



**Case study - Investment 2**

**Weights and growth rates of cattle (Kg)**

| Cow                               | 10-Sep | 01-Oct | 18-Nov | 21-Jan | 02-Feb | Average weight gain per day (Kg) |
|-----------------------------------|--------|--------|--------|--------|--------|----------------------------------|
| Z 6                               | 210    | 249    | 305    |        | 432    | 1.6                              |
| Z 14                              | 234    | 261    | 360    |        | 465    | 1.6                              |
| Z 15                              | 210    | 231    | 283    |        | 410    | 1.4                              |
| Z 19                              | 260    | 288    | 376    |        | 490    | 1.6                              |
| Z 23                              | 258    | 272    | 337    |        | 470    | 1.5                              |
| Z 24                              | 330    | 368    | 452    | 549    |        | 1.7                              |
| Z 29                              | 250    | 280    | 368    |        | 485    | 1.7                              |
| Average weight on the above dates | 250    | 278    | 354    | 549    | 459    | 1.6                              |

Date on which cattle were started on the finishing ration.

Date on which cattle were slaughtered.

**Investment on 10 September 2019**

|  |            |
|--|------------|
| Average weight of calves (Kg)                  | 250        |
| Number of calves                               | 7          |
| Price per Kg                                   | R28.80     |
| Cost per calf (R28.80 X 250Kg)                 | R7 200.00  |
| Cost per calf including VAT (R7 200.00 X 1.15) | R8 280.00  |
| Total investment (R8 280.00 X 7)               | R57 960.00 |

**01-Oct**

- All calves are healthy and weight gain is good for this stage of the cycle.
- Second growth implant was given to each calf.
- Expected date of sale is 4 February 2020.

**18-Nov**

- All calves are healthy.
- Weight gain has improved.

**03-Feb**

- A very good result due to favourable market conditions and feedlot performance.
- Beef demand and prices were above average.
- No cattle died during the cycle.

-Thanks for the opportunity to create wealth for you. We trust the next cycle will be as favorable.

The A2 Beef team

**Processing and feed costs**

|   |            |
|---|------------|
| Processing cost per calf                | R350.00    |
| Total processing cost (R350.00 X 7)     | R2 450.00  |
| Feed cost per calf per day              | R24.00     |
| Feed days                               | 140        |
| Total feed cost per calf (R24.00 X 140) | R3 360.00  |
| Total feed cost (R3 744.00 X 7)         | R23 520.00 |

**Revenue**

|  |            |
|--|------------|
| Sale - 21 January 2020                           | R14 899.86 |
| Sale - 02 February 2020 (R12 457.26 X 6)         | R74 743.56 |
| Total revenue received (R14 899.86 + R74 743.56) | R89 643.42 |

**Investment returns**

|  |            |
|--|------------|
| Total costs [(R7 200.00 X 7) + R2 450.00 + R23 520.00]             | R76 370.00 |
| Profit (R89 643.42 - R76 370.00)                                   | R13 273.42 |
| Investors return (R13 273.42/2)                                    | R6 636.71  |
| Projected ROI per annum [(R6 636.71/R57 960.00) X (365/140) X 100] | 29.85%     |