



KUKAYE  
LIMITED



CASHEW  
FARMING  
INVESTMENT —  
**PROPOSAL**

March 2024



# TABLE OF CONTENTS

ABOUT US	→	01
THE TEAM	→	02
EXECUTIVE SUMMARY	→	03
OBJECTIVES	→	04
METHODOLOGY	→	05
CASHEW TOURISM	→	07
TIMELINE	→	08
FINANCES	→	10
RISK MANAGEMENT + MITIGATION	→	15
EXCLUSIVE OFFER	→	16
CONCLUSION	→	17



# KUKAYE

Pursuing Perfection.

## ABOUT US

“  
The word “Kukaye” translates to “Home”.  
Kukaye is about so much more than just  
cashews, it’s about people, community,  
self-reliance, and Tanzania.  
”



At Kukaye Limited, we are not just producing cashew nuts; we are shaping the future of the cashew industry while driving economic prosperity and environmental stewardship in the region. By upholding our core values, we aspire to realize our mission, fulfill our vision, and create lasting value for all stakeholders involved in our journey. Join us as we embark on this transformative journey at Kukaye Limited.

### 01



#### MISSION

At Kukaye Limited, our mission is to revolutionize Tanzania's cashew industry by producing and exporting premium-quality cashew nuts while fostering sustainable agricultural practices. We are dedicated to becoming the leading private entity in processed cashew nuts production, bridging the gap between production and processing within the country.

At Kukaye Limited, our vision is to emerge as a global leader in the cashew industry, renowned for our commitment to quality, sustainability, and social responsibility. We envision a future where Tanzanian cashew nuts are celebrated worldwide for their superior taste and distinctiveness, with Kukaye Limited at the forefront of this transformation.



### 02

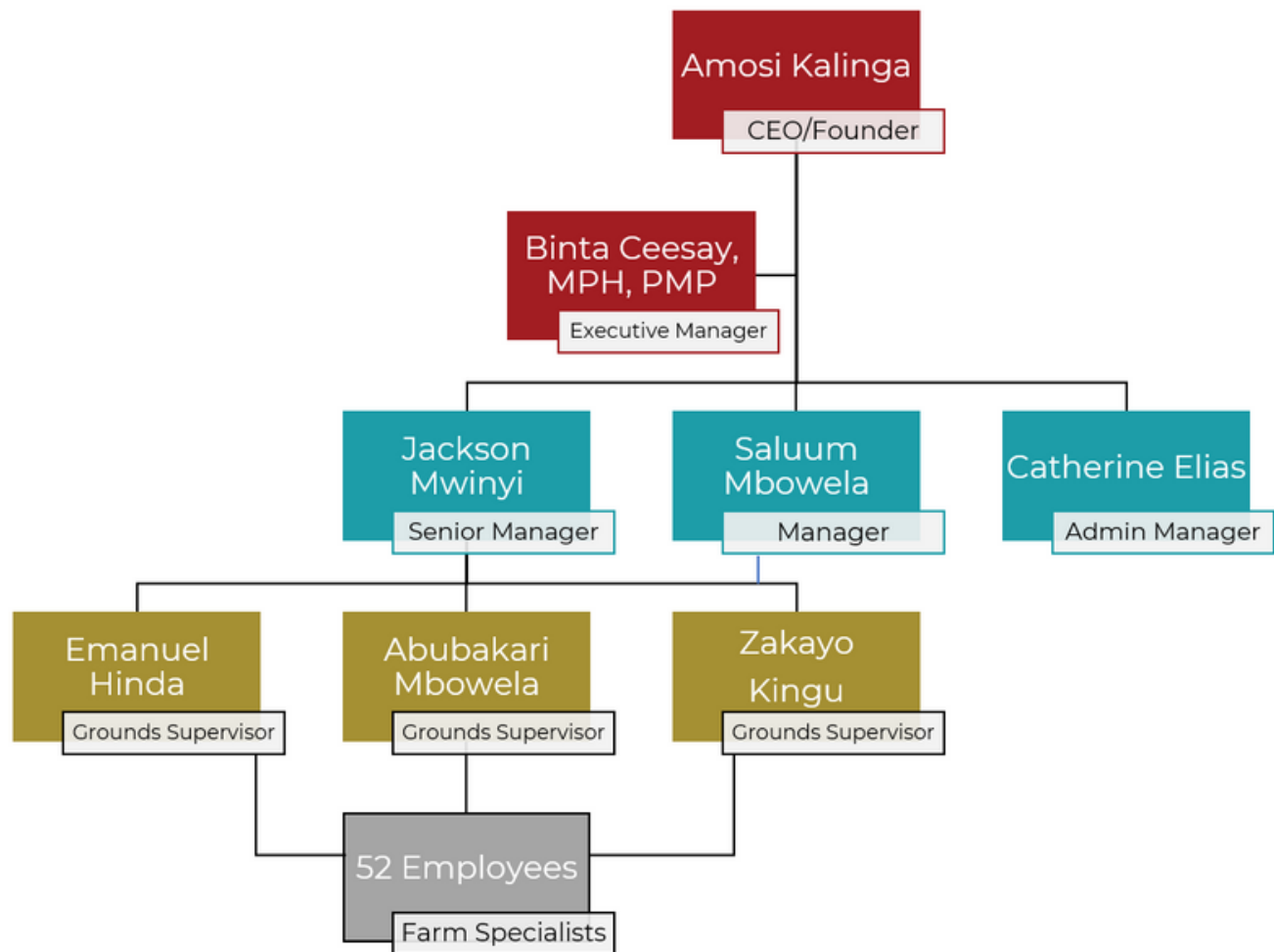
#### VISION

# MEET THE KUKAYE TEAM

At Kukaye, we take pride in our diverse and experienced team, united by our passion for sustainable agriculture and commitment to excellence. With a blend of expertise from Tanzania, Europe and the United States, our team brings together a wealth of knowledge and skills to drive innovation and growth in the cashew farming industry.



## Organization and Management



# EXECUTIVE SUMMARY

Kukaye Limited presents a compelling investment opportunity for the expansion of its cashew farm operations. Situated in Nanyumbu, Mtwara, Tanzania, Kukaye Limited owns and manages one of the largest cashew farms in the region, spanning 6,000 acres. Currently, 2,000 acres are under cultivation, with plans for an additional 4,000 acres to be developed for future planting and harvesting. Our primary objective is to emerge as the premier private entity in Tanzania's processed cashew nuts production sector.

Tanzania's cashew industry is robust, with an annual production of approximately 250,000 tons of cashew nuts. However, the majority, nearly 95%, is exported to Vietnam and India for further processing, leading to a loss of the cashew nut's unique identity due to limited processing machinery within the country. Kukaye Limited aims to address this gap by becoming a leading private exporter of premium-quality cashew nuts in Tanzania, targeting a market share of 10-15%.

Collaboration with strategic investors is key to achieving this goal. By partnering with like-minded investors, we aim to expand our cultivation capabilities and ensure a steady supply of processed cashew nuts to meet the demands of our clientele. Already, Kukaye Limited has secured a loyal customer base in Germany, Austria, Switzerland, the Netherlands, Italy, and the United States, who have expressed interest in purchasing over 10,000 tons of cashew nuts annually from a reliable supplier who also owns cashew farms.

Notable buyers include Seeberger, Farmers Snack, Alderaban Commodities E, Rotterdam Commodity Trading B.V, GM Pesendorfer, and others. To meet their stringent quality requirements, Kukaye Limited intends to construct its own processing facility, ensuring the preservation of the unique identity and superior quality of Tanzanian cashew nuts produced by Kukaye Limited.

Kukaye Limited is inviting you to become a notable investor and partner in enjoying the exceptional cashews of southern Tanzania. We are offering you a share in the 50-80 million EUR per year in expected revenue.



# OBJECTIVES

- 01** **Establish Kukaye Limited as a reputable and dependable supplier** renowned for delivering premium-grade cashew nuts, meeting stringent quality standards set forth by discerning international buyers. Kukaye aims to be the largest farm in country of private processed cashews
- 02** **Expand the operational capacity of the cashew farm** to target prominent buyers within international markets, including Germany, Austria, Switzerland, the Netherlands, and the United States, thereby enhancing market presence and penetration.
- 03** **Develop a state-of-the-art cashew processing facility** to elevate the value proposition of our cashew products while maintaining their inherent quality and distinct characteristics. This facility will enable the processing of cashew nuts and free into various derivatives such as oil, butter, alcohol, and juice, catering to diverse consumer preferences.
- 04** **Strive to deliver attractive and sustainable returns on investment** by fostering continuous business expansion through prudent financial management, operational efficiency, and strategic market positioning.
- 05** **Implement a strategic initiative** to capitalize on cashew tourism, offering a distinctive and immersive experience for buyers and investors alike. This endeavor will foster deeper consumer engagement, instilling brand loyalty, and bolstering trust in our products.

In attaining these objectives, with Kukaye Limited investors will gain their stake in the 50-80 million EUR per year of the Tanzanian cashew market.

# METHODOLOGY

## 01 **USE INTERNAL PROCESSING CAPABILITIES FOR INCREASED COMPETITIVENESS AND QUALITY:**

- Kukaye Limited will distinguish itself within the industry by assuming control over the entire cashew production process, from agricultural cultivation through the processing. This vertical integration strategy will allow the company complete oversight of quality assurance, consistency, and traceability.
- Kukaye Limited has made substantial investments in state-of-the-art processing facilities, cutting-edge technological advancements, and highly skilled personnel, all aimed to optimize processing operations for efficiency and efficacy.
- Through the ownership and operation of its processing facilities, Kukaye Limited will have greater flexibility, agility, and responsiveness to market demands, thereby enhancing its competitive reputation as a reliable supplier.

## 02 **ADOPTION OF SUSTAINABLE AGRICULTURAL PRACTICES:**

- Kukaye Limited is firmly committed to the tenets of sustainable agriculture and environmental stewardship. The company will enact a suite of eco-conscious agricultural practices including organic fertilization, water conservation initiatives, and biodiversity preservation, thereby mitigating its ecological footprint.
- The proposal will highlight Kukaye Limited's certification and adherence to globally recognized sustainability standards, including Fair Trade, Rainforest Alliance, and Organic Certifications.
- Kukaye Limited will communicate its dedication to sustainability and responsible business practices to potential investors, emphasizing the long-term advantages of investing in a socially and environmentally conscientious company.

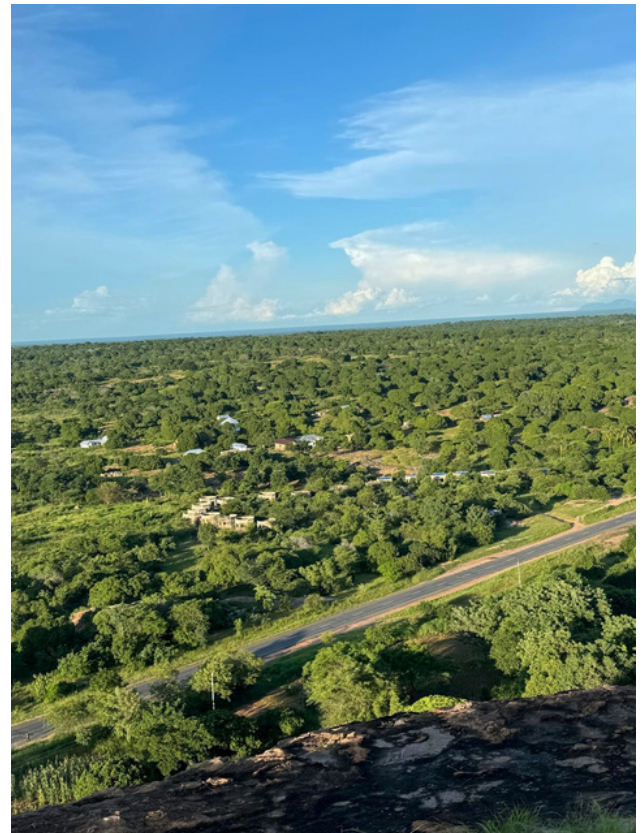
# METHODOLOGY

03

## UTILIZING CASHEW TOURISM AS AN ATTRACTION FOR MAJOR BUYERS:

---

- Positioning cashew tourism as a pivotal selling point and a strategic tool for investor engagement, Kukaye Limited will leverage its picturesque farm location and immersive educational experiences, to offer investors an unforgettable visit.
- Investor tours will be meticulously crafted to showcase the entire cashew production lifecycle, from planting and harvesting to processing, and packaging. Visitors will have the opportunity to engage directly with Kukaye Limited's expert team, gaining insights into sustainable farming methodologies thereby witnessing the company's commitment to quality and innovation.
- The proposal will underscore the synergies between cashew tourism and investment prospects, emphasizing the reciprocal advantages of supporting Kukaye Limited's expansion endeavors and sustainability initiatives.





# CASHEW TOURISM WITH KUKAYE LIMITED



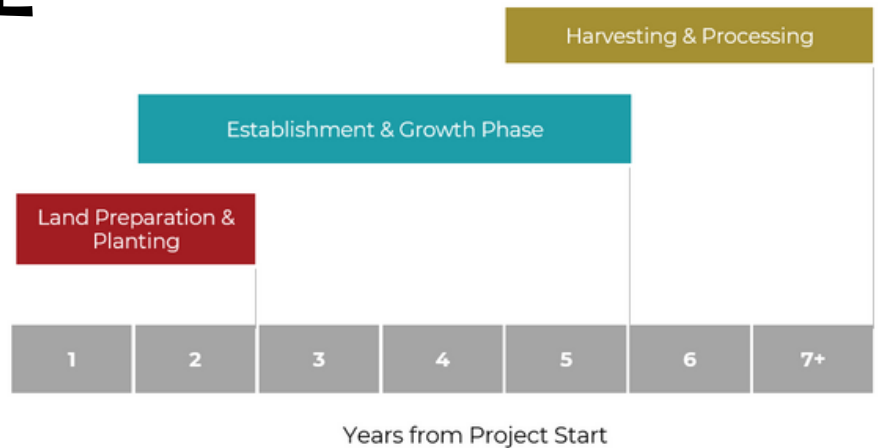
Kukaye Limited will offer buyers and investors an immersive experience of the cashew agriculture and processing lifecycle through meticulously curated guided tours of its expansive farm and processing facilities. Visitors will have the unique opportunity to explore nature, observe the comprehensive cashew production process from planting to processing, and learn about the diverse range of products derived from cashews, including juice and alcohol extracted from the cashew apple, as well as butter, oil, milk, and nuts sourced from the nut itself. Cashew tourism will not only improve brand visibility but also attract prospective clients and investors, while concurrently generating additional revenue streams for Kukaye Limited.

The Kukaye Tourist Lodges will be completed by March 2025. As an investor, you can stay for two free nights. Any stays beyond that will be granted at a 25% discounted rate.



# TIMELINE

## YEAR 1



### LAND PREPARATION AND PLANTING

- Duration approximately 6-12 months
- Farmland registration and title deed transfer to the investor.
- Land preparation for planting, including soil testing, clearing undergrowth, and ensuring proper irrigate on and fertilization to optimize yield and quality.
- Planting of cashew trees on the newly acquired land.
- Implementation of initial maintenance practices, including weed control and pest management.



## YEARS 2-5



### ESTABLISHMENT AND GROWTH

- Ongoing care and maintenance of the cashew trees, including pruning, fertilizing, and disease management.
- Monitor maturation of cashew nuts to ensure healthy and robust plantations.
  - Farm managers observe any changes in color and size to determine the optimal timing for harvest.
- Implementation of green agricultural practices to promote soil health and environmental sustainability.



# TIMELINE

## YEARS 5-7+

---

### HARVESTING AND PROCESSING

- Skilled laborers equipped with handheld harvesting tools, carefully harvest mature, ripe cashews from the tree.
  - They aim to minimize damage to the nuts and trees during the harvesting process.
    - *\*Note: If trees begin yielding cashews earlier than five years, which has occurred in our Kukaye experience, investors will be informed, and the harvesting process will begin earlier*
- Transport the harvested raw cashew nuts to the warehouses and processing facilities.
- At processing facilities:
  - Raw cashew nuts undergo initial inspection and quality assessment to ensure they meet the required standards for further processing.
  - Raw cashews are adequately dried, de-shelled, graded and sorted based on size, color, and quality criteria. This ensures uniformity and consistency in the final product.
  - Implement quality control measures throughout the various stages of processing to detect and remove any defective or substandard nuts.
  - Package and label sorted and graded cashew nuts in suitable containers depending on customer requirements and market preferences.
- Store packaged cashew nuts in warehouse facilities equipped with proper ventilation, temperature, and humidity control to maintain freshness and prevent spoilage.
- Distribute processed cashew nuts to international markets and generate revenue from the sale of cashew products.



# FINANCES

## INITIAL INVESTMENT

FOR FIRST FIVE YEARS

The initial investment payment covers activities for the first five years including land transfer, land preparation (clearing), planting, maintenance, and labor costs.

**34 TREES**

per acre

**58 EUR**

cost per tree

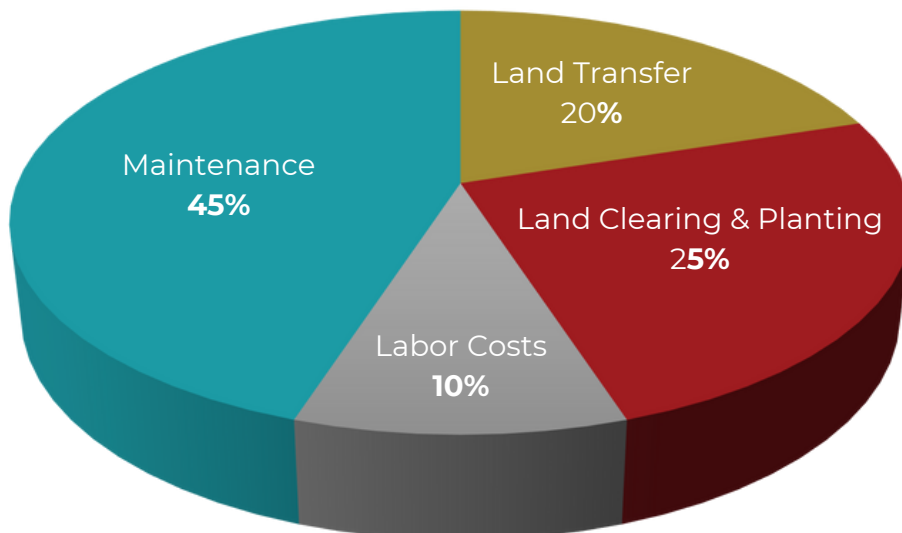
**1,972 EUR**

per acre

**7,888,000 EUR**

cost for 4,000 acres

Initial Investment Cost Breakdown



# FINANCES

## OPERATIONAL COSTS

---

AFTER FIVE YEARS  
with selling price of  
34 EUR per kg

### Management Costs

---

**27%** OF SELLING  
PRICE PER KG

#### Harvesting Costs

- Raw cashews are harvested, and hand collected by skilled laborers at the farm.

#### Transport Costs

- Harvested cashews are transported from the farmland to their respective warehouses and then finally to the processing facilities which are located 16 km away from the farm

#### Processing Costs

- Harvested cashews are separated into nut and fruit for their respective processing. The cashews are shelled, quality checked and packaged for distribution.



### Storage Costs

---

**5%** OF SELLING  
PRICE PER KG

- Packaged cashews are stored in climate controlled warehouse.

### International Shipping Costs

---

**1.7%** OF SELLING  
PRICE PER KG

- Packaged cashews are shipped internationally to be distributed in global markets



# FINANCES

## EXPECTED ANNUAL RETURNS

AFTER 5 TO 7 YEARS

**34** SELLING PRICE  
**EUR** PER KG IN  
EUROPEAN  
MARKET

CASHEW YIELD →

**TABLE A.** EXPECTED ANNUAL CASHEW YIELDS AFTER 5-7 YEARS

	Expected Yield per Tree	Expected Yield per Acre	Adjusted Yield per Acre*	Total Adjusted Expected Yield for 4,000 Acres
<b>Minimum</b>	7 kg	238 kg	167 kg	666,400 kg
<b>Maximum</b>	25 kg	850 kg	595 kg	2,380,000 kg
<b>Average</b>	16 kg	544 kg	381 kg	1,523,200 kg

\*Assuming 30% of cashews are not up to Kukaye Limited & global industry quality standards

REVENUE + PROFIT →

**TABLE B.** EXPECTED ANNUAL REVENUE + PROFITS AFTER 5-7 YEARS

Adjusted Cashew Yield per Acre	Selling Price per kg	Total Expected Revenue per Acre	Total Expected Charges	Total Expected Profit per Acre
167 kg (min. yield)	34 EUR/kg	5,664 EUR	33.7%	3,755 EUR
595 kg (max. yield)	34 EUR/kg	20,230 EUR	33.7%	13,412 EUR
381 kg (avg. yield)	34 EUR/kg	12,947 EUR	33.7%	8,584 EUR

\*Includes all operational costs listed on page 11

# FINANCES

## EXPECTED ANNUAL RETURNS

AFTER 7 TO 10+ YEARS

**34** SELLING PRICE  
**EUR** PER KG IN  
EUROPEAN  
MARKET

## CASHEW YIELD →

**TABLE C.** EXPECTED ANNUAL CASHEW YIELDS AFTER 7-10+ YEARS

	Expected Yield per Tree	Expected Yield per Acre	Adjusted Yield per Acre*	Total Adjusted Expected Yield for 4,000 Acres
<b>Minimum</b>	50 kg	1,700 kg	1,190 kg	4,760,000 kg
<b>Maximum</b>	100 kg	3,400 kg	2,380 kg	9,520,000 kg
<b>Average</b>	75 kg	2,550 kg	1,785 kg	7,140,000 kg

\*Assuming 30% of cashews are not up to Kukaye Limited & global industry quality standards

## REVENUE + PROFIT →

**TABLE D.** EXPECTED ANNUAL REVENUE + PROFITS AFTER 7 TO 10+ YEARS

Adjusted Cashew Yield per Acre	Selling Price per kg	Total Expected Revenue per Acre	Total Expected Charges	Total Expected Profit per Acre
1,190 kg (min. yield)	34 EUR/kg	40,460 EUR	33.7%	26,825 EUR
2,380 kg (max. yield)	34 EUR/kg	80,920 EUR	33.7%	53,650 EUR
1,785 kg (avg. yield)	34 EUR/kg	60,690 EUR	33.7%	40,237 EUR

\*Includes all operational costs listed on page 11

# FINANCES

## INVESTMENT OPTIONS

Indulge in our special offer: The more farmland you purchase, the greater the price reduction.

### DISCOUNTED RATES

**TABLE E.** INVESTMENT OPTIONS FOR EXPECTED ANNUAL REVENUE & PROFITS FOR AVERAGE CASHEW YIELD AFTER 5 TO 7 YEARS

Acreage	Initial Investment <sup>1</sup>	Total Expected Revenue <sup>2</sup>	Total Expected Charges <sup>3</sup>	Total Expected Profit
200	394,400 EUR	2,589,440 EUR	33.7%	1,716,799 EUR
500	986,000 EUR	6,473,600 EUR	33.7%	4,291,997 EUR
1,000 <sup>a</sup>	1,972,000 EUR	12,947,200 EUR	33.7%	8,583,994 EUR
2,000 <sup>b</sup>	3,549,600 EUR	25,894,400 EUR	33.7%	17,167,987 EUR
4,000 <sup>c</sup>	6,704,800 EUR	51,788,800 EUR	33.7%	34,335,974 EUR

**TABLE F.** INVESTMENT OPTIONS FOR EXPECTED ANNUAL REVENUE & PROFITS FOR AVERAGE CASHEW YIELD AFTER 7 TO 10+ YEARS

Acreage	Initial Investment <sup>1</sup>	Total Expected Revenue <sup>2</sup>	Total Expected Charges <sup>3</sup>	Total Expected Profit
200	394,400 EUR	12,138,000 EUR	33.7%	8,047,494 EUR
500	986,000 EUR	30,345,000 EUR	33.7%	20,118,735 EUR
1,000 <sup>a</sup>	1,972,000 EUR	60,690,000 EUR	33.7%	40,237,470 EUR
2,000 <sup>b</sup>	3,549,600 EUR	121,380,000 EUR	33.7%	80,474,940 EUR
4,000 <sup>c</sup>	6,704,800 EUR	242,760,000 EUR	33.7%	160,949,880 EUR

1. Refer to data listed on page 12

2. Assuming 30% of cashews are not up to Kukaye Limited & global industry quality standards






3. Includes all operational costs listed on page 11

a. 5% discount on initial investment when investing in over 1,000 acres

b. 10% discount on initial investment when investing in over 2,000 acres

c. 15% discount on initial investment when investing in over 4,000 acres

# RISK MANAGEMENT AND MITIGATION

Category	Risk	Mitigation Plan
Pest/Disease Management 	Cashew trees are susceptible to various pests and diseases which can lead to crop loss.	<ul style="list-style-type: none"> <li>Implement integrated pest management (IPM) practices</li> <li>Regular pest and disease inspection and prompt application of appropriate control measures as needed.</li> <li>Farm worker education on proper sanitation and hygiene practices.</li> </ul>
Climate/Weather 	Southern Tanzania may be prone to erratic weather patterns, including droughts, floods, and cyclones, which can adversely affect cashew cultivation.	<ul style="list-style-type: none"> <li>Invest in weather monitoring systems to anticipate and prepare for extreme weather events.</li> <li>Construct drainage systems and implement soil conservation measures to mitigate flooding risks.</li> </ul>
Environmental 	Environmental degradation and soil erosion can degrade land quality and threaten long-term sustainability.	<ul style="list-style-type: none"> <li>Implementation of agroforestry practices to promote biodiversity and soil health.</li> <li>Adopt sustainable land management practices, including organic farming techniques and conservation agriculture, to minimize environmental impact.</li> <li>Participate in environmental conservation initiatives and collaborate with local communities to promote ecosystem resilience and biodiversity conservation.</li> </ul>
Market Fluctuations 	Volatility in global cashew markets and fluctuations in prices can impact revenue and profitability.	<ul style="list-style-type: none"> <li>Diversify market channels and establish long-term contracts with reliable buyers to stabilize revenue streams.</li> <li>Monitor market trends and adjust production levels accordingly to avoid oversupply or shortage situations.</li> </ul>
Security 	Theft, vandalism, and trespassing on the farm property can disrupt operations and cause financial losses.	<ul style="list-style-type: none"> <li>Implement security measures such as fencing, lighting, and surveillance cameras to deter intruders.</li> <li>Hire security personnel to patrol the premises regularly.</li> <li>Conduct risk assessments and develop emergency response protocols to address security incidents promptly and effectively.</li> </ul>



# EXCLUSIVE OFFER

## Seize the Opportunity: Invest in Cashew Farmland and Beachfront Property Ownership

Kukaye Limited is delighted to present to you an exclusive investment opportunity for one select investors of our cashew farm. Investors purchasing more than 500 acres of farmland are eligible to acquire beachfront property inclusive of their initial investment price as detailed in the second column of Table \_\_. This beachfront property is a prime piece of land in Lindi, southern Tanzania, spanning 500 square meters, situated just a 20-minute drive from the Lindi Domestic Airport, and boasting direct access to the beach.



## Highlights



- Prime Location: Lindi Region is home to native African savanna wildlife and Indian Ocean fauna. The region also hosts the Nyere National Park and Selous Game Reserve.
- Accessibility: While on the coast and with its close proximity to the airport, transportation and logistics are streamlined, ensuring convenient access for investors. It is also a 3 hour drive from the Kukaye farms in Nyanzumbu District.
- Scenic Beachfront: The property offers direct access to the beach, providing not only a picturesque backdrop but also potential for diversified income streams such as eco-tourism or leisure activities.
- Flexible Investment Options: We offer flexible investment structures tailored to meet your specific financial goals and preferences, ensuring a mutually beneficial arrangement for all parties involved.

*This exclusive investment opportunity is limited, and we encourage you to act swiftly to secure your stake in this promising venture. For further details or to schedule a site visit, please contact us at [info@kukayeltd.com](mailto:info@kukayeltd.com)*



# CONCLUSION

In summary, the Kukaye Limited presents a multifaceted investment prospect for the expansion of its cashew farm operations and the development of cashew tourism. By prioritizing market penetration, added-value, eco-tourism, and sustainable growth, Kukaye Limited is poised to achieve its goals and deliver attractive returns for investors. We invite you to collaborate with us to unlock the full potential of the lucrative Tanzanian cashew market and partake in the unique experience of cashew tourism and our exclusive investment offers. Kukaye Limited looks forward to welcoming you as a valued partner in our cashew farm venture.





# KUKAYE

Pursuing Perfection.

LET'S  
WORK  
TOGETHER

#### WEBSITE

---

[www.kukayeltd.com](http://www.kukayeltd.com)

#### EMAIL

---

[info@kukayeltd.com](mailto:info@kukayeltd.com)

#### INSTAGRAM

---

@kukayeltd

#### ADDRESS

---

Dar es Salaam Office  
Plot No. 1359,  
Mzinga Way Road,  
House No. 6  
Oysterbay  
P.O. Box 79575  
Dar es Salaam, Tanzania