



Mosamane Intelligent Sheep Farming- Business Profile

Background

Mosamane Holdings (The Company) has been established as a vehicle that is committed to investing in and helping farmers establish diversified factory farming. The Company is governed by a team of experts and key stakeholders in the industry. They share the unified vision of reviving the rural economy, restoring rural towns, and building on best practices.

Mosamane Holdings is a holding company that was established to invest in its own managed projects and initiatives at Mosamane Farm. Mosamane is a farm close to Rosendale, a small farming town in the Eastern Free State Province of South Africa, close to the border of Lesotho. It also intends to transfer its experience and knowledge to the farming activities of other entities, located in other geographical areas. It plans to empower people living in the deep rural areas and to establish factories to add value to the products of these farms.

The current system is not conducive to the survival of the farmer who does not determine the prices of the food that they produce. Therefore, Mosamane is providing a solution that sees farmers meeting their needs. Challenges in sheep farming are prevented using an intensive sheep farming model and the optimizing of farm assets. This is because more ewes can be kept per hectare, they consist of an increased weaning percentage and less supervision is needed. Intensive sheep farming is highly profitable and economically sustainable, even though the input costs are higher.

They support the 'gate to plate' principle, hence their meat is supplied directly to the consumer. Dormer sheep are ideal for intensive sheep farming due to their early sexual maturity and higher fertility. They maintain a good feed conversion, slaughter percentages, and meat quality and they adapt well to feeding lots. The lambs will be slaughtered at the abattoir with the go-ahead from a health inspector. They aim to keep 11% of the lambs every 15 months to increase the herd. The ewes will give birth every 8 months.

The Company would like to market their meat in 2022, establishing a 125% - 150% increase in lamb percentage during the first year and accumulate 5kg wool per lamb after each shear. Planning is done to execute their meat processing and packaging. The market for liver, fat and tripe will also be explored as an additional income stream. The Company's long-term goal is to increase the ewes by 10% by the second year, and a lambing percentage of 180%. The plan is to soon add their feed pelletizer and estimate to sell the pellets to the public shortly.



The Company anticipates a 5% increase in product prices and costs per annum. Risks include drought, theft, sicknesses, fires, and extreme weather conditions all of which can be mitigated, managed and controlled.

Financing

Mosamane’s financial projections offer us a glimpse into what the company aims to achieve with the addition of the abattoir and the company’s drive to capture the rest of the value chain. The financials attached to this application include the cost and income breakdown of the different phases of production. From animal husbandry and feedlot to slaughter and processing.

S12J Funds raised

The above-mentioned company has raised funds via the S12J SARS approved funding mechanism. Below is the table of the funds raised and expected returns via SARS

The return rate via SARS has been 80% and more to date.

Dates	Nominal	Assumption of SARS Refund.
2022	R56,1 Million	R16,83 Million

Debtors and Creditors

The Company is in the early stages and does don’t have ageing records of debtors and creditors, however, the financials have a recording of long-term loans and the payment projections.

Shareholding

The directors for Mosamane Holdings are:

1. Terence Nkwashu
2. Kevin PE Wakeford
3. Wessel J Venter



Shareholding is as follows:

1. Terence Nkwashu – 80%
2. Kevin PE Wakeford via his family trust – 16%
3. Wessel J Venter via Basan Business Projects (Pty) Ltd – 4%

Mosamane is 80% Black-owned.

Current and Projected Business.

Local Market

Mosamane Holding's Intelligent Sheep Farming project is looking at capturing the value that lies within the lamb value chain, particularly in the slaughter and processing of the meat. This allows The Company to gain control of the quality of the meat and remain competitive in their pricing. Mosamane will achieve this by establishing an abattoir and meat processing facility on site. This facility will also benefit the local farmers as they have proximity to the abattoir, thus saving them transportation costs.

In a drive to capture the market and mitigate transport costs, Mosamane is also considering shortening its supply chain from farm to plate via the use of agents. Agents will market and sell lamb to Golf Estates, Corporate Head Offices and online platforms such as WeHub/Kos Online and Organic Emporium. This allows Mosamane to have a close relationship with its buyers and have a direct hand in the market.

Export Market

There is an international market that Mosamane hopes to capture. The middle east has a demand for at least 600 carcasses per month with an existing market in Hong Kong as well. To meet this demand, Mosamane will have to establish an on-site abattoir. Funding received will go towards this addition.