



warfair Advisory Board

Minutes from the meeting in the warfair Advisory Board, August 12, 2022, from 15:00-18:00.

Venue:

Svinemosevej 7, 3670 Veksø Sj.

Participants:

Peder Holk Nielsen (PHN): Member of the Advisory Board

Judith Kyst (JK): Member of the Advisory Board

Lisbeth Stausholm Zacho (LSZ): Member of the Advisory Board

Tahmina Salik (TS): Member of the Advisory Board

Jacob Bøtter (JB): Member of the Advisory Board

Christian Friis Bach (CFB): CEO of warfair, acting as Secretary to the Advisory Board

Karin Friis Bach (KFB): Director of warfair.

Visitors: Rikke Frier, new staff, sales- and storage; Niklas Olsen, new staff, sales- and projects; Thea Raunsbæk, student, SDU working on her thesis on possible expansion to Germany.

1. Minutes from last meeting & follow-up.

- The [minutes](#) from the last meeting have been approved in a written procedure and have been uploaded to the website.
- We have made a storage and packaging agreement with Social Vanilla, who will be hosted at warfair.
- The work on the warfair Database/Due-diligence has progressed further and the database can now be accessed under warfair.world.
- Signe Mørk from ImpactCSR has helped to digitalise our due-diligence questionnaire and has proceeded with B-corp certification.
- An SDU student, Thea Raunsbæk, has been identified to help to explore geographic expansion to Germany.

Discussion: The Advisory Board praised the progress. As for the hosting agreement the Advisory Board on one side found it to be a good idea, but also warned against the increased complexity.

2. Sales

Two new products: Tree-dried Apricots and Sun-dried figs from Afghanistan. They have been well received.

Sales in 2022 to now on the webshop has increased by 50% compared with 2021. After some stagnation following the war in Ukraine sales have picked up again in recent months. Total sales in 2022 until the 4th of August reached DKK 1.1 million (before VAT) which is more than double the similar period in 2021.

B-2-B partners:

A few more shops have started to sell warfair products and we have started a cooperation with Hammershus Fairtrade which seems promising. The deliver to 400 fair trade shops in Scandinavia and also run a shared-container freight operation from West Africa.

We have received an order for 2*100 g bags to be delivered for a Christmas present to the staff



from one of Denmark's largest companies, which amounts to around DKK 300.000.

Discussion: The Advisory Board recommended that the success with gift packages for the large Danish company could be utilised to promote gift packages to other companies.

The current prices were discussed considering the increase in food and energy prices, and it was confirmed that the prices had been adjusted and were further adjusted to reflect costs of new orders. The Advisory Board recommended further price adjustments and also to consider a more differentiated price structure to reflect the costs of smaller orders (administrative fees, freight cost for smaller orders, free freight on first order, discounts on first order, etc). Subsequently a fee for orders by email has been introduced and it is clearly communicated on the website that orders over 500 DKK receive free freight. Moreover, the website engine has been updated to allow for more specific campaigns and price adjustments also for the B-2-B market.

The Advisory Board also discussed possible new products from Ukraine. Technically Ukraine does not live up to the World Bank Criteria for conflict and fragility but if a symbolic product could be found we would consider it.

3. New staff.

We have hired a number of new colleagues: Rikke Frier, sales- and storage (32 hours/week from 8/8 2022); Niklas Olsen, sales- and projects (10 hours/week from 1/9 2022), Erik Bach Ryhl (packaging – also for Social Vanilla, through warfair from 1/9) and Ellen Marie Bach Ryhl, SoMe (10 hours/week from 15/9). Moreover, we will receive to Ukrainian refugees (18 timer pr week each).

Finally Thea Raunsbæk, has joined as a project student, SDU working on her thesis on possible expansion to Germany.

Discussion: Rikke Frier and Niklas Olsen presented the tasks and challenges as they saw them. There is a need to scale up both our production capabilities and our sales efforts.

Thea Raunsbæk gave a brief overview of the approach and of her thesis regarding the German market. The Advisory Board welcomed the new staff and interacted with Rikke, Niklas and Thea on their functions and opportunities.

4. Budget 2022.

The budget for 2022 has been updated to reflect the hiring of new colleagues and a conservative forecast for the year. The total expected sales has been adjusted downwards from DKK 4 million to DKK 3.5 million. CFB will receive only DKK 1000 kroner/month in salary during the 2-3 months of election campaign (despite still working close to full time).

Discussion: The Advisory Board found the budget assumptions to be reasonable. A warning was made regarding the cost of complexity – too many products or too small orders can undermine our profitability. Another comment was the need for a higher profit to allow for further investments. If total turnover was DKK 4-5 million it was necessary to have a profit of around DKK 750.000 to allow for investments in continued growth.

5. Scenarios for future management

Given the upcoming election for Parliament scenarios for possible outcomes and strategies were presented.

Discussion: The Advisory Board was not afraid that the election campaign would harm warfair and the turnover, on the contrary. However, it was acknowledged that it was necessary to make warfair more independent of CFB. The recent staff additions were positive steps in this direction. All Advisory Board members confirmed that they would like to utilise their warrant by the end of the year. This would also help to create a more robust company and it was agreed that the board



should be formally established and developed with a chairperson. CFB would present a new set of draft bylaws and TOR for the Advisory Board at the next meeting.

6. Any other issues

- a. Next Meetings.
Planning of next meetings.
- b. Other issues