

**MATI GROUP OF COMPANIES LTD**  
**BUSINESS PLAN 2024**



**FEBRUARY 2024**

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## 1.0 EXECUTIVE SUMMARY

Mati Group of Co. Ltd (MGCL) MGCL is located in Iwambi area at Mbeya Southern Highland of Tanzania and specialized in Producing and distribution of alcoholic and non-alcoholic beverages. All the products are to be sold in the local market although plans are in the motion for extending the market to neighbouring countries. MGCL produces products in combination of GIN, VODKA, MINT, PINEAPPLE, COFEE AND BRANDY

For MGCL to full fill its mission it will set high standards and value their stakeholders by providing them with higher quality liquor to create a memorable experience to the end users so as to increase the demand of the product so as to increase the sales to enhance the revenue of the company. MGCL team of directors will ensure and to keep the company a float to ensure flow of materials for production to enhance growth of the company and expansion of MGCL operation to the world.

The production of alcohol beverage (spirits) has made impact in the country economy at both local level and state level. Consumer demand also increases and the number of producers increase the target consumers is the general population of a legal drinking age that include both low-income earners and high-income earners who enjoys alcohol

The Tanzania spirit market is witnessing robust growth due to several factors such as rising disposable income, changing consumers preference and urbanization. The market offers diverse range of spirits catering to different consumers tastes and preference. Key players in the market are constantly innovating and launching new products to meet its evolving demand of consumers

MGCL is in the process of gathering permits for all its products and it has obtained most of the permits for the initial project process.

MGCL has employed professional team and skilled personnel who works hard to bring the technologies and innovative ideas to improve the products quality and quantity so as to capture the, market and hence growth of the company

## 2.0. COMPANY DESCRIPTION

### 2.1 HISTORY OF THE COMPANY

MGCL is a private owned company by Mr David Damian Mulokozi and Miss Doreen Raphael Mushi who are the shareholders of MGCL which they plan to start their operations March of 2024

### 2.2 MISSION STATEMENT

We manufacture, distribute and sell affordable alcoholic beverages that offer our customers a great taste.

### 2.3 MGCL VISION STATEMENT

To be a sustainable manufacturer and distributor of alcoholic beverages within East Africa

### 2.4 MGCL VALUE STATEMENT

- Quality Focused
- Integrity,
- Innovation,
- Customer Centric,
- Performance Driven, and
- Environmental consciousness

### 2.5 LOCATION

MGCL is located in Iwambi area at Mbeya City Southern Tanzania. Clean and proper water is available which makes the product good in taste and appearance and stabilizes the Alcohol. The roads in and out of the factory are wide and all weather making it easy to transport outputs from the factory to the market and inputs from suppliers to the factory.

## 3.0 LEGAL STRUCTURE

- Company is registered under cap 212 of the company law for which Incorporation Certificate no 162977288 was issued on 2<sup>nd</sup> February 2023
- All company products are registered with BRELA
- Registration for TIN 162-977-288
- Industrial License No 4329363 Issued 28<sup>th</sup> Feb 2023.
- GCLA Registration on progress
- Business permit No.
- Tanzania Bureau of Standards (TBS) Certificate is no. 5796
- Osha registration no 203213032

## 4.0 MGCL PRODUCTS

### **Mati pineapple flavored gin**

Is an alcoholic beverage made from blending high purified water and pure cane distilled spirit with pineapple essence at 40%ABV. It is packed in 200ml, 250ml and 750ml bottles in Cartons of 30,24 and 12 bottles respectively, however 200ml bottles are plastic bottles and the rest glass.

### **Mati dry gin**

Is an alcoholic beverage made from blending high quality purified water and pure cane distilled spirit with natural gin essence originated from organic botanicals at 40%ABV. It is packed in 200ml, 250ml and 750ml bottles in Cartons of 30,24 and 12 bottles respectively, however 200ml bottles are plastic bottles and the rest glass,

### **Mati Premium Brandy**

Is an alcoholic beverage of 40% ABV made exclusively from high purified water and pure natural grains distilled spirit and like some other brandy it doesn't contain added sugar Packed on glass bottles for 250 and 750 ml

### **Mati Mint flavored portable spirit**

Is an alcoholic beverage made from the blending high quality deionized water and fine spirit blended with paper mint flavor at 40% ABV. It is packed in 200ml portable spirit bottle (plastic)

### **Mati Coffee flavor portable spirit**

Is an alcoholic beverage made from the blending high quality purified water and pure cane distilled spirit with coffee flavor at 40%ABV. It is packed in 200ml portable spirit bottle (plastic) and 250 ml in glass bottle

## 5.0 MARKERT ANALYSIS

Consumer behavior and preference are constantly evolving in the alcohol industry understanding trends is crucial for MGCL so as to stay relevant to the market and meet the changing demand of the customers. MGCL will invest in flavoring its products at its best and also be kin in the packaging of the product making it portable with generic bottles to differentiate it from other products while observing cost so as to make the product affordable to every member of the population.

### 5.1 TARGET POPULATION

MGCL is targeting general member of the population at legal drinking age people from all races, gender and ethnicity from all over the world. MGCL will employee distributors and agents from all over Tanzania and neighboring countries so as to supply its products different markets MGCL has categories its market into

- Local market
- International market

## **Local market**

MGCL will employ distributors country wide all areas around Tanzania so as to distribute its products and reach its targeted population this will include distributors in

- Southern highlands zone – Iringa, Njombe, Mbeya, Songwe and Rukwa
- Lake zone – Tabora, Kigoma, Shinyanga, Kagera, Mwanza and Mara
- Coastal zone – Tanga, Morogoro, Dar es Salaam and Zanzibar
- Northern highland zone – Arusha and Kilimanjaro
- Southern Zone – Lindi, Mtwara and Ruvuma

## **International Markets**

MGCL will employ distributors its products in the international markets here are some of the international markets

- Zambia
- Malawi
- Mozambique
- DRC Congo
- Zimbabwe
- South Africa

## **5.2 COMPETITION ANALYSIS**

The global alcoholic beverage market is highly competitive and fragmented within the presence of numerous players local and international players MGCL has categorized its competitors into two categories direct and indirect competitors

### **5.2.1 DIRECT COMPETITORS**

These are competitors that sell and produce spirits in Tanzania which are our direct competition

- Pan Master company
- Mega beverages
- East Africa Distillers
- Derick Global trading company
- John Beverages
- Kilimanjaro Distillers Ltd
- Tanzania Distillers Ltd
- Dutch Kona Ltd
- Maca Beverage Company Ltd
- Euromax Tanzania Limited
- Jensar Distillers T Ltd

### 5.2.2 INDIRECT COMPETITORS

These are competitors that sell and produce different products but target the same clients as MGCL since their product fulfill the same need

These are competitors that are off premises of the region of our operation they produce spirits in other locations

- Tanzania Breweries Limited
- Serengeti breweries
- Dodoma Wine Limited

### 5.2.3 COMPETITIVE ADVANTAGE

- Unique flavors and innovative products that create higher satisfaction
- Pricing of MGCL products that are affordable to all member of population
- Attractive and potable packaging
- Access to big distributors and agents
- Making potential partnership to the general distributors

### 5.2.4 SWOT ANALYSIS

#### **Strengths**

- A strong distribution network in Tanzania and SADC region
- The company's low-cost strategy that enabled its products to be available at affordable price
- A good relationship has been established with the local community the government and regulatory authorizes in the country.
- A strong support of the company's activities by authorities in Mbeya and in the areas where we operate.
- The owners are eager to find new knowledge about spirits, and invest in new technology and product development.
- The company is located near all necessary raw materials and near source of packing materials.
- Products have been certified by the government chemist as fit for human consumption, thereby qualifying for certification by the Tanzania Food and Drug Administration (TFDA).
- Products have been certified by the Tanzania Bureau of Standards (TBS).
- The company has own premises for productive activities.
- The company has trained and skilled personnel to maintain the quality of existing products, and to develop new ones.

## Weaknesses

- Use of semi-automated technology in some of the productive activities, especially the raw RO and Packing section that is not conducive to modern production methods.
- Unsystematic operation system that leads to issues being left behind with no information.
- Manual recording and reporting system

## Opportunities

- The possibility to expand the market to cover other areas of Africa and outside Africa
- Premiumization of MGCL product and products diversification
- E-commerce expansion and online retail growth
- Collaboration with local producers for unique offering
- Export potentials and regional market penetration

## Threats

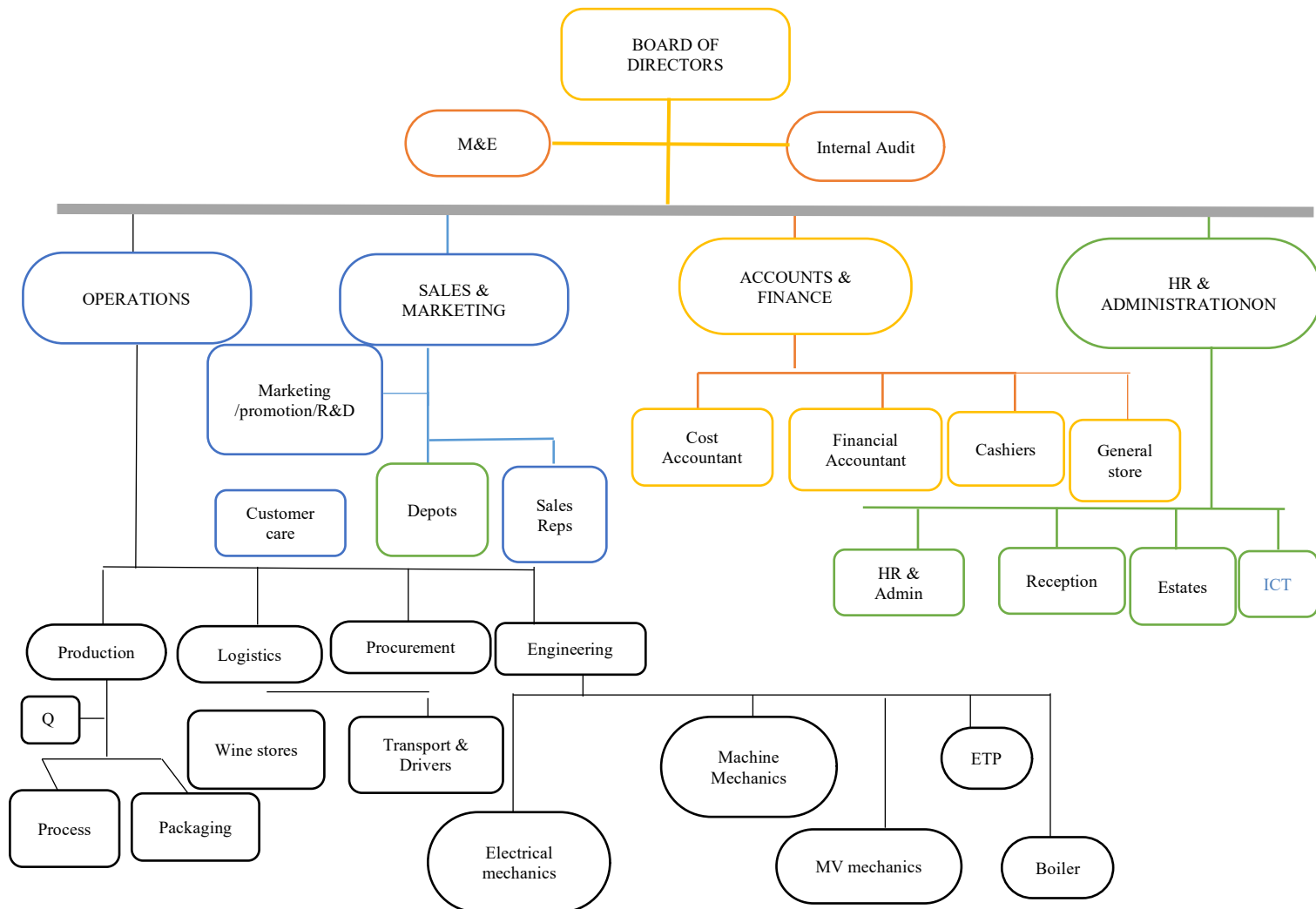
- A growing number of producers have entered the market of producing and selling of Spirit drinks same as we MGCL.
- A competitor may come up with superior power in capital, equipment, and technology and flood the market with cheap alternative products.
- Fluctuation of cost of raw materials
- Volatile regulatory environment
- Higher taxation
- Counterfeits production

Direct Competitors pricing and products VS MGCL product and pricing

Competitor product and pricing			MGCL products and pricing		
	Product	Pricing per unit Tsh		Product	Pricing per unit Tshs
1	Master gin	1600	1	Mati dry Gin	1560
2	Bongo Dons	3125	2	Mati premium brandy	3000
3	Jogoo	1400	3	Mati mint flavored portable spirit	1500
4	Classic	1400	4	Mati Pineapple flavored GIN	1560
5	Cuca	1633	5	Mati coffee flavored sprit	1560
6	Kvant	3833			

## 6.0 ORGANIZATION STRUCTURE

MGCL organization structure consist of highly skilled personnel that support and oversee all the organization activities.



### Managing Director

Miss Doreen Raphael Mushi

### Duties

Responsible for overall company strategy, reviews strategic direction, setting up general business strategy, monitoring of achievements against agreed targets, committing the company to major contracts and investments.

- Prepare a corporate plan and annual business plan and monitor progress against these plans

- To ensure that the company attains its objectives as cost-effectively and efficiently as possible.
- Provide strategic advice and guidance to the chair and members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.
- Establish and maintain effective formal and informal links with major customers, relevant government departments and agencies, local authorities, key decision-makers and other stakeholders generally, to exchange information and views and to ensure that the company is providing the appropriate range and quality of services.
- Develop and maintain research and development programmes to ensure that the company remains at the forefront of the industry, applies the most cost-effective methods and approaches, provides leading-edge products and services and retains its competitive edge.
- Prepare, gain acceptance, and monitor the implementation of the annual budget to ensure that budget targets are met, that revenue flows are maximized and that fixed costs are minimized.
- Develop and maintain an effective marketing and public relations strategy to promote the products, services and image of the company in the wider community.
- Represent the company in negotiations with customers, suppliers, government departments and other key contacts to secure the most effective contract terms.
- Develop and maintain Total Quality Management systems throughout the company to ensure that the best possible products and services are provided to customers.
- Develop, promote and direct the implementation of equal opportunities policies in all aspects of the company's work.
- Oversee the preparation of the annual report and accounts of the company and ensure their approval by the board.
- Develop and direct the implementation of policies and procedures to ensure that the company complies with all health and safety and other statutory regulations.

**Experience:**

15 years' experience in working at different fields 7 years as HR and 6 years as General manager at transportation company.

**Qualification:**

Bachelor of Business Administration in Human Resource Management

**Human Resource Manager**

Miss Angelneema Kyamel

**Duties**

In charge of human resources, administration, and training

- recruiting new staff
- making sure that staff get paid correctly and on time
- managing pensions and benefits administration
- approving job descriptions and advertisements
- looking after the health, safety and welfare of all employees

- organizing staff training
- monitoring staff performance and attendance
- advising line managers and other employees on employment law and the employer's own employment policies and procedures

#### Qualification

A degree graduate in Bachelor of Commerce in Jomo Kenyatta University of Agriculture major in Bachelor of commerce -Finance 2015-2018

#### Experiences

11-year experience in working in different field as human resource, sales and marketing head and head of operation

### **Accounts and Finance**

Davis Bila

#### **Duties**

Oversees all company financial matters. Prepares and ensures budgets are followed, oversees preparation of financial reports, tax and other statutory returns. Evaluates performance against targets and advises remedial action where there are failures. Compiles quarterly company performance reports.

- Manages, supervises and provides guidance to employees within the Finance and Accounting Department.
- Conducts all necessary training to keep the accounting team's skills and knowledge up to date.
- Plans, controls and implements the annual budgeting process.
- Supervises the preparation of profit and cash flow forecasts, analyses and reports.
- Supervises the preparation of quarterly management and year-end accounts.
- Prepares monthly/quarterly management reports and accounts ensuring they are produced on a timely basis (include KPI reports, budget, variance analysis, statistical data, and trends).
- Coordinates between the different sections within the Department to complete assigned accounting tasks within deadlines.
- Generates financial reports.
- Analyses financial discrepancies and recommends effective solutions.
- Monitors expenditures, analyzes revenues and determines budget variances.
- Assists in auditing activities by providing the necessary information.
- Ensures that all necessary documents are always requested, collected and compiled in a timely manner.
- Monitors financial transactions and ensures compliance with the Order's policies and procedures.
- Maintains compliance with all international and local regulations.
- Maintains highly organized and updated files.

- Attends training regarding accounting standards and bookkeeping and provides training to more junior accountants through conferences, seminars, and workshops.
- Ensures all accounting tasks and transactions are completed in a timely manner.

**Experience:**

5 years' experience of accounting same position at Mati Super Brands Ltd

**Qualification**

**Bachelor degree of Account and Finance**

**Sales and Marketing Manager**

Aurelian Tillya

**Duties**

Prepares a marketing plan; executes promotion, recruit agents, sources for new markets and new outlets, motivates agency forces evaluates sales performance against targets and initiates remedial action, supervises sales team, overseas motor vehicle maintenance and maintains efficient allocation of vehicles to delivery routes.

- Promoting the company's existing brands and introducing new products to the market.
- Analyzing budgets, preparing annual budget plans, scheduling expenditures, and ensuring that the sales team meets their quotas and goals.
- Researching and developing marketing opportunities and plans, understanding consumer requirements, identifying market trends, and suggesting system improvements to achieve the company's marketing goals.
- Gathering, investigating, and summarizing market data and trends to draft reports.
- Implementing new sales plans and advertising.
- Recruiting, training, scheduling, coaching, and managing marketing and sales teams to meet sales and marketing human resource objectives.
- Maintaining relationships with important clients by making regular visits, understanding their needs, and anticipating new marketing opportunities.
- Staying current in the industry by attending educational opportunities, conferences, and workshops, reading publications, and maintaining personal and professional networks.

**Production manager**

Eng Gwamaka Edwin Mwasikili

**Duties**

In charge of Production, quality issues and machinery Maintenance.

- planning and organizing production schedules
- assessing project and resource requirements
- estimating, negotiating and agreeing budgets and timescales with clients and managers
- ensuring that health and safety regulations are met
- determining quality control standards

- overseeing production processes
- renegotiating timescales or schedules as necessary
- selecting, ordering and purchasing materials
- organising the repair and routine maintenance of production equipment
- liaising with buyers and marketing and sales staff
- supervising and managing the work of junior staff
- organising relevant training sessions.

### **Experience**

Over 5 years working experience working in FMCG Manufacturing Industries as a quality Assurance and Controller (Including 3years in Mati Super Brands Ltd).

### **Qualifications**

Bachelor of Science in Food and Biochemical Engineering.

## 7.0 PRODUCTS

<b>Name of product</b>	<b>Volume</b>	<b>Packaging</b>	<b>Flavour</b>	
<b>Mati pineapple flavour</b>	<b>250 ml</b>	<b>30 pieces</b>	<b>Pineapple flavored</b>	
<b>Mati Dry Gin</b>	<b>250 ml</b>	<b>30 pieces</b>	<b>Natural gin</b>	
<b>Mati coffee flavor</b>	<b>250 ml</b>	<b>30 pieces</b>	<b>Coffee flavour</b>	
<b>Mati mint flavour</b>	<b>250 ml</b>	<b>30 pieces</b>	<b>Mint flavour</b>	
<b>Mati premium brandy</b>	<b>250ml</b>	<b>30 pieces</b>	<b>Natural grain</b>	

## 8.0 MAIN MAJOR INPUTS

Here are the main. Inputs that are required for production of our products

- **ENA (Spirit)**
- **Flavors**
- **Labels**
- **Water**
- **Electricity**

MGCL has reliable suppliers for all raw materials required for production that support growth and profit generation for the company

## 9.0 PRODUCTION PROCESS

The Spirit production involves purifying and filtering water and reducing minerals from water, removing dirt from the spirit by passing it carbon filter then blending of Spirit with appropriate flavors and water filling in bottles and labeling after which they are packed in cartons, The process involves the following machines; -

- a. Water purification plant,
- b. Blending and reserve tanks,
- c. Bottles rinsed machine,
- d. Filling Machine,
- e. Capping Machine,
- f. Batch printer Machine
- g. Labeling Machine and
- h. Stamp applicator

## 10.0 Packaging

MGCL products are packed in different bottle size here is the elaboration for each product packaging size and number of unit in box

S/n	Item	UoM	Volume	Package
1	Mati dry gin	mls	200 mls	30.00
2	Mati portable spirit	mls	200mls	30.00
3	Mati mint flavored portable spirit	mls	200mls	30.00
4	Mati coffee flavored portable spirit	mls	200mls	30.00
5	Mati dry gin	mls	250mls	24.00
6	Mati pineapple flavored gin	mls	250mls	24.00
7	Mati premium brandy	mls	250mls	24.00

### 10.1 UNIQUENESS

MGCL is producing products that of great quality that is blended with professionals at clean environment with higher professional excellence to bring good taste. MGCL products are cost concisions as we bring it to general population, we have made it for people in Mbeya region and other region be able to afford our products. we are also environment conscious so our product will preserve the environment

## 11.0 MARKETING AND SALES STRATEGY

### 11.1 MARKET PLAN

MGCL plan to use a lot of efforts in marketing their products through the use social media, PA Here are some of tools we will use

- Employee foot soldiers, MGCL has set employee foot soldiers to spread news of our products through word of mouth
- Social media promotion, MGCL has set page through Instagram, twitter and Facebook pages to promote our products through posting different contents

- Website, MGCL has set a web page that will inform customers on the background, philosophy, vision, mission, products location and accessibility of our products

## 11.2 BRANDING

For MGCL PRODUCTS the look and feel of the bottle itself is the most important content of the products we have made unique bottles for both smaller size 200 ml to 750ml that are portable and convenient in accordance to the environment. We have also designed our labels in a very attractive way to tell the content of the products and this makes it attractive to the end users.

## 11.3 PROMOTION

Promotion covers large range of activities including advertising. MGCL value promotion a lot because it creates brand awareness. MGCL plan to sponsor different community projects as the way to create awareness of the products. Also, we will do a lot of advertisement in all media including tv and radios

## 11.4 DISTRIBUTION CHANNEL

The company plans to distribute its products all over East Africa, Central Africa and in Southern Region in Africa. We have appointed distributors and different agents to send our products all over the market to reach the target population all our products are also sent to bars through distributors and foot solders located in various places in all Regions that it serves. The company's also have delivery vehicles that deliver the products to the agent's premises who in turn sell them to Retailers including bar and Super Markets.

## 11.5 SALES STRATEGY

The sales strategy is to build and open new locations in other countries apart from Tanzania in order to increase revenue. However, we will implement this strategy when the MGCL show growth as each individual market increase the number of products their purchasing it will increase revenue and support growth.

### **Sales tactics**

- We will employ different sale tactic to enable MGCLS to sell in big volume
- Listen to customers and solving their problem end users
- Keeping constant communication with end users from brand compliments for brand development
- Create sales enablement to our distributors and agents
- Provide sampling to population to create awareness and increase users of our product hence increase sales

## 12.0 FUNDING

Since MGCL is a private owned companies the main source of income will be from its shareholders but also the company will finance their operation with the following sources

### **Sources of funds**

- Internal source from ploughed back profits
- Contribution from the Shareholders
- OD/Loan from Banks

**Major uses of funds will be to finance**

- Construction of new office and plant (Company own).
- Acquisition of new Machineries
- Procurement of production materials

## 13.0 FINANCIAL PROJECTION

### Financial projection

Financial projection is a forward-looking estimates of a company’s financial performance over specific period of time.

### Objective of financial projection

This is our cornerstone of informed decision-making in the world of finance. Is a comprehensive financial roadmap that enables our business to anticipate future financial performance, analyze potential risks, allocate resources effectively, and set realistic goals.

It also helps us to compare the development of the market with the rate at which our business is flourishing. To reveal growth deviations from our projections early on to efficiently mitigate any concerns.

Assess the success of our efforts to determine the long-term viability or value of an activity. To take control of our cash flow and purposefully direct our company. Develop benchmarks for use in future projections (forecasts).

### Components of Financial projection

The below components they reveal the picture of company’s profit/loss, position of assets and liabilities, company’s cash flow respectively.

**MATI GROUP OF COMPANIES LTD**  
**STATEMENT OF COMPREHENSIVE INCOME FOR CONSECUTIVE THREE**  
**YEARS**

Description	Projections		
	2024	2025	2026
<b>INCOME</b>			
Operating Income			
Mati dry gin - 200mls	1,991,525,425	2,867,796,610	3,345,762,712
Mati dry gin - 250mls	55,084,746	99,152,542	112,372,881
Mati Pineapple flavored gin - 250mls	55,084,746	99,152,542	112,372,881

Mati Brandy 250mls	55,084,746	99,152,542	112,372,881
Mati Portable spirit - 250mls	55,084,746	99,152,542	112,372,881

<b>Total income</b>	<b>2,211,864,409</b>	<b>3,264,406,778</b>	<b>3,795,254,236</b>
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<b>COST OF GOODS SOLD</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
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Operating & non-operating income			
Mati dry gin - 200mls	718,700,000	1,034,928,000	1,207,416,000
Mati dry gin - 250mls	30,216,750	54,390,150	61,642,170
Mati Pineapple flavored gin - 250mls	30,216,750	54,390,150	61,642,170
Mati Brandy 250mls	30,216,750	54,390,150	61,642,170
Mati Portable spirit - 250mls	30,216,750	54,390,150	61,642,170

<b>Total cost of goods sold</b>	<b>839,567,000</b>	<b>1,252,488,600</b>	<b>1,453,984,680</b>
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**Manufacture overhead expense**

Cleaning materials	1,405,000	1,686,000	2,130,000
Direct Materials-Origin costs	-	-	-
Electric bill-Cos	8,750,000	12,250,000	14,500,000
Excise duty -expense	1,288,872,000	1,890,345,600	2,199,674,880
Factory building repair	750,000	885,000	1,100,000
Factory working tools	2,500,000	2,700,000	2,900,000
Generator fuel	800,000	1,460,000	1,650,000
Plant &Machinery repair	1,000,000	1,200,000	1,500,000
Production utilities/consumable	2,800,000	1,750,000	1,420,000
Water bill	5,600,000	7,800,000	8,100,000

<b>Total manufacture overhead</b>	<b>1,312,477,000</b>	<b>1,920,076,600</b>	<b>2,232,974,880</b>
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<b>Gross Profit</b>	<b>59,820,409</b>	<b>91,841,578</b>	<b>108,294,676</b>
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<b>MOH EXPENSES</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
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**Administration expenses**

Airtime & communication exp	1,200,000	1,200,000	1,200,000
Audit fee	5,000,000	5,000,000	5,000,000
Courier & postage service	-	-	-
Director's meeting expenses	500,000	750,000	1,000,000
Donation	250,000	500,000	750,000
Electricity bill-admin	1,000,000	1,200,000	1,250,000

Fine & penalty	250,000	750,000	1,000,000
Furniture, fixture & fittings repair	500,000	750,000	1,200,000
Insurance, permit & b'ness license	-	-	-
Internet & computer expenses	5,000,000	6,000,000	6,000,000
Meals and Entertainment	45,000,000	61,500,000	61,800,000
Medical expenses	1,250,000	1,500,000	1,650,000
Mv Fuel admin	4,000,000	4,800,000	4,800,000
Mv Repair Admin	250,000	500,000	750,000
Office Repair	500,000	750,000	1,000,000
Office Supplies	450,000	550,000	650,000
Printing and Stationeries	1,400,000	1,500,000	1,650,000
Professional & inspection fees	500,000	500,000	500,000
Rent Expense-Admin	7,800,000	7,800,000	7,800,000
Security expenses	1,000,000	1,200,000	1,200,000
Training expenses/fees	1,200,000	1,200,000	1,200,000
Withholding Tax of service	350,000	350,000	350,000

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Total administration expenses	<b>77,400,000</b>	<b>98,300,000</b>	<b>100,750,000</b>
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**Finance expenses**

Bank service charge	800,000	910,000	950,000
Interest expense	500,000	750,000	1,000,000

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Total Finance expenses	<b>1,300,000</b>	<b>1,660,000</b>	<b>1,950,000</b>
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**Payroll expenses**

wage expenses	-	-	-
Nssf expense	13,000,000	15,600,000	15,600,000
Sdl expense	5,200,000	6,240,000	6,240,000
Salary expense	117,000,000	140,400,000	140,400,000
Wcf expense	650,000	780,000	780,000

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Total payroll expense	<b>135,850,000</b>	<b>163,020,000</b>	<b>163,020,000</b>
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**Sales and marketing expenses**

Advertisement Promo	25,000,000	30,000,000	35,000,000
Entry & permit	300,000	300,000	300,000
MV Fuel sales	20,000,000	21,000,000	23,000,000
MV Repair sales	3,500,000	4,000,000	4,500,000

Packing and Entry fee	160,000	180,000	200,000
Rent of premises	3,000,000	3,600,000	3,600,000
Service charge on rent	300,000	360,000	360,000
Service Levy	800,000	1,000,000	1,200,000
Transport hire	500,000	750,000	1,000,000
Travel and Accommodation	1,800,000	2,400,000	2,700,000
Weigh & measure service	200,000	240,000	240,000
<b>Total sales &amp; marketing expenses</b>	<b>55,560,000</b>	<b>63,830,000</b>	<b>72,100,000</b>
<b>Total expenses</b>	<b>270,110,000</b>	<b>326,810,000</b>	<b>337,820,000</b>
Income before tax	(210,289,591)	(234,968,422)	(229,525,324)
Corporate tax	-	-	-
<b>Net income</b>	<b>(210,289,591)</b>	<b>(234,968,422)</b>	<b>(229,525,324)</b>

**STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED 2024, 2025 & 2026**

Description	Prediction		
	2024	2025	2026
OPERATING ACTIVITIES	TSHS	TSHS	TSHS
Net Income	(210,289,591)	(234,968,422)	(229,525,324)
<i>Adjustments to reconcile net income to net cash from operating activities:</i>			
Depreciation expenses	61,500,000	61,500,000	61,500,000
Increase in accounts receivable	(23,500,000)	(47,000,000)	(70,500,000)
Decrease in accounts payable	(279,280,000)	(275,330,700)	(294,650,400)
<b>Net cash flow provided by operating activities</b>	<b>(451,569,591)</b>	<b>(495,799,122)</b>	<b>(533,175,724)</b>

## INVESTING ACTIVITIES

Capital expenditure	150,000,000	100,000,000	100,000,000
Proceeds from sale of asset	-	-	-

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Net cash flow used in investing activities	150,000,000	100,000,000	100,000,000
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## FINANCING ACTIVITIES

Proceeds from business loan	500,000,000	500,000,000	500,000,000
Payment to accounts payable	(279,280,000)	(275,330,700)	(294,650,400)

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Net cash flow provided by financing activities	220,720,000	224,669,300	205,349,600
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TOTAL CASH INFLOW	(80,849,591)	(171,129,822)	(227,826,124)
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CASH AT THE BEGINNING OF THE YEAR	350,000,000	269,150,409	98,020,587
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CASH AT THE END OF THE YEAR	269,150,409	98,020,587	(129,805,537)
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### Summary

In conclusion, projected statements are useful in making economic decisions because these they offer a comprehensive snapshot of a company's fiscal health and performance. The Financial projection provides vital insights into its profitability, liquidity, solvency, and overall stability.

## 14.0 Appendix

### **Abbreviation**

**MGCL – Mati group of companies Limited**

**MOH Expensence -Manufacturing Overhead**

**OD – Over Draft**