Wavesunit Meeting

Meeting date: November 18, 2025, 07:00 pm

Notes

Expense and Cost Analysis

- The team mapped out detailed expense components and cost drivers essential for pricing and profitability decisions.
- **William Myles presented a comprehensive cost breakdown** including cage costs, feed, vaccination, labor, and miscellaneous expenses aligned with a typical unit size of **128 chickens** (12:58)
  - Cage investment stands at **38,000 KES** per unit, with monthly lease options costing **3,000 KES**; leasing over 36 months totals **108,000 KES**, exceeding outright purchase costs.
  - Feed consumption averages **120 grams per hen daily**, translating to roughly **3,170 kg per 50 chickens**, with feed priced at **45 KES per kg**.
  - Vaccination occurs quarterly, with costs estimated at **10% of total value**, roughly **8,000 KES** for a flock valued at **80,000 KES**.
  - Labor, water, medication, and emergency contingencies add variable costs but are less predictable; these were acknowledged but not fully quantified.
- **Egg production revenue was calculated as a primary income source,** with an average laying rate of **0.75 eggs per hen per day** and an egg price of **about 13 KES each** (39:41)
  - Weekly revenue per hen averages **65 KES**, with feed costs consuming roughly half of this income, leaving a modest profit margin of **32 KES weekly**.
  - The break-even point for chicken purchase costs, considering egg revenue and feed expenses, hovers around **35 weeks**, indicating a mid-term recovery horizon.
  - William noted that the price per chicken token should reflect these dynamics to ensure profitability and sustainability.

Revenue Diversification and Long-Term Value

- The group explored expanding revenue streams beyond egg sales to improve financial resilience.
- **Samuel Kimani Sikuku emphasized future revenue from chicken meat sales and feed**

production, suggesting a long-term plan to diversify income beyond egg laying (21:27)

- Selling chickens after their productive life, estimated at **one and a half to two years**, could generate additional revenue streams valued at approximately **500 KES per bird**.
- Broiler chicken farming and potential feed processing were identified as growth areas, potentially establishing new business lines and improving margins.
- The strategy aims to build a circular ecosystem, increasing farmer income and reducing input costs over time.

- **William Myles quantified daily supplementary revenue at about 0.8 KES per hen,** projecting incremental income from meat sales and other sources after **around 540 days** of production (26:23)

- This incremental revenue would accumulate to meaningful cash flow supporting ongoing costs and reinvestment.
- The team acknowledged the need to integrate these projections into pricing models to reflect the full value proposition for stakeholders.

Pricing Strategy and Token Valuation

- The discussion focused on setting a dynamic, market-responsive token price reflecting real costs and revenue potential.
- **William proposed a baseline token price of about 1,200 KES per unit,** adjusted over time based on fluctuating market costs of hens and inputs (07:35)

- The token price would initially cover purchase costs, feed, vaccination, labor, and cage expenses, with adjustments as market prices change.
- This approach intends to balance affordability with profitability, ensuring the token price reflects true operational costs and expected returns.
- Ochieng Odhiambo stressed the importance of presenting this pricing in an easy-to-understand format to aid decision-making and stakeholder engagement (30:35).

- **A Google Sheet calculator was suggested as the primary tool** for dynamically modeling fixed versus variable expenses and estimating break-even points (28:55)

- The sheet would differentiate fixed costs, like cages, from recurring costs, such as feed and medication, clarifying cost structures.
- Ochieng highlighted the need for the model to provide actionable insights, such as optimal pricing and profitability timelines, rather than just raw data.
- This tool would support ongoing pricing decisions and help communicate financial metrics

clearly to the team and investors.

Registration and Legal Structuring

- The meeting concluded with a focus on formalizing the business structure to enable operations and governance.
- **Ochieng Odhiambo confirmed the plan to register the entity as a Limited Liability Company (LLC),** involving the three founding clubs as co-founders in the legal structure (43:52)
  - This approach ensures the clubs have formal ownership and governance roles, supporting sustainability and collective decision-making.
  - William and Ochieng reviewed the registration process live, identifying **application form 12** as the appropriate document for LLC registration (51:38).
  - The team agreed to proceed with registration promptly, with Ochieng sharing a tutorial video and coordinating follow-up via WhatsApp for support and guidance (53:22).
  - This registration step is critical to legally enable operations, access financial services, and build trust with stakeholders.

Process Improvement and Decision Support

- The team recognized the need to improve how financial data and projections are presented for better decision-making.
- **Ochieng highlighted that current expense presentations lack clarity and actionable insight,** urging development of more intuitive reporting tools to guide pricing and investment decisions (30:35)
  - The focus is on creating digestible summaries that show key ratios, such as fixed vs. variable costs and break-even points, enabling quicker, more confident decisions.
  - William agreed to use Google Sheets for transparent, shareable financial models that update in real time, improving team collaboration and understanding (28:55).
  - This shift aims to move from raw calculations to strategic insights, allowing leadership to set prices and budgets based on clear financial logic and market realities.
  - The enhancement will also support ongoing monitoring and adjustment as market conditions change, making the business more agile and responsive.

Action items

William Myles

- Continue refining the token price calculator using detailed expenses and expected revenues

(43:52)

- Participate in the registration process of the legal entity on the government portal (49:20)
- Share calculated solutions and insights on token pricing post-discussion (42:09)

Ochieng Odhiambo

- Coordinate and lead company registration involving three clubs as co-founders (43:37)
- Share LLC registration tutorial video in the WhatsApp group for team reference (55:23)
- Facilitate usage of Google Sheets to present fixed and variable expenses for better decision making (28:18)

Samuel Kimani Sikuku

- Provide insights into possible diversified revenue streams from chicken meat and feed processing (21:27)