Unga Farm Care (EA) Limited

Presentation to U.S. - East Africa Agricultural Trade Conference

27th March 2014
Members of Unga Holdings Limited

- **Operating Companies:**
  - Unga Limited
  - Unga Millers (Uganda) Limited
  - Unga Farm Care (EA) Limited

- **Products:**
  - Wheat flour, maize meal, porridges
  - **Animal feeds, feed premixes, minerals and animal health products**

- Listed on the NSE as Unga Group

- Unga Holdings Limited is owned by Unga Group Limited (65%) and Seaboard Corporation – (USA) (35%)

- Revenues (2012/2013)
  - USD 185 Million

- Establishment
  - 425 permanent; 725 temporary employees
In 7 Production Locations...

UL, Eldoret
UMUL, Kampala
Mineral Plant, Nakuru
UL, Nairobi
Feeds Plant, Nakuru
Interchick, Dar es Salaam
Feeds Plant, Nairobi
Who Are We?

Unga Farm Care (EA) Ltd is an affiliate company of Unga Holdings Ltd which manufactures and distributes quality animal nutrition products.

Unga Farm Care (EA) Ltd has been in the manufacture of animal nutrition products business for over 60 years and is the market leader in the industry. The company markets four major product categories: feeds, minerals, premixes and animal health products.
INTRODUCTION

Our mission is to be a market leader in identifying and satisfying the needs of livestock farmers in Kenya and neighboring countries by providing reliable quality animal feeds, mineral supplements, premixes, animal health care products and advisory services.

We achieve the above by:-
• Providing efficient production and distribution systems.
• Providing satisfactory customer service.
• Ensuring availability of dedicated and competent human resources.
• Conducting continuous research and development.
INTRODUCTION

• Originally became HACCP certified in 2009 and last year became ISO22000:2005 certified at all our sites by the Kenya Bureau of Standards.
• All our products carry the Standardization Mark (S-Mark) from KEBS
• Our formulations are done by a reputable Nutrition Company in the UK
• Have an in-house Nutrition Department
• Unga Limited has an in-house lab which is ISO/IEC 17025:2005 certified by KENAS
• Use NIR’s at our remote sites for raw material and product testing
• We have grain buying centers in Narok and Kitale which are open during season
• Have a representative on the KEBS Technical Committee
• Hold the Vice-Chair position of AKEFEMA (Association of Kenya Feed Manufacturers)
• Are predominantly poultry, but offer a wide range of other feeds
• Have been on a Continual Improvement Journey (Kaizen) since 2008
• Were the first company in the Country to move to 50 kg bags for our feeds
• Adhere to GMP’s
• Member of Kenya Association of Manufactures (KAM)
Ingredient Sourcing

• Local maize, sorghum and wheat are purchased via large farmer contracts, traders and at the our gate’s
• Soy meal is imported from traders in India and crushers in Holland, Uganda and Zambia
• Sunflower is imported from Tanzania from a crusher
• Cottonseed cake is procured from a crusher in Kenya as well as traders in Uganda
• Dagaa fish is procured from traders dealing in Kenya and Tanzania
• We purchase all of our by-products (brans, pollard, germ meal) from our sister company, Unga Limited
• Phosphates are imported while salt and limestone are locally procured
• Premixes are made in-house at our Mineral Plant
• Vitamins and minerals are imported from our partnering supplier in the UK
Ingredient Testing

• Local maize, sorghum and wheat are tested for aflatoxin and graded per our standards prior to being received. Proximate tests are performed thereafter.
• Soy meal is tested for Trypsin inhibitor activity and normal proximate analysis.
• Sunflower, Cottonseed cake are tested for aflatoxin and normal proximate analysis.
• Dagaa fish is tested for normal proximate analysis.
• By-products are tested for aflatoxin and proximate analysis.
• Minerals are tested for individual element level as well as heavy metals. (Lead, Cadmium, Arsenic, etc)
• Premixes are tested for Vitamins and trace elements
Manufacturing

• All plants are ISO 22000:2005 certified
• Feeds are produced in mash, crum and pelleted forms (3.5, 6 and 10mm)
• Mineral Plant produces premixes (in-house use as well as export), loose dairy/cattle minerals as well as soft blocks
• All plants are on a Continual Improvement (Lean) journey which is managed through several Pillars - Total Productive Maintenance (TPM), Total Flow Management (TFM), Total Quality Management (TQM) and 6K - Visual Management
• All plants have Safety, Health and Environment, Energy, First Aid, Fire Marshals committees
• Mixer uniformity tests are performed bi-annually
• We have certified (by KEBS) internal auditors who conduct self ISO audits quarterly and GMP audits every 2 months
• The lab participates in the EAC proficiency testing program organized by KEBS as well as AACC (American Association of Cereal Chemists)
Manufacturing – Nakuru & Nairobi Feeds

Built in 1989
- ISO 22000-2005 certified
- Buhler equipment
- Pre-grind plant
- Rated at 18 MT/Hr mash feed
- Pellet line = 7 MT/Hr
- Bag and bulk capability
- Bulk and bagged rail unloading facility with rail scale

Built in the 1950’s
- ISO 22000-2005 certified
- Renovation and new equipment in 2011
- Buhler equipment, vertical hammermills
- Post-grind plant
- Two lines rated at 15 MT/Hr mash feed per line
- Pellet line = 7 MT/Hr
- Only feed plant in EAC to have a retentioner above the pellet mill (allows for 2 minute conditioning)
Manufacturing – Mineral Plant - Nakuru

Licks (Minerals) Plant
- ISO 22000:2005
- ~30% market share
- Toll mill for largest competitor

Premix Plant
- ISO 22000:2005
- Medicated and non-medicated lines
- Produce in-house and commercial premixes

Blocks Plant
- ISO 22000:2005
- Landers 100 Hp press
- Manual hand press
Finished Product Testing

• All pelleted feeds have PDI and fines test performed

• All crumb feed sieve analysis performed

• All feeds are tested for protein, fat, fiber, moisture, Calcium, Phosphorous

• Aflatoxin tests are performed on all batches of feed before release

• We test our premixes once per month for Vitamin A, copper and zinc

• Perform microbial tests on ingredients and finished products weekly to include salmonella, Escherichia coli, Pseudomonas, Staphylococcus, Steptococcus and Proteus

• One of our key customers performs unannounced spot checks for microbial counts on our production lines and lorries
Sales and Distribution

• Our products are sold direct to large farms / companies (Kenchic, Nightingale Turkey, etc)

• The commercial trade route is: distributors then to stockists and ultimately the farmer

• Products are either self collected, or delivered via hired or Company trucks (7 trucks ranging from 3MT to 15MT)

• Our sales and marketing department consists of:
  • Technical Team (16, most with BVM (Bachelor of Veterinary Medicine) degrees
  • Commercial Team (7 dealing with the distributors)
  • Pharmacist on contract

• We are present at the following shows:
  • Agricultural Society of Kenya (ASK) - 6 per year
  • Kenya Livestock Producers Association – 12 per year
  • Brookside Dairy – 2 per year
  • EAGC – Nakuru, East & Southern Africa Dairy Association (ESADA), World Egg Day
  • University of Eldoret
• We also conduct a minimum of 10 farmer meetings/trainings per month
Sales and Distribution

Our products are currently sold in 🌟
Feeds
Minerals Hierarchy Tree

Mother brand

Afya Bora Diary

Afya Bora Beef

Afya Bora Ready Block
Premixes
Premixes Hierarchy Tree

Alama ya Ubora

Mother brand

Viminera Poultry

Viminera Dairy

Viminera Poultry products:
- Chick Premix
- Layer Premix
- Growth Premix

Viminera Dairy products:
- Broiler Premix
- Booster Premix
- Dairy Premix
AHP Product Hierarchy Tree

Dewormer

Acaricide

Dewormer

Trypanocide Poultry Vaccine Injectables