

Tolaram



**National Business Awards 2021**



INFORMATION MEMORANDUM





# Tolaram - Trusted industrial conglomerate

## LEADING MANUFACTURER IN NIGERIA



### HEADQUARTERED IN SINGAPORE

7 decades of entrepreneurial experience



### 24 FACTORIES IN NIGERIA

Signifi cant manufacturing presence



### 20,000 EMPLOYEES

Large employee base in Nigeria



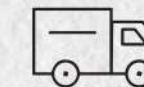
### USD 2 BILLION INVESTMENT

Firmly invested in Nigeria with an asset base of nearly USD 1 billion each in Infrastructure & Consumer Business



### 7 AFRICAN COUNTRIES

Deep roots in Nigeria, Ghana, South Africa, Eswatini, Egypt, Kenya, and Cote D'Ivoire



### DEEP DISTRIBUTION NETWORK

Proven track record in developing extensive distribution networks across major markets of Africa

## TRUSTED PARTNER FOR GLOBAL COMPANIES IN NIGERIA



Kellogg's JV with Tolaram in 2015 enabled them to achieve faster market penetration

United States of America



JV with Salim Group since 1996 to exclusively manufacture Indomie Noodles in Nigeria; one of the most valued brands in the country

Indonesia



CHEC's partnership with Tolaram for Lekki Port project enabled their foray into a strategic project in Nigeria as an investor

China



Colgate has re-entered the Nigerian market in 2019 in partnership with Tolaram

United States of America



Arla Foods' JV with Tolaram group in 2015 gave Arla signifi cant advantage over competition in Nigeria

Denmark



KC partnered with Tolaram for sole distributorship of their products in Nigeria

United States of America

Kellogg's factory within LFZ

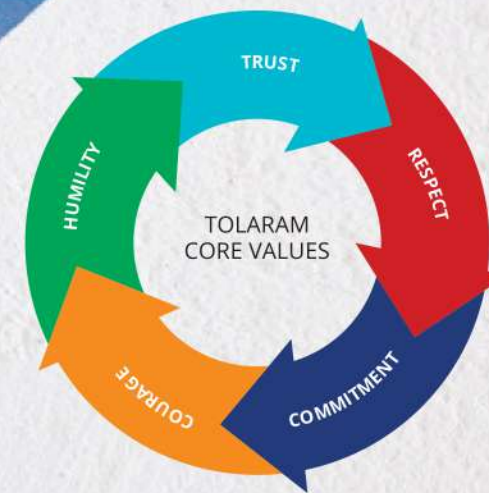


## LAGOS FREE ZONE - A TOLARAM INITIATIVE

**Tolaram**

### UNRIVALLED EXPERIENCE AND MARKET REACH IN NIGERIA

- Strong presence in West Africa with diversified interests in FMCG and infrastructure sectors
- Tolaram has an established distribution network with nearly 700,000 distribution points and has achieved excellent penetration levels in the Nigerian consumer market, reaching approximately 200 million people



**Proven track record of delivery**

**Lekki Port**

### TRACK RECORD FOR DELIVERING LONG TERM PROJECTS

- Construction and development of Lekki Port (one of the largest deep sea ports in Africa, in collaboration with China Harbour Engineering Company, Nigerian Ports Authority and Lagos State Government)
- Financial closure achieved for the port worth USD 1.2 billion. Construction of Lekki Port was completed in October 2022. Commercial operations started in April 2023.

# Nigeria: Africa's Growth Engine



## FAVOURABLE DEMOGRAPHIC DIVIDEND & LARGE CONSUMER MARKET

Most populous country in Africa (210 million people) with a burgeoning young population forming a large consumer base – one of the highest urbanization rates in Africa (~66%); Median age of 18.1 years as of 2021



## CONDUCTIVE FREE ZONE POLICY FRAMEWORK

Presence of a stable Free Zone regime providing competitive fiscal incentives since 1992



## ACCESS TO GLOBAL AND WEST AFRICAN MARKETS

Nigeria enjoys preferential trade agreements such as AGOA, ECOWAS & AFCFTA providing it access to Global & African markets



## SIGNIFICANT OIL RESERVES FORMING THE ECONOMIC BACKBONE

Largest oil producing nation in Africa and a member of OPEC. Proven reserves of nearly 37,050 million barrels of crude oil, and export value of USD 41.4 billion in 2021



## ACCESS TO FACTORS OF PRODUCTION

The country has favorable factors of production, such as a young trainable workforce and abundant natural resources such as crude oil, crops and minerals



## RENEWED FOCUS ON INFRASTRUCTURE

Strong Government impetus for augmentation of physical infrastructure. Plans to spend USD 20 billion on infrastructure over the next 10 years and introduction of infrastructure bond



## MAJOR COMPANIES IN NIGERIA

|               |           |      |        |            |         |          |
|---------------|-----------|------|--------|------------|---------|----------|
| Dangote Group | BUA Group | Coke | Nestlé | ExxonMobil | Ranbaxy | AB InBev |
| Kellogg's     | GSK       | Tata | Godrej | BASF       | Arla    | TVS      |

# LFZ overview

LAGOS FREE ZONE IS HOME TO SOME OF THE MOST REPUTED GLOBAL BRANDS



## VISION

To be the preferred industrial hub in West Africa with world class infrastructure



## MISSION

To maximize value for all our stakeholders by providing the best in class infrastructure, facilities and services



**2012**

Year of establishment

**850 Ha**

Total land area with considerable water front

**20+**

Registered companies within the zone

**90 Ha**

Land area for Lekki deep sea port integrated within the zone

**USD 2.5 Bn**

Committed Capital

**USD 2.3 Bn**

Employed capital

Kellogg's factory within LFZ

# Prominent brands within LFZ



CMA Terminals : Appointed as container terminal operator at Lekki Deep Sea Port



TG Afa factory at LFZ

## NIGERIA'S ONLY PRIVATE FREE ZONE WITH AN INTEGRATED DEEP SEA PORT



### LOCATION

Strategic location in proximity to major trade gateways and demand centres



### INCENTIVES

Host of fiscal incentives, providing competitive business environment



### EASE OF DOING BUSINESS

Efficient single-window clearance system to enable hassle-free registration and operation of businesses



### PRODUCT OFFERING

Fully serviced land and built-up spaces to cater to varied business requirements



### INFRASTRUCTURE

Readily available utilities such as gas and water to facilitate industrial operations



### MASTERPLAN

Cluster based masterplan provisioning for industrial, logistics and support real estate segments

# Key differentiators of LFZ

STRATEGIC POSITIONING OF THE FREE ZONE WILL ALLOW INDUSTRY PLAYERS TO LOCATE NEAR DEMAND CENTRES IN AND AROUND NIGERIA

# Multiple evacuation channels

ENSURING SEAMLESS CONNECTIVITY TO HINTERLAND



A121 - Sagamu Benin Expressway

**40 KM**  
Itoikin to Ijebu Ode Expressway (2 lanes per direction, completed)

**20 KM**  
Lekki-Epe Road from Ibeju-Agbe to T-Junction, Epe (2 lanes per direction with dedicated truck lane, 90% complete)

**34 KM**  
Epe Road to Ijebu Ode Expressway (2 lanes per direction, completed)

**50 KM**  
The 7th AXIAL road is at planning stage to service the Logos Free Zone and Dangote Refinery

**19 KM**  
Coastal Road from Eleko beach junction to LFZ (Currently under dualization, expected completion H2 2024)

**4KM**  
Eleko Road from its junction to Eleko Town (Currently under dualization, expected completion H3 2024)

THE 7TH AXIAL ROAD IS AT A PLANNING STAGE, WHILE ALL OTHER ROADS ARE OPERATIONAL

Lagos

Lekki

Dangote Refinery

Apapa Port

Victoria Island

Map not to scale; for representation purpose only



# Connecting to the major demand centres in Nigeria

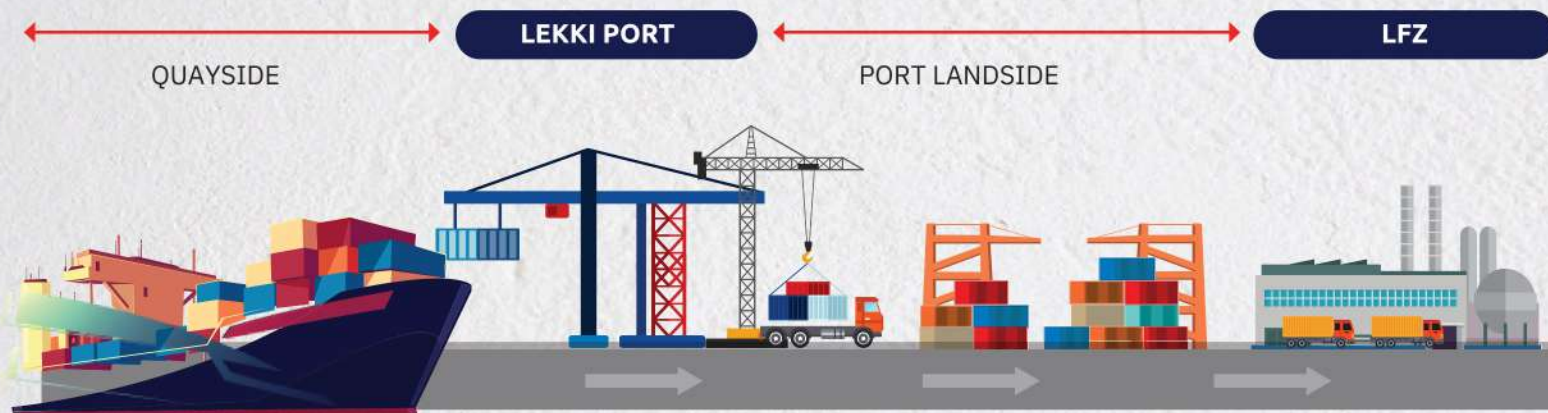
| LOCATION   | DISTANCE | COMMUTING TIME |
|------------|----------|----------------|
| Lagos City | 73 Kms   | 1.5 to 2 hrs   |
| Ikeja      | 100 Kms  | 2.5 to 3 hrs   |
| Ibadan     | 180 Kms  | 3.5 to 4 hrs   |
| Benin City | 280 Kms  | 5.5 to 6hrs    |
| Port       | 585 Kms  | 11 to 11.5 hrs |
| Hartcourt  | 730 Kms  | 12 to 13 hrs   |
| Abuja      | 900 Kms  | 15 to 16 hrs   |
| Kaduna     | 1000 Kms | 16 to 16.5 hrs |
| Jos        | 1100 Kms | 18 to 19 hrs   |
| Kano       |          |                |



# Lekki Deep Sea Port

- Started commercial operations in April 2023
- Seamlessly Integrated with Lagos Free Zone
- Spread over 90,000 sqm
- CMA Terminals appointed as Container Terminal Operator

24-48 HOURS FOR CARGO TO REACH FROM PORT TO LFZ FACTORY DOOR



FIRST PHASE DEVELOPMENT OF QUAY WALL - 680 m

- 2 container berths

SECOND PHASE QUAY WALL ~ 1.5 Km • 3 container berths + 1 dry bulk berth

FINAL PHASE  
• 3 liquid bulk jetties

## DEVELOPMENT TIMELINES



Actual picture of Lekki Port (April 2023)

## FACTORS

## SPECIFICATIONS

|                        |                   |
|------------------------|-------------------|
| Throughput per year    | 1.2 Million TEU   |
| Ship capacity          | 18,000 TEU        |
| Ship to shore cranes   | 7 Nos.            |
| RTG yard cranes        | 21 Nos.           |
| Channel & basin draft  | 16.5 meters draft |
| Main breakwater length | 1.91 Km           |



# Significant logistics cost advantage

Picture of Lekki Port at LFZ (September 2022)

INDUSTRIES CAN **SAVE UP TO 50%** OF THEIR IMPORTATION COST BY LOCATING IN LFZ\*



\* Estimated figures based on prices and quotations  
 1. Includes, federal operational charges

## LOGISTICS

Common User Logistics Facility providing warehousing, storage and customs clearances. Presence of upcoming Lekki Deep Sea Port within the zone to be the crucial differentiator



## RESIDENTIAL

Nearly 1 million square meter of residential development planned across affordable as well as luxury waterfront segments to cater to employees across all levels



## INDUSTRIAL

Fully equipped industrial park with un-encroached land and clear Certificate of Occupancy



LIVE  
WORK  
PLAY

## GREENS & COMMON INFRASTRUCTURE

30% area dedicated to green & common infrastructure such as truck parking, single window clearance office and security command



## MEDICAL FACILITY

Medical facility is operational with provision for tertiary care hospital



## EDUCATION & RETAIL

Education & support retail facilities to act as value enhancers



## HOTEL

Planned business hotels to facilitate corporate travelers and potential investors to stay within the zone





## Significant benefits within the zone

### KEY INCENTIVES



Exempted from all federal, state and local government taxes, levies and rates



100% foreign ownership of business allowed in the zone



Import duties on raw materials for finished goods that are sold into Nigeria, only payable at the point of sale\*



100% repatriation of capital investments in the zone at any time with capital appreciation of the investment



Up to 100% goods may be exported into Nigerian customs territory on the payment of appropriate duties along with a valid license



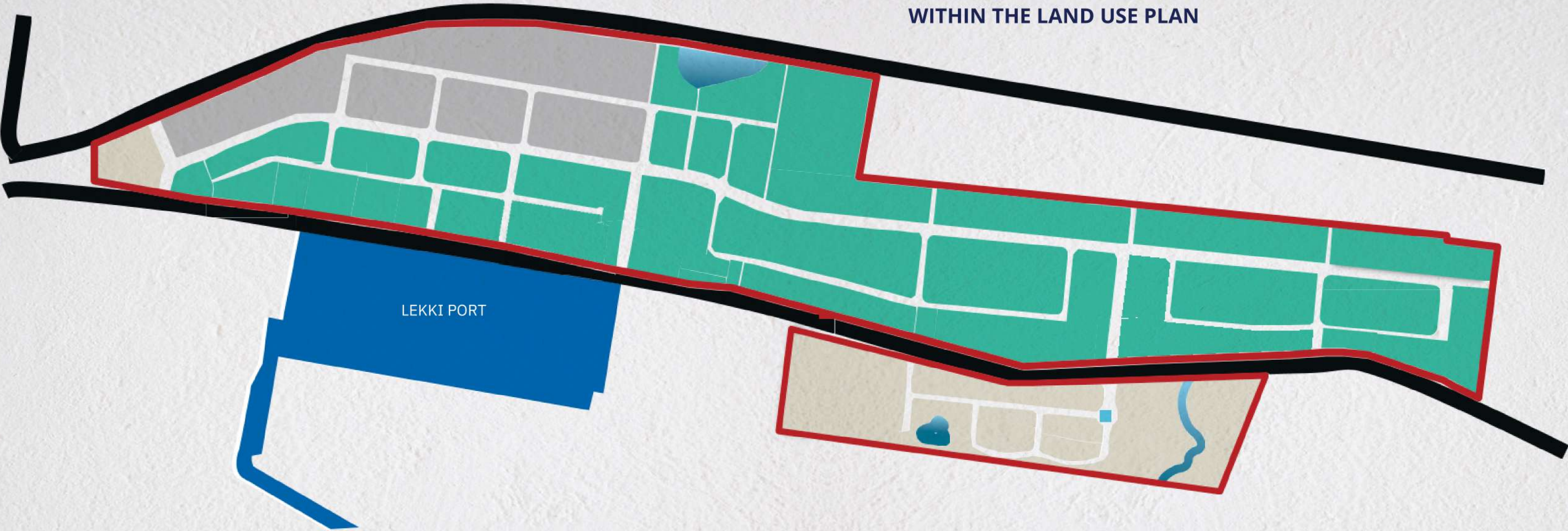
Remittances of profits & dividends earned by investors in the zone allowed without payment of withholding tax

\* Import duties on raw material remain fully exempted if finished goods are exported from Nigeria

| KEY INCENTIVES  | INSIDE FREE ZONE | OUTSIDE FREE ZONE |
|---|------------------|-------------------|
|   | ↑                | ↓                 |
| Corporate income tax  | 0                | 30% of profits    |
| Education tax   | %                | 2.5% of           |
| Withholding tax   | 0                | profits 7.5% -    |
| VAT fully exempt if the purchaser is a Free Zone Enterprise | %                | 10%               |
|   | 0                |                   |

COMPANIES ARE EXPECTED TO SAVE UP TO 40% OF THE OVERALL DISTRIBUTABLE PROFITS WHILE OPERATING WITHIN FREE ZONES

DEDICATED CLUSTERS AVAILABLE FOR VARIOUS INDUSTRIES  
WITHIN THE LAND USE PLAN



# Cluster based Masterplan

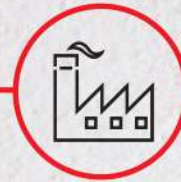
- INDUSTRIAL 70%
- LOGISTICS - 20%
- MIXED USE - 10%

### KEY TAKEAWAYS OF ZONE MASTERPLAN

|                        |         |
|------------------------|---------|
| GROSS LAND AREA        | 850 Ha. |
| LEASED / RESERVED LAND | 170 Ha. |



## Comprehensive product offering



### INDUSTRIAL LAND

- DEVELOPED LAND - LIMITED EXPENDITURE ON SITE DEVELOPMENT FOR TENANTS
- LAND AVAILABLE ON BOTH ANNUAL AND LONG TERM LEASE

### STANDARD INDUSTRIAL FACILITY (SIF)

- STANDARD INDUSTRIAL FACILITY - REDUCED LEAD TIME FOR SETTING UP OF MANUFACTURING FACILITIES
- FIRE PROTECTION SYSTEM
- PLUG & PLAY INFRASTRUCTURE
- DEDICATED WATER AND GAS SUPPLY
- READY TO LEASE

### WAREHOUSES (WH)

- FOOD GRADE & HAZMAT WAREHOUSES
- READY TO LEASE
- DEDICATED WATER AND GAS SUPPLY



### LOGISTICS CLUSTER

- PRE-ENGINEERED BUILDINGS
- WAREHOUSE DESIGN CONFORMING TO BEST INTERNATIONAL PRACTICES
- CLEARING AND FORWARDING SERVICES
- 3PL LOGISTICS
- PORT DRAYAGE



### REAL ESTATE

- COMMERCIAL OFFICES
- RESIDENTIAL HOUSING
- RETAIL ARCADE
- HOSPITALITY
- HEALTHCARE

# Ready industrial infrastructure



## GAS

- Reliable CNG based power supply available through 3rd parties
- Zone envisaged to provide piped natural gas (PNG) to tenants by 2024 for generation of reliable and cost effective power



## ZONE SECURITY

- The zone shall be equipped with security measures such as boundary fencing and single point entry / exit, monitored by security personnel and technology



## ROAD

- Well planned road network within the zone



## TRUCK PARKING BAY

- Dedicated truck parking area for industrial tenants as well as for warehouse and SIF tenants



## HEALTH CARE

- Operational medical facility for emergency care and primary diagnosis



## FIRE FIGHTING SYSTEM

- Fire fighting systems for countering industrial fire and emergency response



## ICT

- All prominent telecom network operators are present in the region (e.g. MTN, Airtel, etc.)
- LFZ is already equipped with high-speed broadband network provided by MainOne



## WATER

- Availability of sufficient ground water through bore-wells
- Provision for desalination plant in the future

**GAS-BASED CAPTIVE POWER**  
**AVAILABLE FROM \$ 0.12/KWH\***

More than 50% realizable savings compared to diesel-based power generation outside LFZ

Actual Picture of LFZ (2022)







# Ease of doing business

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## SINGLE WINDOW CLEARANCE SYSTEM FOR EASE OF REGISTERING AND OPERATING BUSINESS

### AREAS WHERE LFZ OFFERS AN ADVANTAGE



ENCROACHMENT - FREE LAND ACQUISITION



PROVISION OF SINGLE WINDOW CLEARANCE - NEPZA, CUSTOMS, IMMIGRATIONS



MIXED-USE CLUSTER DEVELOPMENT



EXEMPTION FROM PAYING VARIOUS TAXES



FULFILMENT OF ENERGY NEEDS OF VARIOUS INDUSTRIES



NO EXPATRIATE QUOTA



ENSURING SMOOTH PROCESS FOR PROPERTY REGISTRATION



EASE OF ACQUIRING CONSTRUCTION PERMITS FOR PROJECTS



FACILITATION IN STARTING A NEW BUSINESS VENTURE



TRADE FACILITATION ACROSS BORDERS



# Phase 1 development timelines

## CONSISTENT AND TIME BOUND COMMITMENT TOWARDS DEVELOPMENT

### 2019 - 2024

|                               |  |
|-------------------------------|--|
| Development of Lekki Port     | Construction Completed, Operational              |
| Piped gas                     | Firm Contract Signed, to be available by Q4 2024 |
| Industrial Plots, Warehouse & | Available for lease                              |
| SIF Road network              | Ongoing*   |
| Residential complex           | Available for lease                              |
| Medical facility              | Operational                                      |
| Optical fibre links           | Operational                                      |

### KEY MILESTONES ACHIEVED

- All Permits & Licenses obtained
- Area fenced & FTZ scheme functional
- Concept Masterplan

### KEY STUDIES COMPLETED

- Feasibility Study
- Soil Testing Report
- Topographical Analysis

\* To be developed in an ongoing manner depending on actual land uptake by manufacturing units

# Investor Feedback



## BASF

“Our Lagos FTZ operation has been the fastest setup of a business entity within BASF. The availability of quality infrastructure in the Zone and the depth of knowledge at our disposal from the Tolaram team contributed to this achievement”

Taiwo Ilesanmi  
Managing Director, BASF Operations LFZ Enterprise



## COLGATE

“Colgate is proud to partner with Tolaram to increase its investment in Nigeria. We see many bright opportunities ahead for this new venture and for consumers in this vibrant and growing market.”

John Hazlin  
President Africa Eurasia for the Colgate-Palmolive Company



## KELLOGG'S USA

“Africa offers incredible growth opportunities, and our experience partnering with Tolaram over the past couple of years have confirmed that we have a strong relationship, attractive brands, local expertise, and a proven business model”

Steve Cahillane  
Kellogg's Chairman and Chief Executive Officer



## SANA BUILDING SYSTEMS

“Selection of an appropriate site for this project was a critical element in planning the project. LFZ management were able to quickly appreciate the scope & objectives of the project and lead us through registration etc without problems. We are wholly satisfied with our decision to locate our Project within the Lagos Free Zone”

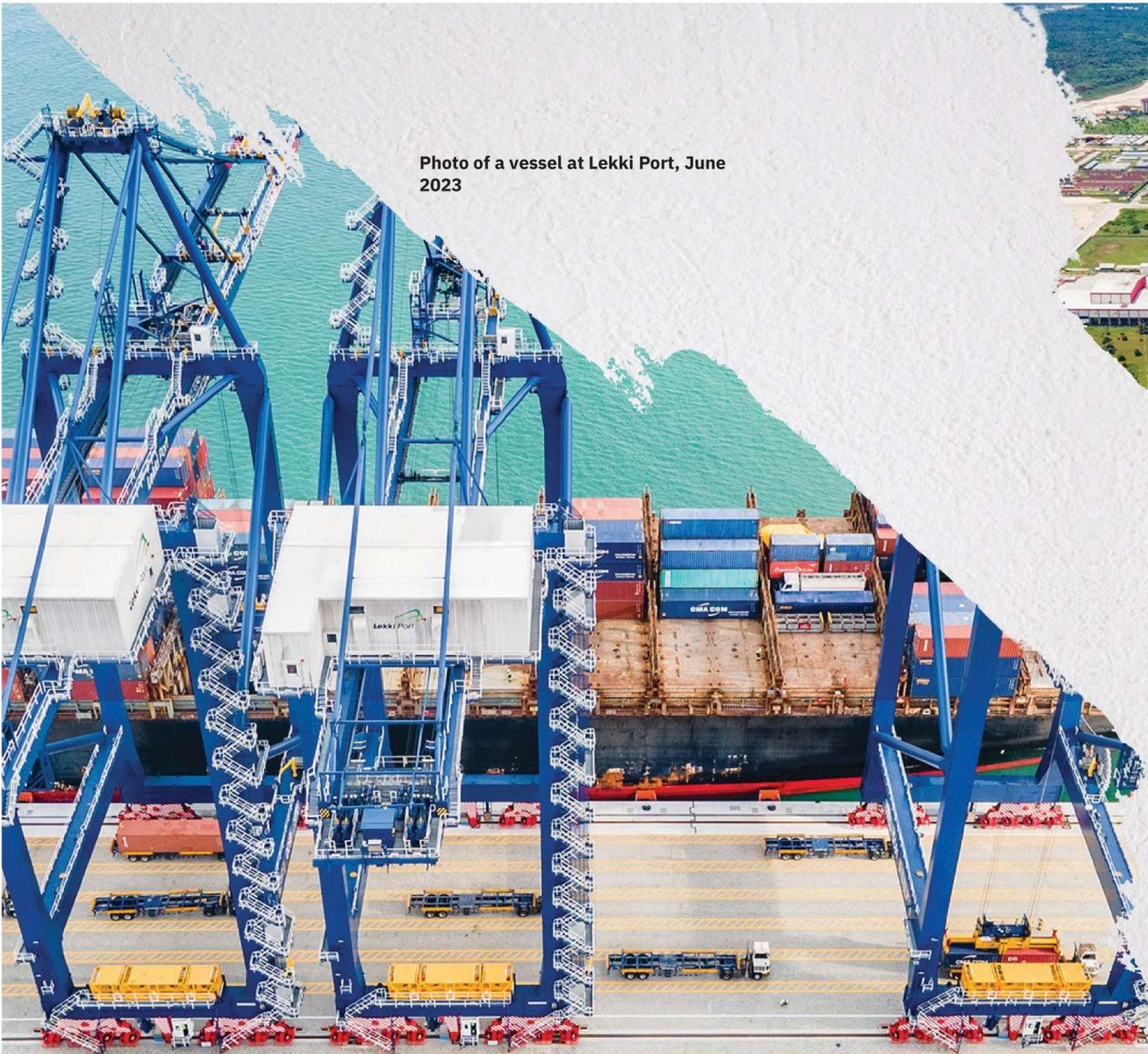
Ken Krieger  
President, SBS



**FACILITATING BUSINESS FOR PROMINENT MULTINATIONALS**

**Sana Building Systems Factory at LFZ**

Photo of a vessel at Lekki Port, June 2023



Lagos Free Zone and Lekki Port, June 2023





GUARANTEE SUCCESS IN NIGERIA BY CHOOSING LFZ AS YOUR STRATEGIC PARTNER

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