



DUVII FARM LIMITED

BUSINESS PLAN FOR SISAL PLANTATION AND PRODUCTION

**FOR THE PERIOD STARTING 2023 TO
2026**

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EXECUTIVE SUMMARY

Introduction

DUVII Farm Limited is an established player in the sisal industry, with operations dating back to January 2021. Our company is registered and incorporated under the Tanzania Company Act of 2002. Based in Mkinga, Tanga, our primary focus is on sisal farming, sisal purchases, sisal processing, and the sale of sisal fiber products. The company's main product activities include sisal farming, sisal purchasing, sisal processing, fiber sales, and other services, which encompass processing and selling sisal waste products, as well as equipment rental, among other offerings. The company expect to start harvestings its first sisal soon November and October 2023 and also the company expect to get bank supporting with effective from January 2024.

Targeted Markets

The company targets the sale of its sisal and fiber products to North America, Latin America, Europe, CIS & Russia, Japan, Asia Pacific excluding Japan, and the Middle East Africa. The main objective is to venture into the promising European market, with the current average selling price of fiber standing at TZS 4,000,000 for the financial years 2023 and 2024. We anticipate a steady price increase of 5% annually thereafter. This projected growth, combined with our ambitious production targets, is expected to result in substantial sales revenues. We aim to achieve TZS 630 million in sales for 2023, doubling to TZS 1,260 million in 2024. Looking further ahead, we foresee sales of TZS 4,410 million in 2025 and TZS 4,630 million in 2026.

Management of the company

The company will be managed by both directors, a management team, supervisors, and the roles of directors will involve strategically supervising the company and ensuring its growth. The management team will be responsible for the day-to-day operations of the company, while supervisors will oversee specific assignments. All directors, management, and other employees will be entitled to all allowances as required by statutory laws.

Operational Assets Requirements

To operate the business smoothly, the company requires the following: land for sisal cultivation, availability of a modern production facility and supporting structures, cutting-edge machinery for efficient fiber extraction and processing, and working capital to cover operational costs during the initial stages of production. The total facilities required are expected to be TZS 2.42 billion, with TZS 470 million allocated for land and building, TZS 1.257 billion for tractors, TZS 50 million for motor vehicles and cycles, and TZS 265 million for machines and equipment. As of today, the company has already secured a total asset value of TZS 859 million, which includes TZS 250 million for land and building, TZS 409 million for tractors, TZS 50 million for motor vehicles, and TZS 150 million for machinery and equipment.

Need of Assets and the financing of assets required.

The company needs to acquire total assets with a value of TZS 1.183 billion, including TZS 220 million for land and buildings and TZS 963 million for machinery and equipment. The required banking support is 70% in the form of a loan with an amount of TZS 828 million, and the company's contribution will be TZS 354 million, equal to 30% of the required assets.

Financing of the assets required

| FINANCING TYPE | AMOUNT | % |
|----------------------|----------------------|-------------|
| Company Contribution | 354,900,000 | 30% |
| Bank Contribution | 828,100,000 | 70% |
| TOTAL | 1,183,000,000 | 100% |

Financial projections

The Company project to have a total sale of TZS 622 million, TZS 1.321 billion, TZS 4.518 billion and TZS 5.139 billion, for the projected financial year 2023,2024,2025 and 2026 respectively. With projected Profit before Interest and Tax of TZS 276 million, TZS 238 million, 2,299 billion and 2.722 billion for the financial year 2023,2024,2025 and 2026 respectively. With Earning Before Tax to interest ratio of 45%,18%,51% and 53% for the year 2023,2024,2025 and 2026 respectively.

| Details | All Amount are in TZS | | | |
|----------------------|-----------------------|-------------------|----------------------|----------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Sales Revenue | 622,377,000 | 1,321,677,000 | 4,518,177,300 | 5,139,855,000 |
| Total Costs | 345,378,761 | 1,083,048,395 | 2,218,752,293 | 2,417,573,754 |
| EBIT | 276,998,239 | 238,628,605 | 2,299,425,007 | 2,722,281,246 |
| Interest Expenses | - | 167,342,756 | 75,638,998 | 28,484,437 |
| EAI | 276,998,239 | 71,285,849 | 2,223,786,009 | 2,693,796,809 |
| Corporate Tax | 83,099,472 | 21,385,755 | 667,135,803 | 808,139,043 |
| EAIT | 193,898,767 | 49,900,094 | 1,556,650,206 | 1,885,657,766 |
| EBIT to Sales | 45% | 18% | 51% | 53% |

| Details | All Amount are in TZS | | | |
|---------------------------------------|-----------------------|----------------------|----------------------|----------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Non-Current Assets | 839,320,968 | 1,973,448,433 | 1,801,925,326 | 1,646,640,242 |
| Current Assets | 318,675,300 | 670,924,485 | 1,405,251,773 | 2,631,616,592 |
| TOTAL ASSETS | 1,157,996,267 | 2,644,372,918 | 3,207,177,099 | 4,278,256,834 |
| Equity | 1,133,898,767 | 1,643,798,862 | 2,700,449,068 | 4,086,106,834 |
| Loan | - | 594,601,502 | 320,878,031 | - |
| Current Liabilities | 24,097,500 | 405,972,555 | 185,850,000 | 192,150,000 |
| Total Equity & Liabilities | 1,157,996,267 | 2,644,372,918 | 3,207,177,099 | 4,278,256,834 |
| Debt to Equity ratio | 0.02 | 0.61 | 0.19 | 0.05 |
| Current Ration | 13.22 | 1.65 | 7.56 | 13.70 |

COMPANY DESCRIPTION

1.1 Company Name

DUVII Farm Limited

1.2 Mission Statement:

DUVII Farm Limited is committed to excellence in the sisal industry. Our mission is to sustainably cultivate, process, and deliver premium sisal fiber products to local and international markets, while contributing to the growth of the agricultural sector in Tanzania.

1.3 Business Overview

DUVII Farm Limited is an established player in the sisal industry, with operations dating back to January 2021. Our company is registered and incorporated under the Tanzania Company Act of 2002. Based in Mkinga, Tanga, our primary focus is on sisal farming, sisal purchases, sisal processing, and the sale of sisal fiber products.

1.4 Legal Structure

DUVII Farm Limited operates as a registered and incorporated company in accordance with the Tanzania Company Act of 2002. We adhere to all legal requirements and standards, reflecting our commitment to transparency and accountability.

1.5 Location

Situated in Mkinga, Tanga, our strategic location provides us with the ideal conditions for sisal cultivation. The region's climate and soil quality are conducive to producing high-quality sisal fiber.

1.6 Ownership

DUVII Farm Limited is proudly owned and managed by Said Ntimizi and Ismail Ntimizi. Our leadership team brings a wealth of experience and expertise to the sisal industry.

1.7 Unique Selling Proposition (USP)

At DUVII Farm Limited, our unique advantage lies in our comprehensive approach to sisal, from cultivation to processing and distribution. We prioritize sustainable practices, ensuring that our sisal products meet the highest standards of quality and environmental responsibility.

1.8 Key Services and products.

- **Sisal Farming:** We engage in sisal cultivation, nurturing healthy sisal plants to yield premium fiber.
- **Sisal Purchases:** We procure sisal from local farmers, supporting the growth of the agricultural community.
- **Sisal Processing:** Our state-of-the-art processing facilities ensure the efficient transformation of sisal into market-ready fiber.

- **Sisal Fiber Sales:** We supply sisal fiber products to a wide range of customers, catering to both domestic and international markets.

1.9 Client Base:

DUVII Farm Limited serves a diverse client base that includes sisal product manufacturers, exporters, and businesses in various industries. Our commitment to quality and sustainability has garnered trust and loyalty among our clients.

1.10 Vision for the Future: DUVII Farm Limited envisions continued growth and leadership in the sisal industry. We aim to expand our sisal cultivation, processing, and distribution operations, while further contributing to the agricultural development of Tanzania. Our goal is to be a recognized name in the global sisal market, synonymous with quality and sustainability.

Sisal Plantation



Sisal Purchases



Sisal processing



Sisal fiber products



2.0 MARKETING ANALYSIS

2.1 Targeted Market:

The DUVII farm limited has target the European Markets for sisal fiber products in European countries represents a significant opportunity for DUVII Farm Limited. According to recent industry data, the global sisal market was valued at approximately \$1.27 billion in 2022, with a notable growth rate of 4.5%. Projections indicate that the sisal market is expected to continue its upward trajectory, reaching an estimated value of \$1.97 billion by 2032, reflecting a steady and promising growth rate over the next decade.

The company have targeted the European Market to sisal the Sisal products, because the demand of natural fiber in UK is high and the is a lot of policies and reason which makes the natural fiber to have high demand in European countries and the reasons are: -

- **Environmentally friendly fiber:** European Countries have awareness on environmental issues and hence they always require natural fibers which are environmental friends that why the sisal has good demand and market in European countries.
- **Eco-Friendly Trends:** Sisal products, such as sisal rugs, bags, and twine, fit well with the eco-friendly and green living trends in Europe. Many consumers are looking for alternatives to synthetic materials, and sisal provides a natural and sustainable option.
- **Growing Interest in Natural Fibers:** Sisal is a natural and durable fiber with a variety of applications. European consumers are increasingly interested in products made from natural fibers due to their longevity, texture, and aesthetic appeal.
- **Agriculture and Job Creation:** Sisal production provides employment opportunities in regions where it is cultivated, often in developing countries. European consumers who prioritize fair trade and supporting sustainable agriculture may be inclined to purchase sisal products.
- **Versatility:** Sisal products can be used in a wide range of applications, from home decor to agriculture and packaging. This versatility allows sisal manufacturers to cater to various consumer preferences and market segments.
- **Health and Safety:** Sisal fibers are non-toxic and pose no health hazards. European consumers are increasingly conscious of product safety, and sisal products offer a safe alternative to some synthetic materials.
- **Trade Agreements:** Trade agreements between European countries and sisal-producing regions can facilitate the import and export of sisal products, reducing trade barriers and making it easier for sisal manufacturers to access European markets.

The European market is the good market for sisal products, the natural sisal products are highly being used into various European industries specifically in Manufacturing of Carpets and Rugs, Textile and Fabric Producers, Agriculture and Horticultural Industries, Craft and Artisanal markets, Packaging and shipping Companies, Eco-Fruend and Sustainable Brands, Interior Design and

home décor companies, Gardening and land scaping companies, Automotive and industrial applications.

2.2 Competition in the Sisal Market

The competitive landscape in the sisal market is expected to intensify as the industry expands. While DUVII Farm Limited aims to establish itself as a prominent player in the market, it is important to analyze potential competition both domestically and internationally.

2.3 Domestic Competition: In Tanzania, where DUVII Farm Limited is headquartered, there may be competition from other sisal farming and processing companies. Key factors differentiating DUVII Farm Limited from domestic competitors include our commitment to sustainable farming practices, vertically integrated operations, and adherence to international quality standards.

2.4 International Competition: On the international front, DUVII Far Limited may encounter competition from established sisal producers and exporters in countries such as Brazil, Kenya, and China. These competitors may have larger production capacities and a well-established market presence. However, DUVII Far Limited's dedication to sustainable practices and the high quality of its sisal fiber products can serve as competitive advantages.

2.5 Unique Competitive Advantages from Company Description:

DUVII Farm Limited's competitive edge lies in its comprehensive approach to sisal farming, processing, and distribution. This approach, as outlined in the company description, offers several distinct advantages:

- **Sustainable Farming Practices:** DUVII Far Limited's commitment to sustainable agriculture aligns with the growing global demand for eco-friendly and responsibly sourced products. This can be a strong selling point in the European market, where sustainability is highly valued.
- **Quality Assurance:** The company's dedication to quality throughout the cultivation, processing, and distribution stages ensures that its sisal fiber products meet international quality standards, providing a competitive advantage in the European market.
- **Vertical Integration:** DUVII Farm Limited's vertically integrated operations, from farming to processing, enable better control over product quality and consistency, reducing dependence on external suppliers and ensuring reliability in the European market.
- **Ethical Sourcing:** DUVII Far Limited's involvement in purchasing sisal from local farmers supports community development and ethical sourcing practices, a compelling narrative for European consumers who prioritize ethical and fair-trade products.
- **Proven Leadership:** The experienced leadership of **Said Rashid Omari** and **Ismail Athumani Ntimizi** adds credibility to the company, instilling trust in European buyers and partners.

2.6 Market Analysis

The global sisal market has experienced rapid growth in recent years and is segmented based on regions, including North America, Latin America, Europe, CIS & Russia, Japan, Asia Pacific excluding Japan, and Middle East Africa. Sisal cultivation for fiber is widespread across several countries, including Angola, Brazil, Kenya, Madagascar, Mozambique, China, Cuba, Haiti, Indonesia, Mexico, South Africa, Tanzania, and Thailand.

Regional Market Share: Latin America, Asia Pacific, and Europe have notably high value and volume shares in the sisal market compared to other regions. The production configurations vary among countries. Kenya and Tanzania primarily engage in large-scale sisal plantation farming, whereas Brazil focuses on small-scale production.

Key Producers: Key players in sisal production include Brazil, Tanzania, and Kenya. Brazil stands as the leading exporter of both raw sisal fiber and manufactured goods, particularly rope, to the USA, followed closely by Kenya and Tanzania. China is also a significant producer and consumer of sisal fiber products.

Industry Developments: Companies involved in sisal production are increasingly prioritizing product quality to meet the expectations of end users while delivering value to stakeholders. The sisal industry demands substantial capital investment, particularly in cultivating high-quality sisal plants.

In Tanzania we have experienced the high increase of business volume specifically in major companies which are producing the sisal, the recent data show that e

SFI Tanzania: In 2021, SFI Tanzania embarked on sisal plantation efforts, dedicating 237.5 hectares of land to sisal cultivation. A sisal nursery plantation covering 23.75 hectares was established. The company achieved a sisal production volume of 1,755 tons in the same year.

MeLT Company, Tanzania: MeLT, based in Tanzania, is a significant contributor to the sisal industry, producing approximately 10,000 tons of sisal fibers annually. This accounts for approximately 35% of the total sisal production in Tanzania.

These industry dynamics and developments underscore the potential for growth and competition in the sisal market. DUVII Farm Limited will navigate this landscape by leveraging its commitment to sustainability, quality, vertical integration, and ethical sourcing, as outlined in the company description, to establish a strong presence in the European market while exploring opportunities in other regions.

Also considering the facts below, we expect the growth of demand of sisal fibers will also increase of company sales, the following factors are considered that will increase the demand of the sisal fibers in the market such factors include: -

- Increasing demand from the automotive and construction industries for Sisal Fiber products as a substitute for traditional materials such as steel, aluminum, and concrete.
- Growing popularity of natural fibers over synthetic fibers in textile applications due to their environmental friendliness and biodegradability.

- Raising awareness about the health benefits of using Sisal Fiber products, such as improved air quality and reduced exposure to harmful chemicals.
- Technological advancements that have led to the development of new Sisal Fiber products with enhanced performance characteristics.

2.7 Marketing forecasting and projections

DUVI Farm limited projects the following marketing trends for the period of the first five years of operations.

In the financial year 2023, our company is poised to demonstrate remarkable growth as we project to produce and sell an impressive 79 tons of high-quality fiber from our farm plantation. Looking ahead to 2024, our farms are forecasted to double their production to an impressive 158 tons of fiber, maintaining this level of production for the subsequent years of 2025 and 2026, totaling an astounding 525 tons.

In addition to our in-house production, we have a strategic plan in place. DUVI Farm Limited will actively engage with external farmers, procuring an equivalent quantity of fiber to complement our internal production capacity. This commitment to sourcing from external farmers mirrors our dedication to maintaining consistent quality and quantity in our product offerings.

Our venture into the European Market is promising, with the current average selling price of fiber standing at TZS 4,000,000 for the financial years 2023 and 2024. We anticipate a steady price increase of 5% annually thereafter. This projected growth, combined with our ambitious production targets, is expected to result in substantial sales revenues. We anticipate achieving TZS 630 million in sales for 2023, doubling to TZS 1,260 million in 2024. Looking further ahead, we foresee sales of TZS 4,410 million in 2025 and TZS 4,630 million in 2026.

This strategic approach aligns perfectly with our commitment to delivering sustainable, high-quality products to the market while capitalizing on favorable market conditions. Our comprehensive plan positions us for a prosperous future, ensuring both growth and stability for our stakeholders.

2.8 Selling price of fiber.

In our meticulously crafted business plan, we have thoroughly analyzed the market dynamics and considered various factors influencing the selling price of sisal fiber. Based on our in-depth market research, we have determined that the average selling price of fiber ranges from TZS 4 million to 4.5 million, depending on the quality of the fiber product.

To maintain a conservative approach and ensure a realistic projection of our venture's profitability, we will prudently utilize the base selling price of TZS 4 million for our calculations. This approach allows us to account for potential market fluctuations and unforeseen challenges, ensuring a robust and sustainable financial model.

By adopting this prudent pricing strategy, we aim to protect the venture's profitability and secure a strong market position. As we focus on delivering high-quality sisal fiber products, we remain confident in the success of our venture and look forward to capitalizing on market opportunities to achieve long-term growth and prosperity.

Table 2.8 Sales projections

| Details | Unit in Tons | | | |
|------------------------|--------------|------------|------------|-------------|
| | 2023 | 2024 | 2025 | 2026 |
| From Farms | 79 | 158 | 525 | 525 |
| From Other producers | 79 | 158 | 525 | 525 |
| Total available Tons | 158 | 315 | 1050 | 1050 |
| Total Tons sold | 140 | 298 | 969 | 1050 |

| | | | | |
|------------------------|--------------------|----------------------|----------------------|----------------------|
| Selling Price | TZS 4,000,000 | TZS 4,000,000 | TZS 4,200,000 | TZS 4,410,000 |
| Projected Sales | 560,700,000 | 1,190,700,000 | 4,070,430,000 | 4,630,500,000 |

Total units sold working and assumptions are available in key financial projection assumptions.

Chart 2.8 sales growth presentation



2.9 Sales collections

The farm expects to have a steady flow of production monthly (every month the company will have equal production and sales), and the company will sell the fiber by providing a 30-day credit period. In the case of new customers, the company will emphasize cash sales, and for any other sales, the company will accept a letter of credit from the new customer.

2.10 Sales strategies

The sisal market is open ad wide especially the sisal which comes from Tanzania, our company will employ various marketing strategies which will ensure the business success as follows: -

2.10.1 Market Research & Analysis- The company have already conducted the comprehensive market research to assess demand of fiber products in Europe, the company will continue with constant marketing research, through the research the company have already identifies various potential buyers of the sisal fiber. The Company also have already analyzed specific requirements and standards for sisal fiber required in the European markets.

2.10.2 Quality Assurance and Compliance- to have proper sales we have started our planation and set our factory and factory equipment's to meet the European Quality standard of Sisal Fiber and our company will consistently provide high quality, Clean and well processed fiber this will build good reputation in the European Market.

2.10.3 Competitive pricing Strategy- To win the customers we will offer the competitive pricing strategies while we will maintain our quality and standard of the products, we will use various means on pricing such as Volume discount and offering long term contracts with the customers which will help to secure large and longtime orders.

2.10.4 Product diversifications- To ensure we are catering the needs of different buyers in the market our products will be diversified to cater various industries and applications, our products will cover various range of products such as sisal twine, Rope, Yarn and handcraft.

2.10.5 Industrial Associations and Certifications - The company will become a member of trade associations related to natural fibers, providing access to valuable resources and industry insights. The company will also Obtaining relevant certifications, such as organic or Fair-Trade certifications, if applicable, can enhance the company's market presence. This strategy will help the company to obtain big deals with long-term partnership.

2.10.6 Customer- Centric Approach- We will provide excellent customer support by responding promptly to inquiries, addressing concerns, and offering technical assistance. The company will also emphasize on Flexibility and openness to customization based on the specific needs of European customers are key.

2.10.7 Relationship Building- We will be Establishing and nurturing strong relationships with potential buyers, distributors, and importers in the European market is a priority. We will also be Participation in trade shows, industry events, and networking opportunities is recommended to connect with key players in the industry.

By Implementing these strategies will empower the company to effectively sell sisal fiber in European markets, tapping into the potential of this market while maintaining product quality and sustainability.

3.0 MANAGEMENT AND ORGANIZATION STRUCTURE

Our company, DUVII farm limited, is structured to efficiently manage the company's operations, and deliver on our strategic objectives. Our team consists of experienced professionals who bring a diverse set of skills and expertise to drive the success of the organization.

3.1 Directors:

The business is structured with various directors responsible for overseeing different strategic positions within the company. The leadership of the company will be headed by the Managing Director, who will be supported by the strategic directors of Administration, Marketing, and Finance.

Managing director- Mr. Said Rashid Omari will be a Managing Director, **Mr. Said Rashid Omari** will provide strategic leadership and oversee the overall operations of the company. His extensive experience in the industry will guide decision-making and ensure the company's long-term success. **Mr. Said Rashid Omari** will receive a projected monthly salary of TZS 15 million.

Director of Administration- Sarah Said will take on the role of overseeing the administrative activities of the company. As the Director of Administration, she will be responsible for managing the day-to-day operations of the company, overseeing personnel matters, managing government relationships, and handling other managerial duties. Like other directors, the Director of Administration will receive a monthly salary of TZS 6 million.

Director of marketing- Jacqueline Hangi will assume the role of Director of Marketing within the company. As the Director of Marketing, she will be responsible for overseeing the company's strategic marketing direction, acquiring and retaining customers, managing customer service and handling complaints, and her expected monthly salary is TZS 6 million.

Director of Finance - Ismail A. Ntimizi will serve as the Director of Finance for the company. In this capacity, he will be responsible for the financial management and oversight of the company's fiscal activities. His duties will encompass financial planning, budgeting, financial reporting, and ensuring the company's financial health. Ismail A. Ntimizi will also play a pivotal role in optimizing the allocation of financial resources, monitoring expenditures, and collaborating with other departments to support the company's strategic objectives.

In alignment with other directors, Ismail A. Ntimizi will receive a monthly salary of TZS 6 million for his role as Director of Finance.

3.2 Management Team:

- **Farm Manager:** The Farm Manager will play a pivotal role in overseeing all aspects of farm operations, including planting, cultivation, and maintenance. They will work closely with the Managing Director to ensure production targets are met and farm resources are efficiently utilized. The Farm Manager will also have responsibilities related to workforce management. Their monthly salary is projected to be TZS 2.5 million.

- **Production Industry Manager:** The Production Industry Manager will focus on the processing and production side of the business. They will be responsible for optimizing the production processes, quality control, and ensuring that products meet market standards. Working in tandem with the Farm Manager, they will ensure a seamless transition from farm to production. Their monthly salary will also be TZS 2.5 million.
- **Sales and Executive Personnel:** Sales and Executive personnel will be responsible for marketing sisal products, maintaining customer relationships, and overseeing administrative tasks. They will play a crucial role in expanding the company's market presence. Each member of this team will receive a monthly salary of TZS 2.5 million.
- **Accountant:** The accountant will manage the company's financial records, prepare budgets, and ensure compliance with financial regulations. They will play a vital role in maintaining the financial health of the organization. The accountant's monthly salary will be TZS 2.5 million.
- **Supervisory Staff:** Ten supervisory staff members will be responsible for overseeing various aspects of farm and production operations. They will ensure that work is carried out efficiently and to the highest quality standards. Each supervisor will receive a monthly salary of TZS 600,000.

3.3 Employee Benefits

The company is committed to the well-being of its staff. All employees will be registered with the National Social Security Fund (NSSF), and the company will contribute to the Workers' Compensation Fund (WCF) and the Skills Development Levy (SDL) as required by labor regulations. Additionally, employees will receive coverage under the National Health Insurance Fund (NHIF) to ensure their health and well-being.

This organizational structure and management team will work collaboratively to achieve the company's production targets, maintain product quality, expand market reach, and ensure financial stability. By compensating employees competitively and providing essential benefits, the company aims to attract and retain top talent in the industry, fostering long-term growth and success.

Table 3.3 Summary of personnel costs

| Position | No | Monthly Salary | Expected yearly salary |
|----------------------------|----|----------------|------------------------|
| Managing Director | 1 | 15,000,000 | 180,000,000 |
| Director of Administration | 1 | 6,000,000 | 72,000,000 |
| Director of Marketing | 1 | 6,000,000 | 72,000,000 |
| Director of Finance | 1 | 6,000,000 | 72,000,000 |
| Farm Manager | 1 | 2,500,000 | 30,000,000 |

| | | | |
|-----------------------------|-----------|-------------------|--------------------|
| Production Manager | 1 | 2,500,000 | 30,000,000 |
| Sales & Executive Personnel | 1 | 2,500,000 | 30,000,000 |
| Accountant | 1 | 2,500,000 | 30,000,000 |
| Supervisors | 10 | 6,000,000 | 72,000,000 |
| TOTAL | 15 | 49,000,000 | 588,000,000 |

DUVII farm Limited expect to pay a monthly Salary of TZS 58,800,000, this full payment of salaries will start on December 2023, also we expect the salaries costs due to various restructuring will increase by 20% in year 2025 and 2026.

For administrative purposes and due fact that year 2024 also the company needs to invest and continue with the expanding of the company and hence year 2024 the management team expect to receive half of the budgeted salary and other salary related costs.

The farm will also be registered with national social Security fund (NSSF) and the farm will contribute 10% of the gross salaries to the funds and other 10% will be deducted from employees. The farm will also be registered by Workers Compensation Fund (WCF) and the Farm will contribute 0.5% of the gross amount to the Fund. The Farm will also comply with the requirements of Tanzania Revenue Authority the farm will contribute the Skills and development levy at the rate of 3.5% and will deduct and pay the PAYE as you earn tax as required by various laws. And, the farm will contribute full 6% to the National Health Insurance Fund (NHIF).

Table 3.4 Summary of Projected personnel Costs

| Details | Summary of Personnel Costs | | | |
|------------------------------|----------------------------|--------------------|--------------------|--------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Basic Salaries | 49,000,000 | 294,000,000 | 705,600,000 | 705,600,000 |
| NSSF Contribution | 4,900,000 | 29,400,000 | 70,560,000 | 70,560,000 |
| SDL Contributions | 1,715,000 | 10,290,000 | 24,696,000 | 24,696,000 |
| WCF Contributions | 245,000 | 1,470,000 | 3,528,000 | 3,528,000 |
| NHIF Contributions | 2,940,000 | 17,640,000 | 42,336,000 | 42,336,000 |
| Total Personnel Costs | 58,800,000 | 352,800,000 | 846,720,000 | 846,720,000 |

Labor Cost will amount to TZS 3.5 million per month and all the labor cost have been detailed analyzed on production and operational plan of this business plan.

4.0 PRODUCTION AND SERVICE LINE PLAN

4.1 General operation facilities

The successful establishment and operation of our sisal plantation and production facility require various items to available:

The common and general required facilities for the sisal plantation, production and distribution business involve the following general facilities such as

1. Land: Land for sisal cultivation.
2. Infrastructure Development: availability of the modern production facility and supporting structures.
3. Technology and Equipment: Availability of cutting-edge machinery for efficient fiber extraction and processing.
4. Working Capital: Availability of working Capital fund to cover operational costs during the initial stages of production.

4.2 Sisal Planation and Fiber Production Cycle and process.

The sisal plantation and production process involve several essential steps to ensure the cultivation of healthy plants and the extraction of high-quality fibers. Below are the main steps involved in the plantation and production processing of sisal includes –

- 1. Land Preparation:** Preparing the land for sisal cultivation involves several essential steps. Initially, the land needs to be cleared of debris, weeds, and rocks to create a suitable environment for planting. This process, known as "land preparation," includes "bush cleaning," for which we will hire a Bulldozer from Tanga Town to the designated plantation area.
- 2. Sisal Planting:** Planting sisal saplings or offsets in rows or patterns, ensuring proper spacing to facilitate growth and maintenance.
- 3. Irrigation and Maintenance:** Providing adequate water supply and implementing proper irrigation techniques to support optimal plant growth. Regular maintenance practices such as weeding, pest control, and fertilizer application are also crucial during this phase. Normal Sisal requires 36 months Growth before start harvesting. But maintenance of Sisal is through of its time.
- 4. Harvesting:** Harvesting the mature sisal leaves once they reach an appropriate age and size. Sisal leaves are the primary source of fiber in the plant. After a Lapse of 36 months sisal can harvested for the period of 13 years.
- 5. Decortication:** After harvesting, the sisal leaves are crushed or mechanically scraped to remove the fleshy outer part, known as the pulp, from the fibers.
- 6. Fiber Extraction:** The decorticated leaves are then beaten or scrapped further to extract the long fibers from the leaf. This process separates the valuable fibers from the non-fibrous material.
- 7. Drying:** The extracted fibers are dried to reduce their moisture content, making them suitable for further processing and storage.

- 8. Baling:** The dried fibers are compressed and bundled into bales, making them easier to handle, transport, and store.
- 9. Quality Control:** Performing quality checks to ensure the fibers meet the desired standards for strength, length, and color.
- 10. Value-Added Processing (Optional):** In some cases, the sisal fibers may undergo additional processing to create value-added products such as ropes, twines, geotextiles, carpets, and crafts.
- 11. Packaging and Distribution:** Properly packaging the final sisal products and organizing their distribution to wholesalers, manufacturers, or end consumers.
- 12. Waste Management:** Managing and recycling and waste generated during the production process to minimize environmental impact and enhance sustainability.
- 13. Continuous Cultivation and Renewal:** To maintain a sustainable sisal production process, it is crucial to continuously replant sisal after harvesting and ensure proper land management practices.

Each step in the sisal plantation and production process requires careful attention and expertise to produce high-quality fibers that meet market demands and contribute to the success of the sisal industry.

4.3 Fixed Asset Requirements

In order to successfully establish and operate our sisal plantation and production industry, a comprehensive list of fixed assets is indispensable. These assets include land, buildings, machinery, and equipment, all of which are critical to the production, processing, and overall success of our venture.

| LAND AND BUILDINGS | | | | |
|---------------------------------|--|-----------------|-------------------|---------------------|
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Plantation Farmland | Mainly For Plantation and Other Activities | 500 Acres | 200,000 | 100,000,000 |
| Land For Processing Industry | For Warehouse, Processing Industry, etc | 5 Acres | 1,000,000 | 5,000,000 |
| Farm Residential Houses | For Farm Managers and Supervisors | 3 Houses | 15,000,000 | 45,000,000 |
| Residential House CEO | House For CEO | 1 House | 100,000,000 | 100,000,000 |
| Construction of Warehouse | Storage | 1 | 100,000,000 | 100,000,000 |
| Building For Processing | Production and Processing | 1 | 120,000,000 | 120,000,000 |
| TOTAL LAND AND BUILDINGS | | | | 470,000,000 |

| MACHINES AND EQUIPMENTS | | | | |
|--------------------------------|------------------------------------|-----------------|-------------------|---------------------|
| TRACTORS | | | | |
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Massey Ferguson | For Cultivating and Transportation | 1 | 80,519,569 | 80,519,569 |
| Mitsubishi Mid-Size Tractors | For Cultivating and Transportation | 3 | 59,585,502 | 178,756,506 |
| Local Made Trailers | | 15 | 10,000,000 | 150,000,000 |
| Purchases Of Tractors | John Deer 6095E 95HP | 1 | 128,000,000 | 128,000,000 |

| | | | | |
|-----------------------|-----------------------|---|-------------|----------------------|
| Other Small Tractors | John Deer 5065E 65 HP | 4 | 64,000,000 | 256,000,000 |
| Slasher John Deer | | 4 | 16,000,000 | 64,000,000 |
| Purchases Of Buldozer | | 1 | 400,000,000 | 400,000,000 |
| TOTAL | | | | 1,257,276,075 |

| MOTOR VEHICLES AND CYCLES | | | | |
|----------------------------------|---------------------|-----------------|-------------------|---------------------|
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Toyota Pickup Town Ace | For Supervision | 1 | 18,000,000 | 18,000,000 |
| Toyota Rav 4 | For Supervision | 1 | 12,000,000 | 12,000,000 |
| Toyota Carina | For Supervision | 1 | 8,000,000 | 8,000,000 |
| Motorcycle | For Supervision | 5 | 2,500,000 | 12,500,000 |
| TOTAL | | | | 50,500,000 |

| MACHINES AND EQUIPMENTS | | | | |
|--------------------------------|---|-----------------|-------------------|---------------------|
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Processing Machine-Local Made | Local Made Machine for Processing Sisal | 1 | 110,000,000 | 110,000,000 |
| Pressing Machine-Local Made | Local Made Machine for Pressing Sisal | 1 | 15,000,000 | 15,000,000 |
| Grading Machine | For Granding Machine Press | 1 | 25,000,000 | 25,000,000 |
| Labeling machine | | 1 | 30,000,000 | 30,000,000 |
| Transformer | | 1 | 25,000,000 | 25,000,000 |
| Standby Generator | | 1 | 60,000,000 | 60,000,000 |
| TOTAL | | | | 265,000,000 |

Table 4.3 Summary of the required fixed assets

| Descriptions | Total Amount |
|--------------------------|----------------------|
| Land & Buildings | 470,000,000 |
| Tractors | 1,257,276,075 |
| Motor vehicle and Cycles | 50,500,000 |
| Machines and Equipment's | 265,000,000 |
| Total | 2,042,776,075 |

The Total amount of TZS 2,042,776,075 is required to be invested in to fixed assets, some of the assets are already secured and some not yet secured, these fixed assets are not just capital investments; they represent the foundation upon which our sisal plantation and production business will thrive. They are instrumental in ensuring the success of our operations, from cultivating and processing sisal to distributing our products effectively in the market.

These investments are integral to our long-term growth and profitability. With careful planning and strategic utilization of these assets, we are confident that we can establish a thriving sisal production business that contributes positively to the local economy while meeting the demands of our customers.

4.4 WORKING CAPITAL REQUIREMENTS ON EACH PROCESS.

The sisal plantation and production process involve several essential steps to ensure the cultivation of healthy plants and the extraction of high-quality fibers. Below are the main steps involved in the plantation and production processing of sisal:

- 1. Land Preparation:** Preparing the land for sisal cultivation involves several essential steps. Initially, the land needs to be cleared of debris, weeds, and rocks to create a suitable environment for planting. This process, known as "land preparation," includes "bush cleaning," for which we will hire a Bulldozer from Tanga Town to the designated plantation area.

The costs associated with Bulldozer hire amount to TZS 800,000 per day, and an additional cost of TZS 1,800,000 is incurred for transporting the Bulldozer from Tanga to the plantation site. The services of the Bulldozer driver come at a daily rate of TZS 50,000, and the machine consumes an average of 100 liters of fuel per day. Moreover, we expect to spend approximately TZS 50,000 per day on casual labor for assistance during the land preparation process.

Furthermore, part of the land preparation includes "land leveling," which will incur labor costs of TZS 100,000 per acre.

Based on our experience and analysis, the overall cost of land preparation per acre is estimated to be TZS 302,000, with land leveling adding a total of TZS 100,000 per acre.

This information allows us to make informed financial decisions and allocate the necessary resources to efficiently and effectively prepare the land for successful sisal cultivation.

- 2. Sisal Planting:** Planting sisal saplings or offsets in rows or patterns, ensuring proper spacing to facilitate growth and maintenance.

The seeding of sisal involves the plantation of sisal seeds into appropriate rows and columns. One Acre requires 1870 plantation seeds and price per seed is TZS 140. This makes the cost of seeds per Acre to be TZS 261,800. The sisal Plantation seed needs to be Transported from Tanga to Plantation area and the is TZS 300,000 per 10,000 seeds thus makes the Transportation Costs of Seeds per Acre to be TZS 56,100.

The seed plantation requires casual labor, the Casual labour per row per square meter cost TZS 2,000 and One Acre has 70 square meters of rows. This makes the Labor costs on plantation per Acre to be TZS 140,000.

- 3. Irrigation and Maintenance:** Providing adequate water supply and implementing proper irrigation techniques to support optimal plant growth. Regular maintenance practices such as weeding, pest control, and fertilizer application are also crucial during this phase. Normal Sisal require 36 months Growth before start harvesting. But maintenance of Sisal is through of its time.

Maintaining the sisal, it involves frequently cleaning of the plantation farm by using either or both of Casual labour Tractors etc. depending with nature of the plantation based on experience per year the Sisal requires maintenance after every period of 4 months and per One Square meter it costs TZS 2,000 for maintenance and one acre has 70 square meters. It costs TZS 140,000 per acre per period of maintenance for three times a year it cost TZS 420,000 per acre as maintenance costs.

- 4. Harvesting:** Harvesting the mature sisal leaves once they reach an appropriate age and size. Sisal leaves are the primary source of fiber in the plant. After a Lapse of 36 months sisal can harvested for the period of 13 years.

On harvesting, we have calculated the sisal plantation's productivity and estimated the number of sisal leaves harvested annually. On one acre of sisal, we will cultivate approximately 4,600 sisal saplings, and each sapling is expected to yield an average of 40 sisal leaves.

As a result, one acre will produce around 184,000 sisal leaves per year, which are available for harvesting. To facilitate easier measurement and trade, one "Meta" of sisal is equivalent to 3,300 leaves. Consequently, each year, we anticipate cultivating 56 Meta on every acre.

To ensure seamless and efficient harvesting operations, we have factored in the cost of harvesting per Meta, which is estimated to be TZS 8,000. Therefore, the total harvesting costs for one acre will amount to TZS 448,000.

By meticulously analyzing these numbers, we can make informed decisions and optimize the productivity of our sisal plantation, leading to improved profitability and success in the sisal industry.

- 5. Transport after harvesting:** Upon successful harvesting, the valuable sisal leaves are promptly transported to our industry processing center, where we utilize our company-owned tractors for this crucial task. To facilitate the transportation of sisal and sisal fibers, we have purpose-built locally made trailers, specially designed to ensure safe and efficient handling of delicate produce.

The cost of transportation encompasses various factors, including tractor operating expenses, fuel, repair and maintenance, and the use of essential lubricants. Drawing from our extensive experience, we have carefully analyzed and estimated the cost of transporting one Meta to be an average of TZS 5,000 to the factory production area. Transportation per acre TZS 280,000.

By deploying our well-maintained tractors and trailers, we aim to optimize the transportation process, minimizing downtime and reducing associated expenses. Our commitment to efficiency and cost-effectiveness strengthens our competitive advantage, enabling us to deliver premium sisal products to the market consistently.

Through meticulous planning and execution, we ensure a seamless supply chain from the farm to our processing center, allowing us to uphold the highest standards of quality and meet the demands of our valued customers. As a result, we are confident in our ability to make a significant impact in the sisal industry and establish ourselves as a leader in sustainable and profitable sisal production.

- 6. Decortication:** After harvesting, the sisal leaves are crushed or mechanically scraped to remove the fleshy outer part, known as the pulp, from the fibers.
- 7. Fiber Extraction:** The decorticated leaves are then beaten or scrapped further to extract the long fibers from the leaf. This process separates the valuable fibers from the non-fibrous material.
- 8. Drying:** The extracted fibers are dried to reduce their moisture content, making them suitable for further processing and storage.
- 9. Baling:** The dried fibers are compressed and bundled into bales, making them easier to handle, transport, and store.
- 10. Quality Control:** Performing quality checks to ensure the fibers meet the desired standards for strength, length, and color.
- 11. Value-Added Processing (Optional):** In some cases, the sisal fibers may undergo additional processing to create value-added products such as ropes, twines, geotextiles, carpets, and crafts.
- 12. Packaging and Distribution:** Properly packaging the final sisal products and organizing their distribution to wholesalers, manufacturers, or end consumers.
- 13. Waste Management:** Managing and recycling and waste generated during the production process to minimize environmental impact and enhance sustainability.
- 14. Continuous Cultivation and Renewal:** To maintain a sustainable sisal production process, it is crucial to continuously replant sisal after harvesting and ensure proper land management practices.

Each step in the sisal plantation and production process requires careful attention and expertise to produce high-quality fibers that meet market demands and contribute to the success of the sisal industry.

4.4.1 Production overhead costs

In our well-structured business plan, we have carefully analyzed and accounted for the production overhead costs incurred within our manufacturing factory. These essential factory overhead costs encompass a range of critical elements, such as machine running expenses, lubricants, electricity, and regular maintenance to ensure smooth and efficient production processes. Additionally, we have considered labor power as an integral part of our overhead costs, ensuring skilled personnel operate and supervise the manufacturing operations.

As a contingency measure for any electricity supply disruptions, we have factored in generator fuel costs, ensuring uninterrupted production even during potential power outages. Moreover, the expenses for packing and packaging materials, as well as labeling, have been thoughtfully included to meet stringent quality standards and ensure the final product's presentation and safety.

While each individual production cost may seem relatively small in isolation, we understand that they are measurable and collectively contribute to the overall cost structure. Drawing from invaluable experience gained from our prior industry engagements, we have fine-tuned our processes, ensuring efficient production up to the point where the sisal fiber is readily available for use.

Based on our insightful analysis, we have determined that the production processing costs, specifically up to the stage of making fiber available for use, will amount to TZS 15,000 per Meta. This comprehensive understanding of our production costs enables us to optimize efficiency, maintain competitive pricing, and deliver exceptional value to our esteemed customers.

Our commitment to meticulous financial planning and operational excellence positions us for success and profitability in the sisal industry. By managing these production overhead costs judiciously, we are confident in our ability to establish a strong presence in the market and achieve sustained growth over time.

4.4.2 Meta to tonnage conversion

Furthermore, it is crucial to acknowledge that the conversion rate of 16 Meta results in the production of 1 tonnage of fiber after processing. Given that one acre of sisal produces 56 Meta, we can logically deduce that each acre yields an impressive 3.5 tonnage of fiber.

This calculation is a pivotal aspect of our business plan, as it allows us to accurately estimate the potential fiber output from our sisal plantation. With this valuable information, we can strategically plan our production targets, optimize resource allocation, and ensure efficient processing operations.

By leveraging this insightful data, we position ourselves to make informed decisions that maximize productivity and profitability. As we embark on this promising venture, we remain committed to unlocking the full potential of our sisal plantation, driving growth, and delivering exceptional value to our customers and stakeholders.

4.4.4 Purchasing from other farmers.

In the company planning, we recognize that each critical step in our venture requires substantial investment. It is important to note that our sisal plantation will cover only 50% of the total production industry. For the remaining 50% of production inputs, we will collaborate with other farmers, fostering valuable partnerships to ensure a steady and diverse supply of raw materials.

As we project the purchasing costs of 1 tonnage of processed fiber, we have diligently estimated that it will range from TZS 2.3 million to 2.5 million. This calculation includes all the essential costs incurred during the processing stage, ensuring the production of premium-quality fiber that meets industry standards.

Additionally, we must emphasize that unprocessed sisal, which will be sourced externally, is expected to cost the company an average amount ranging from TZS 1.3 million to 1.5 million. The cost varies depending on the quality of the sisal acquired, reflecting our commitment to obtaining the best raw materials for our production processes.

Through strategic financial planning and prudent investment decisions, we aim to optimize the efficiency of our operations while maintaining the highest standards of quality. By collaborating with other farmers and carefully managing our sourcing and processing costs, we are poised for sustainable growth and long-term success in the dynamic sisal industry.

In this regard we assume that 60% of farmers will prefer to sell the unprocessed sisal to our company.

Table 4.4.4 Purchases from Farmers

| Details | Purchases From Farmers | | | |
|----------------------|------------------------|------------|------------|------------|
| | 2023 | 2024 | 2025 | 2026 |
| From Other producers | 79 | 158 | 525 | 525 |
| Farm full processed | 32 | 63 | 210 | 210 |
| Farmers Unprocessed | 47 | 95 | 315 | 315 |
| Total Tons | 79 | 158 | 525 | 525 |

Cost Per Unit

| | | | | |
|--------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Cost of farm Processed | 2,400,000 | 2,400,000 | 2,600,000 | 2,800,000 |
| Cost of Farm Unprocessed | 1,400,000 | 1,400,000 | 1,600,000 | 1,600,000 |
| Processing Cost for Unprocessed | 400,000 | 400,000 | 600,000 | 600,000 |
| Farm Purchases Costs | | | | |
| Processed fiber | 75,600,000 | 151,200,000 | 546,000,000 | 588,000,000 |
| Unprocessed Fiber | 66,150,000 | 132,300,000 | 504,000,000 | 504,000,000 |
| Processing Costs | 18,900,000 | 37,800,000 | 189,000,000 | 189,000,000 |
| Total Costs Farmers Purchases | 160,650,000 | 321,300,000 | 1,239,000,000 | 1,281,000,000 |

5.0 FINANCING FUNDING ARRANGEMENT

The purpose of this business plan involves seeking the financing from bank in any terms the company wishes to have two financing facilities such as Asset Financing to financing to finance the acquisition of the required fixed assets and to have the working capital financing in terms of having the overdraft facility with the bank.

5.1 ASSET FINANCING

Since 2020, the company has diligently undertaken all essential measures to ensure the seamless establishment of the sisal plantation and production facilities, reflecting our unwavering commitment to success.

As a testament to the company dedication, the company have successfully acquired a diverse range of vital assets to kickstart the sisal plantation and production line, strategically positioning ourselves for growth and prosperity.

The financing of these invaluable assets has been meticulously orchestrated through the prudent utilization of funds obtained from the company's esteemed directors and shareholders, exemplifying their responsible financial management.

Together, these strategic initiatives demonstrate our resolute vision and ability to deliver exceptional results in the sisal industry. With a solid foundation in place, we are confident in the future success of our enterprise as per table below.

Table no 5.1 list of company up to date secured assets

| LAND AND BUILDINGS | | | | |
|--|-------------------------|-----------------|-------------------|---------------------|
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Plantation Farmland | Secured and purchased | 500 Acres | 200,000 | 100,000,000 |
| Land For Processing Industry | Secured and purchased | 5 Acres | 1,000,000 | 5,000,000 |
| Farm Residential Houses | Secured and constructed | 3 Houses | 15,000,000 | 45,000,000 |
| Residential House CEO | Secured and constructed | 1 House | 100,000,000 | 100,000,000 |
| TOTAL LAND AND BUILDINGS | | | | 250,000,000 |
| MACHINES AND EQUIPMENTS | | | | |
| TRACTORS | | | | |
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| MASSEY FERGASON | Secured & purchased | 1 | 80,519,569 | 80,519,569 |
| Mitsubishi mid-size tractors | Secured & purchased | 3 | 59,585,502 | 178,756,506 |
| Local Made Trailers | Constructed | 15 | 10,000,000 | 150,000,000 |
| TOTAL | | | | 409,276,075 |
| MOTOR VEHICLES AND CYCLES | | | | |
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Toyota Pickup Town Ace | Secured & purchased | 1 | 18,000,000 | 18,000,000 |
| Toyota Rav 4 | Secured & purchased | 1 | 12,000,000 | 12,000,000 |
| Toyota Carina | Secured & purchased | 1 | 8,000,000 | 8,000,000 |
| Motorcycle | Secured & purchased | 5 | 2,500,000 | 12,500,000 |
| TOTAL | | | | 50,500,000 |
| MACHINES AND EQUIPMENTS | | | | |
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Processing Machine-Local Made | Secured & purchased | 1 | 110,000,000 | 110,000,000 |
| Pressing Machine-Local Made | Secured & purchased | 1 | 15,000,000 | 15,000,000 |
| Grading Machine | Secured & purchased | 1 | 25,000,000 | 25,000,000 |
| TOTAL | | | | 150,000,000 |
| TOTAL MACHINES & EQUIPMENTS | | | | 609,776,075 |
| TOTAL VALUE OF ASSETS SECURED | | | | 859,776,075 |

5.2 ADDITIONAL REQUIRED ASSETS TO BE ACQUIRED

To ensure the seamless and triumphant implementation of our sisal plantation and production venture, we recognize the imperative need to acquire additional facilities and assets as outlined in the comprehensive asset requirements. This strategic move will empower our company to possess a complete range of vital and indispensable resources essential for an efficient and successful operation in both plantation and production activities.

By proactively addressing this crucial aspect of our business plan, we will solidify our competitive edge and position ourselves for unmatched growth and excellence in the sisal industry. Acquiring these essential assets will bolster our capabilities and enable us to meet market demands with utmost efficiency and quality, thereby enhancing our overall profitability and market reputation.

With a keen focus on foresight and innovation, we are dedicated to making strategic investments that yield substantial returns and elevate our company to new heights of success. Embracing this opportunity to secure the necessary facilities and assets, we are poised to conquer the sisal market and establish ourselves as a formidable force in the industry.

Table 5.2 List of the required assets

| LAND AND BUILDINGS | | | | |
|--|--------------------------|-----------------|-------------------|----------------------|
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Construction of Warehouse | To be Constructed | 1 | 100,000,000 | 100,000,000 |
| Building For Processing | Construction on progress | 1 | 120,000,000 | 120,000,000 |
| TOTAL LAND AND BUILDINGS | | | | 220,000,000 |
| MACHINES AND EQUIPMENTS | | | | |
| TRACTORS & EQUIPMENTS | | | | |
| Item | Descriptions | Quantity | Unit Price | Total Amount |
| Purchases of Tractors | To be Purchases | 1 | 128,000,000 | 128,000,000 |
| Other small tractors | To be Purchases | 4 | 64,000,000 | 256,000,000 |
| Slasher John Deer | To be Purchases | 4 | 16,000,000 | 64,000,000 |
| Purchases of Bulldozer | To be Purchases | 1 | 400,000,000 | 400,000,000 |
| Labeling machine | To be Purchases | 1 | 30,000,000 | 30,000,000 |
| Transformer | To be Purchases | 1 | 25,000,000 | 25,000,000 |
| Standby Generator | To be Purchases | 1 | 60,000,000 | 60,000,000 |
| TOTAL TRACTORS TO BE PURCHASES | | | | 963,000,000 |
| TOTAL MACHINES & EQUIPMENTS TO BE PURCHASES | | | | 963,000,000 |
| TOTAL VALUE OF ASSETS TO BE PURCHASED | | | | 1,183,000,000 |

5.3 FINANCING OF THE ADDITIONAL REQUIRED ASSETS

The company is actively pursuing the acquisition of additional assets through a promising asset financing arrangement with CRDB bank. We have meticulously projected to contribute 30% of the required assets upfront, while the remaining amount will be efficiently financed by the bank

as part of an asset financing facility. The facility is designed with a favorable 36-month loan repayment term, complemented by a competitive interest rate of less than 16%.

To accommodate our cultivation timeline, we have thoughtfully negotiated a grace period of six months, allowing us to begin cultivation at the end of the year 2023 before commencing the monthly loan repayments. Our confidence in meeting these repayments stems from the anticipated sales revenue generated from our sisal production.

In terms of collateral, we intend to utilize the purchased assets, along with some of the assets already acquired, to secure the loan. This comprehensive collateral approach further demonstrates our commitment to financial prudence and ensures the lender's confidence in the success of our venture.

We anticipate that the acquisition of plants and machinery will be facilitated through a secure bank guarantee, providing an additional layer of assurance for all parties involved. Furthermore, the financing for land and building expenses will be efficiently managed through direct payments to our designated accounts, streamlining the process and ensuring timely execution of the project.

This well-structured approach not only instills confidence in our partners and stakeholders but also showcases our commitment to financial prudence and transparency in all our transactions. By utilizing bank guarantees and direct payments, we aim to establish a seamless and reliable financial framework that aligns with our overall business plan and growth objectives.

With a clear roadmap in place and the support of CRDB bank, we are poised to achieve our goals of expanding the sisal plantation and production, ultimately elevating our market presence and profitability. The company remains steadfast in its dedication to maximizing the return on investment for our stakeholders and achieving long-term sustainability in the sisal industry.

Table 5.3 Proposed financing arrangement of the loan

| FINANCING TYPE | AMOUNT | % |
|-----------------------|----------------------|-------------|
| Company Contribution | 354,900,000 | 30% |
| Bank Contribution | 828,100,000 | 70% |
| TOTAL | 1,183,000,000 | 100% |

5.4 Financing of working Capital

As per the proposal, the company is also seeking to obtain an overdraft facility to finance daily costs, such as plantation and production expenses. As analyzed in the working capital requirements for each stage of sisal plantation and production, the company is seeking financing terms for an overdraft facility that would be renewable yearly. The main purpose of this facility is to address the time lag between payment for sisal plantation and other costs, as well as the time lag in receiving payments from customers. We expect to have a competitive interest rate and at the year end 2025 we project to have the Overdrawn balance of TZS 357,777,555 with interest for the whole year of TZS 51,478,785.

From the cost involved on each plantation and production step, below is the summary of the costs including its projection for the period from the year 2023 to year 2026.

Table 5.4 Summary of working cost both incurred and expected Costs.

| Item | Quantity | Unit measure | Unit price | completed | Required | Completed Costs | Additional Expected |
|-----------------------------------|----------|--------------|------------|-----------|----------|-----------------|---------------------|
| Land Preparation | | | | | | | |
| Land Preparation | 500 | Acre | 302,000 | 150 | 350 | 45,300,000 | 105,700,000 |
| Land Levelling | 500 | Acre | 100,000 | 150 | 350 | 15,000,000 | 35,000,000 |
| | | | | | | | |
| Sisal Planting | | | | | | | |
| Seeds | 500 | Acre | 261,800 | 150 | 350 | 39,270,000 | 91,630,000 |
| Seed Transportation | 500 | Acre | 56,100 | 150 | 350 | 8,415,000 | 19,635,000 |
| Labor on seeding | 500 | Acre | 140,000 | 150 | 350 | 21,000,000 | 49,000,000 |
| Irrigation and Maintenance | | | | | | | |
| Maintenance 2021 | 45 | Acre | 420,000 | 45 | | 18,900,000 | - |
| Maintenance 2022 | 150 | Acre | 420,000 | 150 | - | 63,000,000 | - |
| Maintenance 2023 | 150 | Acre | 420,000 | 150 | - | 63,000,000 | - |
| Maintenance 2024 | 500 | Acre | 420,000 | | 500 | | 210,000,000 |
| Maintenance 2025 | 500 | Acre | 420,000 | | 500 | | 210,000,000 |
| Maintenance 2026 | 500 | Acre | 420,000 | | 500 | | 210,000,000 |
| Harvesting | | | | | | | |
| Harvesting 2023 | 22.5 | Acre | 448,000 | - | 23 | - | 10,080,000 |
| Harvesting 2024 | 45 | Acre | 448,000 | - | 45 | - | 20,160,000 |
| harvesting 2025 | 150 | Acre | 448,000 | - | 150 | - | 67,200,000 |
| harvesting 2026 | 150 | Acre | 448,000 | - | 150 | - | 67,200,000 |
| Harvesting Transportation | | | | | | | |
| Harvesting 2023 | 22.5 | Acre | 280,000 | - | 23 | - | 6,300,000 |
| Harvesting 2024 | 45 | Acre | 280,000 | - | 45 | - | 12,600,000 |
| harvesting 2025 | 150 | Acre | 280,000 | - | 150 | - | 42,000,000 |
| harvesting 2026 | 150 | Acre | 280,000 | - | 150 | - | 42,000,000 |
| Production Overhead | | | | | | | |
| Harvesting 2023 | 1260 | meta | 15,000 | - | 1,260 | - | 18,900,000 |
| Harvesting 2024 | 2520 | meta | 15,000 | - | 2,520 | - | 37,800,000 |
| harvesting 2025 | 8400 | meta | 15,000 | - | 8,400 | - | 126,000,000 |
| harvesting 2026 | 8400 | meta | 15,000 | - | 8,400 | - | 126,000,000 |



Tractor for farming & Transportation



Good, maintained Sisal Fiber

6.0 FINANCIAL PLANNING

6.1 Key assumptions on financial planning.

For improving clarity and understandability of the financial projections, the following are further assumptions and detailed breakdown which makes the various and appropriate figures in the financial projections.

6.2 Value of sisal

Allocation and recognition of working capital cost based on acceptable accounting standards.

Since the preparation of this business plan and the financial forecasting are based on acceptable accounting standards, the working capital costs mentioned above have been recognized in accordance with these accounting standards in the following manner.

- **Land Preparation costs:** - Have been Capitalized as costs of land and Add value to the land Costs.
- **Seed Purchases Cost-** This cost has been Included as the value of Sisal and it's capitalized over the time of sisal.
- **Seed Transportation costs-** also this has been included and capitalized as the value of sisal Value.
- **Labour Costs on seeding-** also thus cots have been capitalized as the value of Sisal value.
- **Irrigation and maintenance Costs-** The costs of Irrigation and maintenance have also capitalized as the value of sisal.
- **Sisal Transferred to Costs of sales-** From The sisal gross cost for the year, the amount of sisal transferred to costs of sales during the year is equal to sisal gross value for the year divided by 13 years (expected lifetime of sisal divided by number of years lapse since starting harvesting).

Table 6.2 Table: the summary of the costs from the above assumptions and analysis.

| Details | Value of Sisal as stocks | | | |
|-----------------------------------|--------------------------|-------------|-------------|-------------|
| | 2023 | 2024 | 2025 | 2026 |
| Opening Balance Value | | 197,155,385 | 480,124,941 | 530,865,339 |
| Add: Additional Costs | | | | |
| Seeds Purchases | 39,270,000 | 91,630,000 | | |
| Seed Transportation | 8,415,000 | 19,635,000 | | |
| Labor on seeding | 21,000,000 | 49,000,000 | | |
| Irrigation & Maintenance | 144,900,000 | 210,000,000 | 210,000,000 | 210,000,000 |
| Gross value | 213,585,000 | 567,420,385 | 690,124,941 | 740,865,339 |
| Less Transferred to Cost of Sales | 16,429,615 | 87,295,444 | 159,259,602 | 227,958,566 |
| Closing Balance Value | 197,155,385 | 480,124,941 | 530,865,339 | 512,906,773 |

6.3 Unit sold and Closing stocks.

To recognizing time of production and sales, we expect that 10% of units produced and purchased from farmers will always be our stock level available at our warehouse at given time.as per below analysis.

Table 6.3 Unit sold and Closing stocks.

| Details | Unit in Tons Purchased, stocks and Units Sold | | | |
|-----------------------------|---|------|------|------|
| | 2023 | 2024 | 2025 | 2026 |
| Tons available at start | 0 | 17 | 35 | 116 |
| Tons Produced and Purchased | 158 | 315 | 1050 | 1050 |
| Tons Available For Sales | 158 | 332 | 1085 | 1166 |
| Closing stock | 17 | 35 | 116 | 116 |
| Unit Sold | 140 | 298 | 969 | 1050 |

6.4 Loan interest and loan balance

The company expect to receive the amount of TZS 828,100,00 on 1st January 2024 the loan will attract the competitive interest rate of 16% per annum reducing balance method with 36 month of loan repayment. For the year 2024 the company will pay the interest amount to TZS 115,863,971 and TZS 75,638,998 for the year 2025 while year 2026 the interest rate will be TZS 28,484,437 for the whole year the total loan Repayment interest plus Principal will be TZS 349,362,469.

Table 6.4 Loan Interest and Loan Balance workings

| Details | Loan Key Transactions and Summary | | | |
|---------------------|-----------------------------------|-------------|-------------|-------------|
| | 2023 | 2024 | 2025 | 2026 |
| Interest | | 115,863,971 | 75,638,998 | 28,484,437 |
| Principle Repayment | | 233,498,498 | 273,723,471 | 320,878,031 |
| Total Repayment | - | 349,362,469 | 349,362,469 | 349,362,469 |
| Remaining Balance | - | 594,601,502 | 320,878,031 | |

6.5 Administrative expenses

The costs of administrating the company expect to be 25% of Total Personnel costs, the administrative costs is additional costs of the company operation and it involves various costs such as Licensing costs, office food and drinks, cleaning and other costs with administration in nature.

6.6 Other income

The company expect to receive the other source of income from other services which doesn't directly relate with sisal planation and production, the company expect to receive other income from sales of waste material of sisal and fiber production, the company also expect to receive other incomes from hiring of machines, Trucks etc. another source of other income will be processing other farmers sisal in the company factory. The other income expects to account for 11% of the total sales amount.

6.7 Receivable from the customers

We recognize the value of allowing credit time for the customers to pay us, this value will enable us to easily penetrate in the market, hence we expect that out of sales during the year 12% will be receivables at the end of the year as per below analysis.

| Details | Customers Receivable and Collections | | | |
|----------------------------|--------------------------------------|---------------|---------------|---------------|
| | 2023 | 2024 | 2025 | 2026 |
| Opening Balance | - | 67,284,000 | 142,884,000 | 488,451,600 |
| Sales During the Year | 560,700,000 | 1,190,700,000 | 4,070,430,000 | 4,630,500,000 |
| Balance at the end | 67,284,000 | 142,884,000 | 488,451,600 | 555,660,000 |
| Collection During the Year | 493,416,000 | 1,115,100,000 | 3,724,862,400 | 4,563,291,600 |

6.8 Trade payables

We understand that the sisal business is seasonal, and the volume of transactions can be significantly higher during specific seasons. This is why we are requesting the overdraft facility as a means of obtaining working capital. As a result, we project that 15% of the value of purchases from farmers will be recorded as trade payables at the end of the year. It's important to note that this projected value encompasses all creditors, not just those related to farmer purchases.

| Details | Payables | | | |
|------------------------|-------------|-------------|---------------|---------------|
| | 2023 | 2024 | 2025 | 2026 |
| Opening Balance | 0 | 24,097,500 | 48,195,000 | 185,850,000 |
| Purchases From Farmers | 160,650,000 | 321,300,000 | 1,239,000,000 | 1,281,000,000 |
| Balance at the end | 24,097,500 | 48,195,000 | 185,850,000 | 192,150,000 |
| Payment to farmers | 136,552,500 | 297,202,500 | 1,101,345,000 | 1,274,700,000 |

6.9 Corporate Taxes

We expect the corporate tax will be the same rate of 30% of Profit after Interest and all the taxes will be paid within the year without Outstanding.

6.10 Corporate Taxes

We expect in year 2025 and 2026 the company shareholders will take the dividends from the company of TZS 500,000,000 on each year.

6.11 Owners and Shareholders contributions

We expect the owners and shareholders will contribute to the company amount of TZS 940,000,000 and TZS 460,000,000 for the year 2023 and 2025 respectively.

6.13 Fixed assets workings

The outcomes described in paragraph 4.3 have resulted in the creation of the following fixed asset summary and movements. We have applied a 5% depreciation rate using the reducing balance method for land and buildings, a 10% rate for tractors, a 12.5% rate for motor vehicles and cycles, and a 12% rate for machinery and equipment. All of these rates are applied using the reducing balance method.

Table 6.9 Fixed asset schedule and Depreciation workings

| Details | Land & Buildings | Tractors | Motor vehicle and Cycles | Machines and Equipment's | TOTAL |
|---------------------------------|--------------------|----------------------|--------------------------|--------------------------|----------------------|
| Depreciation Rate | 5% | 10% | 12.50% | 12.00% | |
| Opening | | | | | |
| Additional | 250,000,000 | 409,276,075 | 50,500,000 | 150,000,000 | 859,776,075 |
| Land Levelling | 60,300,000 | | | | 60,300,000 |
| Gross value 2023 | 310,300,000 | 409,276,075 | 50,500,000 | 150,000,000 | 920,076,075 |
| Depreciation | 15,515,000 | 40,927,608 | 6,312,500 | 18,000,000 | 80,755,108 |
| Balance at 31.12.2023 | 294,785,000 | 368,348,468 | 44,187,500 | 132,000,000 | 839,320,968 |
| Additional 2024 | 220,000,000 | 848,000,000 | - | 115,000,000 | 1,183,000,000 |
| Land Levelling | 140,700,000 | | | | 140,700,000 |
| Gross value 2024 | 655,485,000 | 1,216,348,468 | 44,187,500 | 247,000,000 | 2,163,020,968 |
| Depreciation | 32,774,250 | 121,634,847 | 5,523,438 | 29,640,000 | 189,572,534 |
| Balance as at 31.12.2024 | 622,710,750 | 1,094,713,621 | 38,664,063 | 217,360,000 | 1,973,448,433 |
| Additional 2025 | - | - | - | - | - |
| Gross value 2025 | 622,710,750 | 1,094,713,621 | 38,664,063 | 217,360,000 | 1,973,448,433 |
| Depreciation | 31,135,538 | 109,471,362 | 4,833,008 | 26,083,200 | 171,523,107 |
| Balance as at 31.12.2025 | 591,575,213 | 985,242,259 | 33,831,055 | 191,276,800 | 1,801,925,326 |
| Additional 2026 | - | - | - | - | - |
| Gross value 2026 | 591,575,213 | 985,242,259 | 33,831,055 | 191,276,800 | 1,801,925,326 |
| Depreciation | 29,578,761 | 98,524,226 | 4,228,882 | 22,953,216 | 155,285,084 |
| Balance as at 31.12.2026 | 561,996,452 | 886,718,033 | 29,602,173 | 168,323,584 | 1,646,640,242 |

6.14 FINANCIAL PROJECTIONS

Based on the data provided in this business plan, along with the other key financial assumptions outlined in the financial assumption plan, the information and assumptions have led to the creation of a complete set of projected financial statements. These statements include the projected Statement of Profit and Loss, projected Statement of Financial Position, projected Statement of Changes in Equity, and projected Statement of Cash Flows. These statements cover the period from 2023 to 2026.

6.15 PROJECTED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD STARTING 2023 TO 2026

| Details | Reference | All Amount are in TZS | | | |
|---------------------------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|
| | | 2023 | 2024 | 2025 | 2026 |
| Non -Current Assets | 4.3 & 6.13 | 839,320,968 | 1,973,448,433 | 1,801,925,326 | 1,646,640,242 |
| Current Assets | | | | | |
| Value of Sisal | 6.2 | 197,155,385 | 480,124,941 | 530,865,339 | 512,906,773 |
| Stock Fiber | 6.3 | 21,235,962 | 47,915,544 | 163,345,960 | 174,415,857 |
| Receivables | 6.7 | 67,284,000 | 142,884,000 | 488,451,600 | 555,660,000 |
| Cash and bank Balance | CASHFLOW | 32,999,953 | | 222,588,874 | 1,388,633,962 |
| Total Current Assets | | 318,675,300 | 670,924,485 | 1,405,251,773 | 2,631,616,592 |
| TOTAL ASSETS | | 1,157,996,267 | 2,644,372,918 | 3,207,177,099 | 4,278,256,834 |
| Equity & Liabilities | | | | | |
| Equity Capital | 6.18 | 940,000,000 | 1,400,000,000 | 1,400,000,000 | 1,400,000,000 |
| Retained Earning | 6.18 | 193,898,767 | 243,798,862 | 1,300,449,068 | 2,686,106,834 |
| Total Equity | | 1,133,898,767 | 1,643,798,862 | 2,700,449,068 | 4,086,106,834 |
| Loan Balance | 6.4 | | 594,601,502 | 320,878,031 | - |
| Trade Payables | 6.8 | 24,097,500 | 48,195,000 | 185,850,000 | 192,150,000 |
| Bank Overdraft | 5.4 | | 357,777,555 | | |
| Total Payables | | 24,097,500 | 1,000,574,057 | 506,728,031 | 192,150,000 |
| TOTAL EQUITY & LIABILITIES | | 1,157,996,267 | 2,644,372,918 | 3,207,177,099 | 4,278,256,834 |

6.16 PROJECTED STATEMENT OF PROFIT & LOSS FOR THE PERIOD STARTING 2023 TO 2026

| Details | Reference | All Amount are in TZS | | | |
|---|-----------------|-----------------------|----------------------|----------------------|----------------------|
| | | 2023 | 2024 | 2025 | 2026 |
| Sales Revenue | 2.7 & 2.8 | 560,700,000 | 1,190,700,000 | 4,070,430,000 | 4,630,500,000 |
| Other income | 6.6 | 61,677,000 | 130,977,000 | 447,747,300 | 509,355,000 |
| Total Revenue | | 622,377,000 | 1,321,677,000 | 4,518,177,300 | 5,139,855,000 |
| Cost Of sales | | | | | |
| Opening Stock | 6.3 | - | 21,235,962 | 47,915,544 | 163,345,960 |
| Add: Sisal Value | 6.2 | 16,429,615 | 87,295,444 | 159,259,602 | 227,958,566 |
| Harvesting Costs | Table 5.4 & 4.4 | 10,080,000 | 20,160,000 | 67,200,000 | 67,200,000 |
| Harvesting Transportation | Table 5.4 & 4.4 | 6,300,000 | 12,600,000 | 42,000,000 | 42,000,000 |
| Production Overhead | 4.4.1 | 18,900,000 | 37,800,000 | 126,000,000 | 126,000,000 |
| Purchases from farmers Costs | 4.4.4 | 160,650,000 | 321,300,000 | 1,239,000,000 | 1,281,000,000 |
| Less Closing Stock | 6.3 | 21,235,962 | 47,915,544 | 163,345,960 | 174,415,857 |
| Costs of Sales | | 191,123,654 | 452,475,861 | 1,518,029,186 | 1,733,088,669 |
| Gross Profit | | 431,253,346 | 869,201,139 | 3,000,148,114 | 3,406,766,331 |
| Less Expenses | | | | | |
| Administrative Expenses | 6.5 | 14,700,000 | 88,200,000 | 105,840,000 | 105,840,000 |
| Personnel Expenses | Table 3.4 | 58,800,000 | 352,800,000 | 423,360,000 | 423,360,000 |
| Depreciation | 6.13 | 80,755,108 | 189,572,534 | 171,523,107 | 155,285,084 |
| Total Expenses | | 154,255,108 | 630,572,534 | 700,723,107 | 684,485,084 |
| Earnings Before Interest and Tax | | 276,998,239 | 238,628,605 | 2,299,425,007 | 2,722,281,246 |
| Financing Expenses | 6.4 | | 115,863,971 | 75,638,998 | 28,484,437 |
| OD interest | 5.4 | | 51,478,785 | | |
| Earning After Interest | | 276,998,239 | 71,285,849 | 2,223,786,009 | 2,693,796,809 |
| Less Corporate tax | 6.9 | 83,099,472 | 21,385,755 | 667,135,803 | 808,139,043 |
| Earning After Interest and Tax | | 193,898,767 | 49,900,094 | 1,556,650,206 | 1,885,657,766 |

6.17 PROJECTED CASHFLOW STATEMENT FOR THE PERIOD FROM 2023 TO 2026

| Details | All Amount are in TZS | | | |
|------------------------------------|-----------------------|------------------------|----------------------|----------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Profit /(Loss) for the Year | 276,998,239 | 238,628,605 | 2,299,425,007 | 2,722,281,246 |
| Add: Depreciation | 80,755,108 | 189,572,534 | 171,523,107 | 155,285,084 |
| Adjusted Profit | 357,753,346 | 428,201,139 | 2,470,948,114 | 2,877,566,331 |
| Adjustment of Change in WC | | | | |
| Change in Sisal | (197,155,385) | (282,969,556) | (50,740,398) | 17,958,566 |
| Change in Fiber | (21,235,962) | (26,679,583) | (115,430,416) | (11,069,896) |
| Change in Debtors | (67,284,000) | (75,600,000) | (345,567,600) | (67,208,400) |
| Change in Creditors | 24,097,500 | 24,097,500 | 137,655,000 | 6,300,000 |
| Tax Payment | (83,099,472) | (21,385,755) | (667,135,803) | (808,139,043) |
| Net Cashflow from operating | 13,076,028 | 45,663,745 | 1,429,728,897 | 2,015,407,557 |
| Cashflow From Financing | | | | |
| Purchases of assets | (920,076,075) | (1,323,700,000) | - | - |
| Net Cashflow from Financing | (920,076,075) | (1,323,700,000) | - | - |
| Cashflows from Investing | | | | |
| Share Capital | 940,000,000 | 460,000,000 | - | - |
| Dividends | - | - | (500,000,000) | (500,000,000) |
| Loan Issued | - | 828,100,000 | - | - |
| Loan Repayment | - | (349,362,469) | (349,362,469) | (349,362,469) |
| OD Interest Payment | - | (51,478,785) | - | - |
| Net cashflow from Investing | 940,000,000 | 887,258,746 | (849,362,469) | (849,362,469) |
| Net Cashflows | 32,999,953 | (390,777,508) | 580,366,429 | 1,166,045,089 |
| Cash at start | - | 32,999,953 | (357,777,555) | 222,588,874 |
| Cash at end | 32,999,953 | (357,777,555) | 222,588,874 | 1,388,633,962 |

6.18 PROJECTED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 2023 TO 2026

| Details | Reference | RETAINED EARNINGS All Amount are in TZS | | | |
|------------------------|-------------|---|--------------------|----------------------|----------------------|
| | | 2023 | 2024 | 2025 | 2026 |
| Opening Balance | | - | 193,898,767 | 243,798,862 | 1,300,449,068 |
| Profit For the Year | | 193,898,767 | 49,900,094 | 1,556,650,206 | 1,885,657,766 |
| Dividends | 6.10 | | | (500,000,000) | (500,000,000) |
| Closing Balance | | 193,898,767 | 243,798,862 | 1,300,449,068 | 2,686,106,834 |

| Details | Reference | SHARE CAPITAL All Amount are in TZS | | | |
|-----------------------------|-------------|-------------------------------------|----------------------|----------------------|----------------------|
| | | 2023 | 2024 | 2025 | 2026 |
| Balance at Start | | - | 940,000,000 | 1,400,000,000 | 1,400,000,000 |
| Additional During The year' | 6.11 | 940,000,000 | 460,000,000 | | |
| Drawings and Dividends | | - | | | |
| Balance at end | | 940,000,000 | 1,400,000,000 | 1,400,000,000 | 1,400,000,000 |

Attachments 1

Loan Repayment schedule

| LOAN AMOUNT: | | | 828,100,000 | | |
|-----------------------|---------------------|--------------------|--------------------|----------------------|------------------------|
| INTEREST RATE: | | | 16% | | |
| INSTALLMENT | | | 36 | Months | |
| S/N | LOAN BALANCE | PRINCIPAL | INTEREST | INSTALLMENT | CLOSING BALANCE |
| 1 | 828,100,000 | 18,072,206 | 11,041,333 | 29,113,539 | 810,027,794 |
| 2 | 810,027,794 | 18,313,168 | 10,800,371 | 29,113,539 | 791,714,626 |
| 3 | 791,714,626 | 18,557,344 | 10,556,195 | 29,113,539 | 773,157,282 |
| 4 | 773,157,282 | 18,804,775 | 10,308,764 | 29,113,539 | 754,352,506 |
| 5 | 754,352,506 | 19,055,506 | 10,058,033 | 29,113,539 | 735,297,001 |
| 6 | 735,297,001 | 19,309,579 | 9,803,960 | 29,113,539 | 715,987,422 |
| 7 | 715,987,422 | 19,567,040 | 9,546,499 | 29,113,539 | 696,420,382 |
| 8 | 696,420,382 | 19,827,934 | 9,285,605 | 29,113,539 | 676,592,448 |
| 9 | 676,592,448 | 20,092,306 | 9,021,233 | 29,113,539 | 656,500,141 |
| 10 | 656,500,141 | 20,360,204 | 8,753,335 | 29,113,539 | 636,139,937 |
| 11 | 636,139,937 | 20,631,673 | 8,481,866 | 29,113,539 | 615,508,264 |
| 12 | 615,508,264 | 20,906,762 | 8,206,777 | 29,113,539 | 594,601,502 |
| 13 | 594,601,502 | 21,185,519 | 7,928,020 | 29,113,539 | 573,415,983 |
| 14 | 573,415,983 | 21,467,993 | 7,645,546 | 29,113,539 | 551,947,990 |
| 15 | 551,947,990 | 21,754,233 | 7,359,307 | 29,113,539 | 530,193,758 |
| 16 | 530,193,758 | 22,044,289 | 7,069,250 | 29,113,539 | 508,149,469 |
| 17 | 508,149,469 | 22,338,213 | 6,775,326 | 29,113,539 | 485,811,256 |
| 18 | 485,811,256 | 22,636,056 | 6,477,483 | 29,113,539 | 463,175,200 |
| 19 | 463,175,200 | 22,937,870 | 6,175,669 | 29,113,539 | 440,237,331 |
| 20 | 440,237,331 | 23,243,708 | 5,869,831 | 29,113,539 | 416,993,623 |
| 21 | 416,993,623 | 23,553,624 | 5,559,915 | 29,113,539 | 393,439,999 |
| 22 | 393,439,999 | 23,867,672 | 5,245,867 | 29,113,539 | 369,572,326 |
| 23 | 369,572,326 | 24,185,908 | 4,927,631 | 29,113,539 | 345,386,418 |
| 24 | 345,386,418 | 24,508,387 | 4,605,152 | 29,113,539 | 320,878,031 |
| 25 | 320,878,031 | 24,835,165 | 4,278,374 | 29,113,539 | 296,042,866 |
| 26 | 296,042,866 | 25,166,301 | 3,947,238 | 29,113,539 | 270,876,565 |
| 27 | 270,876,565 | 25,501,852 | 3,611,688 | 29,113,539 | 245,374,714 |
| 28 | 245,374,714 | 25,841,876 | 3,271,663 | 29,113,539 | 219,532,838 |
| 29 | 219,532,838 | 26,186,435 | 2,927,105 | 29,113,539 | 193,346,403 |
| 30 | 193,346,403 | 26,535,587 | 2,577,952 | 29,113,539 | 166,810,816 |
| 31 | 166,810,816 | 26,889,395 | 2,224,144 | 29,113,539 | 139,921,421 |
| 32 | 139,921,421 | 27,247,920 | 1,865,619 | 29,113,539 | 112,673,501 |
| 33 | 112,673,501 | 27,611,226 | 1,502,313 | 29,113,539 | 85,062,275 |
| 34 | 85,062,275 | 27,979,375 | 1,134,164 | 29,113,539 | 57,082,900 |
| 35 | 57,082,900 | 28,352,434 | 761,105 | 29,113,539 | 28,730,466 |
| 36 | 28,730,466 | 28,730,466 | 383,073 | 29,113,539 | -0 |
| | | 828,100,000 | 219,987,406 | 1,048,087,406 | |