

FIVE - YEAR BUSINESS PLAN
MACKWELL TRADERS LIMITED
SPIRIT PRODUCTION
FEBRUARY 2024

PRESENTED TO:
TANZANIA INVESTMENT CENTRE (TIC)

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EXECUTIVE SUMMARY

Company

Mackwell Traders Limited is a start up company in Geita that will deal with the production and distribution of alcoholic drinks mainly spirits to wholesale stores and distribution companies. It was officially incorporated in Brela on 16th November 2023 with a number 170129539 and an address P.O.BOX 311 Geita, Kanyala street Block No. 882 Plot E

The current shareholders are Bernado Mashaka, Suphian Juma and Josephine Buninza who together owns 80% shares; another 20% shares are awaiting other shareholders or investors who are willing to join us. All of the three shareholders are Tanzanian citizens

The main objective of starting this project is to join the Government efforts in poverty reduction but also there are specific objectives like to complete project registration in the first quarter of the year 2024, machine and equipment installation by April 2024 and the official launching by May 2024.

Located in the Industrial area, it is only 1.3 km from the main Mwanza road which makes it very easy to transport our products into other places. The plot and all facilities available are owned by the company.

Sector

We are in the Commercial sector that assumes a very important place in the country's economy, a source of large amount of revenue to the government and that has been boosted by the rapid increase in urban population. Alcoholic drinks in Tanzania are categorized into 3 groups; beer, wine and spirits with the beer mostly consumed followed by spirit

Market

Mackwell Traders segments its market into 3 categories; Wholesalers, Distribution companies and Retailers but the most targeted are Wholesalers and Distributors. The trend shows that many young adults are shifting from the other alcoholic drinks into spirits and despite recently increase in the cost of industrial production due to Covid 19 and Ukraine war the demand of alcoholic drinks particularly spirits has remain high. Alcohol consumption in Tanzania is 7.7 litre per capita per year. Our main competitors are Tanzania Dstilleries Company Limited and other small companies like Highlife and Shujaa.

Project

Starting with 72,000 cartons of spirits in the first year, our full production capacity is 720,000 cartons if we operate to the maximum. Employment creation is one of our top goals. We will hire 23 full time employee on the very start and rise to more than 50 in

year 5. All of them will be Tanzanians except three will raise a special case. Employees will be provided with an on job training as a skills transfer strategy.

Costing & Financing

Total cost of the project is Tsh. 1.1 billion with a plant and machinery a major cost followed by buildings and vehicles. Equity is the main source of finance in this project where by Tsh. 1,120,790,000 will be contributed by the shareholders

Implementation

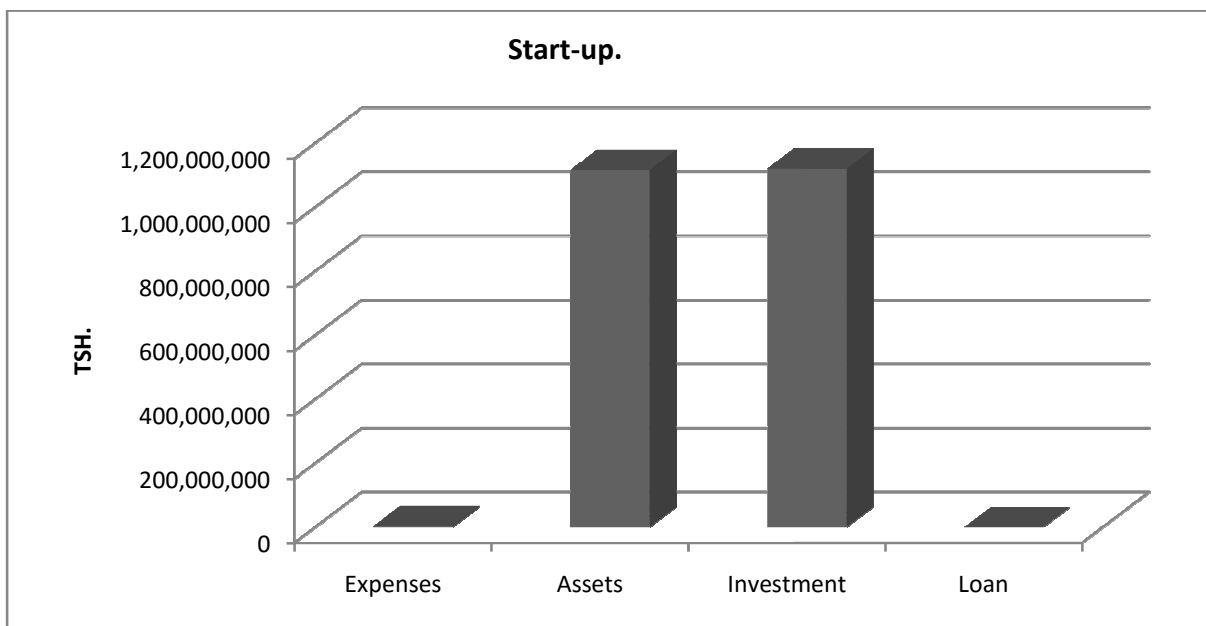
We expect project full operation to start on May 1, 2024 but in the first 12 months before, several milestones will be completed including, feasibility study and market survey, business plan preparation, completing registration, installation of machine & equipment and official launching.

Financial

We anticipate the net profit to rise from TZS 796.6 million up to TZS 1.7 billion in the fifth year of operation. Our cash flow shows there will be no problems within 5 years and an increase of the networth from TZS1.9 billion in the first year up to 7.6 in year 5

Conclusion

According to the financial projections above, Mackwell Traders Limited spirit project is viable and it has indicated with no doubt that there will be a good Return On Investment, contributing to the country's efforts on poverty reduction and 2025 National Development Vision.



2.0 COMPANY SUMMARY

Mackwell Traders Limited is a start up company in Geita region that will deal with the production and distribution of alcoholic drinks mainly spirits to its customers who are wholesale stores and distribution companies. We will specialize in various spirits from vodka, Gin, tonic & Rum. However in order to maximize our revenue we will also add more products like Brandy and Whisky in the near future as our financial situation continues to improve.

2.1 Legal Formation

The company was established officially on 16th November 2023 in the United Republic of Tanzania. It was registered as Limited Company at Brela with a Certificate of Incorporation number 170129539. Our registered office address is P.O.BOX 311 Geita, Kanyala Street block number 882 Plot E

2.2 Shareholding structure and Nationality

Mackwell Traders Limited has a share capital of Tsh. 200,000,000/= divided into One hundred (100) shares of Shillings one million (1,000,000/=) each. The current shareholders retain at least 80% of the equity in the company while another 20% shares are left for the coming shareholders or investors. All the three initial shareholders are Tanzanians whose names are mentioned below along with a table showing the percentage of shares each of them owns; Mr. Bernad Mashaka Wandela, Suphian Juma Mtafuni and Josephine Emanuel Buninza.

Table: Shareholding structure and Nationality

Category of shares	Shareholders	Shares	% of holding	Nationality
Equity Shares	Bernad Mashaka Wandela	100	50%	Tanzanian
	Suphian Juma Mtafuni	30	15%	Tanzanian
	Josephine Emanuel Buninza	30	15%	Tanzanian
	Others	40	20%	-
	Total	200	100%	

2.3 Company location

Our registered office is located in a surveyed area found in Geita region, Kasamwa ward – Kanyala Street. Being located in the Industrial area, it is only 1.3 km from the main Mwanza road which makes it very easy for us to transport our products into other places of the country. This plot and all facilities available are owned by the company

2.4 Mission

Mackwell Traders Limited, our Mission is to provide our end customers who are the adult spirit consumers the highest quality products with an affordable price. Having witnessed a large gap in the market of quality flavored and unflavored spirits, the gap intersects with one of our passion; we love flavored vodka and Gin very much. Although there are few brands in the market that produces flavored vodka and Gin, but still the demand is very high for these spirits and particularly those of very high quality like the one we produce

2.5 Vision

Our Vision is to become one of the leading producers of world class spirits in eastern and Central Africa.

2.8 Objectives

The main objective of this project is to join the Tanzania Government's efforts towards the 2025 National Development Vision. Therefore we focus on the development of the sustainable business basically through industrial production and by doing that we contribute to the society our efforts in poverty reduction through creation of employment (skilled and unskilled labor) so that every citizen can live high quality life.

Hereunder are the specific objectives of the Mackwell Traders Limited for the five years to come;

- i. To complete the registration of the project in Tanzania Investment Centre (TIC) and other institutions like TRA, BRELA and Municipal council in the first quarter of the year 2024
- ii. To complete the installation of machines and equipment by April 30 2024
- iii. To launch operations officially by the end of May 2024
- iv. To seek for the new shareholders or investors to cover the remaining 20% share gap before the official launch of the project
- v. To reach the production capacity of 6,000 cartons of consumable spirits per month by the first year
- vi. To expand our market share by 10% within five years through promoting our flavored vodka and gin in the market inside Tanzania and neighbouring countries because of its unmatched taste, quality and uniqueness

vii. To develop a sustainable ongoing business, contributing to increased employment of community residents up to 50 permanent employees at the fifth year.

viii. To reach the networth of Tsh. 7.6 bilion at the end of year 5

2.6 Keys to success.

Our success stands besides 5 key elements below;

- Having a strong brand
- Strategic partnership with the key liquor distributors in the country
- Strong supply chain with attractive built in margin.
- Competitive price
- Commitment to quality by every person who is part of our team

2.7 Start-up summary

The following chart and table contain projected initial start-up cost data

Table: Start-up

<i>Start-up</i>	
Requirements.	Tsh.
Legal & Company Registration	2,000,000
Design work and Stationery	500,000
Plant Installation	800,000
Business Plan preparation	500,000
Others	200,000
Total Start-up Expenses	4,000,000
Start-up Assets	
Cash Required	35,000,000
Start-up Inventory	0
Other Current Assets	2,000,000
Long term Assets	1,079,790,000
Depreciation	0
Total assets	1,116,790,000
Total Requirements	1,120,790,000

Table: Start-up Funding

<i>Start-up Funding</i>	Tsh.
Start-up Expenses to Fund	4,000,000
Start-up Assets to Fund	1,116,790,000
Total Funding Required	1,120,790,000
Assets	
Non-cash Assets from Start-up	1,081,790,000
Cash Requirements from Start-up	35,000,000
Additional Cash Raised	0
Cash Balance on Starting Date	35,000,000
Total Assets	1,116,790,000
Liabilities and Capital	
Liabilities	
Current Borrowing	0
Long-term Liabilities	0
Accounts Payable (Outstanding Bills)	0
Other Current Liabilities (interest-free)	0
Total Liabilities	0
Capital	
Planned Investment	
Bernado Mashaka	560,395,000
Suphian Juma	168,118,500
Josephine Emmanuel	168,118,500
Additional Investment Requirement	224,158,000
Total Planned Investment	1,120,790,000
Loss at Start-up (Start-up Expenses)	(4,000,000)
Total Capital	1,116,790,000
Total Capital and Liabilities	1,116,790,000
Total Funding	1,120,790,000

3.0 PRODUCTS

The company will produce and sell its own exclusive brands of premium Vodka and Gin which are:

1. Doz M Vodka:

This is a Pineapple flavored Vodka in a plastic or glass bottle designed special for the product. The volume of the bottle is 200ml and we are planning to produce 250ml and 750ml as well. It is standard vodka which tastes smooth in the mouth.

2. Master Gin:

Like the other spirits, master Gin is made up from distilled alcohol but with other natural ingredients/ flavor added to it that makes it taste different from vodka. It is a clear spirit with a natural flavor that is ideal to be taken with other cocktails. We pack it in a bottle of 200ml.

3. Coffee Master:

This is coffee flavored Vodka which is perfect for drinking over ice or you can mix it with any other natural cocktail. It is clear, smooth and real!

4. Lite Plus Vodka

It's less alcoholic volume makes it favorable to the young adults and those first time consumers who would not like to drink strong alcoholic beverages.

5. Shadow Gin

It's another product which we hope will be welcomed very well by our customers in the market. We have both 250ml bottle as well as 750ml bottles.

6. Kitoke Tangawizi Vodka.

Simple as its name explains in kiswahili, this is another product (kind of vodka) that has a ginger test which makes it special to a certain group of customers who likes its unique aroma. We pack it in a bottle of 200ml.

However our most targeted products are Doz M Vodka, Shadow Gin and Kitoke Tangawizi vodka as our research shows that they are mostly accepted in the market than others. In all the six products, we will use the mixture of all bottle sizes, that of 200ml, 250ml and 750ml. However the 200ml bottle is the mostly wide accepted in the market among others.

3.1 Competitive Comparison.

There are so many spirit brands in our target market, but there is no direct competitor selling the varieties of flavored vodka and Gin like we will produce. Most of them do sell the dry unflavored vodka which many customers are lamenting that they are too strong and dry, causing them to feel uncomfortable during consumption. Ours are slightly less dry and extra smooth that can cause neither hang over nor strong flavor in the mouth after consumption. We will go with the trend by providing our customers flavored spirits that can be consumed without any hassle

4.0 SECTOR PERFORMANCE

The alcohol sector is the commercial sector involved in the manufacturing, distribution and sales of alcoholic beverages. Alcohol has assumed very important place in the country's economy and it is a vital raw materials for number of chemical manufactures. This makes it the source of large amount of revenue for the government as excise duty.

Rapid increase in urban population is one of the key factors that are boosting the Tanzania alcohol market. Tanzania is dominated by very few distillery companies among them is Tanzania Distilleries Company which is popular and the oldest in the country. Most of the companies owning their own brands of spirit beverages do not directly distill their own spirits and instead they opt to outsource it from the third parties, other big companies or from outside the country to minimize the costs of production.

Alcoholic drinks can be segmented into three 3 major categories as follows;

- Beer
- Wine
- Spirits

According to the data from World Health Organization local beer is the most consumed alcohol drink across the country about 87% followed by bottled beer 11%, spirits are 2% and wine is less than 1%

Despite the slightly drop in beer and spirit production in the country over the course of two years due to the various factors including covid 19 and Russia-Ukraine war, globally the demand for alcoholic drinks is growing at a faster rate in emerging countries like India, China, Indonesia and Singapore, and the primary driver for the market are the efforts by alcoholic beverage manufactures to strengthen distribution channels such as online stores and convenience stores.

Vodka and gin are usually not aged and can be made from any starch or anything that can be fermented to alcohol. This makes vodka an economical spirit that can be

produced easily in a short period of time from readily available material in any part of the globe.

5.0 MARKET ANALYSIS SUMMARY

We have segmented the market for Mackwell Traders Limited into three categories; Wholesale Liquor Stores & Distributio Companies, Bars & Restaurants and retailers but our most target market is Wholesale Liquor Stores and distribution companies. In Tanzania bottled spirits has gained more and more popularity over the last couple of years since the abolition of the nylon sachets packaging (Viroba). The current trends now are towards flavored spirits and the rapid growth of the spirit companies reflecting consumer's interests.

Our direct competitors are among the big spirit companies like Tanzania Distilleries Limited and small & medium companies like Shujaa, Premids, Ambiance Distileries, Highlife, Mati Super Brand and Kitoko.

5.1 Market area

The main market area will be all regions along lake Victoria like Geita, Mwanza, Shinyanga, Mara and Kagera, but also we are expecting to reach other big cities like Dar es salaa, Arusha and Mbeya.

5.2 Market Segmentation.

The market for Mackwell Traders Limited has been segmented as follows;

1. Wholesale Liquor Stores and Distribution Companies

These are all distribution companies, shops, stores and centers around the country selling spirits and other alcoholic beverages in bulky to other businesses which also sells in bulky to the retailers or sub wholesalers. Our market observations shows that this segment is growing very fast across the country and due to the extensive experience of our sales team in selling spirits to the segment we expect to be able to take a very large chunk of these sales.

2. Bars and Restaurants

These are found all over the country selling alcoholic drinks to the consumers under the laws of Tanzania. Most of them do buy their stocks from wholesalers and big shops but some of them buy too from other channels like us. We do not have much information yet

with selling direct to Bars and Restaurant so we do not plan for this to be a large part of our sales.

3. Retailers

Like bar and Restaurants these also sells alcohol directly to the last consumers and we will sell to them occasionally especially in those areas which do not yet have enough wholesale stores. They usually buy in small quantities like half a carton or one carton per day.

5.3 Target market segment strategy.

Our dominant target market group will be the wholesale liquor stores and distribution companies. Personal and expedient customer service at a competitive price will be the key in maintaining the market share of this target market. We have chosen this segment because of its potential to sell a large quantity of our products at the same time, hence increase our profit in a long run

5.3.1 Market Needs.

In Tanzania bottled Spirits has gained more and more popularity over the last couple of years and in particular the last 3 years since the government abolition of the alcoholic packaging in small nylon sachets literally known as “Viroba”. Moreover many young adults are now shifting from other kinds of alcoholic drinks like beer and wine into spirits and particularly flavored Vodka and Gin which are perceived by many as more healthy with low calories. There is a clear opportunity to sell our products in many regions like Dar es salaa, Arusha, Tanga and Pwani

5.3.2 Market Growth

The demand of alcoholic drinks and especially the spirits has been growing and will continue to grow as the population of people in Tanzania continues to grow despite the slightly fall in production of beer and other alcoholic drinks in the past three years. According to the data from the National Bureau of Statistics of the year 2022, the production decreased for beer products (1.4 percent), wheat flour (3.9 percent), cigarettes (4.1 percent), and brandy (33.7 percent). In addition, the cost of industrial production increased by 10.0 percent and reached 10,522.4 billion shillings in 2021 compared to 9,565.8 billion shillings in 2020. This was due to the increase in the prices of raw materials from abroad caused by covid 19 crisis and Russia-Ukraine war.

On the other hand population continues to grow in the regions we are expecting to supply our products and those ones we are planning to extend our sales. According to

the data from 2022 population and housing census held in Tanzania when you combine all our targeted geographical regions namely, Geita, Mwanza, Mara, Shinyanga, Tabora, Njombe, Katavi, Kigoma, Dar es salaam, Pwani, Tanga and Arusha, the population reaches about 31,576,871 with the three most populated regions, Dar es salaam, Mwanza, and Tabora having over 3million people each.

5.3.3 Market Trends

In Vodka and Gin Market, the current trends are towards flavored products, bottled and small batch high quality premium. The act of preparing mixed flavored drinks has brought a new audience to distilled spirits.

Another important trend is the rapid growth of small spirit companies reflecting consumer interests. According to the data from World Health Organization(WHO) Tanzania is not the number one country in Africa for loving to drink alcohol but it is rated number 10 below Uganda, Botswana, Sierra Leon, Burundi and other several countries. The report adds that the alcohol consumed in Tanzania is 7.7 liters per capital per year compared to Uganda which is 9.8 liters.

Alcohol consumption break down in Tanzania is as follows.

- 87% is from local beer
- 11% is from bottled Beer
- 2% is from Spirits
- Less than 1% of wine

5.4 Competition.

When analyzing competition in Tanzania alcohol industry especially in spirits, one must consider two main groups of participants who are;

- (i) Big companies
- (ii) Small and medium companies

Therefore Mackwell Traders Limited has major two direct competitors targeting the same market. For the big companies the major players are;

Tanzania Distilleries Limited (TDL) with its flagship brand Konyagi. Konyagi is a very wide known spirit dominating the market for about four decades now. TDL has got many other brands including; Valeur Superior Brandy, Viceroy Brandy, Knights Whisky, Regency Whisky, Count Pushkin Vodka, Vladimir Vodka, Zanzi Cream Liqueur, Amarula Cream Liqueur, Nederburg Wine, Drostdy-Hof, Overmeer Wine, Imagi Wine, Dodoma Wine and Savanna Premium Cider.

Other big players in this Industry are Kibo Spirits Tanzania Ltd, Mohans Oysterbay Drinks Ltd etc.

Small and medium companies: these are our closest competitors as most of them produce and sell the products almost similar to ours in size, distribution system and even in packaging. However they cannot match exactly with us in terms of flavor and taste. There is quite a large number of these companies and here we mention few of them with their brands;

1. Mega Beverges Co. Ltd
2. Premidis (Shimha, Blue sky and coffee spirit)
3. Mati Super Brand(Sed, Strong coffee & Strong Gin)
4. Kitoko
5. Ambiance Distilleries
6. Highlife
7. Shujaa

There are other indirect competitors like the local alcoholic beverage producers but they cannot produce spirits legally for example those who make illicit liquor famously known as "GONGO". This liquor has been prepared at home for a long time now with low or zero safety standards; sometimes it can kill or turn the users blind. Despite the ban from the government there are few dealers still distilling it locally.

6.0 STRATEGIES

We will position ourselves as the spirit company in the country that produces premium and standard spirits, pricing our products below or similar to that of our competitors. We will use both traditional and new ways of advertising our products among of them are, Sports sponsorship, excellent packaging, radio, newspapers and comprehensive brochure targeting wholesalers of alcoholic beverages

6.1 Competitive edge.

Mackwell Traders' competitive edge is based on three main factors;

1. Spirits with unique test, smoothness and no hang over
2. Large national distribution network and long experience on spirits distribution to our key members definitely count as a strong strength for the business.
3. The wide varieties of spirits: We will produce different flavors of Vodka and Gins unlike our most direct competitors who do produce only one or few varieties

6.2 Marketing Strategy

6.2.1 Positioning Statement

We will position ourselves as the spirit company in the country that produces premium and standard spirits (vodka and gins) of different flavors that matches the image they convey. Hence we intend to market the image of the products ensuring customer satisfaction and develop long term relationships with our customers and consumers

6.2.2 Pricing Strategy

Our pricing strategy is below or similar to that of our competitors. We neither charge over nor substantially under standard prices for our products.

Table: Whole sale Prices of our different Products

Product	Units	Per Bottle(TZS)	Per Carton(TZS)
Doz M Vodca	200ml	1,500	45,000
Lite Vodca	200ml	1,800	48,000
Master Gin	200ml	1,500	45,000
Master Cofee Gin	200ml	1,500	45,000
Kitoke Tangawizi	200ml	1,500	45,000
Shadow Gin	250ml	2,500	50,000
Shadow Gin	750ml	7,500	85,000

6.1.3 Promotional Strategy

We will use both traditional and new ways of advertising our products, among of them are;

- Sports and events Sponsorship
- Excellent product packaging with attractive labels.
- Our brand will reflects on every company activities for example on our logo, company brochures and other publications, on the trucks, driver's uniforms etc. We will also communicate our positioning statement in all marketing activities.
- Creating a ompelling company profile
- Placing ads in local media(radio and newspapers)
- Social media campaigns
- Comprehensive brochures

6.3 Sales Strategy

Distribution:

Mackwell Traders Limited sales strategy is to target the wholesalers of alcoholic drinks and also will be based on distributing spirits using our own cars in order to speed up the whole process of selling. In addition to that, our sales team will be strengthening relationships with each individual distributor while giving them special discounts as incentives. This will help us gain traction regionally and ultimately nationally.

Brand Agents;

Among our regional distributors we will appoint one in each region as our representative who will be working closely with us and other customers, they are going to be recruited and trained to become passionate ambassadors.

6.3.1 Sales Forecast.

Our revenue will be based on sales of alcoholic drinks mainly Vodca and Gin, there will be no other source of revenue other than these. The cost of sales will be 58% of total sales. We also expect the moderate growth rate, 25% in the second year, 20% in the third year and 15% in the next 2 years. Our sales in year one will be based on the assumption that the monthly sales volume is approximately to 6,000 cartons of spirits

Table: Sales forecast

<i>Sales Forecast</i>					
	Year 1	Year 2	Year 3	Year 4	Year 5
	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.
SALES					
Vodka & Gin	3,240,000,000	4,050,000,000	4,860,000,000	5,589,000,000	6,427,350,000
Others	0	0	0	0	0
Total Sales	3,240,000,000	4,050,000,000	4,860,000,000	5,589,000,000	6,427,350,000
Costs of Sales					
Vodka & Gin	1,879,200,000	2,349,000,000	2,818,800,000	3,241,620,000	3,727,863,000
Others	0	0	0	0	0
Total costs of Sales	1,879,200,000	2,349,000,000	2,818,800,000	3,241,620,000	3,727,863,000

7.0 PROJECT DESCRIPTION SUMMARY

7.1 Production process

All kind of spirits be it vodka, gin, rum or whisky are made from the basic raw material which is the high volume alcoholic spirit(Ethanol) above 96% distilled from the fermented alcohol. Before the spirit can be consumed by human being it must first be mixed (diluted) with water up to the lower alcohol by volume (ABV) about 35% – 60%. Most vodka and Gin are 40%ABV

The company will buy from other companies all raw materials needed to make the final products including ready-made distilled spirit, spices and flavors. Other key raw material is water which will be fetched from our facility. During the production process there will be shifts, day shift and night shift. Each shift is attended by at least 24 part time workers who are being paid per shift.

Gin is made similarly to Vodka with the neutral alcohol being highly concentrated ethanol which is normally of agricultural origin especially grains, but some spirit producers use ethanol from grapes, sugar beet or molasses. Grain spirits have crisper texture where as molasses-based spirits can give an impression of softness and sweetness.

The ethanol is purified by repeat distillations to reach a minimum strength of at least 96% alcohol by volume.

Like Mackwell Traders Limited, most companies producing Vodka and Gin don't actually make the base spirit from which they create their products; rather they buy in the neutral alcohol from third party distillers with pharmaceutical companies the dominant suppliers.

Vodka production Technology

After diluting the Higher ABV Spirit with water, the flavor is added then filtered. Finally it is packed in bottles and labeled ready for sale. Sometimes vodka are prepared neutral without any flavor

Gin production Technology

The process of making Gin is almost the same as that of making vodka except that in Gin flavor of fruits or other botanical seeds and herbs are added to it. Commonly used botanicals are angelica roots and seeds, cardamom, ginger, cinnamon, almond, lemon peel, grapefruit peel, baobab and cassia bark. All kind of spirits whether it is vodka, gin, whisky or rum follows certain rules and regulations in order to be called that particular spirit and each one has its spectrum of distinct flavor

Mackwell Traders Limited will outsource the higher ABV ethanol from other big companies producing it or from outside the country mostly Uganda and South Africa. The final stage in this process involves packaging vodka and Gin into bottles of 200ml, 250ml and 750ml, labeling and sending them to the finished product warehouse

7.2 Annual Production Capacity

We anticipate our plant to produce up to 60,000 cartons of spirits per month. Also the packaging machine has the capacity of packing 3,000litres per hour that is equivalent to 500cartons per hour, so the machine will need to work only 4 hours to reach 60,000 cartons per month. We will start gradually in the first year with 6,000 cartons per month before we reach that maximum capacity of about 60,000 cartons per month which is equivalent to 720,000 cartons annually

7.3 Employment creation

One of our most important goals when starting this project was to reduce poverty for Tanzanians through the creation of jobs (skilled and unskilled labor) during its implementation. The project at the start is expected to employ 23 full-time workers and 27 casual workers, where the number of full time employees is expected to rise up to more than 50 by year 2 and beyond

All employees are Tanzanian citizens, we do not expect to have outside employees unless the importance of doing so emerges, and we will strive to promote gender equality by hiring 50% women and 50% men according to the skills and abilities they possess without discrimination. All citizens have access to rights and opportunities in our company regardless of gender

7.4 Skills Transfer

In order to ensure that our team continues to learn and grow, we have planned to have a special knowledge transfer strategy in the company where new employees will be supplemented with knowledge and experience from older and more experienced employees.

The method we will use is that of, on the job training after collecting and storing that knowledge in one place. Each employee should take active part in the training preparation process, given the chance to decide on the type of training they are to attend, as well as specify the time and place of the training session that would be comfortable for them. In addition, they should be encouraged to set down requirements for the course and choose the manner they want to participate.

7.5 Risk Analysis

SN	Risk	Probability of Occurrence	Mitigation Measures
1	Dishonest employees including drivers & sales people	Medium	1. A keen attention during hiring process. 2. Our employee's packages are among the best in our category and all their welfare are being taken care.
2	High competition	High	1. We will position ourselves in the market as the only company that produces high quality flavored and unflavored spirits at a competitive price. Unlike other competitors our Vodka and Gin brands have the unique taste and extra smooth when consumed. They neither cause hang over nor unusual smell in the mouth of a consumer
3	Increasing tax rates by the government	Medium	Ensure that steady cash flow is maintained throughout the year to meet the unexpected costs
4	Further strengthening of fight against alcoholism	Low	Expanding our distribution networks further to the regions and beyond Tanzania borders
5	Change in technology example distribution via internet	Low	We are on the way to develop this technology, however it is still in its infancy and can not affect us much in a near future
6	Low capital	Medium	1. We will seek for a bank loan and other means of financing
7	Ability to meet market demand	Low	Striving to be innovative enough in finding the means of increasing production and supply

8.0 PROJECT INVESTMENT COSTING

8.1 Land and Buildings

The company has already acquired its own plot of land costs Tsh. 50,000,000/= and the plant compound and buildings are under construction. We expect to start using them on May 2024. The buildings until the date of launching the project is estimated to cost about Tsh. 350,000,000/= and will have the following sections;

1. Production blocks which also will comprise three subsections;

- (1) Production zone
- (2) The store for Raw material and
- (3) Finished goods storage

2. Administration Block

3. Canteen

4. Toilets

5. First aid

Machines & Equipment

In order to achieve high level of vodka and gin production, we have planned to use modern machines and equipment. Some of the machines and equipment are manually operated, semi automatic and others are automatic. The composition of the machines, equipment and their costs are presented in the table below;

S/N	Machine/Equipment	QTY	Cost (tsh)
1	Pet bottle blowing machine 200ml (automatic)	1	140,481,900
2	Pet bottle & glass bottle spirit filling and packing system 3000l/hr (automatic)	1	261,518,100
3			
4	Automatic filling machine	1	70,800,000
5	Water treatment machine	1	28,400,000
6	Blending machine	1	18,690,000
7	Capping machine	1	4,900,000
8	Trucks	5	140,000,000
9	Office equipment		15,000,000
	TOTAL		679,790,000

Depreciation

The Machines and trucks are assumed to wear out after 10 years so they are depreciated on a 10 year straight-line schedule = 66,479,000 per year. For the office equipment it is 5 years = 3,000,000/= For the buildings 50 years = 7,000,000

Total Depreciation = 76,479,000 per year = 6,373,250/= per month

8.2 Working capita (Operating Costs)

We expect in the first few months to buy our inventories after every 45 days that means we will have a stock of raw materials enough to produce spirits for a month and a half without buying any more. The cash flow in this business shows that there will be enough money to buy a stock of raw materials for even a longer period than this.

Variable costs (These are the costs of processing 1 drum of pure Ethanol, 250 litres to produce 115 cartons of 200ml bottles;)

Table: Variable Costs

Raw material	QTY	COST(TSH)
Pure Ethanol, 96% ABV (Alcohol by Volume) 1drum	250ltr	1,150,000
<u>For 200ml Bottles (3,450 bottles / 115cartons</u>		
-Bottles @tsh210, 3,450 x 210 = 724,500		
-Tax stamp @ tsh.46, 3,450 x 46 = 158,700		
-Caps @ tsh 72, 3,450 x 72 = 248,400		
-Label @tsh36, 3,450 x 36 = 124,200		
-Empty boxes @ tsh630, 115 x 630 = 72,450		
Flavor	10mill	2,000
Electric power for production		5,000
Sol tap@3,550	2	7,100
Fuel for Cars	25ltr	310,000
Direct labor		
Total direct labor, 24 persons@6000	24person	144,000
Per Diem for the truck drivers @25,000	3trucks	75,000
TOTAL		3,021,350

Variable cost of producing a 200mill bottle of vodka or gin is;
3,021,350/ 3,450 = tsh 876

2. Gross Profit Margin

The company sell a carton of 200ml spirit for Tsh. 45,000/= so for 115 cartons = Tsh. 5,175,000 which costs tsh. **3,021,350/=** yielding a gross profit of tsh. 2,153,650

Gross Profit Margin = $2,153,650 / 5,175,000 \times 100 = 42\%$

Operating Expenses:

These are costs that keep on going even if the business stops to operate. The largest fixed cost is payroll followed by buildings/machine & equipments and then maintenance and sales & marketing.

Table: Expenses:

EXPENSE	TZS
Payroll	85,200,000
Maintenance & repair	30,500,000
Sales and Marketing	20,000,000
Depreciation	76,479,000
Utilities	2,400,000
Insurance	120,000
Contigencies	8,000,000
Total Operating expenses	222,699,000

Total fixed costs (Operating expenses) in the first year = 222,699,000

Fixed costs per month = 18,558,250

Table: Total cost of the project

ITEM	TZS
Land	50,000,000
Buildings	350,000,000
Plant and machinery	524,790,000
Vehicles	140,000,000
Furniture and equipment	15,000,000
Others and Working capital	41,000,000
TOTAL COST OF THE PROJECT	1,120,790,000

9.0 MANAGEMENT SUMMARY

Our management philosophy will be based on respect for each of our fellow employees, respect for every client, and individual responsibility. Mackwell Traders Limited will depend on the warmth and uniqueness of its atmosphere which is generated by fun-loving and caring employees. The management team will consist of the owners and managers. We will hire only those who demonstrate the qualities necessary for working in a professional environment and the willingness to move forward.

9.1 Organizational Structure

Our team consists of 23 permanent employees. The position of Chief Executive Officer is currently held by Bernad Mashaka Wandela while second in command is Suphian Juma Mtafuni who holds a position of vice Chief Executive Officer. Other permanent posts apart from the two are shown in a list below.

1. Operational Manager
2. Sales and Marketing Manager
3. Accountant
4. Logistics and Procurement Manager
5. Machine operator
6. Store Keeper and
7. Other 15 employees

Part-time workers will be paid tsh. 6,000 per shift, the costs that will be counted in the cost of goods sold (variable costs)

9.2 Management Team

Bernado Mashaka Wandela: A co founder & Chief Executive Officer

Responsibility:

To carry out the company's strategic plans and policies as well as to set the direction and oversee the overall operations of the company. He is in charge of seeking financing and major procurement, necessary government permits and license.

Qualifications

Bernado Mashaka is a marketer by profession acquiring his bachelor degree in marketing. He has been working in various spirit companies since then.

Suphian Juma Mtafuni: A co-founder and Vice CEO

Responsibility:

Suphian is highly skilled in many other sectors like finance, human resources and IT, she will oversee daily activities and support operational leadership in other departments from finance and IT to Human resources. Also she is the one who will supervise, hire and train employees. Manage quality assurance programs and strategize process improvements

Qualifications

Sufian also is a marketer by profession acquiring his bachelor degree in marketing. She has been working in various spirit companies since then as a sales manager and other times as a marketing manager.

9.3 Personnel plan

The four founders are not included in this personnel plan as they will not receive normal monthly salary; instead they depend on their dividends according to the shares they hold in the company.

Table: Personnel Plann

<i>Personnel Plan</i>		Year1	Year2	Year3	Year4	Year5
		Tsh			Tsh	Tsh
Operation Manager	1	5,400,000	5,400,000	5,400,000	6,000,000	6,000,000
Sales Manager	1	5,400,000	5,400,000	5,400,000	6,000,000	6,000,000
Accountant	0	0	5,400,000	5,400,000	6,000,000	6,000,000
Sales and Marketing	8	38,400,000	38,400,000	38,400,000	43,200,000	43,200,000
Logistics and Procurement	0	0	9,600,000	9,600,000	10,800,000	10,800,000
Other workers	10	36,000,000	36,000,000	36,000,000	42,000,000	42,000,000
Total Payroll		85,200,000	100,200,000	100,200,000	114,000,000	114,000,000

10.0 PROJECT FINANCING

Source of the Fund

Mackwell’s co-owners, Bernad Mashaka Wandela, Suphian Juma Mtafuni and Josephine Emanuel Buninza will provide a total of Tsh. 896.6million in investment that

will cover the bulk of the start-up expenses. The rest of the required financing Tsh. 224.1million will come from other shareholder or an investor who we are seeking before the official launch of the project in May 2024. Combined, these funds Tsh. 1,120,790,000 will be sufficient to cover the company's expenses throughout the first year of operations, which is the most critical from the cash flow standpoint.

Use of the Fund

The biggest expense will be plant and machinery in the amount Tsh.524,790,000 followed by the construction of the buildings in the amount of Tsh. 350,000,000 and vehicles Tsh. 140,000,000. Additionally, the three shareholders has already raised Tsh. 896,632,000 waiting for additional shareholders or investor to cover the remaining amount of Tsh. 224,158,000 With that said, the total financed will be Tsh,1,120,790,000

11.0 PROJECT IMPLEMENTATION SCHEDULE

The project full operations are expected to start from May 2024. In the first 12 months the project is expected to complete several milestones including business plan preparation, completion of registration, purchase and installation of machines and equipment, insurance, hiring of employees and the official launching of the project.

Project Implementation period: May 2023 – May 2029

The following table and chart outlines the important milestones in the planning and implementation of Mackwell Traders Limited

Table: Implementation Schedule

	<i>Milestones</i>				
	Milestones	Start Date	End Date	Manager	Department
1	Construction of the project building	Jan. 1 2023	May 30 2024	B.Wandela	Management
2	Conducting feasibility study & Market Research	May 1 2023	Nov. 15 2023	B.Wandela	Management
3	Preparation of Business plan	Dec. 1 2023	Feb. 30 2024	S.Juma	Marketing
4	To complete registration of the project	Nov.16 2023	Mach 30 2024	B.Wandela	Management
5	Recruitment of the key employees	Dec 30 2023	Apr. 30 2024	J.Emmanuel	H.R
6	Purchase and installation of Machines and equipment	Jan. 1 2024	Apr. 30 2024	B.Wandela	Management
7	Pre launching promotion	Feb. 1 2024	May. 15 2024	S.Juma	Marketing
8	Insurance	Mach 30 2024	Mach 30 2024	S.Juma	Marketing
9	Official launching of the Project	May. 1 2024	May. 1 2024	Team	
10	Full Project operation	May. 1 2024	May. 30 2029	Team	

Chart: Implementation Schedule

Activity/Milestone	MONTHS																								
	2023												2024												2025 - 2029
	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	25 - 60
Construction of the project building	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow													
Conducting feasibility study & Market Research	Orange	Orange	Orange	Orange	Orange	Orange	Orange																		
Preparation of Business plan							Light Green	Light Green	Light Green	Light Green															
To complete registration of the project							Red	Red	Red	Red	Red														
Recruitment of the employees							Blue	Blue	Blue	Blue	Blue	Blue													
Purchase and installation of Machines/equipment							Dark Grey	Dark Grey	Dark Grey	Dark Grey	Dark Grey	Dark Grey													
Pre launching promotion										Yellow	Yellow	Yellow	Yellow	Yellow											
Pre launching promotion							Green	Green	Green	Green															
Insurance										Dark Blue															
Official launching of the Project												Red													
Full Project operation													Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green

12.0 FINANCIAL PLAN

The following sections will outline important financial information.

9.1 Important assumptions.

- Production volume per day / batch = 200 – 2,000 Cartons
- We forecast the average sales volume per month to be 6,000 cartons
- Price of one drum of raw spirit (250ltr) is tsh. 1,150,000
- Cost of producing 200ml bottle of spirit = tsh. **876**
- Selling price of 1 bottle of spirit (200ml) = tsh. 1,500
- Total Depreciation per month is tsh. 6,373,250
- Most sales will be in cash
- Relatively strong economy with no major recession

General Assumptions

Tax rate 30%

Interest rate 0%

12.1 Five-year Projected Profit and loss.

The following chart and table shows projected profit and loss for five years;

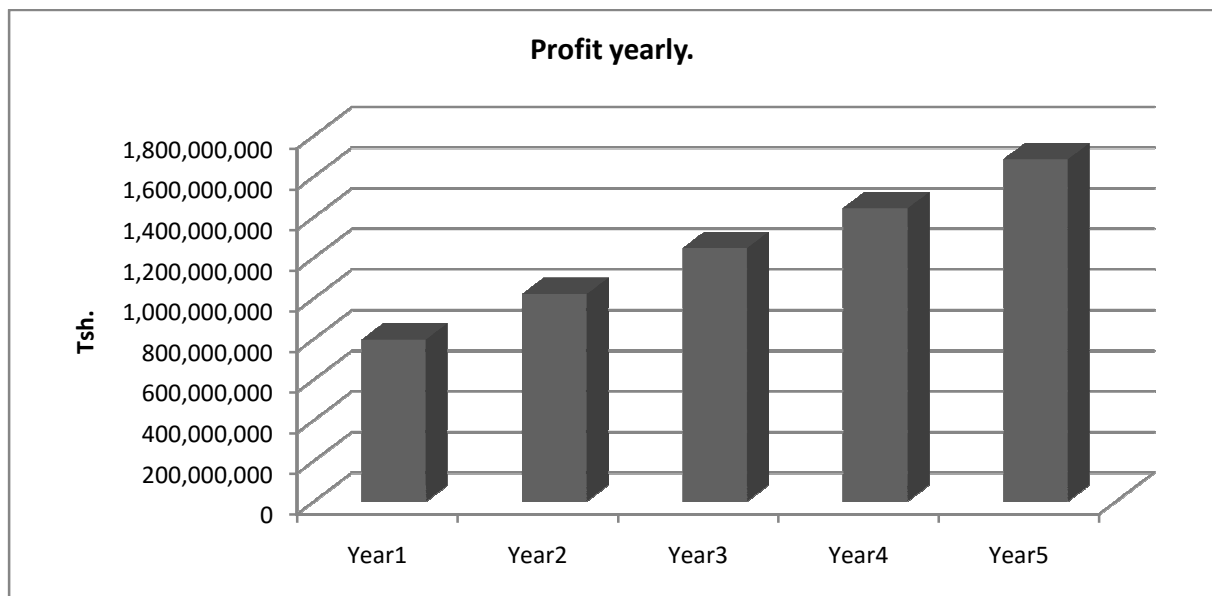


Table: 5 Year-Projected Profit and Loss

	Year1	Year2	Year3	Year4	Year5
	Tsh.	Tsh.	Tsh.		
Sales	3,240,000,000	4,050,000,000	4,860,000,000	5,589,000,000	6,427,350,000
Costs of Sales	1,879,200,000	2,349,000,000	2,818,800,000	3,241,620,000	3,727,863,000
Gross margin	1,360,800,000	1,701,000,000	2,041,200,000	2,347,380,000	2,699,487,000
Gross margin %	42%	42%	42,%	42%	42,%
Expenses.					
Payroll	85,200,000	100,200,000	100,200,000	114,000,000	114,000,000
Maintenance & repair	30,500,000	33,000,000	36,000,000	40,000,000	45,000,000
Sales and Marketing	20,000,000	20,000,000	30,000,000	34,000,000	35,000,000
Depreciation	76,479,000	76,479,000	76,479,000	76,479,000	76,479,000
Utilities	2,400,000	2,400,000	2,600,000	2,800,000	3,000,000
Insurance	120,000	120,000	120,000	180,000	180,000
Contingencies	8,000,000	10,000,000	15,000,000	18,000,000	20,000,000
Total Operating expenses	222,699,000	242,199,000	260,399,000	285,459,000	293,659,000
Profit before Interest and Taxes.	1,138,101,000	1,458,801,000	1,780,801,000	2,061,921,000	2,405,828,000
Interest expenses	0	0	0	0	0
Taxes incurred 30%	341,430,300	437,640,300	534,240,300	618,576,300	721,748,400
Net Profit	796,670,700	1,021,160,700	1,246,560,700	1,443,344,700	1,684,079,600
Net Profit/Sales%	25%	25%	26%	26%	26%

12.2 Five-year Projected Cash Flow

Our cash situation indicates that there will be no problems within 3 years. Our cash balance is always above the mark with the cash flow not too far behind. We have no negatives cash balance in any of the 12 months of the first year.

Table: 5 Year-Projected Cash Flow

<i>Pro Forma Cash Flow</i>	Year 1	Year 2	Year 3	Year 4	Year 5
	TZS	TZS	TZS	TZS	TZS
Starting balance	350,000,000				
Cash Received					
Cash Sales	3,240,000,000	4,050,000,000	4,860,000,000	5,589,000,000	6,427,350,000
Cash from Receivables	0	0	0	0	0
Additional Cash Received					
New Current Borrowing	0	0	0	0	0
New Long-term Liabilities	0	0	0	0	0
New Investment Received	0	0	0	0	0
Subtotal Cash Received	3,240,000,000	4,050,000,000	4,860,000,000	5,589,000,000	6,427,350,000
Expenditures					
Cash Spending	487,650,303	675,560,300	801,410,300	938,357,300	1,066,922,400
Bill Payments	1,805,000,000	2,256,250,000	2,707,500,000	3,113,625,000	3,580,668,750
Additional Cash Spent					
Long-term Liabilities Principal Repayment	0	0	0	0	0
Purchase Long-term Assets	0	0	0	0	0
Dividends	0	0	0	0	0
Subtotal Cash Spent	2,292,650,303	2,931,810,300	3,508,910,300	4,051,982,300	4,647,591,150
Net Cash Flow	947,349,697	1,118,189,700	1,341,089,700	1,537,017,700	1,779,758,850
Cash Balance	982,349,697	2,100,539,397	3,441,629,097	4,978,646,797	6,758,405,647

12.3 Five-year Projected Balance Sheet

	Year1	Year2	Year3	Year4	Year5
ASSETS	TZS	TZS	TZS	TZS	TZS
Current assets					
Cash	982,349,697	2,100,539,397	3,441,629,097	4,978,646,797	6,758,405,647
Accounts receivable	0	0	0	0	0
Inventory	75,800,000	94,750,000	113,700,000	130,756,000	150,368,250
Other current assets	2,000,000	0	0	0	0
Total current assets	1,060,149,697	2,195,289,397	3,555,329,097	5,109,402,797	6,908,773,897
Long term assets	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000
Depreciation.	76,479,000	152,958,000	229,437,000	305,916,000	382,395,000
Total long term assets	1,003,311,000	926,832,000	850,353,000	773,874,000	697,395,000
TOTAL ASSETS	2,063,460,697	3,122,121,397	4,405,682,097	5,883,276,797	7,606,168,897
CAPITAL AND LIABILITIES					
Account payable	150,000,000	187,500,000	224,500,000	258,750,000	297,562,500
Current borrowing	0	0	0	0	0
Long term debt	0	0	0	0	0
Total liabilities	150,000,000				
Paid in Capital	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000
Retained earnings	(4,000,000)	792,670,697	1,813,831,397	3,060,392,097	4,503,736,797
Earnings	796,670,697	1,021,160,700	1,246,560,700	1,443,344,700	1,684,079,600
Total Capital	1,913,460,697	2,934,621,397	4,181,182,097	5,624,526,797	7,308,606,397
TOTAL CAPITAL AND LIABILITIES	2,063,460,697	3,122,121,397	4,405,682,097	5,883,276,797	7,606,168,897

12.4 Ratio Analysis

Table: Ratio analysis

Ratio Analysis					
	Year 1	Year 2	Year3	Year4	Year5
Sales Growth	na	25%	20%	15%	15%
Percentage of Sales					
Sales	100.00%	100.00%	100.00%	100.00%	100.00%
Gross Margin	42%	42%	42,%	42%	42,%
Profit Before Interest and Taxes	35%	36%	37%	37%	37%
Main Ratios					
Total Debt to Total Assets					
Net Profit Margin	25%	25%	26%	26%	26%
Return on Investment(ROI)	42%	35%	29%	26%	23%
Additional Ratios					
Annual Inventory Turnover	49.6	27.5	27.0	26.5	26.5
Sales/Net Worth	1.7	1.4	1.2	1.0	0.9

13. Appendix

PROFORMA PROFIT AND LOSS.												
	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12
	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.
Sales.	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000
Cost of Sales	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000	156,600,000
Gross margin	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000	113,400,000
Gross margin %.	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%
Expenses.												
Payroll	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000
Maintenance	2,541,667	2,541,667	2,541,667	2,541,667	2,541,667	2,541,667	2,541,667	2,541,667	2,541,667	2,541,667	2,541,667	2,541,663
Sales & Marketing	1,666,667	1,666,667	1,666,667	1,666,667	1,666,667	1,666,667	1,666,667	1,666,667	1,666,667	1,666,667	1,666,667	1,666,663
Depreciation	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250	6,373,250
Utilities	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Insurance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Contingencies	666,667	666,667	666,667	666,667	666,667	666,667	666,667	666,667	666,667	666,667	666,667	666,663
Total Operating expenses	18,558,251	18,558,251	18,558,251	18,558,251	18,558,251	18,558,251	18,558,251	18,558,251	18,558,251	18,558,251	18,558,251	18,558,239
Profit before Interest and taxes	94,841,749	94,841,749	94,841,749	94,841,749	94,841,749	94,841,749	94,841,749	94,841,749	94,841,749	94,841,749	94,841,749	94,841,761
Interest.	0	0	0	0	0	0	0	0	0	0	0	0
Tax incurred. 30%	28,452,525	28,452,525	28,452,525	28,452,525	28,452,525	28,452,525	28,452,525	28,452,525	28,452,525	28,452,525	28,452,525	28,452,528
Net Profit.	66,389,224	66,389,224	66,389,224	66,389,224	66,389,224	66,389,224	66,389,224	66,389,224	66,389,224	66,389,224	66,389,224	66,389,233
Net Profit/sales	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%

PRO FORMA CASH FLOW.												
	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12
	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.
Starting cash.	35,000,000											
Cash Received.												
Cash Sales	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000
Cash from receivable	0	0	0	0	0	0	0	0	0	0	0	0
New current borrowing	0	0	0	0	0	0	0	0	0	0	0	0
New long term liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Sales of other current assets	0	0	0	0	0	0	0	0	0	0	0	0
New investment received	0	0	0	0	0	0	0	0	0	0	0	0
Total cash Received	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000	270,000,000
Expenditures												
Cash Spending	40,637,526	40,637,526	40,637,526	40,637,526	40,637,526	40,637,526	40,637,526	40,637,526	40,637,526	40,637,526	40,637,526	40,637,517
Bill payments	0	200,000,000	200,000,000	150,000,000	100,000,000	180,000,000	160,000,000	160,000,000	170,000,000	150,000,000	170,000,000	165,000,000
Additional Cash spent												
Principle repayment of long term debt	0	0	0	0	0	0	0	0	0	0	0	0
Purchase of other current assets	0	0	0	0	0	0	0	0	0	0	0	0
Purchase of long term assets	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Spent	40,637,526	240,637,526	240,637,526	190,637,526	140,637,526	220,637,526	200,637,526	200,637,526	210,637,526	190,637,526	210,637,526	205,637,517
Net Cash Flow	229,362,474	29,362,474	29,362,474	79,362,474	129,362,474	49,362,474	69,362,474	69,362,474	59,362,474	79,362,474	59,362,474	64,362,483
CASH BALANCE	264,362,474	293,724,948	323,087,422	402,449,896	531,812,370	581,174,844	650,537,318	719,899,792	779,262,266	858,624,740	917,987,214	982,349,697

PRO FORMA BALANCE SHEET.

	Starting Balance	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12
	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.	Tsh.
ASSETS													
Current assets													
Cash	35,000,000	264,362,474	293,724,948	323,087,422	402,449,896	531,812,370	581,174,844	650,537,318	719,899,792	779,262,266	858,624,740	917,987,214	982,349,697
Accounts receivable	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventory	0	43,400,000	86,800,000	80,200,000	23,600,000	47,000,000	50,400,000	53,800,000	67,200,000	60,600,000	74,000,000	82,400,000	75,800,000
Other current assets	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total current assets	37,000,000	309,762,474	382,524,948	405,287,422	428,049,896	580,812,370	633,574,844	706,337,318	789,099,792	841,852,266	934,624,740	1,002,387,214	1,060,149,697
Long term assets	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000	1,079,790,000
Depreciation.	0	6,373,250	12,746,500	19,119,750	25,493,000	31,866,250	38,239,500	44,612,750	50,986,000	57,359,250	63,732,500	70,105,750	76,479,000
Total long term assets	1,079,790,000	1,073,416,750	1,067,043,500	1,060,670,250	1,054,297,000	1,047,923,750	1,041,550,500	1,035,177,250	1,028,804,000	1,022,430,750	1,016,057,500	1,009,684,250	1,003,311,000
TOTAL ASSETS	1,116,790,000	1,383,179,224	1,449,568,448	1,465,957,672	1,482,346,896	1,628,736,120	1,675,125,344	1,741,514,568	1,817,903,792	1,864,293,016	1,950,682,240	2,012,071,464	2,063,460,697
CAPITAL AND LIABILITIES													
Account payable	0	200,000,000	200,000,000	150,000,000	100,000,000	180,000,000	160,000,000	160,000,000	170,000,000	150,000,000	170,000,000	165,000,000	150,000,000
Current borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0
Long term debt	0												
Total liabilities	0	200,000,000	200,000,000	150,000,000	100,000,000	180,000,000	160,000,000	160,000,000	170,000,000	150,000,000	170,000,000	165,000,000	150,000,000
Paid in Capital	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000	1,120,790,000
Retained earnings	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Earnings	0	66,389,224	132,778,448	199,167,672	265,556,896	331,946,120	398,335,344	464,724,568	531,113,792	597,503,016	663,892,240	730,281,464	796,670,697
Total Capital	1,116,790,000	1,183,179,224	1,249,568,448	1,315,957,672	1,382,346,896	1,448,736,120	1,515,125,344	1,581,514,568	1,647,903,792	1,714,293,016	1,780,682,240	1,847,071,464	1,913,460,697
TOTAL CAPITAL AND LIABILITIES	1,116,790,000	1,383,179,224	1,449,568,448	1,465,957,672	1,482,346,896	1,628,736,120	1,675,125,344	1,741,514,568	1,817,903,792	1,864,293,016	1,950,682,240	2,012,071,464	2,063,460,697