

ALGAWHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

1. Executive Summary

Algawhara Ltd, established in 2020 and headquartered in Dar es Salaam, Tanzania, is a fast-growing manufacturer of premium polypropylene (PP) mats. With increasing production capacity and a robust supply network, we currently serve both the Tanzanian and Rwandan markets. Our goal is to become the leading synthetic mat manufacturer in East Africa through operational modernization and full automation.

We are committed to sustainable growth, quality products, and expanding our market footprint across the region.

2. Company Overview

- Head Office: Plot 88-89, Vingunguti Industrial Area, Dar es Salaam, Tanzania
Our production facility is strategically located to optimize logistics across East Africa.
- Incorporation number 149520872 of 18 Jan 2021
- Current Number of Employees: Algawhara Ltd is a privately owned company that prioritizes local employment, quality manufacturing, and sustainable growth.
 - 155 Local Staff
 - 16 Expatriates
- Industry: Manufacturing – Plastics/Textiles
- Primary Product: Polypropylene (PP) Floor Mats

Investment Objective

The primary objective of the investment in the plastic manufacturing company is to establish a sustainable, scalable, and profitable enterprise that meets the growing demand for high-quality plastic products in both domestic and regional markets.

The company seeks to maximize shareholder value by ensuring steady revenue growth, maintaining cost efficiency, and adopting innovative technologies for production.

Additionally, the investment aims to position the company as a competitive player in the plastics industry by offering reliable, affordable, and environmentally responsible products while generating long-term returns and contributing to economic development.

Sustainability-Focused Stakeholders

The investment objective is to build a plastic manufacturing company that balances profitability with environmental responsibility. The company aims to produce high-quality plastic products while adopting eco-friendly practices, such as recycling and waste reduction, to minimize environmental impact. This investment seeks to create long-term value by addressing market demand sustainably and responsibly.

Mission:

To manufacture high-quality, affordable, and eco-friendly plastic products that support industrial, agricultural, and household needs in East Africa.

Vision:

To become East Africa's leading sustainable plastic manufacturer with strong regional market dominance and eco-friendly innovation.

ALGAWHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

3. Products and Production

Our core product is polypropylene (PP) floor mats, manufactured using a combination of extrusion and weaving technologies. We are in the process of a three-phase modernization project to transition from semi-mechanical to fully computerized weaving systems.

ALGAWHARA LIMITED will be a fully integrated plastic manufacturing company producing polypropylene (PP) floor mats, and packaging solutions, and later, biodegradable Plastic products.



Production Overview

- Current Output: 260 tons of finished mats per month
- Short-Term Target (2025): 400 tons/month
- Long-Term Goal (2026): 600 tons/month

Funding Requirement: USD 1.5 million

Break-even: Year 3

Projected Net Profit (5 Years): USD 5.2 million cumulative

Below is financial expectation as a result in output expansion plan. Amount in millions.

	YEAR 2025	YEAR 2026	YEAR 2027
	USD	USD	USD
Revenue	6,234,224	7,481,069	8,977,283
Cost of Sales	5,081,334	6,097,601	7,317,122
Gross Margin	1,152,890	1,383,468	1,660,162

Manufacturing Technology

- Extrusion: Produces PP sticks from raw polypropylene
- Weaving: Currently semi-mechanical, transitioning to computerized looms
- Upgrade Phases:
 - Phase 1 complete: 6 advanced computerized weaving machines installed
 - Phases 2 & 3 scheduled for completion by the end of 2026

ALGA WHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

4. Raw Materials and Markets

Raw Materials Composition

Polypropylene (Virgin & Recycled):
87% – locally sourced



Polypropylene Yarn: 12% – imported



Masterbatch (Color Additive): 1% – imported



We maintain long-term supplier relationships to ensure a stable and cost-effective supply chain.

5. Market Analysis and Target

Industry Outlook of East Africa's plastic demand grows at 7–10% annually. Tanzania imports 60% of its plastic products.

Project expansion Target Customers are: FMCG & beverage companies, construction firms, supermarkets, wholesalers, and farmers.

Competition is heavy due to Imports of cheaper and low quality products of similar nature and use as those we produce.

ALGAWHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

SWOT Analysis:

- Strengths: Local production, eco-friendly brand, B2B contracts
- Weaknesses: High capital & energy dependence
- Opportunities: Regional exports, biodegradable plastics, government support
- Threats: Imports, regulations, raw material volatility

Risk Analysis

Raw Material Risks: Mitigated via bulk contracts and recycling

Import Competition: Differentiation through eco-branding

Regulatory Risks: Full compliance with environmental laws

Operational Risks: Insurance, backup power, safety protocols

Competitive Advantages

- High and consistent product quality
- Investment in automation and skilled labor
- Reliable local and international raw material supply chain
- Commitment to sustainable and scalable production

6. Business Objectives

Short-Term Objectives (2025)

- Increase monthly production to 200 tons
- Complete staff training for computerized weaving systems
- Improve production efficiency and reduce downtime

Mid-Term Objectives (By End of 2026)

- Achieve full production capacity of 300 tons/month
- Complete automation of the weaving process
- Expand distribution into new East African markets,

Our business strategy is focused on maximizing efficiency, expanding market reach, and reinforcing our brand as a leading producer of synthetic mats in East Africa.

Startup Costs (USD 1.5M): Land & building \$350k, Machinery \$700k, Raw materials \$200k, Working capital \$200k, Licenses \$50k

7. JOB CREATION

Current Number of Employees: Algawhara and plan of target:

	CURRENT 2025	PLANNED 2026	PLANNED 2027	PLANNED 2028	PLANNED 2029
LOCAL	155	205	255	305	305
FOREIGN	16	20	25	30	30
TOTAL	171	225	280	335	335

Apart from the direct employment as planned we know that the impact of indirect employment will arise from third parties business relation which might include:

- Raw material suppliers and distributors
- Transport and logistics service providers
- Retailers and wholesalers of plastic products
- Equipment suppliers and maintenance service providers

ALGA WHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

We are further expecting to have a Induced Jobs (Spillover Effects) from neighbouring society which might include:

- Small businesses around the factory (food vendors, shops, etc.)
- Local services boosted by employees' spending power
- Recycling businesses benefiting from plastic waste collection

7. Financial Projections

7.1 Investment Costs:

Below is estimate categorization of cost of investment with estimate capital of USD 1,200,000 divided into Fixed (capital costs) and Working Capital.

A. Fixed / Capital Costs

Category	Description	Estimated Cost (USD)
Land & Buildings (Leased)	Factory, storage & offices – USD 6,000/month × 12 months (initial lease period)	72,000
Machinery & Equipment	Plastic extrusion machines	60,000
	Injection/blow molding machines	260,000
	Cutting, sealing, and printing machines	120,000
	Recycling equipment	50,000
Vehicles & Logistics	Delivery trucks	30,000
	Material handling equipment	35,000
Utilities Setup	Electrical installation, water supply, generators	38,500
Furniture & Fixtures	Office and staff amenities	23,700
Subtotal – Fixed/Capital Costs		689,200

B. Working Capital Requirements

Category	Description	Estimated Cost (USD)
Raw Materials	Polymers, additives, coloring agents (initial inventory)	250,000
Labor Costs	Salaries & training for 6 months (production, admin, drivers, etc.)	120,000
Utilities (Recurring)	Electricity, water, fuel, maintenance	60,000
Marketing & Distribution	Branding, packaging, sales, promotion	40,000
Administrative Expenses	Insurance, licenses, permits, stationery, misc.	40,800
Subtotal – Working Capital		510,800

C. Summary Allocation

Category	Amount (USD)	% of Total Capital
Fixed / Capital Costs	689,200	57.4%
Working Capital	510,800	42.6%
Total Capital	1,200,000	100%

ALGA WHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

7.2 Sources of Finance

A. Equity Financing (≈ 45%)

Source	Description	Amount (USD)	% of Total
Owner's Contribution	Capital invested by shareholders through new shares, plus retained earnings from prior operations.	540,000	45%

Notes:

- Represents the internal funding strength and commitment of existing shareholders.
- Covers mainly initial equipment deposits, setup, and part of working capital.

B. Debt Financing (≈ 45%)

Source	Description	Amount (USD)	% of Total
Commercial Bank Loans	Medium to long-term loans for machinery and working capital, repayable over 5–7 years.	480,000	40%
Supplier Credit	Short-term credit lines from raw material suppliers (30–90 days).	60,000	5%
Subtotal – Debt Financing		540,000	45%

Notes:

- Commercial bank loans will likely be secured against machinery or other business assets.
- Supplier credit supports liquidity and reduces working capital strain.

C. Alternative Financing Options (≈ 10%)

Source	Description	Amount (USD)	% of Total
Leasing of Equipment	Certain machinery or vehicles obtained through lease finance instead of outright purchase.	90,000	7.5%
Public–Private Partnership (PPP)	Possible co-investment or support for infrastructure/utilities (if applicable).	30,000	2.5%
Subtotal – Alternative Financing		120,000	10%

Notes:

- Leasing minimizes upfront capital expenditure.
- PPP participation (if available) provides strategic support and risk sharing.

D. Financing Summary

Financing Category	Amount (USD)	% of Total Capital
Equity Financing	540,000	45%
Debt Financing	540,000	45%
Alternative Financing Options	120,000	10%
Total Capital	1,200,000	100%

ALGAWHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

7.2 Investment Funds Expenditure Breakdown

Total Project Capital: USD 1,200,000

A. Fixed / Capital Expenditure

Category	Description	Estimated Cost (USD)	% of Total Capital
Land & Buildings (Leased)	Factory, storage & offices (USD 6,000/month × 12 months)	72,000	6.0%
Machinery & Equipment	Extrusion, molding, cutting, sealing, printing, and recycling machines	490,000	40.8%
Vehicles & Logistics	Delivery truck and handling equipment	65,000	5.4%
Utilities Setup	Electrical installation, water supply, backup generators	38,500	3.2%
Furniture & Fixtures	Office furniture, staff amenities, fittings	23,700	2.0%
Subtotal – Fixed/Capital Costs		689,200	57.4%

B. Working Capital Expenditure

Category	Description	Estimated Cost (USD)	% of Total Capital
Raw Materials	Initial stock of polymers, additives, colorants	250,000	20.8%
Labor Costs	Staff salaries, wages, and training (initial 6 months)	120,000	10.0%
Utilities (Recurring)	Electricity, water, fuel, and maintenance	60,000	5.0%
Marketing & Distribution	Branding, packaging, and promotional campaigns	40,000	3.3%
Administrative Expenses	Insurance, licenses, permits, office supplies	40,800	3.4%
Subtotal – Working Capital		510,800	42.6%

C. Summary of Investment Expenditure

Investment Type	Amount (USD)	% of Total Capital	Purpose
Fixed / Capital Costs	689,200	57.4%	Machinery, setup, infrastructure
Working Capital	510,800	42.6%	Operations, labor, materials, admin
Total Investment Funds	1,200,000	100%	—

D. Expenditure Allocation Overview (Visual Summary)

- Machinery & Equipment: 40.8%
- Working Capital (materials & operations): 42.6%
- Premises, Utilities & Fixtures: 11.2%
- Vehicles & Logistics: 5.4%

ALGAWHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

8. FINANCIAL PROJECTION

Below is a financial projection for the next three years as expected to grow .

ALGAWHARA LIMITED						
Profit & Loss A/c for the period ending 31 Dec year						
	2025	2026	2027	2028	2029	2030
	USD	USD	USD	USD	USD	USD
Revenue	6,234,224	7,481,069	8,977,283	10,772,740	12,927,288	15,512,745
Cost of Sales	5,081,334	6,097,601	7,317,122	8,780,546	10,536,655	12,643,986
Gross Margin	1,152,890	1,383,468	1,660,162	1,992,194	2,390,633	2,868,759
Other Income	0.00	0.00	0.00	0.00	0.00	0.00
Operating Income	1,152,890	1,383,468	1,660,162	1,992,194	2,390,633	2,868,759
Admin expenses	228,809	240,249	252,262	267,356	278,677	289,998
Selling and Distribution	32,894	34,539	36,266	37,717	39,225	40,794
Financial Charges	43,257	45,420	47,237	49,127	51,092	53,135
Operating Expenses	304,960	320,209	335,765	354,199	368,994	383,927
Total Operating Profit	847,929	1,063,259	1,324,397	1,637,995	2,021,639	2,484,832
Profit before tax	847,929	1,063,259	1,324,397	1,637,995	2,021,639	2,484,832
Taxation	254,379	318,978	397,319	491,398	606,492	745,450
Profit after tax	593,551	744,282	927,078	1,146,596	1,415,147	1,739,382

ALGAWHARA LIMITED

BUSINESS PLAN FOR NEXT FIVE YEARS TO 2029

ALGAWHARA LIMITED						
Balance Sheet as at 31 Dec of year						
	2025	2026	2027	2028	2029	2030
	USD	USD	USD	USD	USD	USD
Capital & Liabilities						
Ordinary share capital	566,038	754,717	754,717	1,132,075	1,132,075	1,509,434
Retained earnings	681,706	786,044	1,109,576	1,109,576	1,109,576	1,109,576
	1,247,744	1,540,761	1,864,293	2,241,652	2,241,652	2,619,010
Non-current liabilities						
Term Loan	113,208	75,472	37,736	37,736	37,736	37,736
Overdraft	344,678	348,125	351,606	281,285	225,028	180,022
Borrowings	262,375	264,999	267,649	214,119	171,295	137,036
Deferred tax liability	-	-	-	-	-	-
	720,261	688,596	656,991	533,140	434,059	354,794
Current liabilities						
Trade & Other Payables	307,720	310,798	313,906	313,906	313,906	313,906
Current tax	66,420	67,085	67,755	68,433	69,117	69,808
Provisions and accruals	26,026	26,286	26,549	26,814	27,083	27,353
Total Liabilities	400,166	404,168	408,210	409,153	410,105	411,067
TOTAL EQUITY & LIABILITIES	2,368,171	2,633,524	2,929,494	3,183,944	3,085,816	3,384,872
Non-current assets						
Property, plant and equipment	1,203,485	1,318,406	1,446,628	1,699,458	1,529,647	1,748,515
	1,203,485	1,318,406	1,446,628	1,699,458	1,529,647	1,748,515
Current assets						
Inventories	786,819	846,131	912,111	912,111	912,111	1,138,526
Trade receivables	324,800	415,389	516,621	517,556	588,509	441,726
Other receivables - VAT	-	-	-	-	-	-
Cash and cash equivalents	53,067	53,598	54,134	54,819	55,549	56,105
	1,164,687	1,315,118	1,482,866	1,484,486	1,556,169	1,636,357
Total Assets	2,368,171	2,633,524	2,929,494	3,183,944	3,085,816	3,384,872