PREMIER

Packaging Limited

BUSINESS PLAN

Prepared: July 4, 2023

Contact Information
Managing Director,
Premier Packaging Limited,
P.O. Box 20071,
Dar Es Salaam,
Postal code 11105, Street ZANAKI,

TABLE OF CONTENTS

TABLE OF CONTENTS 2
EXECUTIVE SUMMARY 3
Who We Are 3
Product Excellence 3
Sustainability focus 3
Quality Assurance 3
Customer Centric 4
COMPANY OWNERSHIP AND LEGAL ENTITY 4
Management 4
Our Goal 4
Our Vision 4
Job Creation 5
Our Business Principles 5
i. Sustainability 5
ii. Innovation 5
iii. Customer satisfaction 5
iv. Quality control 6
v. Ethical practices 6
vi. Collaboration 6
BACKGROUND INFORMATION 7
Manufacturing Process Of Rpp Bags 8
Crushing/ Washing Plan & Recycling Granulator 8
Extrusion 8
Raffia tape manufacturing 8
Finishing and Stitching 9
PRODUCT AND SERVICES 9
FINANCIAL PLAN 12

EXECUTIVE SUMMARY

Who We Are

Premier Packaging Limited is a packaging solutions provider operating in Tanzania. We specialize in the production and distribution of RPP woven bags, offering a sustainable and eco-friendly alternative to traditional packaging materials. Our commitment to quality, durability, and environmental responsibility sets us apart in the industry. With our envisioned years of experience and expertise, Premier Packaging Limited aims to establish itself as a leader in the packaging industry in Tanzania. Our unwavering commitment to innovation, sustainability, and customer satisfaction will be the foundation for building a loyal clientele across diverse sectors. We will continuously invest in research and development, ensuring that we stay ahead of market trends and provide cutting-edge packaging solutions.

Product Excellence

At Premier Packaging Limited, we prioritize the production of RPP (Recyclable Polypropylene) woven bags. These bags are known for their exceptional strength, durability, and reusability. They provide a versatile packaging solution that can be utilized across various industries, including agriculture, retail, and transportation. Our RPP woven bags are designed to withstand rigorous handling, protecting your products and reducing waste generation.

Sustainability focus

As a responsible packaging solutions provider, we understand the importance of preserving our environment. The RPP woven bags we produce are reusable, ensuring multiple applications before reaching the end of their lifecycle. By offering a reusable alternative, we significantly reduce the consumption of single-use packaging materials and promote a circular economy. Our commitment to sustainability extends throughout our operations, from resource-efficient production processes to responsible waste management practices.

Quality Assurance

At Premier Packaging Limited, we prioritize quality in every aspect of our operations. We adhere to stringent manufacturing standards to ensure that our RPP woven bags meet the highest quality benchmarks. From the selection of premium raw materials to the utilization of advanced production techniques, we consistently deliver durable and reliable packaging solutions. Our products undergo thorough quality checks to guarantee customer satisfaction and meet industry-specific requirements.

Customer Centric

We understand that each customer's needs are unique. Therefore, we offer customizable packaging solutions tailored to meet individual requirements. Our team of experienced professionals works closely with clients, providing expert guidance and support throughout the packaging process. We strive to build long-term partnerships with our customers, ensuring their satisfaction through reliable products, timely delivery, and exceptional customer service.

COMPANY OWNERSHIP AND LEGAL ENTITY

Premier Packaging Limited has been registered with Tanzania Revenue Authority andassigned the Taxpayer Identity Number (TIN) **166461529**. It has also been registered with a certificate of incorporation of a company as a private business that is solely owned by three shareholder Mr. SAJJAB IBRAHIM DHARAMSI, MAZAHIR DHARAMSI and AKIL GULAMHUSSEIN DHARAMSI.

Management

Premier Packaging Limited has two directors Mr. SAJJAB IBRAHIM DHARAMSI and FARZANA NAUSHADHUSEIN MOHAMED JIWA. Both directors have robust experience, qualifications and skills in manufacturing industry, that will help to grow the business to the profitability within the shortest time possible.

Our Goal

The company’s goal is to revolutionize the packaging industry by offering RPP woven bags that consume fewer natural resources, involve less energy consumption during production, and significantly reduce waste generation compared to traditional packaging materials.

Our Vision

The vision of Premier Packaging Limited is to create a greener and more sustainable future by promoting the use of reusable packaging. By providing durable and versatile Viroba bags, the company aims to minimize the dependency on plant-based packaging, which requires significant resource consumption and lacks durability. Premier Packaging Limited envisions a world where packaging solutions are not only environmentally responsible but also economically viable for businesses and individuals.

Our Mission

Through our dedication to customer satisfaction, environmental responsibility, and continuous improvement, we aim to be the leading provider of reusable packaging solution in Tanzania and beyond. We strive to empower farmers, businesses, and individuals with packaging solution that protect their products, support their livelihoods, and preserve the integrity of our environment.

Job Creation

Premier Packaging Limited intends to grow big in order to compete favorably with leading RPP in Tanzania. That is why we are committed to employ more qualified workers in each area including transport officers, managers, mechanicals and others. We intend to employ 71 workers including drivers, Managers, Machine operators, and Supervisors. We are intending to provide employment opportunities to Tanzania youth who are talented, hard workers, and creative.

Our Business Principles

i. Sustainability

Premier Packaging Limited is firmly committed to promoting sustainability in all aspects of its operations. The company prioritizes the development and production of reusable and recyclable packaging solutions that minimize environmental impact. By offering RPP woven bags as an alternative to traditional packaging materials, Premier Packaging Limited aims to reduce waste generation, conserve natural resources, and contribute to a greener future.

ii. Innovation

Premier Packaging Limited embraces innovation as a driving force behind its success. The company invests in research and development to stay at the forefront of packaging trends and technology. By continuously exploring new materials, processes, and design concepts, Premier Packaging Limited seeks to provide cutting-edge solutions that meet the evolving needs of its customers and the market.

iii. Customer satisfaction

Customer satisfaction is a core value for Premier Packaging Limited. The company is dedicated to understanding and meeting the unique requirements of its clients. By delivering high-quality products, providing excellent customer service, and fostering long-term relationships, Premier

Packaging Limited aims to exceed customer expectations and become a trusted partner in the packaging industry.

iv.Quality control

Premier Packaging Limited upholds stringent quality control measures throughout its manufacturing process. From the selection of raw materials to the final product, the company ensures that its RPP woven bags meet the highest standards of durability, strength, and functionality. By adhering to strict quality control protocols, Premier Packaging Limited guarantees the reliability and performance of its packaging solutions.

v. Ethical practices

Premier Packaging Limited operates with a strong commitment to ethical practices. The company upholds integrity, transparency, and fairness in all business dealings. It complies with legal and regulatory requirements, promotes a safe and inclusive work environment, and values responsible business conduct. Premier Packaging Limited fosters a culture of honesty, respect, and social responsibility, both within the organization and in its interactions with stakeholders.

vi.Collaboration

Premier Packaging Limited recognizes the importance of collaboration and partnerships. The company actively seeks opportunities to collaborate with customers, suppliers, industry experts, and other stakeholders. By fostering open communication and teamwork, Premier Packaging Limited aims to leverage collective knowledge and expertise to drive innovation, improve processes, and deliver the best possible solutions to its customers.

Our Core Values

a. Integrity: We conduct our business with the utmost integrity, maintaining honesty, transparency, and ethical behavior in all our interactions.

b. Customer focus: We prioritize the needs and satisfaction of our customers. We listen to their requirements, provide personalized solutions, and deliver high-quality products and services that exceed their expectations.

c. We are committed to environmental sustainability. We actively promote and develop packaging solutions that minimize waste.

d. Employee empowerment: We value our employees as our greatest asset. We provide a safe, inclusive, and supportive work environment that fosters their growth, development, and well-being. We encourage open communication, teamwork, and empowerment.

e. Continuous improvement: We embrace a culture of continuous improvement and innovation. We constantly seek ways to enhance our processes, products, and services to deliver the best possible solutions to our customers and stay ahead of market trends.

f. Social responsibility: We believe in being responsible corporate citizens and making a positive impact on society. We actively engage in social initiatives, support local communities, and promote diversity, equality, and ethical sourcing practices.

g. Quality excellence: We maintain uncompromising standards of quality throughout our operations. We adhere to stringent quality control measures to ensure that our products meet the highest industry standards and provide reliability and performance.

BACKGROUND INFORMATION

Premier Packaging Limited is a pioneering packaging solutions company operating in Tanzania. Recognizing the need for sustainable and reusable packaging options, the company specializes in the production and distribution of RPP (Recyclable Polypropylene) woven bags, commonly known as Viroba in Tanzania. These bags have gained popularity among low-scale farmers for storing cultivation crops before they are sold to buyers. Premier Packaging Limited aims to address the limitations of plant-based packaging materials by offering a durable, reusable, and environmentally friendly alternative.

In today's global landscape, there is a growing emphasis on sustainable practices and reducing environmental impact. Traditional packaging materials, such as paper bags, cotton bags, and jute bags, although biodegradable, have limitations in terms of durability and reusability. Moreover, their production processes often involve significant natural resource consumption. Premier Packaging Limited recognized the need for an alternative that could minimize resource consumption, reduce waste generation, and provide a long-lasting packaging solution. The global market for sustainable packaging has been expanding, offering significant opportunities for companies like Premier Packaging Limited.

In Tanzania, agriculture plays a vital role in the economy, with many small-scale farmers relying on their crops for income. Storage and transportation of these crops are crucial to maintain their quality and value. Viroba (RPP woven bags) have emerged as a popular choice among farmers due to their durability, reusability, and cost-effectiveness. Premier Packaging Limited operates within this regional context, catering to the packaging needs of farmers, wholesalers, and other stakeholders in the agricultural sector.

Manufacturing Process of Recyclable Polypropylene Woven Bags (RPP)

The manufacturing process of RPP woven bags involves several stages, starting from the processing of old woven bags or broken plastic materials to the production of granules used as raw materials. Here is a step-by-step overview of the manufacturing process:

Crushing/ Washing Plan & Recycling Granulator

The process begins by processing old woven bags, plastic films, or other broken plastic materials in a crusher/washing plant. This step helps break down the materials into smaller pieces. The crushed plastic is then fed into a recycling granulator, where it is transformed into granules for reuse as raw materials. The granulator utilizes a screw and cylinder made of nitriding 38 CrMoAIA, and an automatic temperature controller ensures proper heating of the barrel and die head.

Extrusion

Next, the raw materials, including PP (Polypropylene) pellets and other additives, are mixed together. The mixture is then extruded into a flat film by heating and melting the PP resin with fillers such as CaCo3 (calcium carbonate) and pigments. The flat film is then slit into tape yarn by a slitting unit and undergoes stretching and annealing. A take-up winder winds the heat-oriented tape yarn onto a bobbin.

Raffia tape manufacturing

The prepared raw material mix in granule form is fed into a Raffia Tape Manufacturing Plant. The mix is melted in an extruder by applying controlled external heat on the barrel. The molten mass is then forced out through a die head into a cooling tank, where it solidifies into a sheet/film. The cooled and solidified sheet/film is passed through knives to obtain Raffia Tapes of higher denier (a unit used to measure yarn fineness). High-density polyethylene (HDPE) or polypropylene (PP) granules are also converted into 2.5 mm wide tapes through the extrusion process.

Weaving

The flat tapes or Raffia Tapes produced in the previous step are woven into circular fabric using circular weaving machines. The circular fabric is then cut into the required dimensions. Circular looms, which produce circular cloth of the desired width, weave the Raffia Tapes into cloths. This weaving process is automated and continuous. Multiple circular looms are installed to match the output of the Raffia Tape manufacturing plant. The cloth produced by each loom is continuously wound on rotating pipes.

Finishing and Stitching

The rolls of woven cloth are taken to the finishing and stitching section. The cloth is cut into the desired sizes and may be printed with designs or labels. After printing, the cut pieces are sent for stitching. Prior to stitching, a valve is made in one corner of each cut piece as per customer specifications. The woven sacks undergo quality control tests to ensure compliance with weight, denier, bursting strength, and other parameters. Once approved, the woven sacks are bundled, pressed using a bailing press, and wrapped for packaging and dispatch.

PRODUCT AND SERVICES

i. **RPP Bags**

Plain PP Woven Bag

Printed Bag

Laminated PP Woven Bag

Side Gusseted Bag

Easy Open Bottom Bag

Multi-color Printed Bag

Project Milestones

Milestone	Due Date	Details
Raising funds	End, 2023	Raising funds from the shareholders of the Premier packaging limited
Purchase land	End, June 2023	Purchasing land for construction of manufacture
Purchase of machines and furniture's	End, December, 2023	Purchasing all necessary materials and start construction
Start operations	Jan, 2024 -	Starting the operations

SWOT Analysis

Strength i. Extensive owner experience and knowledge in manufacturing industry ii. Competitive pricing iii. Contracts with buyers iv. Premium quality services and on-time delivery	**Weakness** i. Start-up funding needed ii. Currently limited to funds
Opportunities i. Increase sales opportunities beyond Tanzania ii. Ability to grow quickly because of increase in market demand	**Threats** i. Likely entry potential new competitors ii. Possible new regulations iii. Rising costs of fuel, maintenance and repairs

FINANCIAL PLAN

Project Finances and Source of Funds

RPP manufacturing is a new business for Premier Packaging Limited. The startup costs are related to the purchase of land, machines, building manufacture, and vehicles. The shareholders are seeking to obtain raise 3,500,000,000 TZ (1,200,000 USD) for this investment.

Sales forecast

One thing is certain when it comes to the manufacturing business, if you have a good customer care and best products, you will always attract more customers and that will trade to increase in revenues generations for the business. We are positioned to take on the available market within and outside Tanzania and we are quite optimistic that we will meet our set of targets of generating enough profits from the first six months of operations and grow the business and our clientele base. We have been able to critically examine coal transportation business and we have been able to come up with the following forecasts

Second Fiscal year (2024) = 4,000,000,000 TZS

Third Fiscal year (2025) = **17,000,000,000 TZS**

Fourth Fiscal year (2026) = **43,000,000,000 TZS**

Firth Fiscal year (2027) = **89,000,000,000 TZS** Six

N.B: These projections were done based on what is obtained in the industry and with the assumption that there won't be any major economic meltdown, and there won't be any major competitors offering customer care services as good as ours. Please note that the above projections might lower and at the same time might be higher.

Expenditure Investment Breakdown

These are the key areas where we will spend our startup capital

i. Purchasing of land = 365,710,482.75 TZS
ii. Plan = 121,719,837.00 TZS
iii. Furniture and fittings = 2,191,927,729.5 TZS
iv. Working capital = 121,719,837.00 TZS
v. Others = 121,719,837.00 TZS

FINANCIAL STATEMENTS
PROJECTED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023-2027

PARTICULARS	**TZS"000"**	**TZS"000"**	**TZS"000"**	**TZS"000"**	**TZS"000"**
	2023	**2024**	**2025**	**2026**	**2027**
Revenue	12,000,000.00	20,000,000.00	32,000,000.00	51,200,000.00	81,920,000.00
Cost of sales(w1)	4,339,150.00	6,942,640.00	11,108,224.00	17,773,158.40	28,437,053.44
Gross profit	**7,660,850.00**	**13,057,360.00**	**20,891,776.00**	**33,426,841.60**	**53,482,946.56**
Distribution costs	48,000.00	76,800.00	122,880.00	196,608.00	314,572.80
Administration costs(w2)	708,000.00	1,132,800.00	1,812,480.00	2,899,968.00	4,639,948.80
Other costs	108,000.00	172,800.00	276,480.00	442,368.00	707,788.80
Operating profit	**6,796,850.00**	**11,674,960.00**	**18,679,936.00**	**29,887,897.60**	**47,820,636.16**
Finance costs	-	-	4,000.00	4,000.00	4,000.00
Profit before tax	**6,796,850.00**	**11,674,960.00**	**18,675,936.00**	**29,883,897.60**	**47,816,636.16**
Income tax	96,000.00	153,600.00	245,760.00	393,216.00	629,145.60
Profit after tax	**6,700,850.00**	**11,521,360.00**	**18,430,176.00**	**29,490,681.60**	**47,187,490.56**
Other comprehensive incomes					
Revaluation surplus	-	12,000.00	19,200.00	30,720.00	49,152.00
Exchange gain from foreign operations	-	6,000.00	9,600.00	15,360.00	24,576.00
Fair value gain on financial assets	-	-	-	-	-
Income tax relating to other comprehensive incomes	-	-	-	-	-
Total other comprehensive incomes	-	18,000.00	28,800.00	46,080.00	73,728.00
Total comprehensive income for the year	**6,700,850.00**	**11,539,360.00**	**18,458,976.00**	**29,536,761.60**	**47,261,218.56**

PROJECTED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023-2027

PARTICULARS	TZS"000"	TZS"000"	TZS"000"	TZS"000"	TZS"000"
	2023	**2024**	**2025**	**2026**	**2027**
ASSETS					
Non current assets					
Property,Plant And Equipments	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00
Curent Assets					
Cash	3,500,000.00	5,600,000.00	8,960,000.00	14,336,000.00	22,937,600.00
Inventory	-	500,000.00	800,000.00	1,280,000.00	2,048,000.00
Prepayments	-	20,000.00	32,000.00	51,200.00	81,920.00
Total Assets	**4,200,000.00**	**6,300,000.00**	**9,660,000.00**	**15,036,000.00**	**23,637,600.00**
Equity And Liabilities					
Equity					
Share Capital	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00
Share Premium	-	780,000.00	900,000.00	600,000.00	920,000.00
Reserves	-	12,000.00	19,200.00	30,720.00	49,152.00
Retained Earnings	-	800,000.00	860,000.00	9,200,000.00	10,060,000.00
Total Earnings	3,500,000.00	5,092,000.00	5,279,200.00	13,330,720.00	14,529,152.00
Liabilities					
Non Current Liabilities					

Long Term Loan	-	-	-	-	-
Long Term Provisions	-	-	-	-	-
Deffered Tax	-	-	-	-	-
Current Liabilities					
Trade Payables	-	-	2,855,040.00	-	5,202,502.40
Short Term Provisions	500,000.00	800,000.00	1,280,000.00	1,312,064.00	2,099,302.40
Short Term Loans And Borrowings	-	-	-	-	-
Current Tax Payable	200,000.00	408,000.00	652,800.00	1,044,480.00	1,671,168.00
Total Equity And Liabilities	**4,200,000.00**	**6,300,000.00**	**10,067,040.00**	**15,687,264.00**	**23,502,124.80**

PROJECTED STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 DECEMBER 2023-2027

DETAIL	**AMOUNT**	**AMOUNT**	**AMOUNT**	**AMOUNT**	**AMOUNT**
CURRENCY	**TZS "000"**	**TZS "000"**	**TZS "000"**	**TZS "000"**	**TZS "000"**
BALANCE AT THE BEGINNING OF THE YEAR	-	4,000,000.00	17,000,000.00	43,000,000.00	89,200,000.00
CASHINFLOW	12,000,000.00	20,000,000.00	32,000,000.00	51,200,000.00	81,920,000.00
CASHOUTFLOW	8,000,000.00	7,000,000.00	6,000,000.00	5,000,000.00	3,000,000.00
BALANCE AT THE END OF THE YEAR	4,000,000.00	17,000,000.00	43,000,000.00	89,200,000.00	168,120,000.00