

The GoGetta logo is prominently displayed in the upper left quadrant of the page. It consists of the word "GOGETTA" in a bold, white, sans-serif font. The letter "G" is stylized with a white square cutout in its upper right portion. The background behind the logo is a complex geometric pattern of overlapping squares and triangles in shades of orange and purple.

INFORMATION

MEMORANDUM

SHUTHUKA FLAGSHIP FARM (PTY) LTD

2018/490747/07

Shuthuka Flagship Farm Proprietary Limited ("Shuthuka" or the "Company") to utilise GoGetta ("The Platform") to raise a minimum of R3 500 000 to acquire a 11.34% shareholding in Shuthuka, a business which operates in the agricultural sector producing Macadamia nuts for both local and exported consumption.

REPRESENTED BY:
Warwick Blamey

ADMINISTERED BY:
GoGetta Ltd

PREPARED BY:
GoGetta Management Services



Prospects (reg 59 (3) (c) (i))

1. Investment Objectives

GoGetta through the issue of the “Class 2” Ordinary Shares aims to acquire a “Class 2” Ordinary Share Portfolio of assets, to empower Warwick Blamey (sole director and shareholder) (the “Entrepreneur”) to expand his operations of producing macadamia nuts for both export and local consumption.

2. Investment Strategy

To subscribe for shares in Shuthuka Farm (Registration number: 2018/490747/07) in order to assist the current farm to reach its harvest and produce macadamia nuts for sale to local and international markets.

3. Management Committee

| | |
|-------------------------|---|
| Name | Warwick Blamey |
| Business Address | 164 Katherine Street, Pinmill Office Park, 1 st floor Building 2, Strathavon, 2196 |
| Position | Sole Director of Shuthuka and Managing Director of the “Class 2” Ordinary Share Management Committee |
| Qualifications | B.Com (Marketing Management) and MBA in Finance |
| Experience | Warwick holds a B.Com in Marketing Management from UNISA and an MBA in Finance from Edinburgh Business School’s. Warwick’s expertise is primarily focused on investments into agriculture, manufacturing, engineering, and services industries where he has been involved in various projects over the past decade. Warwick leads the project management team, articulating strategic decisions with the support of his team. Warwick has an in-depth understanding of success triggers for most SMME’s and quickly picks up on strengths and weaknesses allowing the team to harness in on potential risks while enabling the entrepreneur to take full advantage of the opportunities at hand. |

| | |
|-------------------------|---|
| Name | Pasca Mutekwa |
| Business Address | 164 Katherine Street, Pinmill Office Park, 1 st floor Building 2, Strathavon, 2196 |
| Position | Member of the “Class 2” Ordinary Share Management Committee (Financial Services) |
| Qualifications | M.B.A (Administration) |

Experience Pasca is a highly experienced financial services professional with 18 years of working experience within the financial services sector. As a dedicated and detail-oriented accounting professional, Pasca has been meeting the accounting needs of corporations and individuals since the start of his career in 2004 with Stanbic Bank-Standard Bank Group. He heads up the project financial services division.

Pasca is an accountant by trade with an MBA. With his careful and analytical mind as well as careful computational skills, he can perform precise financial reporting and auditing tasks, ensuring that financial transactions are accurately represented.

Name Marco Thembo

Business Address 164 Katherine Street, Pinmill Office Park, 1st floor Building 2, Strathavon, 2196

Position Member of the “Class 2” Ordinary Share Management Committee (Operations Manager)

Qualifications BSc. Agriculture (Hons)

Experience Marco is a result oriented, extremely motivated, and dedicated Operations Manager with a strong background in farming techniques and vast experience in Macadamia farming operations. He has over 10 years working experience in farming operations which has provided him with the ability to manage and streamline various farming operations.

Name Theresa Da Costa

Business Address 164 Katherine Street, Pinmill Office Park, 1st floor Building 2, Strathavon, 2196

Position Member of the “Class 2” Ordinary Share Management Committee (Administration Manager and Agronomist)

Qualification BSc. Agriculture (Hons)

Experience Theresa is a versatile, dynamic, and energetic Administration Manager with 27 years of experience in administrative roles. She applies exceptional organizational skills while overseeing both smaller and larger teams to ensure that all aspects of office administration are carried out effectively.

Theresa’s experience working with corporates has allowed her to gain expertise in working with accounting and administration packages such as Sage Partner, QuickBooks, Sage Pastel payroll, Quick Books payroll and Simple Pay

4. Targeted Returns

| Value to Investor | | | | | | | | |
|--------------------------------------|--------|--------------------|------------|------------|------------|----------------|----------------|-------------------|
| Years | | 0 | 1 | 2 | 3 | 4 | 5 | 6 |
| | | 2022/08/31 | 2023/02/28 | 2024/02/28 | 2025/02/28 | 2026/02/28 | 2027/02/28 | 2028/02/28 |
| Equity Portion | 11,34% | | | | | | | |
| Investment | | (3 500 000) | | 0 | 0 | 0 | 0 | 0 |
| Dividends | | | 0 | 0 | 0 | 541 613 | 657 135 | 1 429 901 |
| Repayment of Capital | | | 0 | 0 | 0 | 0 | 0 | 12 494 436 |
| Net Cashflow | | (3 500 000) | 0 | 0 | 0 | 541 613 | 657 135 | 13 924 337 |
| Div Returns as % of Capital Invested | | | 0% | 0% | 0% | 15% | 19% | 41% |

The “Class 2” Ordinary Share Portfolio targets a return of c. 31.4% IRR in the hands of the Investor with a targeted average dividend yield of 12.5% per annum from year 4 onwards.

Business Performance Metrics?

| Key Performance Metrics | | | | | | |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Years | 1 | 2 | 3 | 4 | 5 | 6 |
| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
| REVENUE | R0 | R0 | R0 | R24 640 000 | R33 600 000 | R44 800 000 |
| GROSS PROFIT | -R1 537 477 | -R1 839 172 | -R2 023 089 | R21 298 669 | R28 657 732 | R37 526 593 |
| GROSS PROFIT MARGIN | 0% | 0% | 0% | 86% | 85% | 84% |
| EBITDA | -R3 221 302 | -R3 691 379 | -R4 060 517 | R19 057 498 | R26 192 444 | R34 814 776 |
| EBITDA MARGIN | 0% | 0% | 0% | 77% | 78% | 78% |
| OPERATING PROFIT | -R4 462 654 | -R5 341 409 | -R6 212 429 | R16 798 728 | R24 825 430 | R34 340 609 |
| OPERATING PROFIT MARGIN | 0% | 0% | 0% | 68% | 74% | 77% |

Notes:

- Gross Profit Margin = Gross Profit / Revenue
- EBITA Margin = EBITDA / Revenue
- Operating Profit Margin = Operating Profit / Revenue

5. Why Shuthuka Macadamia Farm?

Shuthuka Situated in Kwa Dukuza, Kwa-Zulu Natal - Shuthuka Flagship Farm is an established Macadamia nut farm. The farm spans 208 hectares of which 140 hectares are currently planted with 43 680 Macadamia nut trees (312 trees per hectare).

Shuthuka Flagship Farm has developed a well-managed diversified (from sugar cane) operation to Macadamia farming where the latest in “Best Practice farming” is used as well as aiding potential & current Shuthuka emerging farmers with education and training. The farm currently employs 25 people for the local surrounding community – this number is expected to grow significantly when the first crop is harvested in 2025.

The farm is wholly owned by Shuthuka Holdings – who currently manages all operations of the Macadamia nut farm directly or through one of its subsidiaries. Shuthuka Holdings is specialist service provider in the agricultural and agri-processing space with its core expertise across the whole agri-value chain.

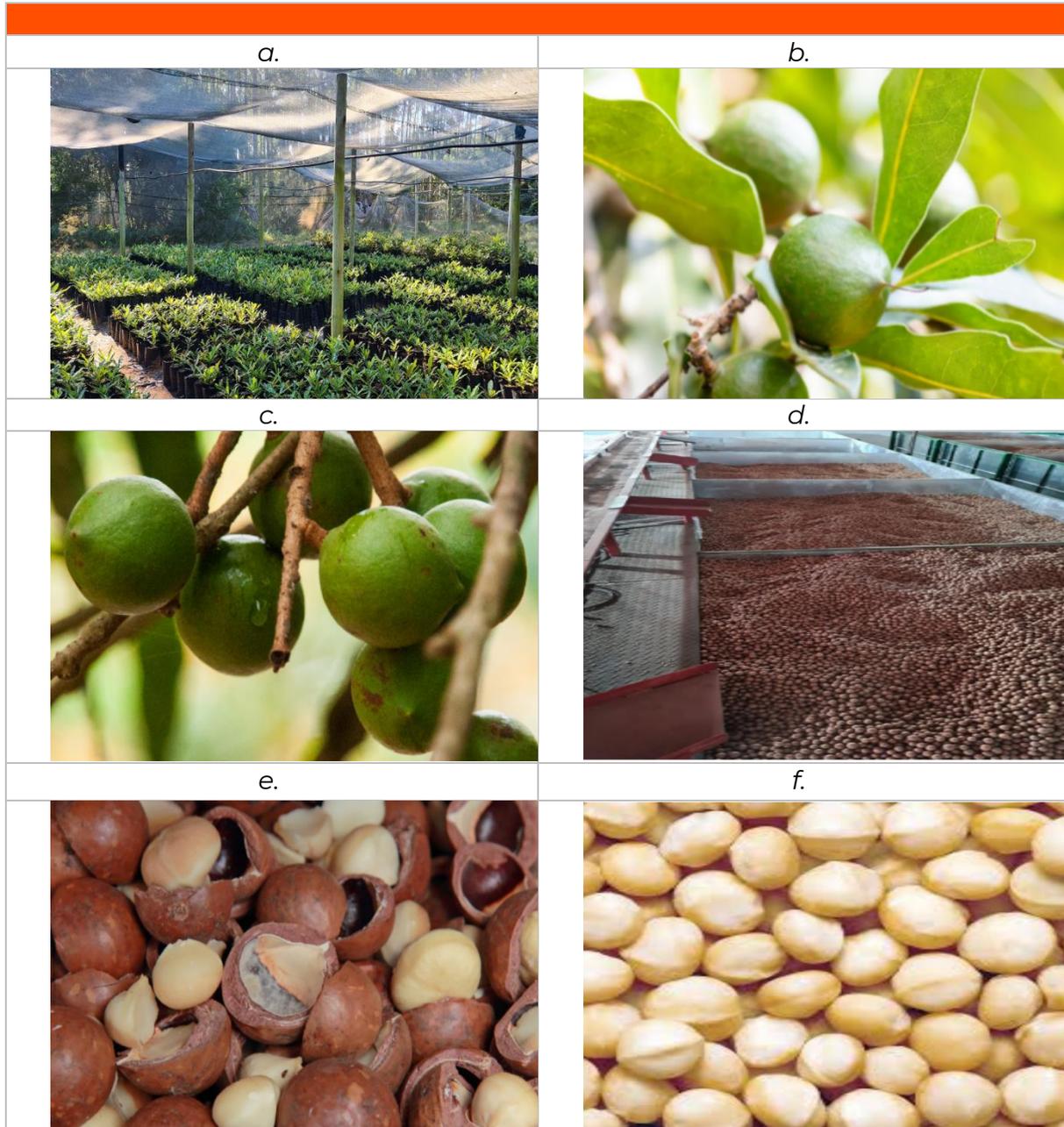
Boasting over 100 years of commercial farming experience, they have engaged and managed the value chain of major agricultural businesses across the SADC region.

Further to the above - Shuthuka Agri, the consulting arm of Shuthuka Holdings facilitates the farming operations on behalf of previously disadvantaged communities. Accepting the responsibility of overseeing and managing operations in partnership with the landowners and communities with all day-to-day management, technical and financial skills as well as market guidance ensuring that true transformation through real skills transfer by generating years of practical skills.

The harvested Macadamia nuts will be processed for exportation through an off-take agreement with “Nutcracker Processors” – a subsidiary of Shuthuka Holdings. Nutcracker Processors will handle both the processing of the product and exporting the kernel to international markets through “African Trade Platform” which is a sister company to Shuthuka and Nutcracker Processors.

Shuthuka leverages from its expertise, holistic service offering and extensive experience to implement effective agric solutions.

6. Photos



7. Sources and Uses of Funds

| Sources | Amount | Uses | Amount |
|--------------|--------------------|-------------------|--------------------|
| GoGetta | R3 500 000 | Working Capital | R 3 255 000 |
| | | Platform Fee (6%) | R 210 000 |
| | | Admin Fee (1%) | R 35 000 |
| | | | |
| Total | R 3 500 000 | Total | R 3 500 000 |

Working Capital

c. R 3 255 000 will be used for the working capital to assist in the covering of running costs of the farm before funds are generated from the harvesting of the nuts.

Some of the running costs of the farm include, but not limited to:

- Fertilizers: Soil
- Fertilizers: Foliar
- Pesticides
- Fungicides
- Lime

All of which play an integral role of bringing the farm to its first harvest in Year 4.

Platform Fee

R 210 000 is a once-off fee that will be paid to GoGetta Management Services Proprietary Limited as a 6% fee on the total capital raised.

Admin Fee

R 35 000 will be paid to GoGetta Ltd as a 1% annual administration fee on the total capital raised.

Operations

Shuthuka operates in the Fruits and Nuts category of the agricultural sector in South Africa. Although the business operates in the South African market – its produce is largely destined for overseas markets like the United States of America and Europe due to the significantly higher demand in international markets as compared to the local South African market. The exclusive off-take agreement that exists between Shuthuka and Nutcracker Processors (sister company to Shuthuka) to offload the farms full harvest for a minimum of 10 years.

Material Agreements in Place & Salient Terms

Shuthuka has an exclusive off-take agreement in place with Nutcracker Processors – who will purchase all the harvested nuts to process and prepare for international export through African Trade Platform.

Some of the salient terms include:

- The supplier (Shuthuka Flagship Farm) anticipates that its first production will be available during 2024 and undertakes to offer a minimum of 90% of its annual production to the off taker as from that date.
- That the price to be paid for delivered products be based on the average market price applicable at that stage for the specified quality delivered.
- This in principle agreement will be effective for a minimum of 10 years from the date of signature and can be extended by mutual agreement by both parties.

Market Size

The demand for Macadamia nuts is considerable and ever growing. Macadamia nuts have a wide variety of uses. Macadamia kernels are commonly sold as snack nuts and chocolate-covered candy. Macadamia nuts are also used as ingredients by ice cream manufacturers and the baking industry.

The nuts are an extremely nutritious with high export potential and in high demand globally (Macadamias only make up approximately $\pm 2\%$ of worlds nut production).

Meanwhile, the shells and husk of macadamia nuts also have several uses including in plastic manufacturing, cosmetic industry, animal feed, and as mulch.

It was estimated that the total value of the industry was c.R32 million in 1996. Having reached an estimated value of R4 billion in 2015 – which represents a CAGR of +/- 30%. There is a large export market for Macadamia nuts - the largest export destinations for Macadamia nuts include United States, Germany, Japan, Hong Kong, Vietnam and China.

South Africa is currently the global leader in Macadamia production, grown successfully in Mpumalanga, Limpopo, KwaZulu-Natal and more recently the Eastern Cape and Western Cape. With KZN becoming the fastest-growing province for Macadamia farming in South Africa, largely due to commercial farmers shifting from the farming of sugarcane to farming with Macadamias. The shift towards farming Macadamias can be attributed to experts' consideration of the KZN coastal region as having one of the best climatic conditions in the world for growing Macadamia nuts.

The South African Macadamia industry is further buoyed by the rand hedge capability and low input costs associated with Macadamia production in South Africa – which in turn will support long-term profitability.

The Macadamia Industry in South Africa is further buoyed by the rand hedge capability and low input costs associated with Macadamia production in South Africa – which in turn will support long-term profitability (estimated to be $\pm R200\ 000/ha$ at maturity in real terms)

Competitors

The business's current competitors are mainly comprised of:

| COMPETITOR NAME | DESCRIPTION | COUNTRY |
|--|---|---------------------|
| <p><u>Green Farms Nut Co</u></p> | <p>Founded in 1991 by Jill & Alan Whyte and Rodney Green, a family-owned business which has been around since the industry's infancy. They have grown from being South Africa's first privately owned processing factory, into one of the country's leading Macadamia establishments, exporting high-quality macadamia nuts globally.</p> <p>The farms are situated on and around the Soutpansberg mountains in the Limpopo Province, where Macadamias were first planted in South Africa.</p> <p>With over 40 years of macadamia industry experience, and a strong historical foundation, Green Farms Nut Company has expanded their footprint further – with factories situated in Limpopo, Mpumalanga, and Kwa-Zulu Natal.</p> | <p>South Africa</p> |
| <p><u>Valley Macadamias</u></p> | <p>The Valley Macadamia Group was founded on Sutton Crest Farm in Hazyview, South Africa in 2004. Today the group consists of a network of owned-farms and growers, processing plants and have become industry leaders in sourcing, processing, and supplying macadamia nuts to the global market.</p> <p>Their facilities have the capacity to process 10 000 tons per season and their numerous processing plants boast the most sophisticated drying, cracking and processing equipment in Africa.</p> | <p>South Africa</p> |
| <p><u>Amajingqi Macadamia</u></p> | <p>Situated on the scenic Transkei coastline in the Eastern Cape, South Africa. Their nut plantations span 300 hectares of fertile land that has access to an abundant water supply between the Shixini and Jujura rivers. The area's climate conditions are also highly favorable for macadamia plantations.</p> | <p>South Africa</p> |

| COMPETITOR NAME | DESCRIPTION | COUNTRY |
|--|---|---------------------|
| | <p>Amajingqi Macadamia Farming is founded on a community-private partnering model with local communities making their land parcels attractive to macadamia nut planting. The successful implementation of the Ncera Macadamia Project, 30km from East London, is a model on which Amajingqi Macadamia Farming.</p> | |
| <p><u>Khuvuka Max</u></p> | <p>Dawnlight Investments 101 CC was established in 2001 and traded as Khuvuka Premium Products with the specific aim of selling produce of Loerieskloof Farm, of which Macadamia nuts became the mainline product trading as Khuvuka Max.</p> <p>Involvement in the processing of Macadamia nuts was driven by the passion of the late Louis Kok Snr (1934-2009), owner of Loerieskloof farm since 1970, and a retired industrialist, to develop cracking and processing technology that would improve crack-out results as well as the overall quality of the product.</p> | <p>South Africa</p> |
| <p><u>Royal Macadamia</u></p> | <p>Royal Macadamia Proprietary Limited was established in 1996 by seven Macadamia nut farmers and the factory is situated in the Levubu area of the Limpopo Province in South Africa. They have implemented management policy that complies with FSSC 22000, making Royal Macadamia the first nut factory in Africa to achieve both these standards.</p> | <p>South Africa</p> |

SWOT Analysis

Highlighted below are the key strengths and opportunities of the business for growth - as well as the key weaknesses and potential threats.

| Strengths | Weaknesses |
|---|---|
| <ul style="list-style-type: none"> • The land for farming activities (208 hectares) has already been acquired. • The farm has already been fully planted with 43 680 macadamia trees (312 trees on each of the 140 hectares). • The soil quality of the farm is optimal. • The holding company, Shuthuka Holdings, creates a wider market through Nutcracker Processors and African Trade Platform. • With over 100 years of collective experience, the staff and managers involved in Shuthuka have a wealth of industry experience. • Positioning of the farm means it has access to sufficient water supply for growing Macadamias. • The farm and its operating model benefits from localized labour – as the area was previously used for sugar cane farming. • Backup irrigation system to ensure trees receive sufficient water supply even when they may experience a drought. • World class climatic conditions for farming Macadamia nuts. | <ul style="list-style-type: none"> • Time delay to first harvest • Business will be loss making for the first 3 years. • Business set to be profit making in year 4 after the first harvest. |
| Opportunities | Threats |
| <ul style="list-style-type: none"> • large potential for growth due to global under supply of Macadamias. • The farm is strategically situated to benefit and uplift surrounding communities through its farming activities. • As the farm nears harvest time – there will be significant employment creation | <ul style="list-style-type: none"> • Changing weather conditions play a significant role in the yield of the trees. • Trees not bearing fruit due to parasites. • Trees dying and having to plant new trees – in turn extending the time lag to first harvest. |

| | |
|---|--|
| <ul style="list-style-type: none"> • Shuthuka have the ability to acquire land at significant discount to prevailing market price. | <ul style="list-style-type: none"> • Due the nature of commodities the fluctuating prices affect the ROI of the investment (6-year revenue delay till full maturity). • Foreign exchange rate risk. • International instability affecting trade routes. |
|---|--|

Corporate Structure / Cap Table

| | Shareholder | Share Type | % |
|----|-----------------------------|-------------------|-------------|
| 1. | GoGetta Limited | Ordinary | 11.34% |
| 2. | Shuthuka Holdings (Pty) Ltd | Ordinary | 88.66% |
| | Total | | 100% |

8. Dividend Policy

Surpluses on realisation of investments will ordinarily be distributed to Shareholders by way of dividends as determined by the Board from time to time. Dividends paid will be subject to dividends tax as applicable.

9. Exit mechanism/Asset Underpin

The “Class 2” Ordinary Share Management Committee will continuously evaluate various exit mechanisms for its investments. The intended mechanism is to sell the assets in the “Class 2” Ordinary Share Portfolio in the secondary market.

Alternative exit strategies would include, but are not limited to:

- Sale to existing shareholder.
- Sale to a 3rd party.
- Sale of part or the whole farm.
- Shuthuka Holdings will hold a call option which is executable at the end of Year 6 - entitling them to purchase the shares back from GoGetta at fair value. The price of the said call option (buy back) will be determined closer to the executable date using an agreed upon enterprise value determined by 3 independent valuers.
- GoGetta will hold a put option which is executable at the end of Year 6 - entitling them to sell the shares back to Shuthuka at fair value. The price of said put option will be determined closer to the executable date using an agreed upon enterprise value determined by 3 independent valuers

10. KEY RISK AND RISK MITIGANTS

| RISK TYPE | DESCRIPTION | MITIGANT/S | RISK LEVEL LOW/MID/HIGH |
|---------------------------|--|---|----------------------------|
| Regulatory Risk | Failure to comply with regulations, rules, permits and/or applicable legislation | <ul style="list-style-type: none"> ▪ The company has extensive experience in the agricultural space and ensures all regulatory requirements are met. | Low |
| Environmental Risk | Negative environmental impact | <ul style="list-style-type: none"> ▪ Shuthuka makes use of eco-friendly inputs as well as best practice farming methods minimizing the impact on surrounding environment. | Medium |
| Technology Risk | The risk of obsolescence of technology employed. | <ul style="list-style-type: none"> ▪ From a product standpoint there is no risk of technological obsolesces. ▪ From a farming practices standpoint – the use of best practice farming will ensure the best and most appropriate farming technologies will be utilized throughout the farming process. | Low |
| Key-man Risk | Company is dependent on a single or few individuals | <ul style="list-style-type: none"> ▪ The Company is dependent on more than just a couple of individuals to carry out the integral duties of the farm. For this reason, there is little to no key-man risk involved in the business. | Low |
| Revenue Risk | Inability to generate revenue to sustain operations. | <ul style="list-style-type: none"> ▪ Shuthuka has an off-take agreement in place with Nutcracker Processors to purchase all harvested nuts from the farm. ▪ Shuthuka will endeavor to maximize revenue through all controllable factors. | Medium |

| RISK TYPE | DESCRIPTION | MITIGANT/S | RISK LEVEL LOW/MID/HIGH |
|---|--|--|----------------------------|
| Investment Risk (Returns not Achieved) | Risk that shareholders will not realize the targeted return on the capital invested | <ul style="list-style-type: none"> ▪ Should the market for Macadamias nuts see a sudden decrease in either demand or price – adversely affecting the returns of the farms. ▪ The farm will endeavor to maximize all returns from each harvest. | Medium |
| Governance Risk | Risk arising from lack of proper structures to manage strategic risks as well as provide leadership and direction to the Company | <ul style="list-style-type: none"> ▪ Shuthuka has an appropriately experienced and skilled management team – ensuring sufficient and accessible governance of the company. ▪ A GoGetta representative will be appointed to the board to monitor post-investment performance of the business. | Low |
| Competition Risk | Inability to gain market share due to competition | <ul style="list-style-type: none"> ▪ Although South Africa is already the largest exporter of Macadamia nuts globally – 98.5% of global demand is not met. ▪ The local competition will not materially affect Shuthuka’s ability to get their Macadamia nuts to market. | Low |
| Operational Risk | Inability of the company to produce sufficient Macadamia nuts to ensure profitability | <ul style="list-style-type: none"> ▪ Shuthuka has an appropriately experienced and skilled management team with collectively over 100 years’ experience. ▪ The farm will make use of farming best practices to maximize sustainability and operational ability of the farm. | Low |
| Fertilizer and Input Risk | Inability to secure the necessary inputs. | <ul style="list-style-type: none"> ▪ Current volumes for fertilizers is low and the inputs are readily available. | Medium |

| RISK TYPE | DESCRIPTION | MITIGANT/S | RISK LEVEL LOW/MID/HIGH |
|------------------------|--|---|----------------------------|
| Irrigation Risk | Factors which could impact the availability of the water required by the crop (both natural rains and irrigation systems). | <ul style="list-style-type: none"> ▪ The farm is located near a natural river which ensures sufficient access to necessary supply of water and can be utilized in addition to the existing irrigation system. ▪ The annual rain levels in the area are optimal for Macadamia trees. | Medium |
| Pest Risk | Damage to crops due to insect pests. | <ul style="list-style-type: none"> ▪ Shuthuka makes use of eco-friendly pesticides to minimize the risk of damage to the nuts caused by pests. ▪ Their use of best practice farming further reduces the risk. | Medium |