

PRIME POULTRY TANZANIA LIMITED

BUSINESS PLAN

FOR

POULTRY FARM & HATCHING

1.0 INTRODUCTION

The poultry sector in Tanzania is emerging steadily both in indigenous and exotic (broiler and layers) chicken. Demand for local chickens remains high mainly due to the preferred taste of the chickens among Tanzanians and the generally trusted methods of raising the birds, and the domestic market for exotic chicken and eggs is likely to keep growing, as eating habits are changing, especially in urban areas, and the economy is growing. The current population of chickens is estimated at 72 million of which 40 million are indigenous chickens and the remaining 32 million are exotic poultry, which includes 24 million broilers and 8 million layers. Among the existing 4.7 million agricultural households in Tanzania, 3.7 million households keep chicken. Despite the availability of ample land for growing grains and soya to provide enough raw materials for chicken feeds, the commercialization of the poultry sector is lagging behind due to unorganized markets for poultry and poultry products, unreliable supply of day-old chicks (DOCs), lack of reliable supply of quality poultry feeds, high veterinary and poultry feed costs and lack of poultry processing industries. The poultry sector is also suffering from a chaotic and unorganized distribution system and a lack of third-party logistics cold chain for poultry and poultry products' movements from farm to consumer. Due to underdeveloped production (hatchery technologies) and processing equipment and technologies such as modern abattoirs and slaughterhouses, Tanzania has remained net importer of poultry parent stock (fertilized eggs and DOCs) and significant volume of processed poultry products. Tanzania also imports soymeal and other key additives for poultry feed, poultry production and processing equipment, and veterinary products. Tanzania imports parent

stock and fertilized eggs mainly from the Netherlands, Kenya, France, Zambia, Great Britain, and India. Due to a limited, consistent supply of quality poultry products,

The potential of the poultry sector in Tanzania therefore, remained untapped which opens opportunities for investments to revamp the sector and related industries. The emerging investment opportunities along the poultry value chain and related industries are highlighted

Key areas for investment in the poultry sector of Tanzania

Investment area Description Priority

- Animal feed technologies (pelleting technologies, extrusion of soybeans, other efficient feed processing technologies)
- Warehousing and grain silos management
- Breeding – crossbreed chicken
- Building on the on-going R&D by ACGG
- Producing parent and grandparent stock
- Hatchery Farms • Importing parent stock, grandparent stock, and at times fertilized eggs
- Producing and distributing day-old chicks (DOCs)
- Integrated Poultry Farms (including, hatchery, production & processing)
- Importing parent stock, grandparent stock, and fertilized eggs
- Producing and distribution of day-old chicks (DOCs)
- Production of broilers and layers
- Processing of poultry products
- Distribution of poultry products
- Third-Party logistics (3PL) cold chain
- Cold transportation and storage along the poultry food chain etc.

More and more Tanzanians are consuming chicken and eggs every year. The increasing demand offers many opportunities for companies looking to invest in the poultry sector in Tanzania. Currently the sector is growing slow, and in order to support this growth and to identify where the main opportunities lie for Dutch companies, the Embassy of the Kingdom of the Netherlands commissioned a quick scan of the poultry sector. This study provides Dutch businesses willing to invest in the sector with useful insights such as its current status, challenges, opportunities, and facts & figures related to the different production areas in Tanzania, a stakeholder analysis, and information on the different subsectors.

The Poultry Subsector in Tanzania consists of approximately 72 million chickens, emerging steadily both in indigenous and exotic chicken. With changing eating habits in urban areas and a growing economy the domestic market for exotic chicken and eggs is likely to keep expanding.

Markets could be better organized, the supply of quality feed and day-old chicks could be stabilized and veterinary costs remain high. Also, improvements could be made by developing processing industries and by improving the sector's distribution system and installing a, third-party logistics cold chain for the movement of poultry and poultry products from the farms to consumers

1.2 Business opportunities

Until date, the potential of the poultry sector in Tanzania has remained untapped, which opens opportunities for investments to revamp the sector and related industries. The Tanzanian poultry sector is ripe for investment with opportunities ranging from input supply all the way across the value chain to retailing and exporting.

2.0 PROJECT OVERVIEW

2.1 The Industry ownership and share distribution

PRIME POULTRY TANZANIA LIMITED is a limited liability company, registered in Tanzania under certificate of incorporation No.154445935 issued on the 16th of December 2021. The project is located in **Pangani Area, Kibaha District, Coast Region**. The company plans to apply for the Tanzania Investment Centre (TIC) Certificate of Incentives so as to access exemptions on duties, VAT deferments, and other benefits and protections as statutorily provided for under Tanzania Investment Act (1997).

The initial Authorized Share Capital of the company is Tshs 60,000,000,000/= divided into 10,000 ordinary shares of Tshs 6,000,000 each and the company has the power to divide the original or any increased capital into several classes and to attach thereto any preferential, deferred, qualified or other special rights privileges, restrictions or conditions. Unless the conditions of issues shall otherwise expressly declare, every issue of shares, whether preference or otherwise, or any such rights, privileges, or conditions shall not be altered or modified except in accordance with the registered Articles or Association. The liability of the members is limited and the following names compromise the company ownership and principal shareholding as illustrated in the Table below.

Company Ownership and Principal Shareholders

Shareholder's Name	% of Shares	
OMAR KASMANI	50	BRTISH
SUFIAN KASMANI	50	MALAWIAN

2.2. Project Description

Prime Poultry Tanzania, based in Dar Es Salaam is a company that intends to be in the poultry industry. Prime Poultry intends to consist of a hatchery that produces 7.2-million-day old chicks per annum. This entity would possess a capacity of 35,000 breeders as well as 100,000 layers which produces 36 million eggs per annum respectively. These entities projected feed mill capacity is to be at 36,000 tonnes of feed per annum correspondingly. Prime Poultry intends to create an affordable source of protein available to all Tanzanians as well as contribute to local employment rates. This entity will have between 300—400 employees within 24 months of continuous operations. Contributing to employment rates as well as the interest of Tanzanians is part of the company's core values.

The proposed project is to be implemented as follows:

PROJECT INVESTMENT SUMMARY US\$

	Hatchery	Parent stocks/Breeder Farm	Commercial layers/table stocks	Feed Mill	TOTAL
Land and Building	482,000.00	2,580,000.00	1,515,000.00	866,000.00	5,443,000.00
Machinery and Equipment	483,000.00	270,000.00	1,250,000.00	1,225,000.00	3,228,000.00
Vehicles	300,000.00	30,000.00	200,000.00	200,000.00	730,000.00
Furniture and Fittings	15,000.00	20,000.00	25,000.00	25,000.00	85,000.00
Pre Expense	10,000.00	15,000.00	10,000.00	10,000.00	45,000.00
Others	10,000.00	20,000.00	15,000.00	15,000.00	60,000.00
Working capital	250,000.00	850,000.00	1,500,000.00	2,341,000.00	4,941,000.00
TOTAL	1,550,000.00	3,785,000.00	4,515,000.00	4,682,000.00	14,532,000.00

It is on the basis of the above reasons the management has thought it is prudent to establish and operate the proposed poultry farm project by procuring and installing modern incubators, feed mills, and veterinary supplies, and use of new rearing methods. Hence the poultry farm project is estimated at USD 14,532,000 which will include working capital.

RIME POULTRY TANZANIA LIMITED COST STRUCTURE US\$

PARTICULAR	
Land and Buildings	5,443,000.00
Machinery & Equipment	3,228,000.00
Motor Vehicles	730,000.00
Furniture & Fixtures	85,000.00
Pre exp	45,000.00
Others	60,000.00
Working Capital	4,941,000.00
TOTAL	14,532,000.00

2.3 Company's Background

Prime Poultry is a subsidiary company to a major poultry company in Southern Africa with 20 years of farming experience and state-of-the-art farming equipment. Prime Poultry intends to have leading-edge technology as well as highly developed futuristic chicken houses to produce the best quality product and keep efficiencies to a maximum. This entity intends to focus on keeping all state-of-the-art farms bio-secured for a healthy chicken coup and disease-free environment.

Overall, this entity would like to contribute to the development of the country by creating employment, expanding markets, and bringing a good product into a Tanzanian family's home. This entity intends to achieve all this with independent financial backing and support from a government entity...

2.4. Project Cost & Financing Pattern

The proposed integrated project is estimated to cost a total of US\$ **14,532,000**, of which US\$ 1,453,200 is the owner's equity contribution of the project, and the remaining US\$ 13,079,700 will be sourced from financial institutions with an estimated interest of 8%. The project will be implemented within 10 years

2.5. Business Plan Objectives

The objectives of this study are two-fold. The first is to determine the viability of the proposed project and serve as a business plan for the company's development program. First, it will be a road map for running proposed projects. The project promoters have commissioned a reputable engineering and project planning consulting firm to advise detailed technical and economic evaluation of the project and in

determining its viability. As the report will be used to raise debt financing for the project, it is tailored to meet the standard requirements of financial institutions in the region.

Secondly, it is meant to facilitate the application for the Tanzania Investment Centre (TIC) Certificate of Incentives so as to access exemptions on duties, VAT deferments and other benefits, and protections as statutorily provided for under Tanzania Investment Act (1997).

2.6. Product: Demand and Market Analysis

There is an extensive market to absorb all the company's poultry products like eggs and broiler chicken meat, broilers, and layer day-old chicks produced in the establishment programme as the market is growing day by day. Eggs and chicken meat are healthy food due to the high protein in them and have a big market in Supermarkets, hotels, schools; homes, etc. and they, are eaten on different occasions. The day-old chicks day-olden feed is badly needed by the farmers who rear the chickens.

A recent survey undertaken by the company has realized that there is high demand for quality eggs and broiler chicken meat, broilers and layer day old chicks day-old, and chicken feed. Goodwill, quality, and promptness are the factors that make the project dominate the market. There are a number of poultry farms and importers of day-old chicks that can completely compete with the company's poultry products.

The company's also expect to export the poultry products to the neighboring countries especially, in this establishment programme

3.0 Submission

PRIME POULTRY TANZANIA LIMITED wishes to submit its Investment plan and application to the Tanzania Investment Centre its proposal for registration and award of certificate of incentives in the establishment programme, which enables the project to enjoy import duty and VAT exemption on project's Capital/ Deemed capital goods.

4.0 Economic & Healthy Reasons

Positive economic growth which had been registered in Tanzania, have attracted more investments in the country, which resulted an increase in purchasing power of people, hence increase in demand for poultry products like eggs and chicken meat. Supermarkets, Hotels, colleges, homes, and special occasions are among the targeted markets.

The local and foreign farmers in their poultry keeping project have to purchase broilers & layers day old chicks and chicken feed from the modern poultry farm.

The demand for eggs and chickens is high due to high nutrients and proteins which in found in them.

5.0 Competition/Market

There are a number of importers of poultry products in Tanzania and few local poultry farm & feed producers still the supply is not enough

compared to the level of demand. And some are producing the poultry products with poor quality and weight due to giving the chickens wrong & low quality feed.

However, the company expects to dominate the local and export market because the project ensures the high quality of eggs, chicken meat, day old chicks (broilers & layers) and chicken feed. Other factors are goodwill and promptness.

6.0 Promotion & Advertisement

In this establishment programme, the modern poultry farm/ feed project knowing that advertisement forms part of the marketing strategy especially in promoting the poultry business.

The proposed project will be embarked upon in the newspapers, street banners and later on in the televisions in a manner benefiting the promotional role of any company or private institutions.

7.0 Business Strategy

In order to meet increase the production capacity, the growing demand and high quality poultry products, the management of the company will develop and implement the following business strategies which will capture and dominate the market.

8.0 Environmental Impact

The Poultry Farm project is environmental friendly and will have no negative impact on environment. It does not produce any harmful waste

products at the result of its poultry farm/ feed mill activities. The manure will be well stored and sold to local farmers.

9.0 Marketing Organization

PRIME POULTRY TANZAIA LIMITED; will produce products and sell at wholesale level to a local and international market. The importers from the neighboring countries will be expected to orders for their requirements to the company by mails, phones, and their orders will be sent to country of their destinations, but arrangements can also be made for the promoters to deliver directly to importer from Kenya, Uganda, Rwanda and South Sudan. Likewise, local buyers are expected to collect their requirements of the various products for the produced products, but the promoters will be flexible to deliver the goods on demand.

10.0 Pricing strategy

The basis for pricing has been from observations and data collected from various parts of Tanzania, market behavior of raw materials and by-products, production costs and profit margins. Packaging will be done in good quality material, the pricing has been estimated at annual sales increase of 5% and this should allow a very high standard of packing. The industry after making marketing research has come up with the following proposed prices status; the price for day-old chicks is **US\$ 0.77** and the average price of a tray of eggs is **US\$ 3**

11.0. Project Location

The project will be developed at PRIME POULTRY TANZANIA LIMITED compound, the project is located at **Pangani Area, Kibaha District, Coast Region**. 40km from Dar es Salaam. For economic benefit, related

industries can be constructed to the same areas as there is a room to establish other plants.

11.1. Project Site analysis

Based on physical inspection of the proposed site, the availability of a basic and essential industrial infrastructure such transport, water supply, effluent disposal, electric power supply, telecommunication system and security were all checked out and they were satisfactory for factory establishment. The realization of the project development requires successful completion of a number of necessary activities and facilities to enable the successful development of the project. The project location is already installed necessary utilities such as reliable supplies of energy, water, transportation, telecommunications services, waste disposal and other services are in place.

12.0 . Project Financing

The project costs, including fixed costs (machinery, equipment, building renovations, motor vehicles, office furniture and equipment and pre-operation expenses will be financed by the shareholder, s, and loan fa, facilities will be imposed to this project. The project promoters are planning to finance project costs in the following pattern:

12.1 Project Implementation

Full implementation of the project is planned to take place by end of July 2024 and all machines has been ordered for importation from abroad.

13.0 Employment

The whole process of production lines is looking at providing direct employment to at least 300-400 permanent jobs on full implementation and operation of the project. Thereafter most of the production supervision will be taken over by local Tanzanians who by then will be

expected to have acquired adequate experience in the operations and management of the project.

13.1. Recruitment

Recruitment will be carried out by giving first preference to young and women from neighboring and from local technical institutes such as the Vocational Education Training Authority “VETA”, based on demonstration of skills and aptitude basis and their willingness to work for PRIME POULTRY TANZANIA LIMITED. Careful methodology is being worked out by a competent management consultant who will set the job descriptions etc. To ensure that the right caliber is recruited. Recruitment of expatriate personnel will be carried out in consultation with the relevant authorities in Government and the collaborating agencies.

13.2. Training and the use of Consultants

The Company plans to initially carry out on the job training for most of the technical staff (depending on the source of technology) to be dispatched to the project site by the suppliers of the plant which will be specified under sales agreement. Later on, the maintenance staff will be sponsored to go on field trips outside the country with the manufacturers of the machinery abroad so as to familiarize themselves with the operations of the plant and machinery. In general the company will ensure that employees acquire new skills and procedures to increase their productivity fourfold. Educational materials will be subsidized or paid for to motivate the workers to develop themselves

Whereas the company will endeavor to obtain the best talents to fill the permanent posts in the organization, it is intended where necessary, to

continue with the policy of hiring out some specialized skills by way of consultants. Alternatively, those skills not required throughout the year will be left to Consultants. These include legal counsels, systems and management consultants. To ensure efficient and scientific management, operational manuals will be prepared for the core functions of the company.

13.43 Organization and Management

The project will be managed by qualified professionals given the vast experience that the promoters have acquired over years in running and managing similar businesses. The Board of Directors formulates policy and offer strategic business guidance to management and regularly monitor and evaluate performance of the company.

All the production line will have its own management under which the day to day leader/management of each production line will be vested in the management team headed by a Production Manager. The Production Manager is to be assisted by qualified and experienced personnel. The Production Managers will report to a General Manager who will be directly responsible to the Board of Directors.

14.0. Financial Analysis

14.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. The capital investment allowance is 50%. The capital assets have exempted The capital from duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied, it is assumed to be 10%annual depreciation.

It is assumed that the major building raw material will be procured from the local market and other will be imported. Revenues have been conservatively estimated based on the experience of the promoters and trends in the industry.

10 years of financial projections have been worked out

14.2 Financial Statements:

14.3 Projected Revenue

For projection purposes, it is assumed that the economic life of the project is ten years and that revenue from business commences from the first year of operation

PRIME POULTRY TANZANIA LIMITED PROJECTED REVENUE US\$000

	1	2	3	4	5	6	7	8	9	10
-										
Revenue	36,000	37,800	39,690	41,674.5	43,758.2	45,946.1	48,243.4	50,655.6	53,188.3	55,847.8

14.4 Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 5 years period. The position depicted is that the project earns profit throughout its life. Accumulated after-tax profits grow from. US \$ 1,045,702 in the first year to US \$ 19,854,051 in the 10th year,

14.5 Projected Cash Flows

This is shown in the Projected Cash Flows Statement, They indicate that the project will meet its entire financial obligation, the Accumulated cash flow in the first year of US\$ 2,431,842 and grow up to US\$ 27,715,451 in the 10th year,

14.5 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under the appendix, total owners' equity of the project increases

from US 1,453,200 at the end of the first year of operation to US \$ 21,307,251 at the end of in 10th year.

14.6 Projected payback period

Total investment is US \$ 14,532,000 cash accumulation in year 8 is US 15,276,815 which is US \$744,815 more than the initial investment costs, the project payback periods within 8 years,

14.7 Projected loan repayment

The total loan is US \$ 13,079,700, to be repaid with 8years with the interest of 8%,

14.8 Project investment cost

The project on completion has been estimated to cost US\$ 14,532,000.00

14.9 Projected Risks

This is a poultry farm and hatching investment; no major risks have been identified for this kind of project so far. Unless a change in the country's political and economic stability occurs the project is more likely to prosper very fast for a very long period

15.0. Economic and Social Aspects

The project is also likely to have a positive impact on the economy as a whole by creating employment and contributing to Government revenues through various taxes, which will be paid. It also has potential for the substantial exporting to foreign markets, especially to neighboring countries in the Great Lakes Region. In summary, the following table will show the impact investment index framework

Benefits

- Increased availability of the quality of eggs, and chicken ;

- Increased business transacted by eggs and chicken businessmen and women ;
- Business opportunities for local entrepreneurs in market distribution channels,
- Business opportunities to contractors and sub-contractors during the minor construction phase;
- Increase of technology transfer & expertise to locally employed staff,
- Capital spends in the local economy of US\$ 14,532,000 and
- Contribution to GDP growth through increased economic activities

Based on the Impact Investment Index analysis, the company can develop projections that the project can deliver both value for money in the context of broad socioeconomic impact and return on investment while complying with governance requirements. In this regard therefore, PRIME POULTRY TANZANIA LIMITED will promote the industrialization process in the country, create employment, attract new technologies, expand foreign exchange earnings and ultimately contribute substantially to the country's economic growth.

16.0. Concluding Remarks and Way Forward

On the basis of all the analysis done on this Business Plan on all aspects of assessment on both SWOC Analysis, market analysis, risk analysis, and financial analysis, the proposed investment options in the fruit processing plant as prescribed in this business plan have shown that the project is commercially viable. Nonetheless, PRIME POULTRY TANZANIA LIMITED through a professional consultative manner will continue to find ways of implementing cost-effective options given in time and financial resources that will be made available. Financial analysis results show that when the

construction of Poultry farm and hatching facility is financed 50% by shareholders and 50 long term loan. The payback period for the project is estimated at 4 years, which is within the range for this type of investment. Sensitivity analysis results also favor the project. Financial analysis for the project has shown feasible returns, based on the investment scope and the assumptions taken in this Business Plan.

16.2 Conclusive Remarks and Way Forward

The development of this Poultry farm and hatching will be funded by owners' equity and long-term loans. The company acting through its various shareholders and structures will provide the initial risk capital amounting to US\$ 1,453,200. The company will fund the development of the poultry farm and hatching project, before the Company engages in the development of this project as a private enterprise, it needs to accomplish the pre-development activities to make way for the development of the designated project

**PRIME POULTRY TANZANIA LIMITED PROJECTED INCOME &
EXPENDITURE STATEMENT (US\$)**

	1	2	3	4	5	6	7	8	9	10
-										
Revenue	36,000,000.00	37,800,000.00	39,690,000.00	41,674,500.00	43,758,225.00	45,946,136.25	48,243,443	50,655,615	53,188,396	55,847,816
Operating Expenses:	33,120,000	34,776,000	36,514,800	38,340,540	40,257,567	42,270,445	44,383,968	46,603,166	48,933,324	51,379,991
Gross Profit Before Interest and Depreciation	2,880,000	3,024,000	3,175,200	3,333,960	3,500,658	3,675,691	3,859,475	4,052,449	4,255,072	4,467,825
Interest	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	-	-			
Depreciation	186,140	186,140	186,140	186,140	186,140	186,140	186,140	186,140	186,140	186,140
Gross Profit	1,493,860	1,637,860	1,789,060	1,947,820	2,114,518	3,489,551	3,673,335	3,866,309	4,068,932	4,281,685
Tax (30%)	448,158	491,358	536,718	584,346	634,355	1,046,865	1,102,001	1,159,893	1,220,680	1,284,506
Profit After Tax	1,045,702	1,146,502	1,252,342	1,363,474	1,480,163	2,442,686	2,571,335	2,706,416	2,848,252	2,997,180
Accumulated Profit	1,045,702	2,192,204	3,444,546	4,808,020	6,288,183	8,730,868	11,302,203	14,008,619	16,856,872	19,854,051

PRIME POULTRY TANZANIA LIMITED PROJECTED CASH FLOW US\$

SOURCES:	0	1	2	3	4	5	6	7	8	9	10
Profit before interest and depreciation	-	2,880,000	3,024,000	3,175,200.00	3,333,960	3,500,658	3,675,691	3,859,475	4,052,449	4,255,072	4,467,825
Equity	1,453,200										
Loan	13,079,700										
Total Sources	14,532,900	2,880,000	3,024,000	3,175,200	3,333,960	3,500,658	3,675,691	3,859,475	4,052,449	4,255,072	4,467,825
Applications:											
Capital expenditure	9,486,000	-	-	-	-	-					
working Capital & Others	5,046,900										
Cash	-	2,431,842	2,532,642	2,638,482	2,749,614	2,866,303	2,628,826	2,757,475	2,892,556	3,034,392	3,183,320
Tax	-	448,158	491,358	536,718	584,346	634,355	1,046,865	1,102,001	1,159,893	1,220,680	1,284,506
Sub total	14,532,900	2,880,000	3,024,000	3,175,200	3,333,960	3,500,658	3,675,691	3,859,475	4,052,449	4,255,072	4,467,825
Total applications	14,532,900	2,880,000	3,024,000	3,175,200	3,333,960	3,500,658	3,675,691	3,859,475	4,052,449	4,255,072	4,467,825
Accumulated cash		2,431,842	4,964,484	7,602,966	10,352,580	13,218,883	15,847,708	18,605,183	21,497,739	24,532,132	27,715,451

PRIME POULTRY TANZANIA LIMITED PROJECTED BALANCE SHEET US \$

Fixed Assets	1	1	2	3	4	5	6	7	8	9	10
Opening balance	-	9,486,000	9,299,860	9,113,720	8,927,580	8,741,440	8,555,300	8,369,160	8,183,020	7,996,880	7,810,740
Additions	-										
Total Long-term Assets	-	9,486,000	9,299,860	9,113,720	8,927,580	8,741,440	8,555,300	8,369,160	8,183,020	7,996,880	7,810,740
Less depreciation	-	186,140	186,140	186,140	186,140	186,140	186,140	186,140	186,140	186,140	186,140
Closing balance	-	9,299,860	9,113,720	8,927,580	8,741,440	8,555,300	8,369,160	8,183,020	7,996,880	7,810,740	7,624,600
Working capital	5,046,900	5,046,900	5,046,900	5,046,900	5,046,900	5,046,900	5,046,900	5,046,900	5,046,900	5,046,900	5,046,900
Accumulated cash	-	2,431,842	4,964,484	7,602,966	10,352,580	13,218,883	15,847,708	18,605,183	21,497,739	24,532,132	27,715,451.35
Total assets	5,046,900	16,778,602	19,125,104	21,577,446	24,140,920	26,821,083	29,263,768	31,835,103	34,541,519	37,389,772	40,386,951
Financed by											
Equity	1,453,200	1,453,200	1,453,200	1,453,200	1,453,200	1,453,200	1,453,200	1,453,200	1,453,200	1,453,200	1,453,200
Accumulated profit	-	1,045,702	2,192,204	3,444,546	4,808,020	6,288,183	8,730,868	11,302,203	14,008,619	16,856,872	19,854,051.35
Total equity	1,453,200	2,498,902	3,645,404	4,897,746	6,261,220	7,741,383	10,184,068	12,755,403	15,461,819	18,310,072	21,307,251
o	-	-	-	-	-	-	-	-	-	-	o
Bank Loan	13,079,700	11,444,738	9,809,776	8,174,814	6,539,852	4,904,890	3,269,928	1,634,966	-	-	o
Total debts	13,079,700	9,809,776	9,809,776	8,174,814	6,539,852	4,904,890	3,269,928	1,634,966	-	-	-
Total equity and debts	14,532,900	12,308,678	13,455,180	13,072,560	12,801,072	12,646,273	13,453,996	14,390,369	15,461,819	18,310,072	21,307,251

PRIME POULTRY TANZANIA LIMITED PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	1,045,702	186,140	1,231,842	734,000
2	1,146,502	186,140	1,332,642	2,066,642
3	1,252,342	186,140	1,438,482	3,505,124
4	1,363,474	186,140	1,549,614	5,054,738
5	1,480,163	186,140	1,666,303	6,721,041
6	2,442,686	186,140	2,628,826	9,349,866
7	2,706,416	186,140	2,892,556	12,242,423
8	2,848,252	186,140	3,034,392	15,276,815
9	2,997,180	186,140	3,183,320	18,460,135

PRIME POULTRY TANZANIA LIMITED PROJECTED LOAN REPAYMENT

Year	principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	1,634,962	1,046,376	2,681,338	13,079,700
2	1,634,962	1,046,376	2,681,338	11,444,738
3	1,634,962	1,046,376	2,681,338	9,809,776
4	1,634,962	1,046,376	2,681,338	8,174,814
5	1,634,962	1,046,376	2,681,338	6,539,852
6	1,634,962	1,046,376	2,681,338	4,904,890
7	1,634,962	1,046,376	2,681,338	3,269,928
8	1,634,962	1,046,376	2,681,338	1,634,966
9	13,079,696			

PRIME POULTRY TANZANIA LIMITED COST STRUCTURE US\$

	Hatchery	Parent stocks/Breeder Farm	Commercial layers/table stocks	Feed Mill	TOTAL
Land and Building	482,000.00	2,580,000.00	1,515,000.00	866,000.00	5,443,000.00
Machinery and Equipment	483,000.00	270,000.00	1,250,000.00	1,225,000.00	3,228,000.00
Vehicles	300,000.00	30,000.00	200,000.00	200,000.00	730,000.00
Furniture and Fittings	15,000.00	20,000.00	25,000.00	25,000.00	85,000.00
Pre Expense	10,000.00	15,000.00	10,000.00	10,000.00	45,000.00
Others	10,000.00	20,000.00	15,000.00	15,000.00	60,000.00
Working capital	250,000.00	850,000.00	1,500,000.00	2,341,000.00	4,941,000.00
TOTAL	1,550,000.00	3,785,000.00	4,515,000.00	4,682,000.00	14,532,000.00