

Business Plan for Itecado Company Limited



2025-2030

Itecado Company Limited

2025-2030

Letter of Transmittal to TIC

The Executive Director
Tanzania Investment Centre (TIC)
Head Office,
Golden Jubilee Tower, 1st Floor, Ohio Street,
P.O. Box 938
Dar es Salaam

Dear Sir,

Subject: Submission of Business Plan for Itecado Company Limited

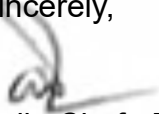
I am pleased to submit the business plan for Itecado Company Limited for your review and consideration. This comprehensive plan outlines our strategic objectives, operational plans, financial projections, and risk management strategies for the period 2025-2030.

Itecado Company Limited, registered in April 2022, is dedicated to becoming a leading player in the avocado industry. Our mission is to produce and export premium Hass Avocados and avocado oil, leveraging sustainable practices and empowering local farmers through training and integration into our supply chain. We aim to construct an Avocado Packhouse by 2027 and an Avocado Oil Processing Plant by 2028, enhancing our capacity to process and export high-quality products to international markets.

The purpose of this business plan is to secure the necessary approvals and support from the Tanzania Investment Centre (TIC) to facilitate our expansion and development projects. We believe that our initiatives will significantly contribute to the agricultural sector in Tanzania, create employment opportunities, and support local communities.

We look forward to your favorable consideration and are available to provide any additional information or clarification required. Thank you for your time and attention to our submission.

Yours sincerely,



Dr. Samaila Chafe Bello
Executive Chairman,
Itecado Company Limited

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Executive Summary

Overview of Itecado Company Limited

Itecado Company Limited, established in 2022, is poised to become a leading producer and exporter of high-quality Hass avocados and avocado oil. With a commitment to sustainable farming practices and strategic farmland acquisition, Itecado aims to achieve significant growth and establish a strong market presence both domestically and internationally.

Mission and Vision Statements

Mission: To nurture every avocado from seed to shelf, empowering farmers and delighting customers with nature's green gold.

Vision: To be the beacon of agro-innovation, propelling Tanzania to the forefront of the global avocado market.

Key Objectives and Goals

1. **Expand Farmland and Production Capacity:** Acquire and develop farmland to increase the production of Hass avocados and avocado oil.
2. **Enhance Market Presence:** Implement effective marketing strategies to build brand recognition and drive sales.
3. **Ensure Sustainable Practices:** Obtain sustainability certifications and adopt eco-friendly farming techniques.
4. **Optimize Operations:** Develop and operationalize advanced Packhouse and processing facilities.
5. **Achieve Financial Growth:** Generate significant revenue and ensure long-term profitability.
6. **Empower Local Farmers:** Provide training and integrate local farmers into our supply chain to enhance productivity and community development.
7. **Construct Key Facilities:** Build an Avocado Packhouse by 2027 and an Avocado Oil Processing Plant by 2028 to enhance our capacity to process and export high-quality products to international markets.

Strategic Approach

Itecado Company Limited's strategic approach, combined with a clear vision and robust operational plans, positions the company for sustainable growth and success in the competitive agricultural industry. By focusing on sustainable practices, empowering local farmers, and expanding our production and processing capabilities, we are well-equipped to meet the growing demand for high-quality avocados and avocado oil globally.

1. Company Description

1.1. History and Background

Itecado Company Limited was established in 2022, driven by a passion for agriculture and a commitment to sustainable farming practices. The company's founders recognized the growing global demand for high-quality Hass avocados and avocado oil and set out to create a business that could meet this demand while promoting environmental stewardship and contributing to local economic development.

1.2. Mission and Vision Statements

Mission: To nurture every avocado from seed to shelf, empowering farmers and delighting customers with nature's green gold.

Vision: To be the beacon of agro-innovation, propelling Tanzania to the forefront of the global avocado market.

1.3. Key Objectives and Goals

1. **Expand Farmland and Production Capacity:** Acquire and develop farmland to increase the production of Hass avocados and avocado oil.
2. **Enhance Market Presence:** Implement effective marketing strategies to build brand recognition and drive sales.
3. **Ensure Sustainable Practices:** Obtain sustainability certifications and adopt eco-friendly farming techniques.
4. **Optimize Operations:** Develop and operationalize advanced Packhouse and processing facilities.
5. **Achieve Financial Growth:** Generate significant revenue and ensure long-term profitability.
6. **Empower Local Farmers:** Provide training and integrate local farmers into our supply chain to enhance productivity and community development.
7. **Construct Key Facilities:** Build an Avocado Packhouse by 2027 and an Avocado Oil Processing Plant by 2028 to enhance our capacity to process and export high-quality products to international markets.

1.4. Core Values and Principles

Itecado Company Limited is guided by a set of core values and principles that shape its operations and interactions with stakeholders:

1. **Sustainability:** Commitment to eco-friendly farming practices and obtaining sustainability certifications.
2. **Quality:** Focus on producing high-quality Hass avocados and avocado oil that meet stringent standards.

3. **Innovation:** Embracing advanced agricultural techniques and technologies to enhance productivity and efficiency.
4. **Community:** Supporting local communities through job creation, training programs, and fair trade practices.
5. **Integrity:** Conducting business with transparency, honesty, and ethical practices.

Itecado's dedication to these values ensures that the company not only achieves its business objectives but also contributes positively to society and the environment.

2. Business Model and Organizational Structure

2.1. Business Model

Itecado operates a vertically integrated business model, encompassing the entire value chain from avocado cultivation to processing and distribution. The company acquires and develops farmland, plants and nurtures Hass avocado trees, and processes the harvest into fresh avocados and avocado oil. Itecado's structure includes dedicated teams for farming operations, quality control, marketing, and sales, ensuring a streamlined and efficient operation.

2.2. Organization and Management

2.2.1. Organizational Structure

Itecado Company Limited has a well-defined organizational structure that supports its strategic goals and ensures efficient operations. The structure includes shareholders, the Board of Directors and Management Team.

2.2.1.1. Shareholders

The shareholders of Itecado Company Limited are an exemplary group of leaders who bring diverse backgrounds and expertise to the company. Their combined experience in various industries, coupled with their shared passion for avocado farming and social entrepreneurship, positions Itecado Companies for sustainable growth and impactful community development. Here is a closer look at these distinguished individuals:

| Name | Nationality | Position |
|---------------------------|--------------------|-----------------------------------|
| Dr. Samaila Chafe Bello | British | Share holder & Executive Chairman |
| Capt. Ibrahim Chafe Bello | Nigerian | Shareholder & Director |
| Astol Benson Mwangomo | Tanzanian | Shareholder & Director |

2.2.1.2. Board of Directors

The shareholders of Itecado Company Limited currently constitute the Board of Directors. This board is made up of a diverse group of highly accomplished individuals, each bringing a wealth of expertise and a unique set of skills to the table. Their collective passion for avocado farming and commitment to social entrepreneurship drive the company's mission to create sustainable and impactful agricultural practices.

Here is a closer look at the leaders steering Itecado Companies towards a greener and more prosperous future:

Dr. Samaila Bello: A medical doctor by training with significant business experience in properties in the United Kingdom and Portugal. Dr. Bello's dedication to avocado farming and social entrepreneurship is evident in his innovative approach to integrating sustainable agricultural practices with community upliftment initiatives.

Ibrahim Bello: A pilot by profession who has excelled in management, rising to the position of Managing Director at Caverton Helicopters Nigeria. Ibrahim's leadership is characterized by his passion for improving logistics and supply chain efficiencies in the agricultural sector, alongside his fervor for avocado farming and social impact projects.

Astol Mwangomo: A Tanzanian citizen with extensive farming experience in both Tanzania and Germany. Astol's expertise in sustainable farming practices and her commitment to empowering local farmers through education and resources make her a pivotal figure in the company's drive towards sustainable development and social entrepreneurship.

2.2.1.3. Management Team

Our management team is designed to streamline operations, foster innovation, and ensure the efficient management of resources. We believe that a clear and well-defined hierarchy is essential for achieving our strategic goals and maintaining our competitive edge in the market.

At the helm of our organization is the Executive Chairman (CEO), who provides visionary leadership and strategic direction. Reporting directly to the CEO are key executives who oversee the critical functions of the organization. **Figure 1** provide the current Organizational Structure of Itecado Company Limited



Figure 1: Organizational Structure

This structure ensures that each department is led by experienced professionals who are accountable for their respective domains, fostering an environment of collaboration and excellence

2.2.1.4. Farm Supervisors

Each farm has supervisors who oversees day to day activities. These are as follows:

1. **Itete Farms:** Asifiwe Mwamakula
2. **Madeke:** Ipyana Mwaipaja
3. **Madeke:** Tumsifu Mwaipopo

2.2.2. Staffing Plan

Itecado Company Limited recognizes that its success depends on the skills and dedication of its employees. The company has a robust staffing plan to attract, develop, and retain talented individuals who are passionate about agriculture and sustainability.

To ensure that we meet our strategic goals, our staffing plan focuses on several key areas:

1. **Talent Acquisition:** We aim to recruit individuals who demonstrate a commitment to excellence in agriculture and sustainability. Our recruitment strategy includes partnerships with agricultural colleges, industry associations, and community organizations to identify and attract top talent.
2. **Employee Development:** We believe in the continuous development of our team members. We provide regular training programs and professional development opportunities to enhance their skills and knowledge. This includes workshops, seminars, and access to the latest advancements in agricultural technology and sustainable practices.
3. **Retention Strategies:** Retaining skilled employees is crucial for our long-term success. We offer competitive compensation packages, career advancement opportunities, and a supportive work environment that fosters collaboration and innovation.
4. **Diverse Workforce:** We are committed to building a diverse workforce that brings varied perspectives and ideas to the table. This diversity enhances our ability to innovate and address the challenges of modern agriculture.
5. **Community Engagement:** Our staffing plan also includes initiatives to engage with the local community. We create job opportunities and support local farmers by integrating them into our supply chain, thereby contributing to regional economic development.

While our organizational structure is still being refined, rest assured that each position is carefully designed to align with our mission and strategic goals. This strategic flexibility allows Itecado Company Limited to adapt and grow, ensuring that we have the right people in place to drive our success now and in the future.

3. Market Analysis

3.1. Global Market Overview

The global avocado market has witnessed significant growth over the past decade, driven by rising consumer awareness of the health benefits associated with avocados¹. The demand for Hass avocados, in particular, has surged due to their rich taste, high nutritional value, and versatility in various culinary applications. The global avocado market is projected to continue expanding, with a compound annual growth rate (CAGR) of approximately 5-6% over the next five years².

3.2. Key Market Trends

- 1. Health and Wellness:** The growing trend towards healthier eating habits and plant-based diets has significantly boosted the demand for avocados³. Consumers are increasingly seeking nutrient-dense foods, and avocados, rich in healthy fats, vitamins, and antioxidants, fit this profile perfectly.
- 2. Rising Popularity of Avocado Oil:** Avocado oil is gaining traction as a premium cooking oil due to its high smoke point and health benefits. It is also used in cosmetic and skincare products, adding another dimension to its market potential.⁴
- 3. Sustainability and Ethical Sourcing:** Consumers are becoming more conscious of the environmental impact of their food choices. There is a growing demand for sustainably sourced avocados, and certifications such as Fair Trade and Organic are becoming more important in influencing purchasing decisions⁵.
- 4. Innovation and Product Diversification:** Companies are innovating with new avocado-based products, including guacamole, avocado snacks, and beverages. This diversification is creating new growth opportunities within the market.⁶
- 5. Increasing Global Trade:** The global trade of avocados is expanding, with countries like Mexico, Peru, and Chile being major exporters. Improved logistics

¹ Grand View Research. (2021). Avocado Market Size, Share & Trends Analysis Report By Form (Raw, Processed), By End-use (Food & Beverages, Pharmaceuticals, Cosmetics), By Region, And Segment Forecasts, 2021 – 2028. Grand View Research

<https://www.grandviewresearch.com/industry-analysis/fresh-avocado-market-report>

² Mordor Intelligence. (2021). Global Avocado Market - Growth, Trends, COVID-19 Impact, and Forecasts (2021 - 2026). <https://www.mordorintelligence.com/industry-reports/avocado-market>

³ Statista. (2021). Global avocado market - Statistics & Facts. Statista <https://www.agmrc.org/commodities-products/fruits/avocados>

⁴ International Trade Centre. (2021). <https://www.fortunebusinessinsights.com/industry-reports/avocado-oil-market-101938>

⁵ Mordor Intelligence. (2021). Global Avocado Market - Growth, Trends, COVID-19 Impact, and Forecasts (2021 - 2026). <https://www.mordorintelligence.com/industry-reports/avocado-market>

⁶ <https://www.researchandmarkets.com/report/avocado>

and trade agreements are facilitating the international distribution of avocados.

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3.3. Regional Market Insights

1. **North America:** The United States is one of the largest consumers of avocados, with demand driven by the health-conscious population and the popularity of Mexican cuisine. The North American market is expected to remain strong, with consistent growth in both fresh avocados and avocado oil.⁸
2. **Europe:** The European market is also experiencing robust growth, particularly in countries like the United Kingdom, Spain, and France. European consumers are increasingly adopting healthy eating habits, and the demand for avocados and avocado oil is on the rise.⁹
3. **Asia-Pacific:** The Asia-Pacific region is emerging as a significant growth market for avocados. Countries like China and Japan are witnessing increasing consumer interest in avocados, driven by their health benefits and the influence of Western dietary trends.¹⁰
4. **Latin America:** Latin America is both a major producer and consumer of avocados. Countries like Mexico, Peru, and Chile dominate global avocado production and export, while domestic consumption in the region is also substantial.¹¹
5. **Middle East and Africa:** The Middle East and Africa region is gradually becoming a new market for avocados, with rising disposable incomes and growing awareness of healthy eating contributing to increased demand.¹²

3.4. Competitive Landscape

The global avocado market is characterized by a mix of large multinational companies and smaller local producers. Key players in the market include:

- i) **Mission Produce:** A leading global supplier of avocados, known for its extensive supply chain and distribution network.¹³
- ii) **Calavo Growers:** A major player in the avocado and guacamole market, with a strong presence in North America.¹⁴
- iii) **Westfalia Fruit:** An international supplier of avocados and avocado oil, with operations spanning multiple continents.¹⁵
- iv) **Camposol:** A Peruvian company that is one of the largest avocado exporters in the world.¹⁶

⁷ International Trade Centre. (2021). <https://www.fortunebusinessinsights.com/industry-reports/avocado-oil-market-101938>

⁸ <https://www.grandviewresearch.com/horizon/outlook/avocado-market/north-america>

⁹ <https://www.cbi.eu/market-information/fresh-fruit-vegetables/avocados/market-potential>

¹⁰ <https://www.grandviewresearch.com/horizon/outlook/avocado-market/asia-pacific>

¹¹ <https://www.statista.com/topics/4966/avocado-market-in-latin-america/>

¹² <https://www.grandviewresearch.com/horizon/outlook/avocado-market/mea>

¹³ <https://missionproduce.com/mission-global>

¹⁴ Calavo Growers (2021) <https://calavo.com/>

¹⁵ Westfalia Fruit (2021). <https://www.westfaliafruit.com/>

¹⁶ Camposol (2021). <https://www.camposol.com/>

- v) **Oro Verde:** A prominent producer and exporter of Hass avocados from Chile.¹⁷

3.5. Future Market Outlook

The future of the global avocado market looks promising, with sustained growth driven by health trends, product innovation, and increasing global trade¹⁸. As consumers continue to prioritize health and wellness, the demand for avocados and avocado-derived products is expected to remain strong. Additionally, advancements in sustainable farming practices and improved supply chain efficiencies will further enhance market growth.

Itecado Company Limited is well-positioned to capitalize on these market trends, leveraging its sustainable farming practices, high-quality products, and strategic marketing initiatives to capture a significant share of the growing global avocado market.

¹⁷ Oro Verde (2021). <https://fruitsfromchile.com/fruit/avocados/>

¹⁸ Grand View Research. (2021). Avocado Market Size, Share & Trends Analysis Report By Form (Raw, Processed), By End-use (Food & Beverages, Pharmaceuticals, Cosmetics), By Region, And Segment Forecasts, 2021 – 2028. Grand View Research

<https://www.grandviewresearch.com/industry-analysis/fresh-avocado-market-report>

4. Products and Services

Itecado Company Limited offers a range of high-quality products derived from Hass avocados, leveraging its expertise in sustainable farming and state-of-the-art processing facilities. Our products include fresh Hass avocados and avocado oil, catering to the growing demand for healthy and nutritious food options.

4.1. Hass Avocados

Hass avocados are known for their rich, creamy texture and nutty flavor. They are a versatile ingredient, used in a variety of culinary applications, from salads and sandwiches to guacamole and smoothies. The nutritional profile of Hass avocados, which includes healthy fats, fiber, vitamins, and minerals, makes them a popular choice among health-conscious consumers.¹⁹

At Itecado, we ensure that our avocados are grown using sustainable farming practices, with a focus on quality and consistency. Our avocados are handpicked at the peak of ripeness to guarantee maximum flavor and nutrient content. We also adhere to rigorous quality control measures to ensure that our products meet the highest standards.

4.2. Avocado Oil

Avocado oil is a premium product that has gained popularity due to its numerous health benefits and versatile uses. It is known for its high smoke point, making it ideal for cooking at high temperatures. Additionally, avocado oil is rich in monounsaturated fats, antioxidants, and vitamins, which contribute to heart health, skin health, and overall well-being.²⁰

Itecado's avocado oil is extracted from the finest Hass avocados using advanced processing techniques that preserve its nutritional properties and flavor. Our avocado oil is available in various grades, including extra virgin, which is suitable for dressings and drizzling, and refined, which is ideal for cooking and frying.

4.3. Packhouse Services

To support our production and distribution operations, Itecado has invested in state-of-the-art packhouse facilities. These facilities are equipped with the latest machinery for sorting, grading, and packaging avocados. Our packhouse services ensure that our products are handled with care and meet the stringent quality requirements of our customers.

¹⁹ Grand View Research. (2021). Avocado Market Size, Share & Trends Analysis Report By Form (Raw, Processed), By End-use (Food & Beverages, Pharmaceuticals, Cosmetics), By Region, And Segment Forecasts, 2021 – 2028. Grand View Research

<https://www.grandviewresearch.com/industry-analysis/fresh-avocado-market-report>

²⁰ <https://www.healthline.com/nutrition/9-avocado-oil-benefits>

The packhouse also plays a crucial role in our supply chain, enabling us to efficiently manage inventory, reduce waste, and ensure timely delivery of our products to domestic and international markets.

4.4. Sustainability Certifications

Itecado is committed to sustainable farming practices and is actively working towards obtaining various sustainability certifications that validate our efforts in this area. These certifications will not only enhance the credibility of our products but also appeal to environmentally conscious consumers.²¹

By prioritizing sustainability, Itecado aims to reduce its environmental footprint, support biodiversity, and contribute to the well-being of local communities. Our sustainability initiatives include water conservation, soil health management, and the use of organic farming practices.

²¹ International Trade Centre. (2021). Avocado. ITC [https://www.intracen.org/resources/tools?it\[126\]=126](https://www.intracen.org/resources/tools?it[126]=126)

5. Farmland Acquisition and Development (2022-2024)

In 2022, Itecado Company Limited made a strategic move by acquiring 17 acres of land at Itete Farms, where it successfully planted 1,572 Hass avocado trees. The following year, 2023, saw the acquisition of 57 acres of land at Madeke 57, resulting in the planting of an impressive 7,125 Hass avocado trees.

The year 2024 marked significant growth, with Itecado acquiring 106 acres of land at Madeke 106, where it planned to plant 12,000 Hass avocado trees. Additionally, Itecado acquired 35 acres at Madeke 35, which included 400 mature trees, along with 23 acres of unfarmed land slated for development. Furthermore, ongoing negotiations in 2024 aim to secure an additional 40 acres adjacent to Madeke 106, with plans to integrate and plant new avocado trees.

By April 2025, Itecado Company Limited plans to have successfully acquired and developed a total of 278 acres of farmland and planted 21,097 Hass avocado trees, ensuring a steady supply of high-quality avocados.

6. Operations and Management Plans

6.1. Projected Annual Production Schedule (2024-2030)

Itecado's Company Limited is dedicated to the careful nurturing and maintenance of young trees, a critical investment in our sustainable agriculture practices. While initial yields from these trees may be modest, our comprehensive efforts in land preparation, planting, and mature tree maintenance establish a solid foundation for future growth. By preparing unfarmed land and ensuring the robust development of our young trees, we are positioned for small-scale initial harvests, paving the way for substantial production yields in the forthcoming years. Our projected production volumes provided in **Table 1** reflect the strategic progress and potential of our operations:

Table 1: Projected Production Volume

| Year | Production Yield |
|---|--|
| 2025 | Itete Farms: 1,572 trees x 30 kg/tree = 47,160 kg |
| | Madeke 57: 2,000 trees x 30 kg/tree = 60,000 kg |
| | Madeke 35: 72 trees x 40 kg/tree = 2,880 kg |
| 2026 | Itete Farms: 1,400 trees x 40 kg/tree = 56,000 kg |
| | Madeke 57: 6,000 trees x 40 kg/tree = 240,000 kg |
| | Purchase New Farm A 50: 5,000 and Plant Avocado trees |
| | Madeke 35: 200 trees x 40 kg/tree = 8,000 kg |
| 2027 | Itete Farms: 1,400 trees x 44 kg/tree = 61,600 kg |
| | Madeke 57: 6,000 trees x 44 kg/tree = 264,000 kg |
| | Madeke 106: 12,000 trees x 10 kg/tree = 120,000 kg |
| | Madeke 35: 400 trees x 40 kg/tree = 16,000 kg |
| | New Farm A (2025): 5,000 trees x 10 kg/tree = 50,000 kg |
| | Itete Farms (Expansion 2026): 2,000 trees x 10 kg/tree |
| 2028 | Itete Farms: 1,400 trees x 48 kg/tree = 67,200 kg |
| | Purchase New farm B 40: Plant 4000 trees |
| | Madeke 57: 6,000 trees x 48 kg/tree = 288,000 kg |
| | Madeke 106: 12,000 trees x 20 kg/tree = 240,000 kg |
| | Madeke 35: 400 trees x 44 kg/tree = 17,600 kg |
| | New Farm A (2025): 5,000 trees x 20 kg/tree = 100,000 kg |
| | Itete Farms (Expansion 2026): 2,000 trees x 15 kg/tree = 30,000 kg |
| New Farm B (2027): 4,000 trees x 10 kg/tree = 40,000 kg | |
| 2029 | Purchase of New Farm C 35: Plant 3,500 trees |
| | Itete Farms: 1,400 trees x 52 kg/tree = 72,800 kg |
| | Madeke 57: 6,000 trees x 52 kg/tree = 312,000 kg |

| | |
|------|--|
| | Madeke 106: 12,000 trees x 30 kg/tree = 360,000 kg |
| | Madeke 35: 400 trees x 48 kg/tree = 19,200 kg |
| | New Farm A (2025): 5,000 trees x 30 kg/tree = 150,000 kg |
| | Itete Farms (Expansion 2026): 2,000 trees x 20 kg/tree |
| | New Farm B (2027): 4,000 trees x 20 kg/tree = 80,000 kg |
| | New Farm C (2028): 3,500 trees x 10 kg/tree = 35,000 kg |
| 2030 | Purchase New Farm D 5 and plant 5,000 trees |
| | Itete Farms: 1,400 trees x 56 kg/tree = 78,400 kg |
| | Madeke 57: 6,000 trees x 56 kg/tree = 336,000 kg |
| | Madeke 106: 12,000 trees x 40 kg/tree = 480,000 kg |
| | Madeke 35: 400 trees x 52 kg/tree = 20,800 kg |
| | New Farm A (2025): 5,000 trees x 40 kg/tree = 200,000 kg |
| | Itete Farms (Expansion 2026): 2,000 trees x 25 kg/tree = 50,000 kg |
| | New Farm B (2027): 4,000 trees x 30 kg/tree = 120,000 kg |
| | New Farm C (2028): 3,500 trees x 20 kg/tree = 70,000 kg |
| | New Farm D (2029): 5,000 trees x 10 kg/tree = 50,000 kg |

6.2. Packhouse Development (2025-2026)

Itecado Company Limited has outlined a comprehensive plan for the development and operationalization of a new packhouse in Makambako, aimed at enhancing the processing, grading, and packaging of their high-quality avocados. Below is a detailed timeline of the project:

| Year | Phase | Details |
|------|----------------------------|--|
| 2025 | Packhouse Makambako | |
| | Land Acquisition | Acquired land for packhouse development |
| | Machinery Purchase | Procured Fitrite packhouse machinery |
| | Construction | Building and setup of the packhouse |
| | Operationalization | Initial testing and start of operations by late 2025 |
| 2026 | Operationalization | |
| | Full-Scale Operations | Packhouse fully operational, supporting processing, grading, and packaging |
| | Quality Control | Implement rigorous quality control measures |

6.3. Avocado Oil Processing Plant (2027)

In 2027, Itecado Company Limited plans to complete the construction and setup of a state-of-the-art avocado oil processing plant. This facility is designed to enhance the company's ability to produce high-quality avocado oil for both local and international markets. Once construction is complete, the plant will begin operationalizing its production lines, enabling the company to produce and export avocado oil on a large scale. This initiative marks a significant milestone in Itecado's mission to diversify its product offerings and capitalize on the growing demand for healthy, natural oils. The plant's advanced technology and efficient processes are expected to set new standards in the industry, reinforcing Itecado's commitment to innovation and excellence.

7. Marketing Strategy

Itecado Company Limited's marketing strategy aims to build brand recognition, drive sales, and achieve sustainable growth in both domestic and international markets. This strategy leverages various marketing channels and initiatives to reach and engage with target audiences effectively.

7.1. Key Marketing Initiatives:

1. **Brand Development:** The objective here is to build and strengthen Itecado's brand identity, creating a strong market presence. Actions include investing in logo design, packaging, marketing materials, and brand campaigns to establish a recognizable brand image.
2. **Digital Marketing:** The goal is to leverage digital channels to reach a broader audience and engage customers. This involves utilizing social media marketing, email marketing, search engine optimization (SEO), and online advertising to drive traffic and conversions.
3. **Public Relations:** Enhancing the company's reputation and generating positive press coverage is the main focus. Actions involve engaging with media outlets, influencers, and industry experts to promote Itecado's products and initiatives, conducting press releases, and organizing media events.
4. **Trade Shows & Events:** The objective is to showcase products and network with potential buyers and industry stakeholders. Participating in industry trade shows, exhibitions, and community events helps to demonstrate product quality and build relationships with key stakeholders.
5. **Sustainability Certifications:** The goal is to validate Itecado's commitment to sustainable farming practices and enhance product credibility. Actions include obtaining certifications such as Fair Trade, Organic, and GlobalGAP to appeal to environmentally conscious consumers and meet market standards.
6. **Sales Force & Distribution:** Developing and maintaining an effective sales team and distribution network to ensure product availability and customer satisfaction is the key objective. Actions involve recruiting and training a skilled sales force, establishing distribution partnerships, and optimizing supply chain operations to ensure efficient product delivery.
7. **E-Commerce:** The aim here is to expand online sales channels and improve the e-commerce platform to facilitate direct sales to consumers and businesses globally. This involves investing in website development, enhancing user experience, integrating payment gateways, and implementing targeted online marketing campaigns.

7.2. Market Execution Plan

Itecado Company Limited's execution plan focuses on building a robust marketing strategy to establish a strong market presence, drive sales, and achieve its growth objectives in both domestic and international markets. By effectively implementing this strategy, the company aims to align with its strategic goals and projected financial

performance, ensuring a comprehensive approach to marketing and sales. Here is our approach:

1. **Market Research and Analysis:** Itecado will conduct comprehensive market research to gain a deep understanding of consumer preferences, market trends, and the competitive landscape. By utilizing data analytics, the company will identify target audiences and tailor its marketing strategies to meet their specific needs and preferences.
2. **Marketing Campaigns:** The company plans to develop and execute integrated marketing campaigns across multiple channels, including digital platforms, print media, and in-person events. By monitoring and measuring campaign performance, Itecado will optimize its strategies to achieve the desired outcomes and ensure effective reach and engagement.
3. **Customer Engagement:** Itecado aims to foster strong relationships with customers through personalized interactions, loyalty programs, and customer feedback initiatives. Utilizing customer insights, the company will continuously improve its product offerings and marketing approaches to better meet customer expectations and enhance satisfaction.
4. **Partnerships and Collaborations:** The company will forge strategic partnerships with industry players, retailers, and distributors to expand its market reach and enhance brand visibility. Collaborating with influencers and brand ambassadors will further promote Itecado's products and increase brand awareness among a wider audience.
5. **Continuous Improvement:** Itecado is committed to regularly reviewing and refining its marketing strategies to adapt to changing market conditions and consumer preferences. The company will invest in ongoing training and development for its marketing team to stay updated with industry best practices and maintain a competitive edge.

Itecado Company Limited aims to establish itself as a market leader, drive significant sales growth, and achieve sustainable success in the highly competitive avocado market.

7.3. Marketing Budget (2024-2030)

Itecado Company Limited has put in place a comprehensive marketing budget to support its ambitious growth and market penetration strategies over the period from 2025 to 2030. This budget allocation is designed to ensure the effective execution of key marketing initiatives, enabling the company to build a strong brand presence, engage with a broader audience, and achieve sustainable success in both domestic and international markets. The budget for various categories over the years is provided in **Figure 2**.

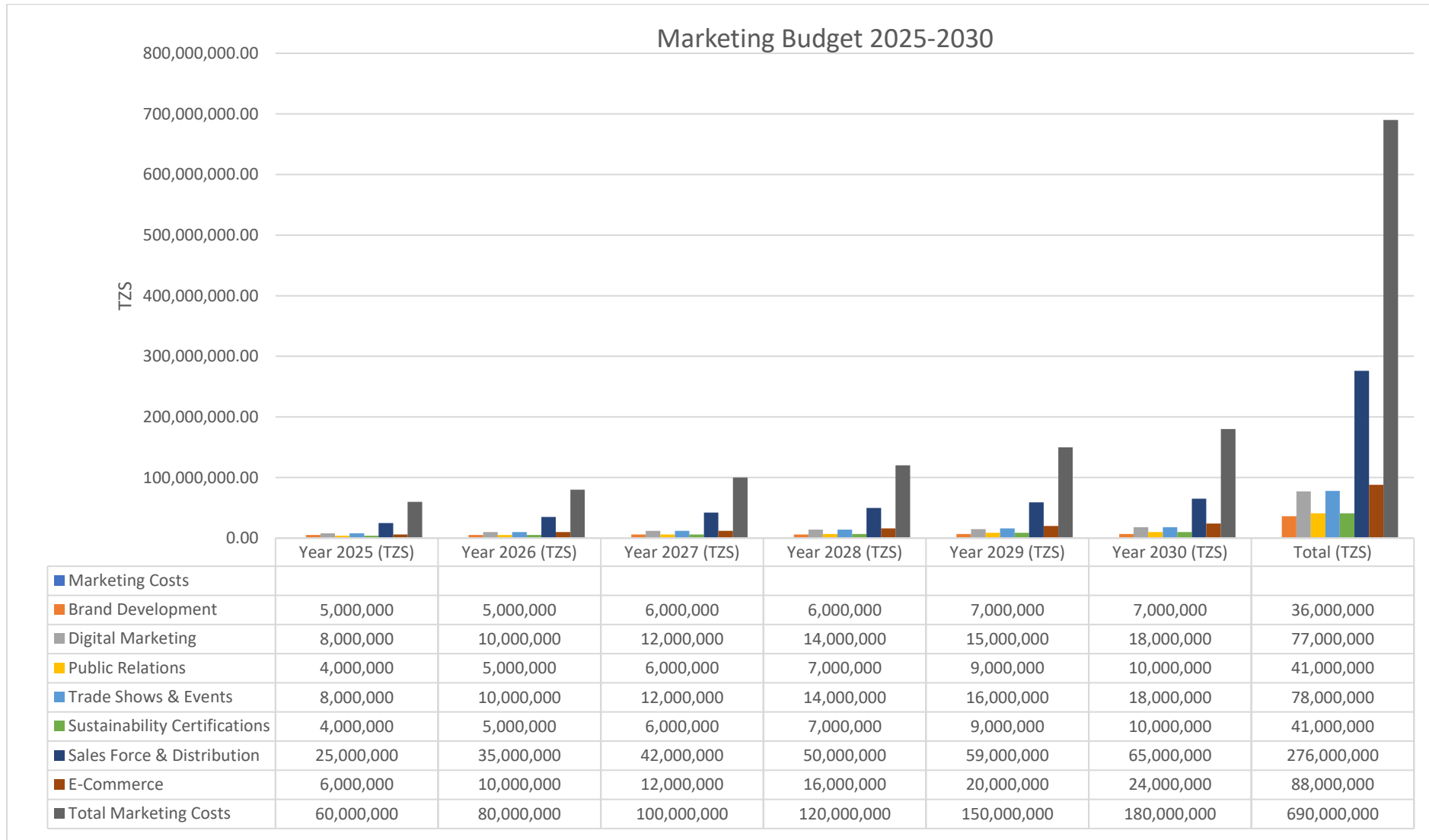


Figure 2: Marketing Budget (2025-2030)

8. Income Streams and Financial Projections

Appreciating the primary revenue sources is crucial for understanding Itecado's Company Limited's financial strategy from 2025 to 2030. The revenue is predominantly derived from farm yields, with contributions from packhouse operations and the sale of avocado oil, as detailed below.

8.1. Farm Yield

From 2025 to 2030, Itecado's Company Limited anticipates generating significant revenue from various farms. Itete Farms is expected to contribute TZS 752,320,000 through consistent yield increases and the expansion planned in 2026. Madeke 57 will be a major revenue driver, with total revenue projected at TZS 3,720,000,000, owing to its large tree count and consistent yield improvements.

Madeke 106 will also be a substantial contributor, generating TZS 3,000,000,000 as its trees mature from 2027 onwards. Madeke 35 will provide steady revenue growth with TZS 209,760,000, reflecting the ongoing maintenance and growth of its trees.

New Farm A, established in 2025, is projected to generate TZS 1,375,000,000 by 2030, with productivity ramping up over the years. The expansion of Itete Farms in 2026 will add TZS 525,000,000 to the revenue from 2027 onwards. New Farm B, acquired in 2027, will generate TZS 600,000,000 as it starts yielding revenue by 2028 and scales up production.

New Farm C, starting its operations in 2028, will contribute TZS 262,500,000 to the revenue by 2030. Similarly, New Farm D, established in 2029, is expected to add TZS 125,000,000 by 2030. Additionally, Itecado anticipates an extra TZS 1,070,380,000 from the required or surplus yield across all farms.

The Histogram below **(Figure 3)** provide a pictorial view of the forecasted income from Avocado farming per farm.

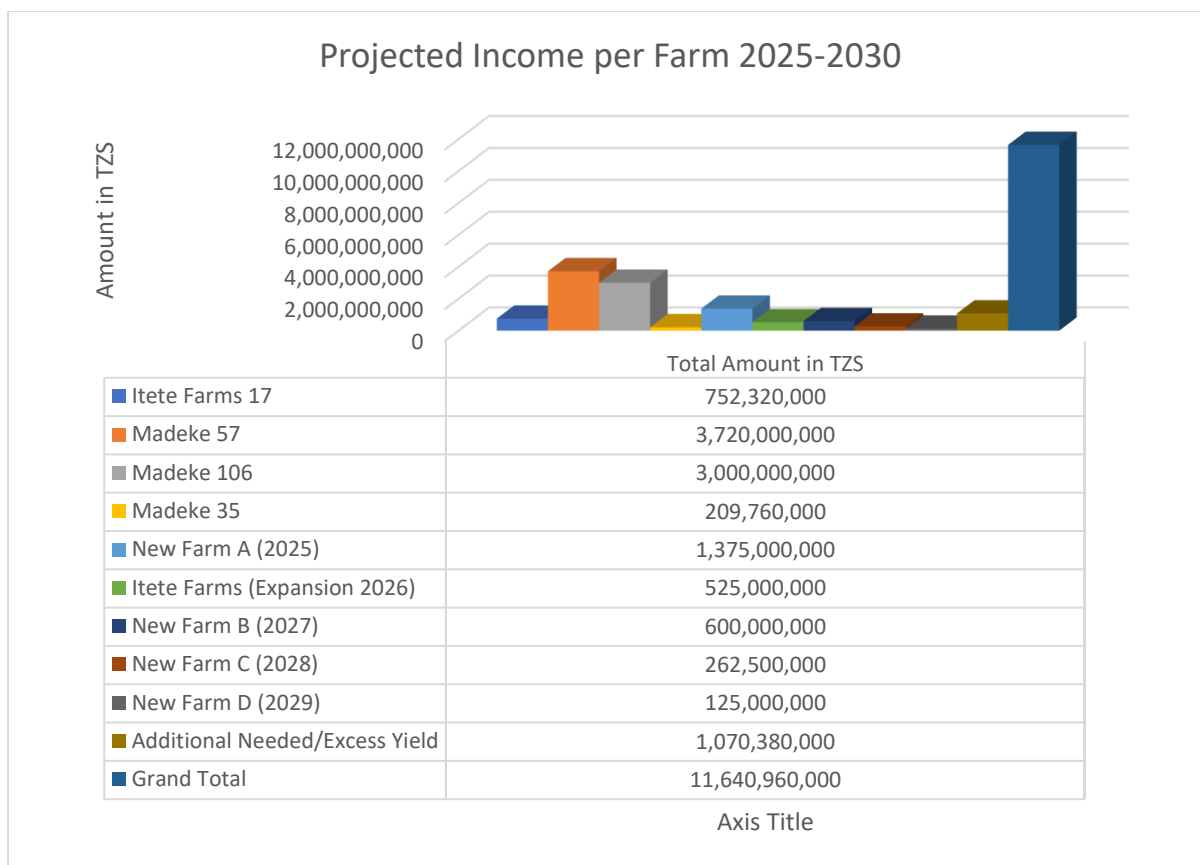


Figure 3: Forecasted income from Avocado farming per farm.

Detailed analysis of income per farm is provided in **Annexure 1**.

Assumptions used in farm yield

Assumptions used in arriving at the estimated farm yield and expected income per farm from 2025-2030 as provided above were:

- 1. Tree Yield Per Kilogram (kg/tree):** The calculations assume specific yields per tree based on the type and maturity of the trees. For instance, Itete Farms yields 30 kg per tree in 2025, increasing to 56 kg per tree by 2030.
- 2. Average Selling Price Per Kilogram (TZS):** The assumed average selling price is TZS 2,000 per kg for all tree types and years. This price is used to convert the yield in kilograms to revenue in Tanzanian Shillings (TZS).
- 3. Incremental Yield Growth:** The yields per tree are assumed to increase as the trees mature and farming practices improve. For example, Itete Farms yields increase from 30 kg per tree in 2025 to 56 kg per tree in 2030, and similar growth is applied across other farms.
- 4. Additional Needed Yield:** Any shortfall in the projected yield is assumed to be allocated evenly among all farms. For instance, the additional needed yield in 2025 (24,240 kg) is distributed across Itete Farms, Madeke 57, and Madeke 35.

5. **New Farm Contributions:** New farms acquired in 2025 (New Farm A), 2027 (New Farm B), 2028 (New Farm C), and 2029 (New Farm D) are assumed to start contributing to the revenue in the subsequent years as they become productive.
6. **Farm Expansions:** Expansions of existing farms, such as Itete Farms in 2026, are assumed to increase the overall yield and revenue from the year following the expansion.

Basing on the above assumption (**Table 2**), it is expected that in total the company will earn TZS t11,027,710,000 as sales income from sale of Avocado Produces.

Table 2: Projected income from Farm Yield (2025-2030).

| Year | Total Income (TZS) |
|--------------------|-----------------------|
| 2025 | 244,560,000 |
| 2026 | 760,000,000 |
| 2027 | 1,461,900,000 |
| 2028 | 2,402,700,000 |
| 2029 | 2,481,750,000 |
| 2030 | 3,676,800,000 |
| Grand Total | 11,027,710,000 |

8.2. Packhouse Operations

Packhouse operations are another key revenue source for Itecado's Company Limited, significantly contributing to the overall income. The projected revenue from packhouse operations is as follows: TZS 50,000,000 in 2025, TZS 120,000,000 in 2026, TZS 180,000,000 in 2027, TZS 400,000,000 in 2028, TZS 450,000,000 in 2029, and TZS 500,000,000 in 2030. The total projected revenue from packhouse operations over this period is TZS 1,700,000,000.

Figure 4 summarizes the projected revenue from packhouse operations from 2025 to 2030

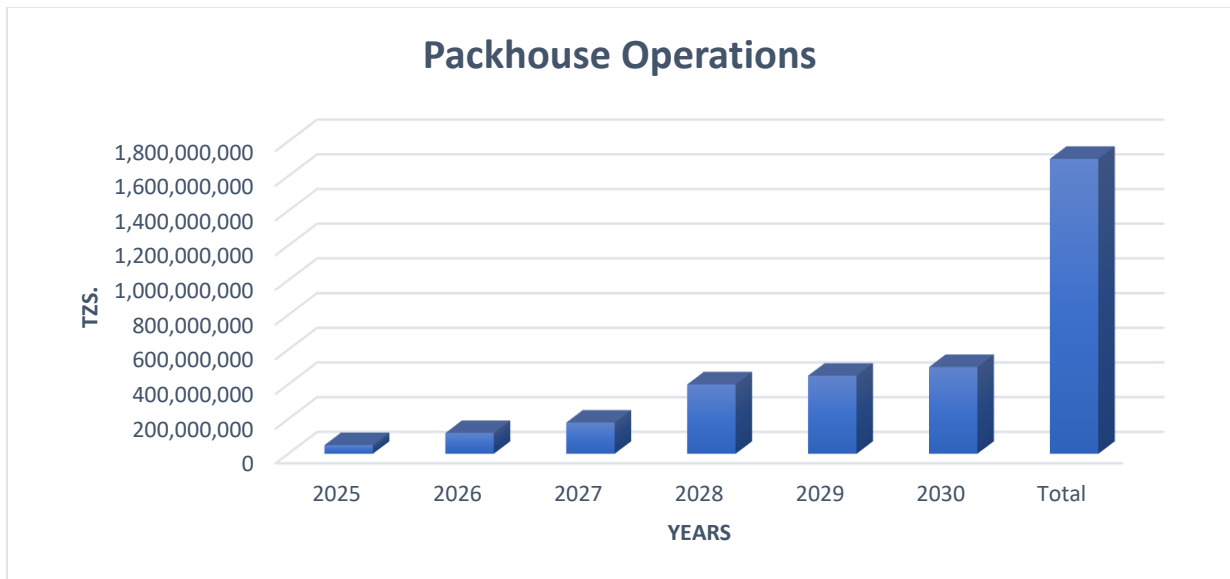


Figure 4: Projected revenue from packhouse operations from 2025 to 2030

Assumptions Used:

1. **Operational Capacity Increase:** It is assumed that the packhouse operations will expand their capacity and efficiency year-on-year, resulting in increased revenue.
2. **Market Demand:** The projections are based on a consistent increase in market demand for processed and packaged agricultural products.
3. **Stable Pricing:** The revenue projections assume stable pricing for packhouse services without significant fluctuations due to market conditions.
4. **Technological Advancements:** The figures include the assumption that technological improvements and investments in packhouse operations will enhance productivity and profitability.
5. **Regulatory Environment:** The projections assume a stable regulatory environment that supports packhouse operations without major disruptions.

8.3. Sale of Avocado Oil

Starting in 2027, the sale of avocado oil will become a notable revenue stream for Itecado's Company Limited. The projected revenue from avocado oil sales is expected to grow progressively, beginning with TZS 18,000,000 in 2027. This growth continues with an anticipated revenue of TZS 50,000,000 in 2028, TZS 85,000,000 in 2029, and TZS 100,000,000 in 2030. The total projected revenue from avocado oil sales over this period amounts to TZS 253,000,000.

Figure 5 summarizes the projected revenue from the sale of avocado oil from 2025 to 2030

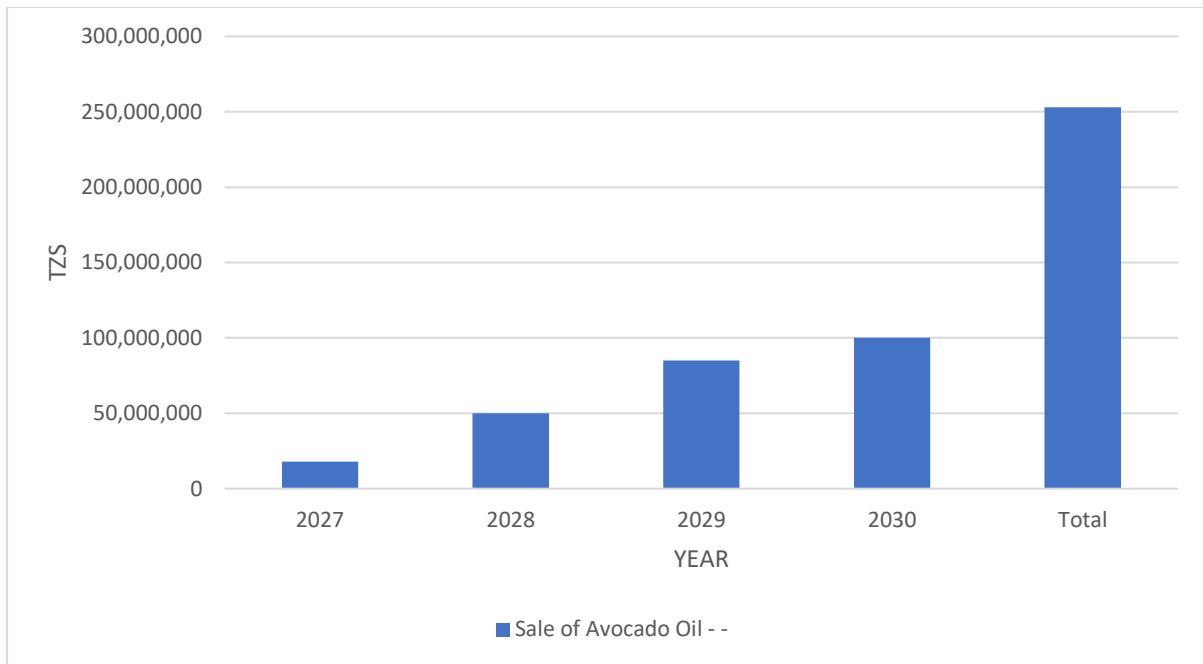


Figure 5: Projected revenue from the sale of avocado oil from 2025 to 2030:

Assumptions Used:

1. **Market Demand Growth:** It is assumed that there will be an increasing market demand for avocado oil, driven by its health benefits and rising popularity in both local and international markets.
2. **Production Capacity:** The projections assume a steady increase in production capacity, allowing the company to meet the growing demand. Investments in equipment and technology are expected to enhance production efficiency.
3. **Stable Pricing:** The revenue projections are based on stable market prices for avocado oil, without significant fluctuations due to economic or market conditions.
4. **Quality Standards:** It is assumed that Itecado's Company Limited will maintain high-quality standards for its avocado oil, ensuring a premium product that commands higher prices.
5. **Regulatory Environment:** The projections assume a favorable regulatory environment that supports the production and sale of avocado oil without major disruptions.
6. **Distribution Channels:** It is assumed that effective distribution channels will be established, allowing the company to reach a broader customer base both domestically and internationally.
7. **Market Penetration:** The figures include the assumption that the company will successfully penetrate new markets and expand its customer base over time.

8.4. Total Income Projections (2025-2030)

Combining all revenue sources, Itecado's Company Limited anticipates a significant increase in total income from 2025 to 2030. Here's a detailed look at the projected total income and the assumptions used in these calculations:

- i) **2025:** The total income is projected to be TZS 294,560,000. This includes revenue from farm yields and initial contributions from packhouse operations.
- ii) **2026:** The total income is expected to rise to TZS 880,000,000, driven by increased farm yield and expanded packhouse operations.
- iii) **2027:** The income further increases to TZS 1,659,900,000 with additional contributions from the sale of avocado oil starting this year.
- iv) **2028:** The total income is projected at TZS 2,852,700,000, reflecting significant gains from all revenue streams.
- v) **2029:** The income continues to grow, reaching TZS 3,016,750,000 as farm yields and other revenue sources scale up.
- vi) **2030:** The total income is expected to peak at TZS 4,276,800,000, thanks to mature farm yields, optimized packhouse operations, and increased avocado oil sales.

Figure 6 provide a pictorial view of projected total Income from 2025-2030.

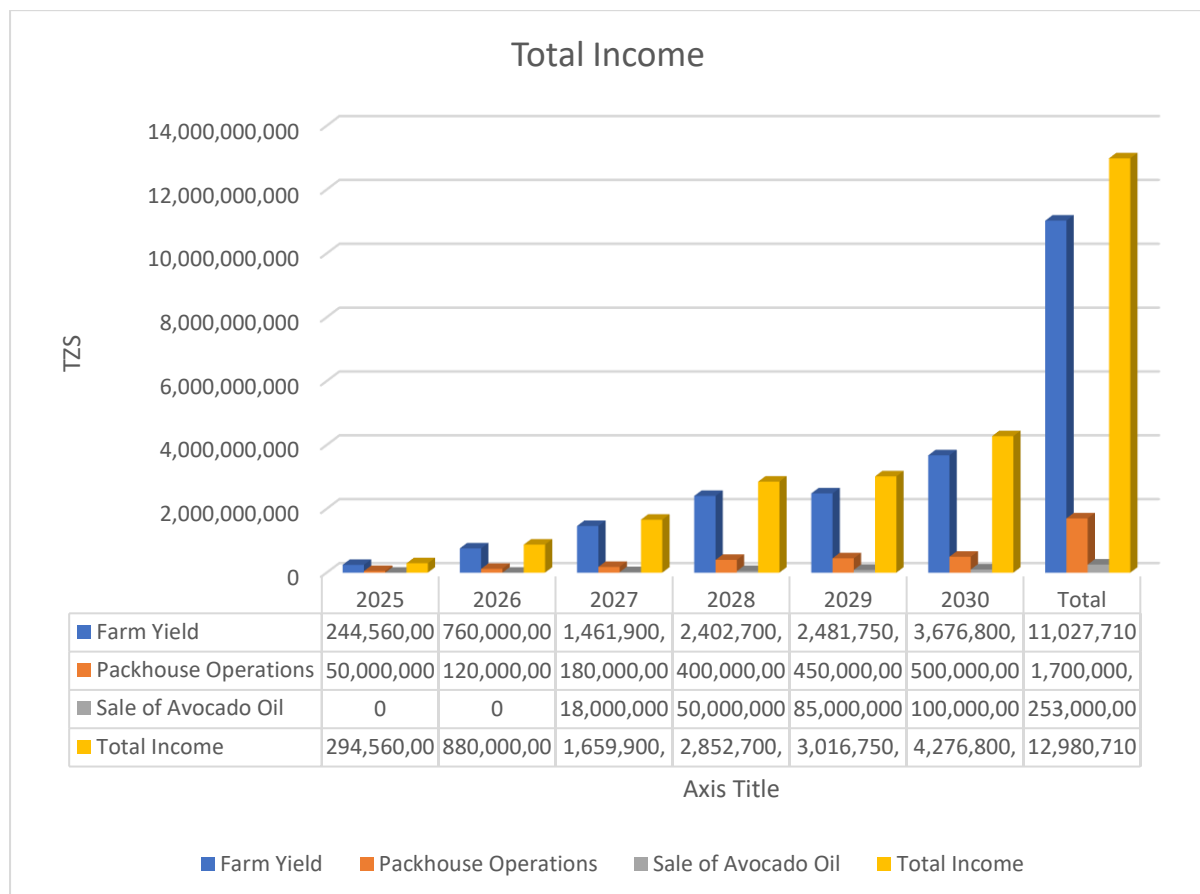


Figure 6: Projected total income

9. Capital Requirement

Itecado Company Limited has outlined a comprehensive capital requirement plan to support its ambitious growth and development objectives from 2025 to 2030. This plan is structured to ensure that the company can secure the necessary funding through a mix of equity financing, bank loans, retained earnings, and venture capitalist contributions. The strategic allocation of these funds will facilitate the expansion of our operations, the completion of key projects, and the enhancement of our operational efficiency. Yearly Breakdown of Capital Requirement is provided in **Table 3**.

9.1. Strategic Funding Plan

The strategic funding plan for Itecado Company Limited is designed to ensure that the company has access to the necessary capital to achieve its goals while maintaining a balanced approach to financing. This plan includes:

1. **Equity Financing:** Attracting additional equity investments to support key projects and operational expansion.
2. **Bank Loans:** Utilizing bank loans strategically to cover initial expenses and development costs in 2025.
3. **Retained Earnings:** Reinvesting profits to fund ongoing operations and improvements, ensuring sustainable growth.
4. **Venture Capitalist Funding:** Securing venture capital in 2027 to complete major projects like the oil processing plant.

Itecado Company Limited aims to strengthen its financial foundation, support its ambitious growth objectives, and ensure long-term success in the agricultural industry through the implementation of this capital requirement plan.

Assumptions Used:

1. **Equity Financing:**
 - Equity financing is utilized each year to meet part of the capital requirements, including TZS 89,000,000 in 2025.
2. **Bank Loans:**
 - A one-time bank loan of TZS 213,820,934 is secured in 2025 to cover part of the initial capital requirement. No further bank loans are assumed in subsequent years.
3. **Venture Capitalist Funding:**
 - Venture capitalist funding is consolidated in 2027 to cover the remaining capital requirements for subsequent years, totaling TZS 1,744,885,890.25.

4. Retained Earnings:

- Adjusted retained earnings are calculated based on the given values and used to reinvest in the business to cover operational costs and minor investments not reflected in the major capital requirements.

5. Capital and Liabilities:

- The total capital requirement for each year, including equity financing, bank loans, venture capitalist funding, and retained earnings, equals the total equity figure provided for each year. This ensures completeness and accuracy of the financial

6. Retained Earnings Calculation:

2025: TZS (276,445,890.25) + TZS (15,440,000) = TZS (291,885,890.25)

- **2026:** TZS (291,885,890.25) + TZS 500,000,000 = TZS 208,114,109.75
- **2027:** TZS 208,114,109.75 + TZS 1,147,900,000 = TZS 1,355,114,109.75
- **2028:** TZS 1,355,114,109.75 + TZS 2,182,700,000 = TZS 3,537,814,109.75
- **2029:** TZS 3,537,814,109.75 + TZS 1,966,750,000 = TZS 6,504,564,109.75
- **2030:** TZS 6,504,564,109.75 + TZS 2,896,800,000 = TZS 10,401,364,109.75

Table 3: Yearly breakdown of capital requirement

| Year | Capital Requirement (TZS) | Equity Financing (TZS) | Bank Loans (TZS) | Retained Earnings (TZS) | Venture Capitalist (TZS) | Details |
|------|---------------------------|------------------------|------------------|-------------------------|--------------------------|--|
| 2025 | 700,255,573 | 89,000,000 | 213,820,934 | (291,885,890.25) | - | Securing additional equity investment, a one-time bank loan, and retained earnings for initial expenses. |
| 2026 | 1,135,309,497.50 | 135,309,497.50 | - | 208,114,109.75 | - | Continuation of packhouse development and start of oil processing plant construction. |
| 2027 | 2,378,084,246.25 | 578,084,246.25 | - | 1,355,114,109.75 | 1,744,885,890.25 | Completion of oil processing plant with consolidated venture capitalist funding. |
| 2028 | 4,916,658,995 | 1,416,658,995 | - | 3,537,814,109.75 | - | Ongoing operations and additional improvements. |
| 2029 | 8,268,283,743.75 | 2,268,283,743.75 | - | 6,504,564,109.75 | - | Sustaining growth and finalizing development projects. |
| 2030 | 12,568,958,492.50 | 2,568,958,492.50 | - | 10,401,364,109.75 | - | Covering operational expenses and efficiency improvements. |

10. Projected Budget Overview

To support our strategic growth and operational goals from 2025 to 2030, Itecado Company Limited has meticulously developed a comprehensive projected budget. This financial blueprint outlines our anticipated expenditures and income across various categories, including marketing costs, capital investments, and operational expenses.

The detailed budget, provided as Annexure 2, reflects our commitment to sustainable growth, innovation, and efficiency. It encompasses investments in brand development, digital marketing, public relations, trade shows, sustainability certifications, sales force expansion, and e-commerce initiatives. Additionally, it allocates substantial funds for capital investments such as new farm acquisitions, packhouse construction, integration of local farmers, and development projects.

Operational costs have also been carefully projected to ensure that our day-to-day activities are well-funded, supporting our mission to deliver high-quality avocados and promote sustainable agricultural practices.

Through this projected budget, Itecado Company Limited aims to strengthen its financial foundation, support its ambitious growth objectives, and ensure long-term success in the agricultural industry.

For a detailed breakdown of our projected budget, please refer to **Annexure 2**

11. Break-Even Analysis

The break-even analysis is a critical financial metric for Itecado Company Limited, providing insights into the point where the company's total revenue will equal its total expenses, resulting in neither profit nor loss. This analysis is essential for strategic planning, setting financial targets, and making informed business decisions, particularly in the context of avocado farming and production.

Steps to Calculate Break-even Point

- 1. Identify Fixed Costs:** These are costs that do not change with the level of production or sales, such as capital investments and some operational costs. For Itecado, fixed costs include the acquisition of land, construction of farming facilities, and purchase of equipment for avocado cultivation and processing.
- 2. Identify Variable Costs:** These are costs that vary directly with the level of production, such as costs of goods sold (COGS). For Itecado, variable costs include expenses related to planting, harvesting, packaging, and distribution of avocados.
- 3. Calculate Total Costs:** Sum of fixed and variable costs. This provides a comprehensive view of the financial outlay required to sustain operations throughout the avocado farming cycle.
- 4. Determine Total Revenue:** This is calculated based on the expected income from the sales of avocados and related products. For Itecado, total revenue is projected from the sale of Hass avocados both domestically and internationally.

11.1. Break-Even Analysis Data

The table below presents a detailed breakdown of Itecado's projected income, expenses, and net income from 2025 to 2030:

Table 4: Break even analysis

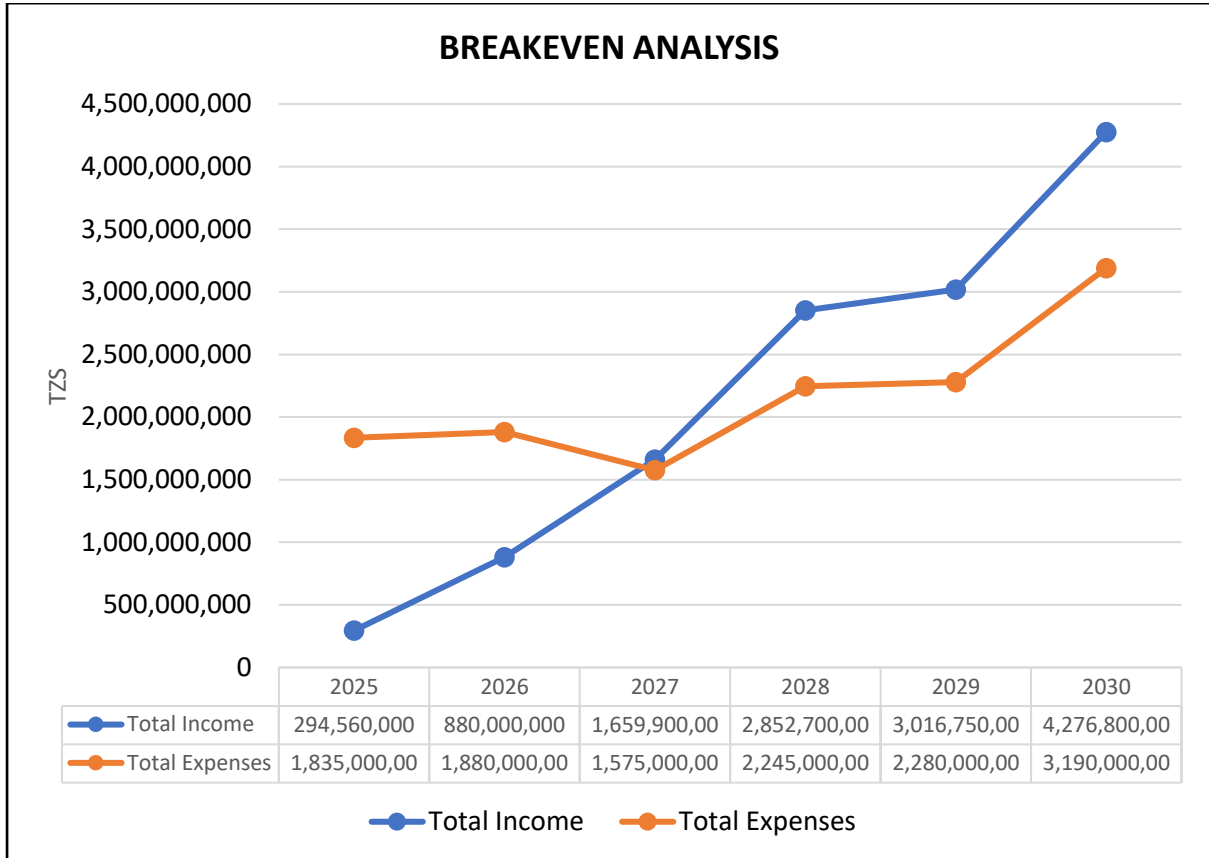
| Details | Year 2025 | Year 2026 | Year 2027 | Year 2028 | Year 2029 | Year 2030 |
|----------------|------------------------|------------------------|-------------------------------|--------------------------------|--------------------------------|----------------------------------|
| Total Income | TZS 294,560,000 | TZS 880,000,000 | TZS 1,659,900,000 | TZS 2,852,700,000 | TZS 3,016,750,000 | TZS 4,276,800,000 |
| Total Expenses | TZS 1,835,000,000 | TZS 1,880,000,000 | TZS 1,575,000,000 | TZS 2,245,000,000 | TZS 2,280,000,000 | TZS 3,190,000,000 |
| Net Income | TZS (1,540,440,000) | TZS (1,000,000,000) | TZS 84,900,000 (Profit) | TZS 607,700,000 (Profit) | TZS 736,750,000 (Profit) | TZS 1,086,800,000 (Profit) |

The break-even point for Itecado Company Limited is reached in 2027, where the total income of TZS 1,659,900,000 exceeds the total expenses of TZS 1,575,000,000, resulting in a net profit of TZS 84,900,000. Achieving this break-even point marks a significant milestone in Itecado's financial strategy, especially in the context of avocado production. It underscores the importance of managing costs and

maximizing revenue to achieve sustainable growth and profitability in the avocado market.

11.2. Graphical Representation

Below is a sample graph illustrating the break-even analysis:



12. Projected Income Statement

The projected income statement, or proforma income statement, for Itecado Company Limited provides a detailed financial forecast from 2025 to 2030. This statement outlines expected revenues, costs, and net income, helping to guide strategic planning and decision-making. The full proforma income statement is included in Annexure 3, and the following narrative explains the key components and assumptions underlying this financial forecast.

12.1. Revenue

Revenue projections are based on anticipated income from various sources within the company's operations:

- **Farm Yield:** This represents the primary revenue stream from avocado farming. The income is projected to increase from TZS 244,560,000 in 2025 to TZS 3,676,800,000 in 2030, reflecting the growth in avocado production and market expansion.
- **Packhouse Operations:** Revenue from packhouse activities is expected to grow, starting at TZS 50,000,000 in 2025 and reaching TZS 500,000,000 by 2030. This includes income from processing and packaging avocados for distribution.
- **Sale of Avocado Oil:** Starting in 2027, Itecado plans to diversify its product line with the sale of avocado oil. Revenue from this stream is projected to increase from TZS 18,000,000 in 2027 to TZS 100,000,000 in 2030.

Overall, total revenue is expected to grow substantially from TZS 294,560,000 in 2025 to TZS 4,276,800,000 in 2030.

12.2. Cost of Goods Sold (COGS)

COGS includes all direct costs associated with the production of goods:

- **Operational Costs:** These are projected to increase as the company scales its operations, from TZS 250,000,000 in 2025 to TZS 1,200,000,000 in 2030. This includes expenses related to planting, harvesting, packaging, and other production activities.

Total COGS aligns with the company's expansion, reflecting the growing operational scale and associated costs.

12.3. Gross Profit

Gross Profit is calculated as Total Revenue minus Total COGS:

- The projected gross profit shows a significant increase, starting from TZS 44,560,000 in 2025 to TZS 3,076,800,000 in 2030. This growth demonstrates

the company's ability to effectively manage production costs while increasing revenue.

12.4. Operating Expenses

Operating Expenses include marketing costs and administrative expenses:

- **Marketing Costs:** These are necessary to promote Itecado's products and expand its market presence. Marketing expenses are projected to grow from TZS 60,000,000 in 2025 to TZS 180,000,000 in 2030.
- **Administrative Expenses:** This category includes capital investments and general administrative costs, projected to increase from TZS 1,525,000,000 in 2025 to TZS 1,810,000,000 in 2030.

Total operating expenses are expected to rise as the company scales its operations and invests in growth.

12.5. Operating Income (Loss)

Operating Income (Loss) is calculated as Gross Profit minus Total Operating Expenses:

- The company anticipates initial losses in 2025 and 2026, with operating losses of TZS 1,540,440,000 and TZS 1,080,000,000, respectively. However, from 2027 onwards, Itecado is projected to achieve positive operating income, with significant growth to TZS 1,086,800,000 by 2030.

12.6. Other Income and Expenses

Other income and expenses primarily include interest expenses on bank loans:

- Interest expenses are expected to decrease over time, from TZS 15,000,000 in 2025 to TZS 6,000,000 in 2030, reflecting the company's strategy to manage and reduce debt.
-

12.7. Net Income (Loss)

Net Income (Loss) is calculated as Operating Income (Loss) minus Other Income and Expenses:

- The projected net income shows a turnaround from losses in the initial years to significant profits by 2030. The net loss of TZS 1,555,440,000 in 2025 transitions to a net profit of TZS 1,080,800,000 in 2030.

This proforma income statement provides a comprehensive financial forecast for Itecado Company Limited, detailing expected revenue, costs, and net income from 2025 to 2030. The projections highlight the company's growth trajectory and its path to profitability. By carefully managing costs and expanding revenue streams, Itecado aims to achieve sustainable financial success in the avocado industry.

The full proforma income statement is included in the report as **Annexure 3** for detailed reference and further analysis.

13. Projected Balance Sheet

The projected balance sheet, or proforma balance sheet, provides a comprehensive overview of Itecado Company Limited's expected financial position from 2025 to 2030. This statement consolidates the company's assets, liabilities, and equity, reflecting its financial health and strategic investments over the forecast period. The full proforma balance sheet is included in the report as Annexure 3. Below, we explain the key components and underlying assumptions.

13.1. Assets

Current Assets: Current assets are expected to increase steadily from TZS 350,000,000 in 2025 to TZS 3,000,000,000 by 2030. These include cash, receivables, and inventory, which are essential for day-to-day operations. The growth in current assets reflects increased revenue from avocado sales, efficient cash management, and higher inventory levels to meet market demand.

Non-Current Assets: Non-current assets, including property, plant, equipment, and investments in development projects, are projected to rise from TZS 1,500,000,000 in 2025 to TZS 12,000,000,000 by 2030. This significant increase represents substantial capital investments in farming infrastructure, processing facilities, and technological advancements to enhance production efficiency and product quality.

Total Assets: The total assets are forecasted to grow from TZS 1,850,000,000 in 2025 to TZS 15,000,000,000 in 2030, reflecting the company's robust investment strategy and expansion plans.

13.2. Liabilities

Current Liabilities: Current liabilities, which include short-term debt and accounts payable, are expected to fluctuate with the company's operational and financial needs. They are projected to increase from TZS 300,000,000 in 2025 to TZS 1,500,000,000 in 2030. This increase aligns with the company's growing operational scale and the need to manage working capital effectively.

Long-Term Liabilities: Long-term liabilities, including long-term bank loans and other financial obligations, are projected to rise from TZS 400,000,000 in 2025 to TZS 3,500,000,000 in 2030. This increase reflects the company's capital requirements for strategic projects and expansions, supported by venture capitalist funding and long-term financing solutions.

Total Liabilities: Total liabilities are expected to grow from TZS 700,000,000 in 2025 to TZS 5,000,000,000 by 2030, mirroring the company's expansion and financing strategies.

13.3. Equity

Shareholder's Equity: Shareholder's equity, representing equity financing each year, is projected to increase from TZS 89,000,000 in 2025 to TZS 2,568,958,492.50 in 2030. This growth highlights the continuous investment from shareholders to support the company's growth initiatives.

Retained Earnings: Retained earnings, which are the cumulative profits retained in the business after accounting for net income each year, are expected to rise from TZS 1,061,000,000 in 2025 to TZS 7,431,041,507.50 in 2030. This reflects the company's profitability and the reinvestment of earnings to fuel further growth.

Total Equity: Total equity is projected to increase significantly from TZS 1,150,000,000 in 2025 to TZS 10,000,000,000 in 2030, indicating a strong financial foundation and shareholder confidence in the company's future prospects.

Total Liabilities and Equity: The combined total of liabilities and equity is expected to grow from TZS 1,850,000,000 in 2025 to TZS 15,000,000,000 in 2030, providing a comprehensive view of Itecado Company Limited's projected financial position

13.4. Summary of Key Assumptions

1. Current Assets:

- Include cash, receivables, and inventory.
- Cash is assumed to increase with equity financing and retained earnings.

2. Non-Current Assets:

- Include property, plant, equipment, and investments in development projects.
- Gradual increase reflecting capital investments each year.

3. Current Liabilities:

- Include short-term debt and accounts payable.
- Assumed to fluctuate with operational and financial needs.

4. Long-Term Liabilities:

- Include long-term bank loans and other financial obligations.
- Increase with capital requirements and venture capitalist funding.

5. Shareholder's Equity:

- Represents equity financing each year as provided in the capital requirement details.

6. Retained Earnings:

- Cumulative profits retained in the business after accounting for net income each year.

These assumptions and proforma balance sheets provide a comprehensive view of the company's projected financial position from 2025 to 2030, considering the capital requirements and financial strategy. The detailed proforma balance sheet is included in the report as **Annexure 4** for further reference and analysis.

14. Projected Cash Flow Statement

The projected cash flow statement, or proforma cash flow statement, provides a detailed forecast of Itecado Company Limited's expected cash inflows and outflows from 2025 to 2030. This statement outlines the company's cash position by summarizing cash flows from operating, investing, and financing activities. The full proforma cash flow statement is included in the report as Annexure 5. Below, we explain the key components and assumptions underlying this financial forecast.

14.1. Cash Flows from Operating Activities

Operating activities reflect the cash generated or used in the core business operations of Itecado:

- **Net Income:** This is the starting point for calculating cash flows from operating activities. Based on the projected income statement, net income ranges from a loss of TZS 1,540,440,000 in 2025 to a profit of TZS 1,086,800,000 in 2030.
- **Depreciation:** Non-cash expenses such as depreciation are added back to net income. Depreciation is expected to increase from TZS 20,000,000 in 2025 to TZS 65,000,000 in 2030 due to continuous investment in property, plant, and equipment.
- **Changes in Working Capital:** Adjustments are made for changes in working capital, including accounts payable and receivables. These changes are projected to increase from TZS 50,000,000 in 2025 to TZS 100,000,000 in 2030 as the business expands.

The net cash provided by or used in operating activities transitions from a negative TZS 1,470,440,000 in 2025 to a positive TZS 1,251,800,000 in 2030, reflecting improved operational efficiency and profitability.

14.2. Cash Flows from Investing Activities

Investing activities include cash flows related to the acquisition and disposal of long-term assets:

- **Purchase of Property, Plant, and Equipment:** Significant capital investments are planned for the expansion and upgrading of farming and processing facilities. These investments are projected to increase from TZS 500,000,000 in 2025 to TZS 2,500,000,000 in 2030.

The net cash used in investing activities is expected to rise, reflecting the company's commitment to growth and development through capital investments.

14.3. Cash Flows from Financing Activities

Financing activities involve transactions related to equity financing and borrowing:

- **Equity Financing:** Based on the capital requirements, equity financing is projected to increase from TZS 89,000,000 in 2025 to TZS 2,568,958,492.50 in 2030.
- **Bank Loans:** A one-time bank loan of TZS 213,820,934 is included in 2025, providing necessary funds for initial capital expenses.

The net cash provided by financing activities is projected to grow significantly, supporting the company's strategic initiatives and expansion plans.

14.4. Net Increase/(Decrease) in Cash and Cash Equivalents

The net change in cash and cash equivalents reflects the overall cash position of the company:

- The company anticipates a net decrease in cash and cash equivalents in the initial years, transitioning to a net increase by 2030. This transition demonstrates the company's journey from initial investment and expansion to achieving positive cash flows and financial stability.

14.5. Cash and Cash Equivalents at Beginning and End of Year

- **Beginning of Year:** Starting with an initial cash deficit of TZS 35,062,263.50 in 2025, reflecting the early-stage investments and expenditures.
- **End of Year:** The cash position improves significantly by the end of 2030, with cash and cash equivalents projected at TZS (492,736,349.50), indicating a stronger financial footing and liquidity.

14.6. Summary of Key Assumptions

1. **Net Income:**
 - Based on the projected net income from the proforma income statement.
2. **Depreciation:**
 - Assumed to increase each year due to continuous investment in property, plant, and equipment.
3. **Changes in Working Capital:**
 - Includes changes in accounts payable and receivables, estimated to increase as the business grows.
4. **Purchase of Property, Plant, and Equipment:**
 - Reflects ongoing capital investments for expansion and upgrades.
5. **Equity Financing:**
 - Based on the capital requirement details provided for each year.
6. **Bank Loans:**
 - Includes a one-time bank loan in 2025 as specified.

This projected cash flow statement provides a detailed overview of Itecado Company Limited's expected cash flows from 2025 to 2030, highlighting the company's financial strategy and anticipated liquidity position. The detailed proforma cash flow statement is included in the report as **Annexure 5** for further reference and analysis.

15. Ratio Analysis

The financial ratio analysis provides a comprehensive overview of Itecado Company Limited's financial health and performance from 2025 to 2030. By examining liquidity, profitability, efficiency, and leverage ratios, stakeholders can gain insights into the company's operational efficiency, financial stability, and long-term growth potential.

15.1. Liquidity Ratios

1. Current Ratio:

The current ratio (**Table 5**) measures the company's ability to pay short-term obligations with its current assets. A ratio above 1 indicates adequate liquidity to cover current liabilities with current assets.


$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Table 5: Current Ratio

| Year | Current Assets (TZS) | Current Liabilities (TZS) | Ratio |
|------|----------------------|---------------------------|-------|
| 2025 | 350,000,000 | 300,000,000 | 1.17 |
| 2026 | 500,000,000 | 400,000,000 | 1.25 |
| 2027 | 750,000,000 | 600,000,000 | 1.25 |
| 2028 | 1,200,000,000 | 800,000,000 | 1.50 |
| 2029 | 2,000,000,000 | 1,000,000,000 | 2.00 |
| 2030 | 3,000,000,000 | 1,500,000,000 | 2.00 |

Interpretation: The current ratio measures the company's ability to pay short-term obligations. A ratio above 1 indicates adequate liquidity to cover current liabilities with current assets.

15.2. Profitability Ratios

1. Gross Profit Margin:

The gross profit margin (**Table 6**) shows the percentage of revenue that exceeds the cost of goods sold. Higher margins indicate better efficiency in producing goods or services

$$\text{Gross Profit Margin} = \frac{\text{Gross Profit}}{\text{Total Revenue}}$$

Table 6: Gross Profit margin

| Year | Gross Profit (TZS) | Total Revenue (TZS) | Ratio |
|------|--------------------|---------------------|--------|
| 2025 | 44,560,000 | 294,560,000 | 15.13% |
| 2026 | 580,000,000 | 880,000,000 | 65.91% |
| 2027 | 1,259,900,000 | 1,659,900,000 | 75.91% |
| 2028 | 2,302,700,000 | 2,852,700,000 | 80.73% |
| 2029 | 2,116,750,000 | 3,016,750,000 | 70.15% |
| 2030 | 3,076,800,000 | 4,276,800,000 | 71.96% |

Interpretation: The gross profit margin shows the percentage of revenue that exceeds the cost of goods sold. Higher margins indicate better efficiency in producing goods/services.

2. Net Profit Margin:

The net profit margin (**Table 7**) indicates the percentage of revenue that remains as profit after all expenses. A negative margin means the company incurred losses, while a positive margin indicates profitability.



$$\text{Net Profit Margin} = \frac{\text{Net Income}}{\text{Total Revenue}} \times 100$$


Table 7: Net Profit Margin

| Year | Net Income (TZS) | Total Revenue (TZS) | Ratio |
|------|------------------|---------------------|----------|
| 2025 | (1,555,440,000) | 294,560,000 | -528.23% |
| 2026 | (1,094,000,000) | 880,000,000 | -124.32% |
| 2027 | 72,900,000 | 1,659,900,000 | 4.39% |
| 2028 | 597,700,000 | 2,852,700,000 | 20.95% |
| 2029 | 728,750,000 | 3,016,750,000 | 24.15% |
| 2030 | 1,080,800,000 | 4,276,800,000 | 25.27% |

Interpretation: The net profit margin indicates the percentage of revenue that remains as profit after all expenses. A negative margin means the company incurred losses, while a positive margin indicates profitability.

3. Return on Assets (ROA):

ROA (**Table 8**) measures how efficiently a company uses its assets to generate profit. Higher ROA indicates better utilization of assets.



$$\text{Return on Asset (ROA)} = \frac{\text{Net Income}}{\text{Total Assets}}$$



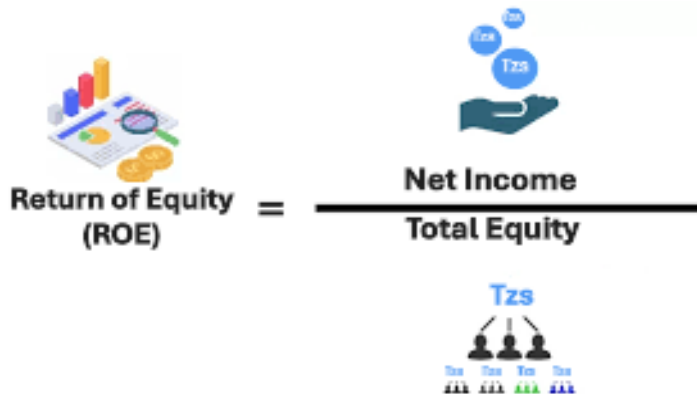
Table 8: Return on Asset (ROA)

| Year | Net Income (TZS) | Total Assets (TZS) | Ratio |
|------|------------------|--------------------|---------|
| 2025 | (1,555,440,000) | 1,850,000,000 | -84.08% |
| 2026 | (1,094,000,000) | 2,500,000,000 | -43.76% |
| 2027 | 72,900,000 | 4,750,000,000 | 1.53% |
| 2028 | 597,700,000 | 6,200,000,000 | 9.64% |
| 2029 | 728,750,000 | 10,500,000,000 | 6.94% |
| 2030 | 1,080,800,000 | 15,000,000,000 | 7.21% |

Interpretation: ROA measures how efficiently a company uses its assets to generate profit. Higher ROA indicates better utilization of assets.

4. Return on Equity (ROE):

ROE (**Table 9**) measures the return generated on shareholders' equity. A higher ROE indicates more efficient use of equity capital.



$$\text{Return of Equity (ROE)} = \frac{\text{Net Income}}{\text{Total Equity}}$$

Table 9: Return on Equity (ROE)

| Year | Net Income (TZS) | Total Equity (TZS) | Ratio |
|------|------------------|--------------------|----------|
| 2025 | (1,555,440,000) | 1,150,000,000 | -135.26% |
| 2026 | (1,094,000,000) | 1,400,000,000 | -78.14% |
| 2027 | 72,900,000 | 2,650,000,000 | 2.75% |
| 2028 | 597,700,000 | 3,000,000,000 | 19.92% |
| 2029 | 728,750,000 | 6,500,000,000 | 11.21% |
| 2030 | 1,080,800,000 | 10,000,000,000 | 10.81% |

Interpretation: ROE measures the return generated on shareholders' equity. A higher ROE indicates more efficient use of equity capital.

15.3. Efficiency Ratios

1. Asset Turnover:

Asset turnover (**Table 10**) measures the efficiency of a company's use of its assets to generate sales. Higher ratios indicate more efficient use of assets.




$$\text{Asset Turnover Ratio} = \frac{\text{Total Revenue}}{\text{Total Assets}}$$


Table 10: Assets Turn over



| Year | Total Revenue (TZS) | Total Assets (TZS) | Ratio |
|------|---------------------|--------------------|-------|
| 2025 | 294,560,000 | 1,850,000,000 | 0.16 |
| 2026 | 880,000,000 | 2,500,000,000 | 0.35 |
| 2027 | 1,659,900,000 | 4,750,000,000 | 0.35 |
| 2028 | 2,852,700,000 | 6,200,000,000 | 0.46 |
| 2029 | 3,016,750,000 | 10,500,000,000 | 0.29 |
| 2030 | 4,276,800,000 | 15,000,000,000 | 0.28 |

Interpretation: Asset turnover measures the efficiency of a company's use of its assets to generate sales. Higher ratios indicate more efficient use of assets.

15.4. Leverage Ratios

1. Debt to Equity Ratio:

The debt to equity ratio (**Table 11**) indicates the proportion of equity and debt used to finance the company's assets. Lower ratios generally indicate less risk as the company is less leveraged.


$$\text{Debt to Equity Ratio} = \frac{\text{Total Liabilities}}{\text{Total Equity}}$$




Table 11: Debt to equity Ratio

| Year | Total Liabilities (TZS) | Total Equity (TZS) | Ratio |
|------|-------------------------|--------------------|-------|
| 2025 | 700,000,000 | 1,150,000,000 | 0.61 |
| 2026 | 1,100,000,000 | 1,400,000,000 | 0.79 |
| 2027 | 2,100,000,000 | 2,650,000,000 | 0.79 |
| 2028 | 3,200,000,000 | 3,000,000,000 | 1.07 |
| 2029 | 4,000,000,000 | 6,500,000,000 | 0.62 |
| 2030 | 5,000,000,000 | 10,000,000,000 | 0.50 |

Interpretation: The debt to equity ratio remains below 1 for most years, indicating a relatively balanced financial structure with a higher reliance on equity, except for 2028 where it slightly exceeds 1 due to increased debt financing.

2. Interest Coverage Ratio:

The interest coverage ratio (**Table 12**) measures a company's ability to meet its interest obligations. Higher ratios indicate a better ability to cover interest expenses.


$$\text{Interest Coverage Ratio} = \frac{\text{Operating Income}}{\text{Interest Expense}}$$


Table 12: Interest Coverage Ratio

| Year | Operating Income (TZS) | Interest Expense (TZS) | Interest Coverage Ratio |
|------|------------------------|------------------------|-------------------------|
| 2025 | (1,540,440,000) | 15,000,000 | -102.70 |
| 2026 | (1,080,000,000) | 14,000,000 | -77.14 |
| 2027 | 84,900,000 | 12,000,000 | 7.08 |

| Year | Operating Income (TZS) | Interest Expense (TZS) | Interest Coverage Ratio |
|------|------------------------|------------------------|-------------------------|
| 2028 | 607,700,000 | 10,000,000 | 60.77 |
| 2029 | 736,750,000 | 8,000,000 | 92.09 |
| 2030 | 1,086,800,000 | 6,000,000 | 181.13 |

Interpretation: The interest coverage ratio shows negative values in the initial years due to operating losses. However, from 2027 onwards, the ratio improves significantly, indicating that Itecado Company Limited's financial health is strengthening and the company is better positioned to meet its interest obligations.

15.5. Summary

These financial ratios provide valuable insights into Itecado Company Limited's liquidity, profitability, efficiency, and leverage from 2025 to 2030.

Liquidity Ratios: The current ratio indicates the company's improved liquidity position over the years, suggesting a strong ability to cover short-term obligations.

Profitability Ratios: Both the gross profit margin and net profit margin show significant improvements, highlighting efficient cost management and growing profitability. ROA and ROE also improve, reflecting better utilization of assets and equity capital to generate profits.

Efficiency Ratios: The asset turnover ratio initially improves, demonstrating effective use of assets to generate sales, though it slightly decreases in later years, indicating the need for continued focus on maintaining asset efficiency.

Leverage Ratios: The debt to equity ratio remains below 1 for most years, indicating a relatively balanced financial structure with a higher reliance on equity. The interest coverage ratio shows a positive trend from 2027 onwards, underscoring the company's improved financial stability and ability to meet interest obligations.

By monitoring these ratios, Itecado Company Limited can assess its financial health, make informed decisions, and ensure sustainable growth and profitability. These insights will help stakeholders understand the company's financial dynamics and its strategic direction towards achieving long-term success.

16. Risk Analysis and Management

Effective risk management is critical to ensuring the success and sustainability of Itecado Company Limited. This section identifies potential risks and outlines strategies to mitigate them, ensuring the company remains resilient and prepared for future challenges.

16.1. Identified Risks

1. Market Risks

- **Demand Fluctuations:** Changes in consumer preferences and economic conditions can impact the demand for avocados and avocado oil. For example, shifts in health trends or economic downturns may reduce consumer spending on premium products.
- **Price Volatility:** Fluctuations in market prices for avocados can affect revenue and profitability. Factors such as overproduction, international competition, and changes in export tariffs can contribute to price instability.

2. Operational Risks

- **Crop Failure:** Adverse weather conditions, pests, and diseases can affect crop yield and quality. Events like droughts, floods, or pest infestations can significantly reduce harvests and impact the supply chain.
- **Supply Chain Disruptions:** Disruptions in the supply chain, such as transportation delays or shortages of essential inputs, can impact production and delivery schedules. Reliance on single suppliers or transportation routes can exacerbate this risk.

3. Financial Risks

- **Funding Shortfalls:** Insufficient funding or delays in securing financing can hinder expansion and operational plans. Unexpected financial challenges may arise, affecting the company's ability to invest in growth.
- **Currency Exchange Risk:** Fluctuations in exchange rates can impact the cost of imports and exports, affecting profitability. This risk is particularly relevant for international sales and procurement.

4. Regulatory Risks

- **Compliance:** Non-compliance with local and international regulations can result in fines, legal actions, and reputational damage. Compliance issues may arise from environmental standards, labor laws, or export regulations.
- **Changes in Regulations:** New or changing regulations can impact operations and increase compliance costs. This includes changes in agricultural policies, trade agreements, and food safety standards.

5. Reputational Risks

- **Product Quality Issues:** Failure to maintain high product quality can damage the company's reputation and reduce customer trust. Quality lapses may lead to recalls or negative reviews.
- **Negative Publicity:** Negative media coverage or public relations issues can harm the company's image and brand value. Social media and news outlets can rapidly amplify any adverse events.

6. Environmental Risks

- **Climate Change:** Changes in climate patterns can affect crop production and yield. Long-term shifts in weather conditions can alter growing seasons and increase the frequency of extreme weather events.
- **Sustainability Challenges:** Inadequate sustainability practices can lead to environmental degradation and loss of certifications. This can affect the company's ability to market itself as a sustainable producer.

16.2. Mitigation Strategies

1. Market Risks

- **Diversification:** Expand product offerings and enter new markets to reduce dependency on a single market or product. For instance, developing products like avocado oil or diversifying into different regions can help stabilize revenue.
- **Market Research:** Conduct continuous market research to understand consumer trends and preferences and adjust marketing strategies accordingly. Staying informed about market conditions helps anticipate changes and adapt quickly.

2. Operational Risks

- **Integrated Pest Management:** Implement integrated pest management practices to protect crops from pests and diseases. This includes using biological control methods and monitoring pest populations to reduce the need for chemical pesticides.
- **Weather Monitoring:** Utilize advanced weather monitoring and forecasting tools to anticipate and mitigate the impact of adverse weather conditions. This can help in planning agricultural activities and preparing for extreme events.
- **Supply Chain Optimization:** Develop robust supply chain strategies, including multiple suppliers and contingency plans, to ensure uninterrupted operations. Building strong relationships with suppliers and having backup options can minimize disruption.

3. Financial Risks

- **Strong Financial Planning:** Develop comprehensive financial plans and maintain sufficient liquidity to manage funding shortfalls. This includes creating detailed budgets, cash flow projections, and contingency reserves.
- **Currency Hedging:** Use hedging instruments to mitigate the impact of currency exchange rate fluctuations. Financial tools such as forward contracts or options can help stabilize cash flows and protect against adverse currency movements.

4. Regulatory Risks

- **Compliance Programs:** Implement robust compliance programs to ensure adherence to all relevant regulations. This includes regular training for employees, internal audits, and staying updated on regulatory changes.
- **Regulatory Monitoring:** Stay informed about regulatory changes and proactively adjust operations to comply with new requirements. Engaging with industry groups and regulatory bodies can provide early warnings and insights into upcoming changes.

5. Reputational Risks

- **Quality Assurance:** Establish rigorous quality control measures to maintain high product standards and customer satisfaction. This includes implementing best practices in farming, processing, and packaging.
- **Crisis Management:** Develop a crisis management plan to address and mitigate the impact of negative publicity or product issues. Having a response team and clear communication strategy can help manage crises effectively.

6. Environmental Risks

- **Sustainable Practices:** Adopt sustainable farming practices, such as water conservation and soil health management, to mitigate environmental impact. This includes using renewable energy sources, reducing waste, and promoting biodiversity.
- **Climate Adaptation:** Implement climate-resilient agricultural practices and diversify crop varieties to adapt to changing climate conditions. Researching and adopting crop varieties that are more tolerant to stress can help maintain productivity.

Itecado Company Limited can safeguard its operations, maintain financial stability, and ensure long-term success. A proactive approach to risk management will enable the company to navigate challenges and capitalize on opportunities, securing a prosperous future in the global avocado market.

17. Conclusion

Itecado Company Limited is poised for significant growth and success in the global avocado market. With a clear vision, sustainable farming practices, and a commitment to quality, the company is well-positioned to capitalize on the increasing demand for Hass avocados and avocado oil. The comprehensive business plan outlines a strategic roadmap to achieve these goals, ensuring that Itecado remains a leading player in the industry.

Through meticulous planning and strategic investments in farmland, production facilities, and marketing initiatives, Itecado aims to build a strong market presence both domestically and internationally. The detailed financial projections and budgets provide a clear pathway for achieving substantial revenue and long-term profitability. Additionally, the robust risk management strategies identified in the business plan ensure that potential challenges are proactively addressed, safeguarding the company's operations and financial stability.

This business plan serves as a crucial document for various stakeholders, including the Tanzania Investment Centre (TIC) for registration purposes. By adhering to core values of sustainability, innovation, and community support, Itecado is set to make a positive impact on the industry and the communities it serves. The company's strategic goals and well-rounded approach ensure a sustainable and prosperous future.

With a strong foundation and a forward-thinking strategy, Itecado Company Limited is ready to embark on its journey toward becoming a leading producer and exporter of high-quality Hass avocados and avocado oil. The business plan's comprehensive approach positions Itecado for continued growth and success, fostering a resilient and dynamic enterprise that will thrive in the competitive global market.

Appendices

Annexure 1: Avocado Yield per farm and expected Income (2025 - 2030)

| Year | Total Income (TZS) | Adjusted Yield and Income |
|------|--------------------|---|
| 2025 | 244,560,000 | <ul style="list-style-type: none"> ✓ Itete Farms: 1,572 trees x 30 kg/tree = 47,160 kg = TZS 94.32 million ✓ Madeke 57: 2,000 trees x 30 kg/tree = 60,000 kg = TZS 120 million ✓ Madeke 35: 72 trees x 40 kg/tree = 2,880 kg = TZS 5.76 million |
| 2026 | 760,000,000 | <ul style="list-style-type: none"> ✓ Itete Farms: 1,400 trees x 40 kg/tree = 56,000 kg = TZS 140 million ✓ Madeke 57: 6,000 trees x 40 kg/tree = 240,000 kg = TZS 600 million ✓ Madeke 35: 200 trees x 40 kg/tree = 8,000 kg = TZS 20 million |
| 2027 | 1,461,900,000 | <ul style="list-style-type: none"> ✓ Itete Farms: 1,400 trees x 44 kg/tree = 61,600 kg = TZS 154 million ✓ Madeke 57: 6,000 trees x 44 kg/tree = 264,000 kg = TZS 660 million ✓ Madeke 106: 12,000 trees x 10 kg/tree = 120,000 kg = TZS 300 million ✓ Madeke 35: 400 trees x 40 kg/tree = 16,000 kg = TZS 40 million ✓ New Farm A (2025): 5,000 trees x 10 kg/tree = 50,000 kg = TZS 125 million ✓ Itete Farms (Expansion 2026): 2,000 trees x 10 kg/tree = 20,000 kg = TZS 50 million |
| 2028 | 2,402,700,000 | <ul style="list-style-type: none"> ✓ Itete Farms: 1,400 trees x 48 kg/tree = 67,200 kg = TZS 168 million ✓ Madeke 57: 6,000 trees x 48 kg/tree = 288,000 kg = TZS 720 million ✓ Madeke 106: 12,000 trees x 20 kg/tree = 240,000 kg = TZS 600 million ✓ Madeke 35: 400 trees x 44 kg/tree = 17,600 kg = TZS 44 million ✓ New Farm A (2025): 5,000 trees x 20 kg/tree = 100,000 kg = TZS 250 million ✓ Itete Farms (Expansion 2026): 2,000 trees x 15 kg/tree = 30,000 kg = TZS 75 million ✓ New Farm B (2027): 4,000 trees x 10 kg/tree = 40,000 kg = TZS 100 million |
| 2029 | 2,481,750,000 | <ul style="list-style-type: none"> ✓ Itete Farms: 1,400 trees x 52 kg/tree = 72,800 kg = TZS 182 million ✓ Madeke 57: 6,000 trees x 52 kg/tree = 312,000 kg = TZS 780 million |

| Year | Total Income (TZS) | Adjusted Yield and Income |
|------|--------------------|--|
| | | <ul style="list-style-type: none"> ✓ Madeke 106: 12,000 trees x 30 kg/tree = 360,000 kg = TZS 900 million ✓ Madeke 35: 400 trees x 48 kg/tree = 19,200 kg = TZS 48 million ✓ New Farm A (2025): 5,000 trees x 30 kg/tree = 150,000 kg = TZS 375 million ✓ Itete Farms (Expansion 2026): 2,000 trees x 20 kg/tree = 40,000 kg = TZS 100 million ✓ New Farm B (2027): 4,000 trees x 20 kg/tree = 80,000 kg = TZS 200 million ✓ New Farm C (2028): 3,500 trees x 10 kg/tree = 35,000 kg = TZS 87.5 million |
| 2030 | 3,676,800,000 | <ul style="list-style-type: none"> ✓ Itete Farms: 1,400 trees x 56 kg/tree = 78,400 kg = TZS 196 million ✓ Madeke 57: 6,000 trees x 56 kg/tree = 336,000 kg = TZS 840 million ✓ Madeke 106: 12,000 trees x 40 kg/tree = 480,000 kg = TZS 1,200 million ✓ Madeke 35: 400 trees x 52 kg/tree = 20,800 kg = TZS 52 million ✓ New Farm A (2025): 5,000 trees x 40 kg/tree = 200,000 kg = TZS 500 million ✓ Itete Farms (Expansion 2026): 2,000 trees x 25 kg/tree = 50,000 kg = TZS 125 million ✓ New Farm B (2027): 4,000 trees x 30 kg/tree = 120,000 kg = TZS 300 millio ✓ New Farm C (2028): 3,500 trees x 20 kg/tree = 70,000 kg = TZS 175 million ✓ New Farm D (2029): 5,000 trees x 10 kg/tree = 50,000 kg = TZS 125 million |

Annexure 2: Projected Budget (2025-2030)

| Budget Item | Year 2025 (TZS) | Year 2026 (TZS) | Year 2027 (TZS) | Year 2028 (TZS) | Year 2029 (TZS) | Year 2030 (TZS) | Total (TZS) |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Marketing Costs | | | | | | | |
| Brand Development | 5,000,000 | 5,000,000 | 6,000,000 | 6,000,000 | 7,000,000 | 7,000,000 | 36,000,000 |
| Digital Marketing | 8,000,000 | 10,000,000 | 12,000,000 | 14,000,000 | 15,000,000 | 18,000,000 | 77,000,000 |
| Public Relations | 4,000,000 | 5,000,000 | 6,000,000 | 7,000,000 | 9,000,000 | 10,000,000 | 41,000,000 |
| Trade Shows & Events | 8,000,000 | 10,000,000 | 12,000,000 | 14,000,000 | 16,000,000 | 18,000,000 | 78,000,000 |
| Sustainability Certifications | 4,000,000 | 5,000,000 | 6,000,000 | 7,000,000 | 9,000,000 | 10,000,000 | 41,000,000 |
| Sales Force & Distribution | 25,000,000 | 35,000,000 | 42,000,000 | 50,000,000 | 59,000,000 | 65,000,000 | 276,000,000 |
| E-Commerce | 6,000,000 | 10,000,000 | 12,000,000 | 16,000,000 | 20,000,000 | 24,000,000 | 88,000,000 |
| Total Marketing Costs | 60,000,000 | 80,000,000 | 100,000,000 | 120,000,000 | 150,000,000 | 180,000,000 | 690,000,000 |
| Capital Investments | | | | | | | |
| Additional Acquisition | 100,000,000 | | | | | | 100,000,000 |
| New Farm A | 125,000,000 | | | | | | 125,000,000 |
| Packhouse Construction | 1,250,000,000 | | | | | | 1,250,000,000 |
| Integration of Local Farmers | 50,000,000 | | | | | | 50,000,000 |
| Itete Farms | | 50,000,000 | | 40,000,000 | | | 90,000,000 |
| Madeke 57 | | 30,000,000 | | | | | 30,000,000 |
| Packhouse Development | | 500,000,000 | | | | | 500,000,000 |
| Oil Processing Plant | | 1,000,000,000 | 1,000,000,000 | | | | 2,000,000,000 |
| New Farm B | | | 75,000,000 | | | | 75,000,000 |
| New Farm C | | | | 60,000,000 | | | 60,000,000 |
| Additional Investments | | | | 100,000,000 | | | 100,000,000 |
| Development Projects | | | | | 230,000,000 | | 230,000,000 |
| Efficiency Improvements | | | | | | 10,000,000 | 10,000,000 |

| Budget Item | Year 2025 (TZS) | Year 2026 (TZS) | Year 2027 (TZS) | Year 2028 (TZS) | Year 2029 (TZS) | Year 2030 (TZS) | Total (TZS) |
|----------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|--------------------|
| Total Capital Investments | 1,525,000,000 | 1,580,000,000 | 1,075,000,000 | 1,575,000,000 | 1,230,000,000 | 1,810,000,000 | 8,795,000,000 |
| Operational Costs | 250,000,000 | 300,000,000 | 400,000,000 | 550,000,000 | 900,000,000 | 1,200,000,000 | 3,600,000,000 |
| Total Expenses | 1,835,000,000 | 1,880,000,000 | 1,575,000,000 | 2,245,000,000 | 2,280,000,000 | 3,190,000,000 | 12,985,000,000 |
| Income | | | | | | | |
| Farm Yield | 244,560,000 | 760,000,000 | 1,461,900,000 | 2,402,700,000 | 2,481,750,000 | 3,676,800,000 | 11,027,710,000 |
| Packhouse Operations | 50,000,000 | 120,000,000 | 180,000,000 | 400,000,000 | 450,000,000 | 500,000,000 | 1,700,000,000 |
| Sale of Avocado Oil | | | 18,000,000 | 50,000,000 | 85,000,000 | 100,000,000 | 253,000,000 |
| Total Income | 294,560,000 | 880,000,000 | 1,659,900,000 | 2,852,700,000 | 3,016,750,000 | 4,276,800,000 | 12,980,710,000 |
| Net Income | (1,540,440,000) | (1,000,000,000) | 84,900,000 | 607,700,000 | 736,750,000 | 1,086,800,000 | (4,000,000) |

Annexure3: Proforma Income Statement (2025-2030)

| Item | 2025 (TZS) | 2026 (TZS) | 2027 (TZS) | 2028 (TZS) | 2029 (TZS) | 2030 (TZS) |
|----------------------------------|------------------------|------------------------|----------------------|----------------------|----------------------|----------------------|
| Revenue | | | | | | |
| Farm Yield | 244,560,000 | 760,000,000 | 1,461,900,000 | 2,402,700,000 | 2,481,750,000 | 3,676,800,000 |
| Packhouse Operations | 50,000,000 | 120,000,000 | 180,000,000 | 400,000,000 | 450,000,000 | 500,000,000 |
| Sale of Avocado Oil | - | - | 18,000,000 | 50,000,000 | 85,000,000 | 100,000,000 |
| Total Revenue | 294,560,000 | 880,000,000 | 1,659,900,000 | 2,852,700,000 | 3,016,750,000 | 4,276,800,000 |
| Cost of Goods Sold (COGS) | | | | | | |
| Operational Costs | 250,000,000 | 300,000,000 | 400,000,000 | 550,000,000 | 900,000,000 | 1,200,000,000 |
| Total COGS | 250,000,000 | 300,000,000 | 400,000,000 | 550,000,000 | 900,000,000 | 1,200,000,000 |
| Gross Profit | 44,560,000 | 580,000,000 | 1,259,900,000 | 2,302,700,000 | 2,116,750,000 | 3,076,800,000 |
| Operating Expenses | | | | | | |
| Marketing Costs | 60,000,000 | 80,000,000 | 100,000,000 | 120,000,000 | 150,000,000 | 180,000,000 |
| Administrative Expenses | 1,525,000,000 | 1,580,000,000 | 1,075,000,000 | 1,575,000,000 | 1,230,000,000 | 1,810,000,000 |
| Total Operating Expenses | 1,585,000,000 | 1,660,000,000 | 1,175,000,000 | 1,695,000,000 | 1,380,000,000 | 1,990,000,000 |
| Operating Income (Loss) | (1,540,440,000) | (1,080,000,000) | 84,900,000 | 607,700,000 | 736,750,000 | 1,086,800,000 |
| Other Income and Expenses | | | | | | |
| Interest Expense | 15,000,000 | 14,000,000 | 12,000,000 | 10,000,000 | 8,000,000 | 6,000,000 |
| Net Income (Loss) | (1,555,440,000) | (1,094,000,000) | 72,900,000 | 597,700,000 | 728,750,000 | 1,080,800,000 |

Annexure 4: Proforma Balance Sheet (2025-2030)

| Category | Year 2025 (TZS) | Year 2026 (TZS) | Year 2027 (TZS) | Year 2028 (TZS) | Year 2029 (TZS) | Year 2030 (TZS) |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| Assets | | | | | | |
| Current Assets | 350,000,000 | 500,000,000 | 750,000,000 | 1,200,000,000 | 2,000,000,000 | 3,000,000,000 |
| Non-Current Assets | 1,500,000,000 | 2,000,000,000 | 4,000,000,000 | 5,000,000,000 | 8,500,000,000 | 12,000,000,000 |
| Total Assets | 1,850,000,000 | 2,500,000,000 | 4,750,000,000 | 6,200,000,000 | 10,500,000,000 | 15,000,000,000 |
| Liabilities | | | | | | |
| Current Liabilities | 300,000,000 | 400,000,000 | 600,000,000 | 800,000,000 | 1,000,000,000 | 1,500,000,000 |
| Long-Term Liabilities | 400,000,000 | 700,000,000 | 1,500,000,000 | 2,400,000,000 | 3,000,000,000 | 3,500,000,000 |
| Total Liabilities | 700,000,000 | 1,100,000,000 | 2,100,000,000 | 3,200,000,000 | 4,000,000,000 | 5,000,000,000 |
| Equity | | | | | | |
| Shareholder's Equity | 89,000,000 | 135,309,497.50 | 578,084,246.25 | 1,416,658,995 | 2,268,283,743.75 | 2,568,958,492.50 |
| Retained Earnings | 1,061,000,000 | 1,264,690,502.50 | 2,071,915,753.75 | 1,583,341,005 | 4,231,716,256.25 | 7,431,041,507.50 |
| Total Equity | 1,150,000,000 | 1,400,000,000 | 2,650,000,000 | 3,000,000,000 | 6,500,000,000 | 10,000,000,000 |
| Total Liabilities and Equity | 1,850,000,000 | 2,500,000,000 | 4,750,000,000 | 6,200,000,000 | 10,500,000,000 | 15,000,000,000 |

Annexure 5: Proforma Cash Flow Statement (2025-2030)

| Category | Year 2025 (TZS) | Year 2026 (TZS) | Year 2027 (TZS) | Year 2028 (TZS) | Year 2029 (TZS) | Year 2030 (TZS) |
|---|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|-------------------------|
| Cash Flows from Operating Activities | | | | | | |
| Net Income | (1,540,440,000) | (1,000,000,000) | 84,900,000 | 607,700,000 | 736,750,000 | 1,086,800,000 |
| Depreciation | 20,000,000 | 25,000,000 | 35,000,000 | 45,000,000 | 55,000,000 | 65,000,000 |
| Changes in Working Capital | 50,000,000 | 60,000,000 | 70,000,000 | 80,000,000 | 90,000,000 | 100,000,000 |
| Net Cash Provided by/(Used in) Operating Activities | (1,470,440,000) | (915,000,000) | 189,900,000 | 732,700,000 | 881,750,000 | 1,251,800,000 |
| Cash Flows from Investing Activities | | | | | | |
| Purchase of Property, Plant, and Equipment | (500,000,000) | (700,000,000) | (1,200,000,000) | (1,500,000,000) | (2,000,000,000) | (2,500,000,000) |
| Net Cash Used in Investing Activities | (500,000,000) | (700,000,000) | (1,200,000,000) | (1,500,000,000) | (2,000,000,000) | (2,500,000,000) |
| Cash Flows from Financing Activities | | | | | | |
| Equity Financing | 89,000,000 | 135,309,497.50 | 578,084,246.25 | 1,416,658,995 | 2,268,283,743.75 | 2,568,958,492.50 |
| Bank Loans | 213,820,934 | - | - | - | - | - |
| Net Cash Provided by Financing Activities | 302,820,934 | 135,309,497.50 | 578,084,246.25 | 1,416,658,995 | 2,268,283,743.75 | 2,568,958,492.50 |
| Net Increase/(Decrease) in Cash and Cash Equivalents | (1,667,619,066) | (1,479,690,497.50) | (431,015,753.75) | 649,358,995 | 1,150,533,743.75 | 1,320,758,492.50 |
| Cash and Cash Equivalents at Beginning of Year | (35,062,263.50) | (1,702,681,329.50) | (3,182,371,827) | (3,613,387,580.75) | (2,964,028,585.75) | (1,813,494,842) |
| Cash and Cash Equivalents at End of Year | (1,702,681,329.50) | (3,182,371,827) | (3,613,387,580.75) | (2,964,028,585.75) | (1,813,494,842) | (492,736,349.50) |