

TANZANEX COMPANY LIMITED

Business Plan

Farming, Buying, and Semi-Processing of Chili for Export

Prepared by:
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In collaboration with
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Corporate & Business Strategy Advisors

**BUSINESS PLAN
TANZANEX COMPANY LIMITED
Blended Chili Farming, Processing & Export**

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1. Executive Summary

TANZANEX COMPANY LIMITED is an agro-industrial firm focused on the cultivation, sourcing, and semi-processing of chili (mainly Bird's Eye and African Red) for the export market. Our primary goal is to support Tanzania's agricultural value chain, create jobs, and boost foreign exchange through agro-processing.

The company intends to operate a leased warehouse of over 1,000 sqm for processing and packaging. It will contract smallholder farmers for supply and manage its chili farms in key producing regions. Operations will begin in January 2026, with the setup phase from August–December 2025.

2. Sector and Products

- **Sector:** Agribusiness and Agro-processing
 - **Primary Products:**
 - Dried Chili (semi-processed)
 - Chili Sauce
 - Chili Paste
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3. Vision & Mission

Vision:

To be the leading East African exporter of high-quality, value-added chili products.

Mission:

To transform Tanzanian chili farming through innovation, fair trade, and sustainable agro-processing.

4. Market Analysis

- **Demand:** Global demand for African chili is increasing, especially from India, China, the UAE, and the UK.
- **Supply Gap:** Tanzania has high-quality chili potential, but poor post-harvest handling reduces competitiveness.
- **Competitors:** Few formalized processors; most exporters depend on raw sun-dried chili.
- **Advantage:** TANZANEX will offer semi-processed, high-quality, export-standard chili with traceability and consistent supply.

5. Operational Plan

a) Facilities & Equipment

- **Warehouse Lease (1000+ sqm):** TZS 60M/year
- **Renovation & Improvement:** TZS 80M (flooring, ventilation, partitions, HACCP compliance)
- **Machinery & Equipment:**
 - Chili washing machine
 - De-stoner and air classifier
 - Solar and hot-air dryer units
 - Grinder/Crusher
 - Vibrating sieve
 - Packaging & sealing machines
 - Weighing & grading scale
 - Cost Estimate (including shipping + duties): TZS 300M

b) Human Resource

- **Skilled Workers (15):**
 - Agronomist, Plant Manager, Quality Control, Export Manager, Accountant, HR, Technicians, etc.
 - Average Salary: TZS 1.5M/month × 15 = TZS 22.5M/month
- **Unskilled Labor (200):**
 - Warehouse hands, field support, cleaners
 - Avg Wage: TZS 300,000/month × 200 = TZS 60M/month

c) Other Key Costs

- Office setup, branding, registration, and legal: TZS 20M
 - Vehicles (2 pickups, 1 small truck): TZS 150M
 - Furniture & fittings: TZS 70M
 - Working Capital & Inventory Buffer: TZS 300M
 - Contingency/Other: TZS 230M
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6. Financial Summary

a) Capital Investment Breakdown

Item	TZS
Land/Building	200,000,000
Machinery & Import Costs	500,000,000
Vehicles	150,000,000
Furniture & Fittings	70,000,000
Pre-operating Expenses	50,000,000
Working Capital	300,000,000
The Expenses/Contingency	230,000,000
Total	1,500,000,000

7. 5-Year Financial Projections

Income Statement

Year	Revenue (TZS)	COGS (TZS)	Gross Profit (TZS)	Operating Expenses (TZS)	Net Income (TZS)
2025	0	0	0	980,000,000	-980,000,000
2026	800,000,000	750,000,000	270,000,000	400,000,000	-130,000,000
2027	1,200,000,000	600,000,000	600,000,000	450,000,000	150,000,000
2028	1,800,000,000	870,000,000	930,000,000	520,000,000	410,000,000
2029	2,500,000,000	1,375,000,000	1,125,000,000	600,000,000	525,000,000

Cash Flow Statement

Year	Operating Cash Flow (TZS)	Capital Expenditure (TZS)	Net Cash Flow (TZS)
2025	-980,000,000	0	-980,000,000
2026	100,000,000	-50,000,000	50,000,000
2027	300,000,000	-50,000,000	250,000,000
2028	400,000,000	-50,000,000	350,000,000
2029	600,000,000	-50,000,000	550,000,000

Balance Sheet

Year	Total Assets (TZS)	Total Liabilities (TZS)	Equity (TZS)
2025	1,000,000,000	0	1,000,000,000
2026	1,020,000,000	20,000,000	1,000,000,000
2027	1,200,000,000	30,000,000	1,170,000,000
2028	1,450,000,000	50,000,000	1,400,000,000
2029	1,750,000,000	70,000,000	1,680,000,000

8. Organization Structure

- Director
- GM – Operations
- Finance Manager
- Production Manager
- Quality Control Officer
- Field Manager
- Export & Logistics Officer
- 50 Supporting Staff

9. Products and Export Strategy

- Sun-dried chili (semi-processed)
- Ground chili (fine and coarse)
- Vacuum-packed and bulk shipments
- Export through Dar es Salaam port
- Direct contracts with Asian spice companies and European buyers

10. Sustainability & Impact

- Support over 5000 smallholder farmers for an annual target of over 10000 tons per annum target
 - Gender-inclusive employment
 - Eco-drying technologies
 - HACCP and traceability for export compliance
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1. Conclusion

ANZANEX COMPANY LIMITED is strategically positioned to bridge the gap in the chili export value chain by offering traceable, high-quality, semi-processed chili. With a solid business model, experienced management, and strong market demand, the business is both financially and socially impactful.

Authorization and Declaration

I, the undersigned, hereby declare that the information contained in this business plan for TANZANEX COMPANY LIMITED is true and accurate to the best of my knowledge and belief. This plan has been prepared in good faith to outline our strategic intentions, financial projections, and operational plans to seek financing, regulatory approval, or strategic partnerships.

I authorize the use of this document for official purposes as required by banks, investors, and relevant authorities.

Name	Position	Signature	Date	Company Stamp
Hosea Peter Magelanga	Managing Director		15/07/2025	