



CAPLE

FUNDING
GROWTH &
OWNERSHIP

Funding Announcement

Caple supports growth at Cocogreen with a £1.5m, 8-year loan

Caple has completed the growth funding of Manchester-based Cocogreen with a £1.5m, 8-year fully unsecured loan. Cocogreen is the UK's leading brand of speciality coir substrates for edible crops. The business imports sustainable coconut coir from Sri Lanka which is converted into growing substrate for hydroponic and agricultural use. The growth funding will be used to increase investment in stock, supporting management's revenue growth ambitions over the medium term. As with all businesses supported by Caple, the loan required no personal guarantees, floating charges or any other form of security.

Cocogreen was founded by Thomas Ogden and Sudesh Fernando to commercialise coconut coir as an environmentally-friendly alternative to existing substrates. Environmental and social engagement remain central to the business and the company holds a number of accreditations including Ecocert and ISO9001:2008. The growth loan will enable Cocogreen to purchase stock and fulfil a larger orderbook at more advantageous levels.

Whilst the business is supported from an operational perspective by working capital facilities from Close Brothers, a low tangible asset base means that options for strategic term debt were limited. The 8-year term loan was fully unsecured and complemented the supplier finance, without the need for intercreditor agreements.

"Cocogreen is a fast growing business which meant that traditional lenders weren't so supportive to the levels required but Caple were happy to support the planned growth. Due to the global nature of Cocogreen it wasn't a straight-forward application into Caple but Mark and Harry went above and beyond to assist getting the deal sanctioned. It is an excellent example of how Caple, along with the right combination of working capital lenders can reach a conclusion that very few others can match."

Benjamin Day, Director, Cowgills

"This is another great example of working alongside liquidity / working capital lenders to provide longer-term, strategic credit to enable growth. We are delighted to have been able to support the management of Cocogreen with long term unsecured funding. Cocogreen is an innovative and entrepreneurial business with strong environmental credentials and we look forward to watching them grow."

Sean Brophy, Country Manager, Caple