

RiceAfrika Technologies



BUSINESS PLAN

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Executive Summary

RiceAfrika Technologies (T) Limited is a duly registered Company on October year 2022. RiceAfrika Technologies (T) Limited is a tech-driven agriculture optimization service provider in Africa. We provide a platform that connects smallholder farmers in Africa with Land preparation equipment, high-yielding seeds, quality herbicides and pesticides, affordable fertilizers, mechanized harvesting, extension services, and a structured market.

The company will continue to improve its profitability through the introduction of innovative products under FarmEASY App (Operating System) and selective expansion of its services to villages/regions while carefully managing both costs and risks. The company will continue to focus on creating sensitization for farmers on FarmEASY to promote the adoption of best agronomic practices to smallholders across Tanzania.

Mission and Vision Statements:

Our Mission: Addressing agricultural productivity to lift people out of poverty, improve nutrition, and build a more sustainable future for Africa.

Our Vision: To build an Africa that can feed itself and the world.

Objectives:

In promoting farming technologies on mechanization to minimize Food Loss and Waste in Africa the specific objectives include: -

- a) To carry on business of leasing all kinds of agricultural machines and implements, harvesting and post harvesting support activities, and agri-market liaison.
- b) To carry on the business in capacity building to farmers and agriculture stakeholders, and to train on safe use and handling of agrochemicals so as to ensure environmental conservation. And to train and consult on developing, design, construction, distribution and advocacy of storage equipment to farmers and agriculture stakeholders.
- c) To carry on the business of farming and sale of rice and all kinds of crops, fruits, vegetables, spices, and consultancy on farming, seed processing, plant propagation, advise in designing, developing, installing, implementing and operating all kinds of agricultural projects, rendering agricultural technical services, researches in all their respective forms and branches.

Products/Services & Pricing:

Our Product is to provide services to farmers through other stakeholder in the agric-space. RiceAfrika pricing are market driven prices at the period of sales.

Target Market

Our target customers will be rice farming cooperatives, schemes, NGOs, government programs, and rural smallholder rice farmers.

Competition

Our competition edge compared to other services providers is the number of activities listed in our platform. Most of our competitors are looking at the market linkages but at Riceafrika Technologies we are looking the whole process of farming right from Land preparations, Agronomist supervision and Harvesting and Structured markets.

Marketing Plan

Our marketing plan is to engage our key partners, for an effective marketing and service delivery were doing this possible with the following partners.

1. Rice farming cooperatives/schemes.
2. NGO,
3. Government agencies,
4. Financial service providers,
5. Experienced harvester operators/mechanics,
6. Mobile banking agents,
7. Logistic companies,
8. Community leaders,
9. Security agencies

Operational Plan and Cost Structure:

Our major operations are in the farm productions areas where, our agronomists create and follow crops calendar to plan all the services we provide at the right time. For example, when farmers require fertilizers for a certain crop there is a need to understand when is the first or last application and prepare for supply chain. We are using this team to as a determined Unique Sales Point.

Our cost structure to deliver all the activities needed for the implementation of our operations includes the following,

- Staff Salaries
- Marketing and Promotions
- Calls during Data collections
- Transportations
- Haulages
- Training of Operators and Farmers,
- Sales Commissions
- Allowances.

Projected Start-Up Funds

RiceAfrika Technologies start-up funds is contributed by the director's equity. Below is the amount of investment required to set up the operations.

Required Start-Up Funds			
RiceAfrika Technologies			
Start-Up Costs			Amount
	Fixed Assets		
	Land		-
	Buildings		-
	Equipment		240,000,000.00
	Furniture and Fixtures		20,000,000.00
	Vehicles		-
	Other Fixed Assets		49,000,000.00
	Total Fixed Assets		TZS 309,000,000.00
	Operating Capital		
	Website Development		12,500,000.00
	Beginning Inventory		-
	Legal and Professional Fees		1,500,000.00
	Licenses		150,000.00
	Pre-Opening Salaries and Wages		39,000,000.00
	Prepaid Insurance Premiums		-
	Rent Deposits		6,000,000.00
	Vendors/Contractors		-
	Utility Deposits		-
	Working Capital (Cash On Hand)		14,000,000.00
	Other Operating Capital		-
	Total Operating Capital		TZS 73,150,000.00
	Total Start-Up Costs		TZS 382,150,000.00

Projected Profit & Loss Statement;

RiceAfrika financial forecasting is assumed as follows, in the second year of operations the sales will increase by 15% from the first year, and the third-year sales will increase by 5% compared to the second year. The company is expecting to inject more investments money which will increase its productivities that will contribute in increasing sales by 25% on the fourth year.

	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	310,000,000.00	356,500,000.00	374,325,000.00	467,906,250.00	491,301,562.50
Cost of Sale	124,000,000.00	130,200,000.00	136,710,000.00	143,545,500.00	157,900,050.00
Admin Costs	155,000,000.00	159,650,000.00	162,843,000.00	166,099,860.00	174,404,853.00
Depreciation	57,250,000.00	57,250,000.00	57,250,000.00	77,250,000.00	37,250,000.00
Amortizations	75,537,500.00	75,537,500.00	75,537,500.00	95,537,500.00	55,537,500.00
Net Profit/Loss	(101,787,500.00)	(66,137,500.00)	(58,015,500.00)	(14,526,610.00)	66,209,159.50