# Soroti fruit factory records Shs5b losses

BY SIMON PETER EMWAMU

**SOROTI.** The Soroti Fruit Factory continues to grapple with mounting financial losses, the latest audit report shows.

The audit report for the 2024/2025 Financial Year, released on December 31, 2025, indicates that the factory posted an operating loss of Shs5.371 billion, up from Shs4.391 billion recorded in the previous financial year.

The report by the Auditor General, Mr Edward Akol, indicates that the company has averaged losses of about Shs5.5 billion annually over the past four years, further widening its accumulated deficit.

The factory, officially opened on April 13, 2019, by President Museveni, was established to add value to citrus and mangoes harvested from more than eight million trees planted across the Teso Sub-region. The planting followed campaigns under the National Agricultural Advisory Services (Naads) in partnership with the National Agricultural Research Organisation (NARO).

However, the audit findings highlight persistent operational and governance challenges. The report notes that since January 2023, the factory has not held an annual general meeting and has not filed company returns since 2017. It also states that share certificates have not been issued to shareholders.

The return on assets as of June 30, 2025, stood at 6.49 percent, a figure the Auditor General says suggests the company is struggling to generate sufficient revenue from its asset base to cover operational costs.

**Management**

The management of the plant was initially under the Uganda Development Corporation (UDC), which held an 80 percent stake on behalf of the government. In 2023, Cabinet handed over management to Chimaki Company, headed by Ms Azeb Mesfin Zenawi, while the government retained financial oversight through the Treasury.

Despite the change in management, financial performance has not significantly improved.

The cultural leader of the Iteso Cultural Union, Mr Emorimor Paul Sande Emolot, has urged residents of Teso to prioritise consumption of products manufactured at the factory, arguing that local support is critical to turning around its fortunes.

"There is no way our fruit plant will post returns if our own farmers and people are not consuming its products," he said.

Mr Julius Ekoom, the executive director of the factory, said the new management is pursuing international certification and plans to establish an independent processing line for mangoes, pineapples and apples.

The proposed automated line is expected to reduce production costs, including bottle procurement.

The factory currently has the capacity to crush two metric tonnes of mangoes and six metric tonnes of oranges per hour.