

**TANZANIA INVESTMENT CENTRE
DAR ES SALAAM**

PROGRESS REPORT AS OF 31 AUGUST 2021 CERTIFICATE 010465

Farms covered by this project

Msugulika Farm No. 1369/17066, Muwimbi Village, Iringa

Ulete farm No 6128, Muwimbi Village, Iringa

Makota Farm 960, Ithemi Village, Iringa

1. *Achievements made on the project implementation to date:*

Silos

The company installed 16 silos whose capacity is 32,000 tons of storage. The silos storage enables the company to buy and store the critical raw materials – commercial maize and soya. Commercial maize and soya are used to produce chicken feed.

Feed Mill

The company installed a feed mill that can produce up to 40 tons/ha per hour when fully completed. The feed mill produces chicken feed sold in the local market and feed for internal consumption. The company also set up 18 distribution centres throughout the country through which the chicken feed is sold to customers. The feed mill was commissioned by the late President Dr J. P. Magufuli in 2018.

Weighbridge

The company installed a weighbridge used to weigh raw materials as they are received at Makota Farm and when the finished product is dispatched to the market through the 18 distribution centres throughout the country.

Hatchery

The company built and installed a 130,000/week hatchery at Makota Farm. The hatchery receives the hatching eggs produced by the Breeding parent flock at Makota Farm. The hatchery produces day-old chicks that are sold through the 18 distribution centres around the county

Training Centre

The company did establish a poultry training centre at Makota Farm. Students from Tanzania and from outside the country are being enrolled and obtaining quality rearing and breeding knowledge.

Distribution Centres

The company also set up 18 distribution centres throughout the country through which the chicken feed is sold to customers. The company outsourced the transporters who deliver feed to the distribution centres. The company also acquired specialized refrigerated vehicles that transport the day-old chicks to the distribution centres throughout the country.

Cropping

Irrigation equipment for 213 ha have been installed and working well. Planting is done twice a year, in the summer and winter season, seed maize is planted in summer and malting barley, potatoes are produced in the winter season/irrigated crops.

2. Provide updated information on the following aspects;

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	Silverlands Luxembourg (T1) Sarl - 99.93% Silverlands Private Equity Strategies Soparfi Sarl - 0.000003% Elisha Chivero - 0.01% Arnold Ekko Oosterhuis - 0.01% Theo Kluyts – 0.01% Sean Bernard Cowper Johnson - 0.01% Zita Matonda - 0.01%
2.	Company Communication Information	Email address	zita@silverlands.co.tz
		Mobile Number	+255 769 892 938
		Land Line Telephone Number	+255 766 192 245
		Physical Address (Plot No., Block No, Street, District and Region)	Farm No 960, Ithemi Village, Makota Iringa Rural District, Iringa Region
3.	Contact Person	Name	Zita Matonda / Sean Johnson
		Position	Directors
		Communication Details (Email, Mobile and telephone)	zita@silverlands.co.tz / sean@silverlands.co.tz Mobile: ++255 769 892 938 Mobile: +255 766 047 715
4.	Incorporation	Certificate of Incorporation No.	93945
5.	TIN information	TIN Certificate No.	119-700-108

6.	Project Objective	Project Core Activity	Production and sale of chicken feed Production and sale of day-old chicks Seed production, Avocados, Maize
7.	Capacity	Project Capacity per Year	Chicken Feed ~ 62,200 tons Day Old Chick ~ 12,500,000 chicks Seed potatoes ~ 300 Tons Seed maize ~ 1,491 Tons Avocados ~ 3,560 Tons Cattle ~250 head
8.	Direct Permanent Employment	Foreign-Men	6
		Foreign-Women	3
		Local-Men	259
		Local-Women	153
	Direct Temporary Seasonal/Third party	Men	185
		Women	224
9.	Indirect employment	Estimated Total No.	65 000
		Type/areas of Indirect Employment	Poultry Production, Other Farming – maize, soya, sunflower

3. Project Financial Expenditure to date 31 December 2020 (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	5,459,378	6,310,021	11,769,400
Plant and machinery	6,987,938	1,718,113	8,706,051
Vehicles/Aircrafts	661,578	497,046	1,158,624
Furniture	-	207,716	207,716
Office equipment	6,207	350,804	357,011
Working sub-total capital	-	215,820	215,820
Total	13,115,101	9,299,520	22,414,621

4. Project Financing

See table below.

	Amount (USD)	Source Country
Local Loans	\$3,440,149	Tanzania
Foreign Equity	\$15,664,130	Luxembourg
Foreign Loans	\$23,276,165	Luxembourg
Total Investment	\$42,380,444	

5. **Problems and Solution**

In a PS Operation, biosecurity is vital. The original plan did not address biosecurity requirements. Poultry development had to be expanded to prevent potential biosecurity breaches. The current structure allows the breeders to be separated and farms to be separated outside the 5km radius for an Avian Influenza outbreak.

6. **Future Plans**

Poultry:

The project was developed in three phases. Phase one and two have been completed. Phase three involves expansion is to place another ten parent stock Flocks. This involves building an additional large house on Ifunda Farm, three sites, and a small house on a new site. These are controlled environment houses. To place these flocks, we shall increase the size of houses on Msugulika Farm by 26 m. to accommodate the new placements.

At Makota Farm, we shall be building an additional small house on each of the six sites to take the increased placement. The Layer operation at Makota has added a house and now has a site of three houses scheduled for completion in Q2/2021.

The third phase poultry project cost is US\$2.2 million is scheduled to start Q2/2021 and complete Q4/2022

Hatchery:

The second hatchery is to be built in Arusha. It will be constructed in two phases. Phase one will be 140,000 DOC per week. Later, phase 2 will double the size of the hatchery to 280,000 DOC.

The second new hatchery project cost is US\$2.5 million is scheduled to start Q1/2022

Feed Mill:

Tower Two is planned to be operational this year which will increase five tonnes per hour (tph) pelleting, and in 2021, tower three will increase production to 25tph.

Expansion of the bagging section to be able to handle the increased production. The installation of the tower three project cost is US\$1.08 million is scheduled to start Q2/2021

Additional Vehicles:

Additional vehicles to support the Arusha hatchery and third phase poultry project is \$315k

Sales Points

Opening five more sales points throughout the country by the end of this year.

7. Sales Volume KPI to-date



