompany reconciliation.	Finance and authorised operational users.
Evidence and impact	Indicators, source records, verification, exceptions and dashboards.	Management, Board, funders and assurance partners.
QR and circularity	Product story, care, repair, return, reuse, resale and repurpose events.	Brands, consumers, service partners and Labl Fashion.

- Privacy by design and compliance with Kenya’s Data Protection Act and applicable cross-border requirements [E6].
- Offline-first field capture with synchronisation, conflict handling and human support.
- Security logging, backups, incident response, business continuity and controlled integrations.
- Acceptance testing against real farmer, order, lot, quality, payment and return scenarios.
- No blockchain or other technology is adopted merely for marketing; the design must solve an evidenced control problem.

8. Inclusion, Community Institutions and Local Enterprise

8.1 Self-help groups

Self-help groups are voluntary local structures through which participants may organise training, production support, savings habits, social support, peer accountability, aggregation readiness and communication. They are not automatically businesses, cooperatives or borrowing vehicles. Each group requires documented membership, leadership, records, safeguarding, grievance handling, transparent benefit rules and an exit pathway.

8.2 SACCO pathway

A SACCO is a separately governed member-owned savings and credit cooperative. The concept is to help eligible farmers and workers build savings and access appropriately designed financial services over time. Membership and borrowing must remain voluntary. Labl Group will not treat wages, crop proceeds or market access as collateral by default, and it will not operate a SACCO without the required cooperative governance, registration and regulatory framework.

8.3 Weather stations and market access

Local weather stations can support better field decisions, research, climate-risk alerts and evidence, but only when maintenance, calibration, ownership and interpretation are funded. Access to market means more than listing a farmer or SME: it requires specifications, aggregation, quality, price transparency, logistics, finance, contracts, timely payment and buyer feedback.

Opportunity	Practical pathway	Protection
Women	Safe training schedules, production roles, enterprise pathways, leadership and childcare-aware design.	Safeguarding, anti-harassment, equal terms, grievance and progression tracking.
Youth	Digital, field, repair, production, logistics, tourism, research and enterprise roles.	Competence, supervision, occupational safety and no hazardous child labour.
SMEs/artisans	Approved supplier development, services, repair, crafts, hospitality and local logistics.	Transparent selection, quality, contracting and payment.

9. Research, Education, Tourism and Biodiesel Pathways

9.1 Research and education

Labl Farms LTD leads all research on organic and regenerative agriculture, farmer systems, soil, water, crop diversification, cotton, plant-based dye inputs and selected oilseeds. Labl Fashion LTD leads garment, material-use, construction, fit, quality, circularity and production research. The Group governs cross-cutting socio-economic, digital, wildlife/community and impact studies.

Research theme	Illustrative questions	Output
Soil and regenerative practice	Which practices improve soil function, resilience and farmer net benefit in each context?	Protocols, field evidence and adoption decisions.
Cotton and diversified farms	How can cotton coexist with food crops, trees, dyes and selected oilseeds without harmful monoculture?	Farm plans, rotation/intercrop guidance and risk evidence.
Plant-based colour	Which inputs and processes meet colourfastness, safety, water, effluent and buyer requirements?	Validated recipes and controlled claims.
Garment systems	How do small batches, digital sampling, pattern yield and cell design improve quality and economics?	Production specifications and training.
Wildlife and community	How can agriculture, tourism and livelihoods coexist with Taita Taveta's biodiversity and community priorities?	Safeguard maps, visitor protocols and community-led research.

9.2 Controlled fashion tourism

Approved visitors may combine facility learning, making/repair workshops, community-hosted experiences, demonstration-farm learning and guided Sagalla Hill activities. Tourism is subordinate to production, safety, consent, environmental limits and fair local benefit. The accommodation asset may host up to ten people only after the relevant safety, tourism, food and operational approvals.

9.3 Oilseeds and biodiesel

Cottonseed and selected oilseeds can create a qualified diversification pathway. The process is: feedstock mapping; agronomic and food-security review; aggregation and quality specification; oil extraction/processor qualification; conversion feasibility; fuel-quality testing; by-product and waste planning; environmental and energy approvals; market/offtake validation; and controlled investment. Crostar Energy LTD provides specialist biodiesel leadership; Labl Farms retains farmer, feedstock and agricultural evidence responsibilities.

10. Implementation Roadmap

Phase	Group	Labl Farms LTD	Labl Fashion LTD	Digital / market
Jul–Sep 2026: mobilise	Governance, budgets, permits, systems and staffing design.	Planning only; no farmer operations.	Facility and production-readiness work.	Requirements, architecture, buyer pipeline.
Oct–Dec 2026: controlled launch	Readiness review and 2027 approvals.	Preparation only.	Controlled garment operations using responsible suppliers.	Minimum viable workflows; customer validation.
2027: prove	Operate Group, Voi and Westlands model.	4,000 conditional active-farmer target; two-county validation.	Reliable sampling, production, quality and repeat orders.	MVP acceptance, Kenya/EU pipeline, U.S. readiness.
2028: assure and scale	Approve only evidenced replication.	8,000 target; qualified aggregation; ginning/dye pilots.	Capacity and buyer-account growth; textile feasibility.	County replication, evidence and assurance.
2029: integrate	Mid-term decisions and capital gates.	16,000 target; stronger processing linkage.	Controlled weaving/knitting/dye/finishing pilots.	EU depth and conditional U.S. trials.
2030: consolidate	Resilience, succession and next strategy.	32,000 target subject to service quality and benefit.	Conditional integrated scale.	Interoperable, assured and financially sustainable system.

11. Governance, Staffing and Partnerships

Body / role	Responsibility
Board	Strategy, CEO oversight, annual budgets, major capital, ethics, risk, compliance and performance.
Managing Director / Chair	Shareholder and Board leadership within approved governance boundaries.
Chief Executive Officer	Integrated execution, results, management system and accountability.
Finance leadership	Funding, cash, accounting, procurement, tax, restricted funds, intercompany reconciliation and controls.
Labl Farms leadership	Farmer services, research, aggregation, safeguards, quality and farm-business performance.
Labl Fashion leadership	Customers, products, production, quality, people, circularity and unit economics.
Digital product owner	Requirements, priorities, data governance, acceptance, security and vendor performance.
County / community structures	Local coordination, feedback, safeguards, delivery support and evidence.

11.1 Partnership architecture

Partner type	Potential role	Instrument
Government	Policy alignment, permits, extension interfaces, county coordination and public infrastructure.	MoU, licence, technical protocol or programme agreement.
Buyers and brands	Orders, specifications, development feedback, deposits and responsible-sourcing collaboration.	Customer contract and product/quality schedule.
Research/education	Trials, curriculum, student placements, laboratories, evidence and publication.	Research agreement with ethics, IP, data and publication terms.
Funders	Catalytic farmer services, inclusion, digital public-good functions, research and community projects.	Restricted grant agreement and results framework.
Investors/lenders	Commercial capacity, equipment and working capital.	Investment or finance agreement with return, security and downside terms.
Technology providers	Build, integrate, secure, test and support the operating system.	Milestone contract, service levels, acceptance and handover.

12. Financial Framework and Partnership Requirements

Planning schedule	USD	Treatment
2027 Group annual budget	3,288,939	Submitted consolidated resource requirement; Board approval requires reconciliation and financing.
Labl Farms LTD 2027 schedule	1,614,388	USD 117,240 overhead; USD 1,050,660 production; USD 446,488 development.
Labl Fashion LTD 2027 envelope	1,425,911	Operating overhead, order-linked inputs, equipment and development; released by evidence and funding.
Lean Q4 2026 operating ceiling	336,268.50	Mobilisation and three months of controlled Labl Fashion operations; excludes Labl Farms operations.

Before funding or investment approval, the Group must reconcile shared-service and intercompany allocations, remove double counting, separate restricted programme expenditure from commercial operations, confirm quotations and timing, model working capital and define staged releases.

Finance source	Suitable use	Core protection
Customer deposits/revenue	Order materials, labour, product development and replenishment.	Order-level margin, capacity and cash cover.
Catalytic grants	Farmer transition, inclusion, research, community safeguards and selected digital public-good functions.	Restricted accounting, procurement, milestones and outcomes.
Equity/patient capital	Platform capability and governed commercial scale.	Board approval, valuation, governance and downside plan.
Debt/asset finance	Revenue-generating equipment and working capital.	Conservative repayment, security, utilisation and covenant capacity.
Research funding	Defined trials, evidence, learning and dissemination.	Ethics, data, IP, outputs and audit.

FUNDING PRINCIPLE	The Concept Note does not create an automatic funding request. Each partner proposal must identify the exact work package, budget, outputs, co-financing, restrictions, procurement, risks, reporting and sustainability pathway.

13. Monitoring, Evaluation, Learning and Accountability

Domain	Core indicators
Commercial	Qualified pipeline, conversion, revenue, contribution, repeat customers, concentration, OTIF, quality and collection.
Farmers	Unique active farmers, verified services, service cost, quality, market transactions, payment timeliness and farmer net benefit.
People	Jobs, competence, wages/terms, safety, progression, women/youth participation, grievances and resolution.
Environment	Practice adoption, soil/water evidence, energy, waste, material yield, chemicals/effluent, repair/return and biodiversity safeguards.
Digital	Active users, completion, data quality, offline success, uptime, incidents, support and reconciliation.
Governance/finance	Cash runway, budget variance, working-capital days, funding restrictions, audit findings, risks and decisions closed.

13.1 Learning cycle

- Weekly operating, quality, safeguarding and 13-week cash controls.
- Monthly entity and Group management review with corrective action owners.
- Quarterly Board review of strategy, capital, risk, compliance, impact and expansion gates.
- Annual bottom-up operating plan and budget refresh.
- Q4 2028 mid-term review before major 2029 farmer, processing and textile integration decisions.

14. Risk and Safeguard Framework

Risk	Response	Gate / evidence
Demand and margin	Customer-backed production, deposits, product costing, concentration limits and re-pricing.	Signed orders, contribution and cash conversion.
Farmer over-expansion	Fund service ratios first; narrow geography or target if capacity is inadequate.	Cost-to-serve, field coverage, benefit and payment evidence.
Quality and claims	Specifications, testing, inspection, corrective action and claims approval.	Acceptance records and substantiation file.
Water, chemicals and effluent	Baseline, process design, permits, monitoring, competent operators and emergency response.	Technical/environmental memorandum before dye/finishing.
Labour and safeguarding	Contracts, fair terms, OHS, anti-harassment, child protection, grievance and remedy.	Audits, training and incident closure.
Data/privacy/cyber	Minimisation, consent/lawful basis, access control, encryption, logs, backups and incident response.	Privacy/security acceptance and DPIA where required.
Liquidity	Staged commitments, 13-week cash, restricted-fund separation and working-capital protection.	Board-approved financing and downside plan.
Trade-policy change	Multiple markets, ordinary trade-route readiness and live legal verification.	Shipment-level customs/origin review.

15. Sustainability and Exit from Catalytic Support

- Commercial orders and services progressively finance the core production and market platform.
- Farmer-service contracts, technical services and transparent intercompany arrangements recover appropriate costs.
- Catalytic funds remain focused on genuine public-good, transition, research, inclusion and safeguard functions.
- Digital operating costs are designed into entity budgets, service contracts and approved partnership models.
- Equipment is acquired only where utilisation, maintenance, competence, market and cash flows are demonstrated.
- Community institutions remain independently governed and are not made dependent on a single buyer, loan or grant.

16. Immediate Decisions and Next Steps

Decision / action	Owner	Required evidence
Approve integrated programme architecture	Board	Entity boundaries, intercompany principles and risk ownership.
Approve 2027 operating and finance plan	Board / CEO / Finance	Bottom-up budget, cash, funding, quotations, sales and working capital.
Validate two-county farmer model	Labl Farms LTD	County packs, staffing ratios, safeguards, demand and digital readiness.
Stabilise fashion commercial engine	Labl Fashion LTD	Customer pipeline, samples, quality, capacity, pricing and deposits.
Release digital MVP	Group product owner / Afrisol	Acceptance criteria, security, privacy, support and handover.
Formalise priority partnerships	CEO / Legal	Due diligence, instrument, budget, outputs, rights and accountability.

References and Source Framework

Internal controlling sources

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- [I3] Labl Farms LTD Comprehensive Business and Strategic Plans 2027–2030, Premium Corporate Editions.
- [I4] Labl Fashion LTD Comprehensive Business and Strategic Plans 2027–2030, Premium Corporate Editions.

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- [E1] Kenya State Department for Industry, Draft National Cotton, Textile and Apparel Policy public-participation materials (2024).
- [E2] Kenya State Department for Industry, National Cotton, Textile and Apparel Policy validation update (20 March 2025).
- [E3] Kenya State Department for Industry, Expanding jobs creation through cotton value addition (5 August 2025).
- [E4] European Commission, EU–Kenya Economic Partnership Agreement; entry into force 1 July 2024.
- [E5] U.S. Congress, H.R. 6500, AGOA Extension Act; legislative status checked 27 July 2026.
- [E6] Kenya Law, Data Protection Act, Cap. 411C.
- [E7] Kenya Law, Environmental Management and Co-ordination Act, Cap. 387.

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