Xikhaba, from dream to reality!!!

• Presented by
  – Octavio Muchanga, Managing Director, LIMPHO, LDA.
Who we are? Our history

• **Limpho, Lda:**
  - 2011 – Company registration (Family owned business)
  - 2013 – Production launched

• **Limpho, Lda. Core business:**
  - Peanut butter (product brand is XIKHABA)
    - With/out sugar

• **Target clients:**
  - Overall populations
  - Kindergartens
  - Health facilities
  - Orphanages
  - NGOs
Why we chose peanut butter?

• Peanuts are:
  – Highly appreciated by most Mozambicans
  – Part of the traditional foods in Mozambique
  – Available all year-round
  – Potentially nutritious

• Opportunity:
  – Women at hospitals are recommended to consume and feed babies with high protein foods like peanut butter, for nutrition improvements
Why consumers like / buy our peanut butter?

• **price:**
  – Our product is more competitive than imported peanut butter

• **Client relationships:**
  – Our network of promoters reaches home
  – We make product tasting at various events
Our Business Approach

• **Current main activities**
  – Purchase peanut from local distributors
  – Process peanut butter
  – Distribute through a network of 50 low income women (promoters) in peri-urban areas

• **Marketing**
  – Distribute at food and trade fairs and cooking events
  – Sample tasting, promotions
  – Participation in TV programs
  – **Currently, developing the new marketing approach (design, value proposition, definition of target audiences)**

• **Our sales (June 2015 – September 2016)**
  – Approximately 18,495 bottles of 450g
Xikhaba Successes / Challenges

• **Successes**
  – Production line completely renewed and capacity to produce over 5000 kg/month
  – Testing of product samples at lab for **aflatoxins** and other quality requirements
  – Improved accounting systems at the company, contribute to **better management**

• **Challenge:**
  – The current economic situation limits our capacity to purchase raw materials
  – Inconsistency in quality of peanuts
  – Access to packaging is very limited

• **The future approach**
  – Work with food distributors and focus on production
  – Increase capital to invest in production (other investors)
  – We want to have our own peanut farm
Highlight

• When we received GAIN’s support, my wife came to me and asked me if we wouldn’t be arrested if we weren’t capable of returning the loan to GAIN. I told her that the Marketplace gives grants to entrepreneurs that can transform ideas into successful innovative businesses for delivery of nutritious food. In fact, we were not going to jail...

— Octavio Muchanga