

A black cow stands in a field of tall grass, silhouetted against a warm, golden sunset sky. The cow is facing right, and its body is the central focus of the image. The text is overlaid on the cow's body.

Strategic Financial & Operational Roadmap

VERTICALLY INTEGRATED CATTLE FARMING

From Pasture to Plate: Navigating
the 44-Month Path to Profitability

Comprehensive Execution Plan
2026–2034

\$1.086m

Minimum Cash Requirement

Runway to 2029



44 Months

Time to Breakeven

Positive EBITDA forecast for Year 4



\$1,835/kg

Target Weighted Price

Average across all cuts



35%

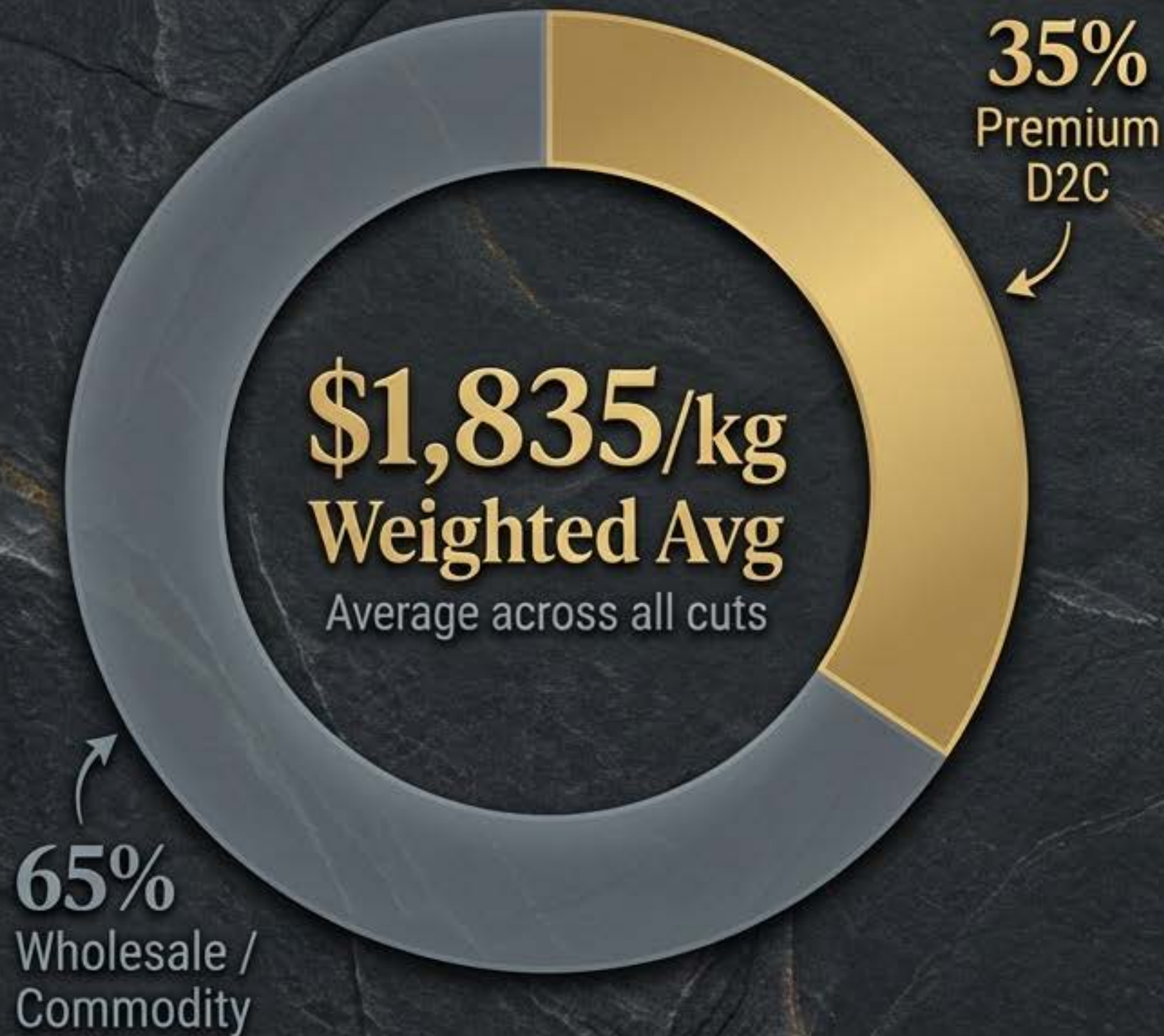
Required D2C Mix

Premium cuts vs. Wholesale volume



Critical Reality: Success hinges on securing sufficient capital to bridge a 4-year operational gap while maintaining strict premium pricing protocols. The full investment payback period stretches to 103 months (8+ years).

The Revenue Equation: Protecting the \$1,835/kg Average



The Premium Mandate

Premium Direct-to-Consumer (D2C) cuts must command **\$2,500/kg**. This price point is non-negotiable to offset fixed overheads.

- **The Risk:** Wholesale volume creates stability but dilutes the average price. Dropping below 35% D2C destroys profitability.
- **The Action:** Marketing spend must be exclusively focused on high-value customer acquisition.
- **Inventory:** Tight monitoring required to avoid spoilage on high-margin inventory.

Stopping the Leak: Mortality Management



The Leak

80% Juvenile Loss

20% Production Mortality

Initial losses directly erode Year 1 net stock count and revenue potential.

The Protocol



Neonatal Care

- Colostrum intake within 6 hours.
- Strict hygiene in calving pens.
- Temperature monitoring.

Post-Weaning

- Increased feed density during transition.
- Regional vaccination schedules.
- Low-stress handling.

Funding the 'Valley of Death': 44-Month Gap



- **Strategy:** Secure full funding immediately. Bridge financing is too risky given the long ROI timeline.
- **Milestone:** Payback period stretches to 103 months (8+ years).
- **Discipline:** Aggressively manage monthly burn rate until late 2028.

Scaling Mechanics: Balancing Retention vs. Purchase



Retention Rule: Must retain 60–70% of homegrown heifers.



Constraint: Dropping below 60% forces expensive external purchasing.



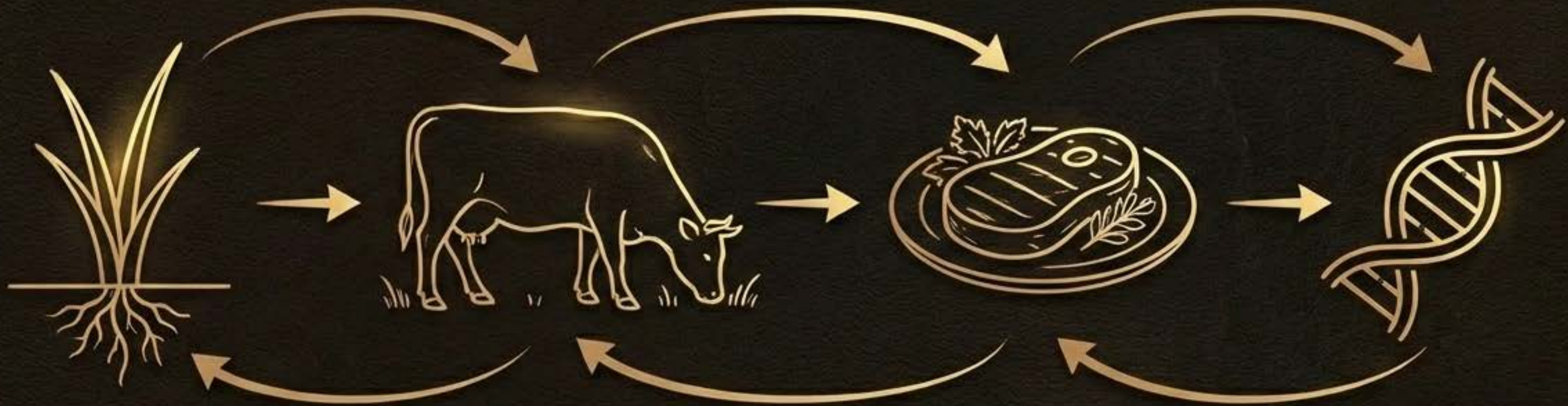
Analysis: Internal retention dictates the pace of self-sufficiency. External stock purchasing impacts cash flow immediately.

The Execution Plan

Seven Steps to Viability



Step 1: Define the Concept – Pasture to Plate



Core Mission

A fully integrated model. We control breeding to validate the "pasture-to-plate" claim for health-conscious families.



Differentiation

We are not just finishers. Breeding control is the sole justification for the price premium.



Strategic Focus

Prioritise premium cuts. If the business model slips into commodity supply, the venture fails.

Step 2: Market & Channel Analysis

WHOLESALE VOLUME
(Butchers/Restaurants)



D2C MARGIN
(Home Delivery)



THE EQUATION:

Map wholesale primal needs first, then back-solve the D2C volume needed to hit the \$1,835/kg average.



WHOLESALE ROLE:

Provides volume stability but dilutes margin.



D2C ROLE:

The critical 35% mix that delivers the profit.

Step 3: Production Flow & Retention Targets



BASE:

50 Breeding Females (2026 Start)



RISK:

Missing a window = 1/6th annual revenue loss.



RETENTION TARGET:

>70% Juvenile Retention



ECONOMICS:

Every 1% gain in retention lowers cost-per-kg without increasing overhead. Currently, 30% of rearing investment is lost to mortality.

Step 4: Management & Labour Structure



****Critical Constraint****: Hiring lag is 14+ days.



****Strategy****: Staffing must scale *ahead* of processing volume to capture value. Bottlenecks in labour result in immediate quality drops.



****Target****: 40 FTE by 2026.

Step 5: Initial CAPEX Breakdown (\$700k)

Barn Construction:
\$150,000 (Commercial Loan)

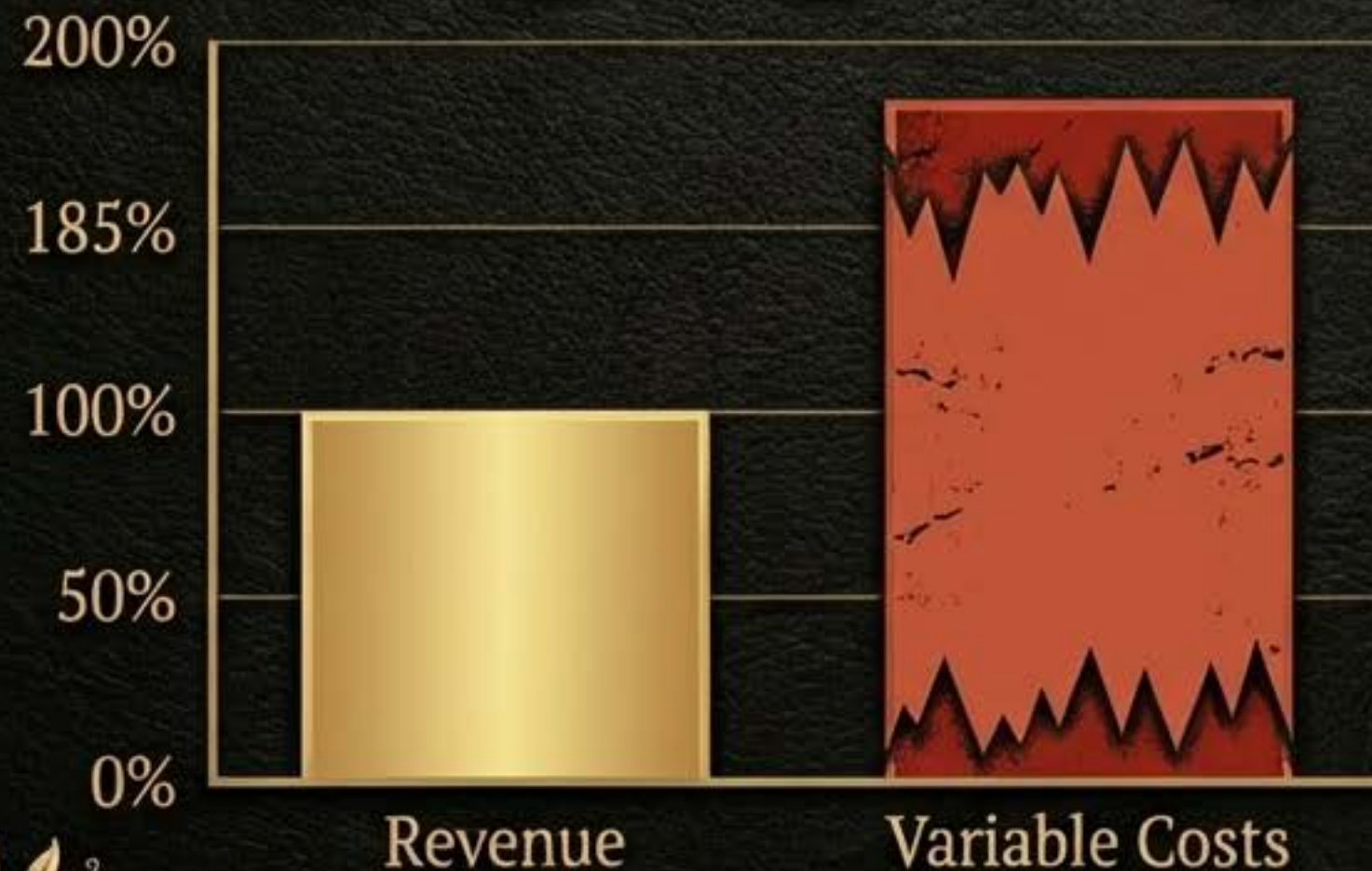
Breeding Herd:
\$120,000 (Ag Financing)

Other Assets: \$430,000
(Equity/Cash)

Funding Mix: Assets are mapped to specific debt sources to optimise capital structure. Clarity on funding sources impacts debt covenants early.

Step 6: Financial Forecast & Critical Cost Warning

185%



***The Red Flag*:** Current modelling shows variable costs at 185% of revenue.



Implication: For every £1 earned, we spend £1.85 on direct inputs. This guarantees a loss on every unit sold.



The Fix: Immediate renegotiation of feed/processing contracts or in-housing production is required *before* launch to drive variable costs below 100%.



Note: Fixed overhead is low (\$11k/month), but variable costs are the primary threat.

Step 7: Risk Mitigation & Breakeven Defence



Breakeven Reality: If the 44-month target slips, the \$1.086m reserve will not suffice.
Feed Strategy: Lock in supply contracts and hedge prices immediately to prevent input shock.
Biosecurity: Protocols are an economic necessity to prevent sunk feed costs in lost animals.

Summary & Path Forward

- 1. The Opportunity:** High barrier to entry and long payback (103 months), but significant potential if premium pricing is protected.
- 2. Immediate Action:** Secure the \$1.086m capital.
- 3. Operational Fix:** Reduce variable costs from 185% to <100% via contract renegotiation.
- 4. Team:** Hire core management now for 2026 launch.