



BUSINESS PLAN —

**2020 Second Street, Heavy Industrial Area,
Phalaborwa, 1390, South Africa**



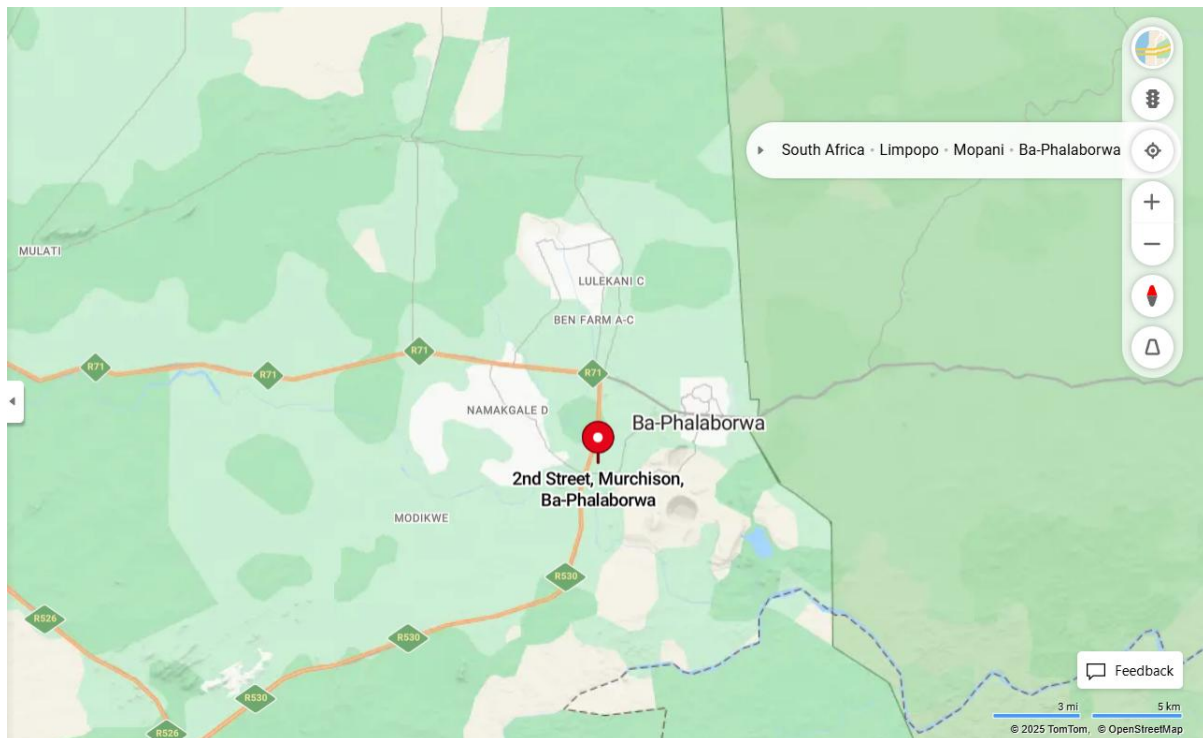
Table of Contents

Business Overview	2
Executive Summary	3
Business Description	4
Ownership and Management	5
Business Model	6
Market Analysis.....	8
SWOT Analysis:	11
Operations & Management	13
Operations Plan.....	14
Impact & Sustainability	17
Financial Plan	19

1.

Business Overview

Business Name:	Marula SA
Business Owner(s):	Donald Ramoshaba (CEO) and Lebo Ramoshaba (Director)
Business Address:	2020 Second Street, Heavy Industrial Area, Phalaborwa, 1390, South Africa
Business & Social Media Links:	[To be established]
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When was your business established?	2020



Executive Summary

Marula SA represents a pioneering venture in South Africa's burgeoning bioeconomy sector. Established in 2020, the company specialises in benefiting the indigenous Marula fruit, creating sustainable commercial value while uplifting local communities. Based in Phalaborwa, Limpopo Province, Marula SA has meticulously developed a vertically integrated enterprise spanning the entire value chain from fruit collection to product development.

The company's flagship operations involve extracting premium Marula oil, puree production, and developing value-added products, including luxury cosmetics, artisanal gin, organic vinegar, and nutrient-rich animal feed. These diverse operations address the rapidly rising global demand for high-quality, ethically sourced natural products in domestic and international markets. The strategic location within the Marula-rich region of Phalaborwa provides Marula SA with dual advantages: ecological proximity to abundant raw materials and strong community support through its exclusive partnership with the Marula Phalaborwa Trust.

The business model has been rigorously validated through comprehensive market research and the establishment of customer relationships, confirming exceptional potential for profitability and scalability. The company has secured state-of-the-art equipment, purpose-built premises, and extensive collection networks to support its projected growth trajectory.

Marula SA's approach to sustainability is multifaceted and deeply integrated into its core business practices. The company implements environmentally sustainable harvesting methods, supports community economic development, and maintains active breeding programmes through planned commercial orchards to ensure sustainable Marula populations for future generations. Additionally, the company contributes to community development by employing over 160 local residents during peak season and participating in skills development initiatives.

With the support of experienced professionals and a robust, market-driven business model, Marula SA aims to become the preeminent name in the Marula products industry while advancing rural economic development and conservation objectives. The enterprise powerfully demonstrates how indigenous knowledge, environmental conservation, and commercial enterprise can serve as mutually reinforcing pillars of a resilient and inclusive rural economy with significant global market potential.

1. Business Description

1.1. Industry Overview

The natural products and plant-based ingredients industry represents one of the fastest-growing sectors in South Africa and globally, driven by increasing consumer demand for organic, sustainable protein sources and rising interest in indigenous knowledge-based enterprises. The global market for natural oils and plant-based ingredients is projected to reach \$105.6 million by 2034, growing at a CAGR of 6.1% from 2024, with Marula oil specifically experiencing remarkable growth as consumers increasingly shift toward natural and ethically sourced products.

The Marula economy encompasses multiple revenue streams, including oil extraction, cosmetics production, food products, and beverages, all of which Marula SA has strategically integrated into its business model. The cosmetics-grade Marula oil market alone was valued at approximately \$75 million in 2023 and is projected to reach \$150 million by 2032, growing at a robust CAGR of 8%, driven by increasing consumer awareness of natural ingredients' benefits in skincare and haircare.

Marula SA was established in 2020 to commercialise the Marula fruit through proper stakeholder beneficiation. The company has secured a well-resourced operational factory in Phalaborwa to manufacture Marula oil, juice, and puree. The Marula Phalaborwa Trust has appointed the company as the project manager for the Marula commercialisation project for the communities of Phalaborwa, creating a unique position in the market.

Mission Statement: To support economically viable and sustainable manufacturing, distribution networks, and economic empowering programmes primarily aimed at creating wealth for shareholders, employees, and communities.

Vision Statement: To benefit the Marula fruit with a sense of expertise, skills, honesty, diligence, and responsibility across communities and clients. Creating an economic hub through the Marula. To share and network with communities and other stakeholders in our area of operations.

2. Ownership and Management

Marula SA is owned and managed by the following key personnel:

Name	Position	Years in Business	Shares Held (%)
Donald Ramoshaba	CEO	Since 2020	55
Lebo Ramoshaba	Director	Since 2020	45

The leadership team brings extensive experience in business development, agricultural processing, and community engagement. Donald Ramoshaba holds a Bachelor's degree in Business Administration and has over 15 years of experience in the natural products sector. Lebo Ramoshaba's background in community development and sustainable agriculture has been instrumental in establishing the company's robust community partnerships.

Additionally, the company's operational team includes:

- **Themba Maluleke** - General Manager/Production Supervisor: With 12 years of experience in food processing and quality control, Themba oversees daily operations and maintains product quality standards.
- **Orby Ramoshaba** - Product Development Manager: Holding a degree in Food Science, Orby leads the creation of new Marula-based products and the refinement of existing offerings.

- **Lebogang Malatji** - Administration: Manages office operations, record-keeping, and administrative procedures.
- **Ramajoe Mosea** - Finance: An experienced accountant who manages financial management, budgeting, and monitoring cash flow.
- **Loui Mathebula** - Logistics Manager: Coordinates supply chain operations, from fruit collection to product distribution.

This balanced team combines technical expertise, business acumen, and deep community connections to drive the company's growth and ensure its sustainability objectives.

3. Business Model

Marula SA has created a comprehensive value chain that incorporates multiple complementary business activities:

MARULA FRUIT COLLECTION: The company coordinates with local communities to collect Marula fruit during harvest. This creates income for community members while ensuring sustainable harvesting practices. The collection network currently encompasses over 160 seasonal workers from surrounding communities.

OIL EXTRACTION: The company operates state-of-the-art equipment for extracting high-value Marula oil, which is increasingly sought after in cosmetics and healthcare industries. This premium product has already established a growing clientele base, with rising demand in domestic and international markets.

PUREE PRODUCTION: The company produces Marula puree, which is used in the liqueur industry to make various types of spirituous alcohol and juice. This versatile ingredient is recognised for its unique flavour profile and nutritional benefits.

VALUE-ADDED PRODUCT DEVELOPMENT: The business creates multiple value streams from the Marula fruit, including:

- Luxury cosmetic products (body butter, face oil)

- Artisanal vinegar with unique flavour profiles
- Premium gin and other craft beverages
- Nutritious animal feed from by-products, ensuring zero waste

INDIGENOUS KNOWLEDGE PROTECTION: Working with the Marula Phalaborwa Trust, the company is in the process of registering Marula as an Indigenous Knowledge Asset (IK) of the identified communities, providing long-term commercial advantages and protecting cultural heritage.

SUSTAINABLE AGRICULTURE: The company plans to purchase land and equipment in surrounding villages to grow commercial Marula trees, ensuring supply sustainability and creating a closed-loop production system.

Revenue streams:

- Sale of premium Marula oil to cosmetic manufacturers and the healthcare industry
- Sale of Marula puree to beverage producers, including established liqueur manufacturers
- Direct-to-consumer sales of luxury cosmetic products through online and retail channels
- Sale of nutrient-rich animal feed by-products to the agricultural sector
- Future revenue from artisanal gin and organic vinegar production

Pricing strategy:

- Bulk Marula oil: R85,000 per 200-litre drum
- Face oil: R120 per 100ml container
- Body butter: R150 per 200ml container
- Additional products are priced competitively based on comprehensive market analysis and premium positioning

3.1. Key partnerships and stakeholders:

- Marula Phalaborwa Trust representing local communities

- Local transport providers are ensuring reliable logistics
- Technical consultant based in Cape Town for product development and innovation
- Certified testing laboratories for quality assurance and compliance
- Local women's cooperatives for initial processing and skills development

4. Market Analysis

4.1. Target Market

Primary customers:

- Cosmetic manufacturers are seeking natural, ethically sourced ingredients for premium products
- Beverage producers (particularly for craft alcoholic drinks and artisanal products)
- Middle to high-income consumers (18-35 years) for finished cosmetic products
- The agricultural sector for high-quality animal feed products
- International markets for bulk oil exports (future expansion, particularly in Europe and North America)

The market for Marula-based products represents significant and rapidly growing potential. Similar Indigenous oil products, such as Moroccan argan oil, have seen explosive growth internationally over the past two decades, growing from small-scale local production to multi-million dollar international industries. According to industry reports, the global Marula oil market is projected to exceed US\$105.6 million by 2034, growing at a compound annual growth rate of 6.1%.

Marula SA primarily serves the domestic market with strategic plans for international expansion. Cosmetic products target the 18-35-year demographic in the middle to high-income brackets, a segment showing increasing preference for natural, sustainable, and ethically sourced products. The business model addresses several key customer needs:

Traceability and quality assurance: Modern consumers demand ethically sourced, traceable ingredients with transparent supply chains. Marula SA's direct relationship with harvesting communities provides this assurance.

Organic and natural products: Growing consumer preference for natural alternatives to synthetic ingredients drives market growth, particularly in the personal care and food sectors.

Community benefit: There is an increasing demand for products that benefit indigenous communities and support sustainable development goals. Marula SA's partnership with the Marula Phalaborwa Trust provides this ethical advantage.

Consistent supply: Commercial manufacturers require reliable supply chains that are currently lacking in the informal Marula sector. Marula SA's integrated collection network and planned commercial orchards will ensure a consistent, quality supply.

4.2. Analysis of 4 Ps:

Product: The primary product offerings include certified, ethically processed Marula oil and puree and consumer-ready cosmetic products. The products are differentiated by their provenance, sustainable sourcing, and community connections. Quality control is maintained through partnerships with testing laboratories and technical consultants. All products emphasise the unique properties of Marula, including high antioxidant content and fatty acid profiles that make it exceptionally stable and beneficial for skin care.

Price: The pricing strategy is designed to be competitive within the niche market for premium natural products. Prices are based on competitive analysis of similar oils and natural products, with premium positioning reflecting ethical sourcing, superior quality, and sustainability credentials. The company aims for a value-based pricing model that reflects its products' exceptional quality and unique attributes while allowing for healthy profit margins.

Place: The company operates from its factory in Phalaborwa, strategically located in the heart of South Africa's Marula-growing region. Distribution is currently managed through:

- Direct delivery to local customers
- Courier services for national distribution
- Planned expansion to international markets through strategic partnerships
- E-commerce platform development for direct-to-consumer sales
- Selective retail partnerships with high-end stores aligned with the brand's values

Promotion: Promotional efforts focus on business-to-business (B2B) marketing to establish relationships with key cosmetics, food, and beverage buyers. Community awareness is built through participation in local events like the annual Marula festival. The company plans to distribute product samples to potential clients and major stakeholders in Phalaborwa and across South Africa. Future promotional strategies include:

- Digital marketing emphasising sustainability and community impact
- Participation in international trade shows for natural ingredients
- Educational content about Marula's benefits and traditional uses
- Influencer partnerships in the sustainable beauty space
- Trade publication features highlight the unique qualities of Marula oil

4.3. Competitive Analysis

The Marula products sector in South Africa includes several competitors:

Elephant Trunk (International): Major player in the Marula oil market with an established international presence but limited community integration.

African Exotic Oils: Specialises in virgin oil rather than cosmetic products, with a less diversified product portfolio than Marula SA.

Marula Company Pty Ltd: Competitor with limited market penetration and less established community connections.

Various informal producers: Small-scale, inconsistent production lacking quality standardisation and commercial scale.

What makes Marula SA distinctive:

Formal structure and scale: Marula SA establishes structured commercial operations with quality control systems and standardised processes, unlike many competitors who produce at small, informal scales. This ensures consistent, high-quality products that meet international standards.

Vertical integration: The company controls multiple aspects of the value chain, from collection to finished products, allowing for quality control at every stage and maximum value extraction from the raw materials.

Community connection: An official partnership with the Marula Phalaborwa Trust creates legitimacy, stakeholder alignment, and ethical sourcing credentials that are increasingly valued in international markets.

Indigenous knowledge protection: Working to secure Indigenous Knowledge rights, potentially creating barriers to entry for competitors and ensuring fair benefit sharing with knowledge holders.

BABS permit holder: The company holds the bioprospecting, access, and benefit-sharing (BABS) permit for Marula, providing a significant competitive advantage as it is reputedly the only Black-owned company with this certification.

Diversified product range: Unlike competitors focusing on single products, Marula SA is developing multiple revenue streams from different parts of the fruit, maximising resource utilisation and creating a more resilient business model.

5. SWOT Analysis:

Strengths:	Weaknesses:
<ul style="list-style-type: none"> • Marula is a local product with lower 	<ul style="list-style-type: none"> • Lack of trained personnel in handling and

<p>operational costs and a reduced carbon footprint</p> <ul style="list-style-type: none"> • High-quality source product recognised internationally for its exceptional properties • Team with extensive knowledge of markets and communities, combining technical and traditional expertise • Fully functional operations and equipment capable of meeting high projected demands • BABS permit provides a significant market advantage and legal protection • Local expertise in Marula processing has been passed down through generations • Vertical integration across the value chain, ensuring quality control and maximising value capture 	<p>production requires investment in skills development</p> <ul style="list-style-type: none"> • Inconsistent services (water, electricity) in the area, potentially disrupting production • Changing production lines impacts market confidence and requires careful transition management • Limited market awareness of proposed products necessitates marketing investment • Limited capital for expansion constrains growth potential • Reliance on seasonal production cycles creates cash flow challenges
Opportunities:	Threats:
<ul style="list-style-type: none"> • There is a growing market for organic, natural oils worldwide, particularly in the cosmetics and food sectors • Limited structured suppliers of Marula oil at a commercial scale, creating a market gap • Conservation and environmental benefits create marketing advantages in eco-conscious markets • Ability to develop multiple product lines from a single resource, maximising return on raw materials • Potential for international export markets, particularly in Europe and North America • Registration of Indigenous Knowledge rights provides a long-term competitive advantage 	<ul style="list-style-type: none"> • Limited economic activity in the local area is affecting consumer access and talent retention. • Resistance from current informal users of the fruit requires community engagement. • Lack of consumer information about product value necessitates educational marketing. • Lack of skilled local workforce for quality production, requiring training investment • Local politics affecting operations and necessitating careful stakeholder management • Regulatory hurdles in scaling production, particularly for international markets • Climate fluctuations affecting harvest

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|---|---|
| <ul style="list-style-type: none"> • Creation of commercial Marula orchards for sustainability and supply security | <ul style="list-style-type: none"> quantities and quality, requiring adaptation strategies |
|---|---|

6. Operations & Management

6.1. Organisational Structure

The company operates with a clear organisational structure divided into key functional areas to ensure efficient operations and accountability:

Management Team:

- Donald Ramoshaba (CEO): Responsible for strategic direction, stakeholder engagement, and business development.
- Lebo Ramoshaba (Director): Focuses on community relations, sustainable practices, and operational oversight.

Operational Team:

- Themba Maluleke (General Manager/Production Supervisor): Oversees daily operations, production scheduling, and quality control procedures.
- Orby Ramoshaba (Product Development Manager): Leads research and development for new products and refinement of existing offerings.
- Lebogang Malatji (Administration): Manages office operations, record-keeping, and administrative procedures.
- Ramajoe Mosea (Finance): Handles financial management, budgeting, and cash flow monitoring.
- Loui Mathebula (Logistics Manager): Coordinates supply chain operations from fruit collection to product distribution.

Additionally, the company employs seasonal workers during the Marula harvest period, with up to 160 pickers engaged during peak season, primarily from surrounding communities. This provides significant seasonal employment in areas with limited economic opportunities.

The company is structured into several operational divisions:

Community Development: Focuses on community engagement, traditional knowledge integration, and benefit-sharing mechanisms.

Services Partnerships: Manages relationships with technical consultants, testing laboratories, and other service providers.

Production & Management: Oversees manufacturing processes, quality control, and production optimisation.

Research & Development: Drives product innovation, process improvement, and new market applications.

Five functional management areas support each division:

Management: Strategic oversight and decision-making

Finance: Financial planning, accounting, and fiscal management

Operational Support: Technical assistance, maintenance, and production support

Admin Systems: Documentation, compliance, and administrative procedures

Marketing: Brand development, market research, and customer relationship management

This integrated structure ensures clear lines of responsibility while fostering cross-functional collaboration for maximum efficiency and innovation.

7. Operations Plan

7.1. Location and facilities:

- Operational factory in Phalaborwa with established infrastructure, strategically located in the heart of the Marula-growing region

- Administration offices in the same location, facilitating efficient management and coordination
- Plans to acquire farming land for commercial Marula orchards to ensure a sustainable supply
- Facilities include state-of-the-art processing equipment for:
 - Fruit cracking and separation
 - Juicing and pulp extraction
 - Oil pressing and filtration
 - Quality control and testing
 - Packaging and storage

7.2. Current equipment resources:

- Full processing line for Marula oil extraction using cold-press technology
- Advanced juicing machinery for pulp and puree production
- One forklift for materials handling and logistics
- One pickup vehicle for local transport and deliveries

7.3. Planned additional resources (with investment):

- One 3-ton truck for regional deliveries and supply chain logistics
- Additional oil pressing machine to increase production capacity by 50%
- Puree storage facilities with temperature control for optimal preservation
- 8-ton truck for expanded distribution and logistics capabilities
- Cosmetic production machinery for in-house manufacturing of value-added products

7.4. Production process:

Sourcing: Collection of Marula fruit from local communities during harvest season (January-March)

- Careful selection of ripe, fallen fruit only
- Sustainable harvesting practices ensure tree preservation

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- Fair compensation to community collectors

Processing:

- Skinning process to separate fruit pulp from nuts
- Controlled drying of nuts to optimal moisture content
- Precision cracking of nuts to extract undamaged kernels
- Cold-pressing of kernels to extract premium-quality oil
- Filtration and quality control to ensure purity and stability

Packaging and Distribution:

- Bulk packaging for industrial customers in food-grade containers
- Retail packaging for consumer products with brand-consistent design
- Distribution through courier services and direct delivery
- Inventory management to ensure product freshness and quality

Quality control measures:

- Partnership with accredited testing laboratories for composition and purity analysis
- Technical consultant guidance on international standards compliance
- Quality Control Committee oversight of all production processes
- Standard operating procedures for all processes with regular auditing
- A batch tracking system for complete traceability from harvest to finished product

Planned production schedule:

- March 2025: Expanded oil production with increased capacity
- April 2025: Enhanced cosmetic range with new formulations
- September 2025: Artisanal vinegar production launch
- February 2026: Increased puree/juice production
- March 2026: Premium gin production launch

The operational plan is designed for scalability, with equipment and processes that can be expanded to meet growing demand while maintaining consistent quality standards.

8. Impact & Sustainability

Environmental impact: Marula SA makes meaningful contributions across environmental, social, and economic dimensions. The business is committed to sustainability and conservation while delivering inclusive economic benefits to local communities.

The company promotes sustainable harvesting of Marula fruit by:

- Ensuring fruit is collected after natural falling, not forced harvesting, preserving tree health
- Working with communities adjacent to protected areas like Kruger National Park to reduce pressure on protected resources
- Planning commercial orchards to reduce pressure on wild trees and ensure genetic diversity
- Implementing proper waste management for processing by-products through circular economy principles
- Utilising eco-friendly packaging materials and minimising single-use plastics

Biodiversity conservation: The project promotes biodiversity conservation through:

- Sustainable harvesting practices that preserve wild Marula populations and their ecological role
- Plans to establish Marula nurseries for commercial cultivation with genetic diversity preservation
- Initiatives to plant Marula trees in community areas, enhancing habitat connectivity
- Reducing habitat disturbance by coordinating collection efforts and educating harvesters
- Research on Marula tree biology and ecology to inform conservation strategies

Social impact: Marula SA creates positive social outcomes through:

- Employment opportunities for local community members in a region with high unemployment
- Skills development and training programmes empowering workers with transferable knowledge
- Supporting women cooperatives for initial processing, promoting gender equality
- Contributing to the preservation of indigenous knowledge and cultural practices
- Percentage of proceeds directed to the Marula Phalaborwa Trust for community benefit
- Educational initiatives about sustainable resource use and economic empowerment

Economic impact: The project delivers economic benefits through:

- Direct job creation in processing and collection, with over 160 seasonal positions
- Income for fruit collectors from marginalised communities
- Development of local enterprises in the supply chain, fostering entrepreneurship
- Introduction of value-added processing to the local economy rather than exporting raw materials
- Potential for export earnings from international sales boosts foreign exchange
- Technology transfer and skills development enhance human capital

8.1. Risk mitigation strategies:

- Diversification across multiple product lines reduces vulnerability to market fluctuations
- Development of commercial orchards to supplement wild harvesting and ensure supply stability
- Quality control systems to ensure consistent product quality, meeting international standards
- Partnership with Marula Phalaborwa Trust to manage community relations and ensure fair benefit-sharing
- Formal agreements for fruit collection and processing provide legal structure and clarity

- Application for indigenous knowledge protection, safeguarding traditional knowledge rights
- Climate adaptation strategies, including drought-resistant cultivation techniques

The company is committed to measuring and reporting its environmental and social impact, using internationally recognised frameworks to ensure transparency and continuous improvement in its sustainability practices.

9. Financial Plan

9.1. Funding Requirements

Marula SA requires strategic investment to realise its growth potential and fully expand into high-value markets. The funding will be allocated to:

9.2. Equipment acquisition (R1,620,000):

1. Additional oil pressing machinery (R350,000): Increasing production capacity by 50%
2. Puree storage facilities (R220,000): Ensuring product quality and extending shelf life
3. Transport vehicles (R850,000): 3-ton and 8-ton trucks for logistics independence
4. Cosmetic production equipment (R200,000): Enabling in-house manufacturing of value-added products
5. **Infrastructure development (R2,100,000):**
 - Land acquisition for commercial Marula orchards (R1,500,000): Ensuring supply sustainability
 - Expansion of processing facilities (R400,000): Accommodating increased production
 - Storage and warehousing improvements (R200,000): Optimising inventory management
6. **Working capital (R700,000):**
 - Increased fruit purchasing during harvest season (R300,000): Maximising processing capacity

- Inventory management (R200,000): Ensuring consistent supply throughout the year
- Staff expansion and training (R200,000): Building capacity and skills development

7. Research and development (R350,000):

- New product formulations (R150,000): Expanding product offerings
- Packaging innovations (R100,000): Enhancing brand appeal and sustainability
- Process improvements (R100,000): Increasing efficiency and product quality

8. Marketing and market access (R400,000):

- Brand development (R100,000): Building a recognisable, premium identity
- International certification (R150,000): Enabling access to export markets
- Exhibition participation (R100,000): Showcasing products to potential buyers
- Sample distribution (R50,000): Creating awareness and securing customers

9. Certification and compliance (R330,000):

- Product testing and certification (R150,000): Ensuring quality and safety standards
- International export compliance (R100,000): Meeting regulatory requirements
- Indigenous knowledge registration (R80,000): Protecting traditional knowledge

Total Funding Required: R5,500,000

This investment will enable Marula SA to scale operations, diversify product offerings, and access high-value international markets, significantly enhancing revenue potential and creating sustainable growth.

9.3. Revenue Model & Projections

Revenue sources:

- Bulk Marula oil sales (R85,000 per 200-litre drum): Primary revenue source with established demand
- Face oil retail sales (R120 per 100ml): High-margin consumer product with a growing market

- Body butter retail sales (R150 per 200ml): Premium cosmetic offering with strong repeat purchase
- Puree sales to beverage manufacturers: Stable B2B revenue stream with long-term contracts
- Animal feed by-product sales: Circular economy revenue from processing waste
- Future gin and vinegar sales: Diversification into high-value artisanal products

Based on current operations, market research, and growth projections, the company forecasts the following revenue growth:

Projected annual revenue:

- Year 1 (2025): R1,800,000
- Year 2 (2026): R2,800,000
- Year 3 (2027): R3,900,000
- Year 4 (2028): R5,200,000
- Year 5 (2029): R6,800,000

This represents a compound annual growth rate of approximately 39.3% over the five years, reflecting increased production capacity, product diversification, and market expansion. The projections are based on:

- Expanded production capacity from new equipment
- Increased market penetration in domestic markets
- Gradual entry into international markets
- Development of new product lines
- Growing consumer awareness and demand for Marula products

The revenue model is designed for resilience, with multiple product streams reducing dependence on any single market or product category.

9.4. Potential Income

At full operational capacity, Marula SA has significant income potential based on maximum utilisation of equipment and resources:

Oil production capacity: The existing equipment can process approximately 10 tons of Marula kernels per month during the 3-month harvest season, yielding approximately 3,000 litres of oil annually. With planned equipment additions, this capacity will increase to 4,500 litres annually.

At full capacity:

- 4,500 litres of oil at bulk pricing (R425/litre) = R1,912,500
- Value-added retail products (cosmetics) from 60% of oil = Additional R2,700,000
- Puree production (36,000 litres) = R1,800,000
- Beverage production (gin, vinegar) = R1,200,000
- Animal feed by-products = R337,500

Total potential annual income at full capacity: R7,950,000

This represents a significant increase from current operations and demonstrates the substantial scaling potential with appropriate investment. The company's vertically integrated model ensures maximum value extraction from raw materials, with each component of the Marula fruit contributing to revenue generation.

Key factors influencing potential income include:

- Seasonal variations in fruit availability and quality
- Market demand fluctuations for different product categories
- Pricing dynamics in domestic and international markets
- Production efficiency and waste reduction
- Development of new product applications

The company's strategic focus on premium products, sustainable sourcing, and quality control positions it to command premium pricing, further enhancing potential income as the brand reputation strengthens.

9.5. Investment Impact

Investment in Marula SA will have a direct impact on revenue growth and operational capabilities:

Additional pressing equipment (R350,000 investment):

- 50% increase in oil production capacity from 3,000 to 4,500 litres annually
- Revenue increase of approximately R637,500 from additional oil production
- Enhanced quality control and operational efficiency
- Return period: 7 months at full production
- Long-term impact: Sustained increased capacity for core product line

Transport vehicles (R850,000 investment):

- Reduction in outsourced logistics costs by 65%, saving approximately R300,000 annually
- Improved delivery reliability and scheduling flexibility
- Enhanced customer service through timely deliveries
- Return period: 34 months
- Long-term impact: Asset appreciation and operational independence

Cosmetic production equipment (R420,000 investment):

- 80% increase in capacity for value-added products
- Improved packaging and product quality, enhancing brand perception
- Ability to respond quickly to market trends with new formulations
- Additional revenue of R1,200,000 annually from expanded cosmetic line
- Return period: 5 months
- Long-term impact: Higher margin product capability

- *Commercial orchard development* (R1,500,000 investment):
- Long-term sustainability of supply, reducing vulnerability to wild harvest fluctuations
- 20% annual increase in fruit availability once mature (year 4 onwards)
- Strategic advantage in resource control and quality management
- Return period: 4-5 years with exponential growth thereafter
- Long-term impact: Sustainable supply chain and premium product quality

The investment will enable immediate revenue growth through increased production capacity and product diversification, with a projected 24-month impact resulting in a doubling of current revenue. Establishing commercial orchards represents a long-term strategic investment with exponential returns once trees mature.

Additionally, investment in research and development will allow for continuous product innovation, keeping the company at the forefront of the natural products industry and enabling entry into new markets and product categories.

9.6. Return on Investment

Investors in Marula SA can expect the following returns:

Short-term returns (1-2 years):

- Return primarily through operational profit sharing
- Projected ROI on processing equipment: 120-150% within 24 months
- Profit margins on core products: 40-60% for oil, 55-65% for cosmetics
- Quarterly dividend distributions beginning in year 2
- Potential for early partial return through revenue-sharing agreements

Medium-term returns (3-5 years):

- Combined returns from operational profits and asset appreciation
- Projected annual growth rate: 25-30%
- Cumulative ROI over 5 years: 180-220%
- Increasing dividend distributions as profitability grows

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- Strategic positioning in the rapidly growing natural products market

Long-term returns (5+ years):

- Substantial returns from mature orchards producing consistent yields
- Potential international market expansion increases enterprise value
- Brand value appreciation as recognition and reputation strengthens
- Intellectual property value through indigenous knowledge protection
- Potential for significant capital appreciation through enterprise valuation growth