

EPANSION COMPANY LIMITED

BUSSINESS PLAN

FOR

MANUFACTURRING

OF

BUILDING MATERIALS

EPANSION COMPANY LIMITED

EXECUTIVE SUMMARY

Expanse Company Limited is a Tanzanian-registered business specializing in the manufacturing of building materials. The company aims to meet the growing demand for high-quality, durable, and affordable construction products driven by rapid urbanization, infrastructure development, and increased housing needs across the country.

Our manufacturing operations focus on producing a wide range of building materials including (but not limited to) blocks, tiles, pavers, roofing components, and other essential construction inputs. By leveraging modern technology, strict quality control systems, and skilled personnel, Expanse Company Limited is committed to delivering products that meet both national and international standards.

The company's strategic base in Dar es Salaam offers competitive logistical advantages, enabling efficient distribution to local markets and major construction hubs across Tanzania. Our long-term vision is to expand production capacity, introduce innovative building solutions, and establish Expanse Company Limited as a leading and reliable manufacturer in the construction and building materials industry.

Expanse Company Limited seeks to build strong partnerships with contractors, hardware suppliers, real estate developers, and government agencies. With a commitment to excellence, sustainability, and customer satisfaction, the company is well-positioned to contribute significantly to the development of Tanzania's construction sector.

The shareholders are

NAMES SHAREHOLDERS	OF NATIONALITY	SHARES%
FU YONG	CHINESE	99
PAN XIANG YANG	CHINESE	10

EPANSION COMPANY LIMITED

VISION STATEMENT

To become the most trusted and innovative manufacturer of high-quality building materials in Tanzania and the East African region, delivering sustainable solutions that strengthen communities and build a better future.

MISSION STATEMENT

To manufacture high-quality, durable, and affordable building materials using modern technology and sustainable practices, while providing exceptional service and contributing to the growth of Tanzania's construction industry.

PROJECT BACKGROUND

Expanse Company Limited is establishing a building materials manufacturing project to meet the increasing demand driven by Tanzania's rapid urbanization, infrastructure expansion, and the growing need for affordable housing. Despite the construction sector's growth, the market still faces shortages of reliable, high-standard materials, leading to high costs and delays in project delivery.

This project aims to bridge that gap by producing quality building materials locally, reducing dependence on imports, lowering costs, and supporting national development objectives. By leveraging advanced production techniques and skilled personnel, the project will ensure consistent product quality, efficiency, and competitiveness in the construction materials market.

EPANSION COMPANY LIMITED

PROJECT GOALS AND OBJECTIVES

Overall Goal

To establish a modern, efficient, and competitive building materials manufacturing facility that supplies high-quality products to the Tanzanian and East African markets.

Specific Objectives

Produce high-quality, durable building materials that meet national and international standards.

Increase local availability of affordable construction inputs to support housing and infrastructure development.

Enhance production efficiency through modern machinery, technology, and skilled workforce.

Create employment opportunities and contribute to economic growth within the region.

Strengthen supply chain networks with contractors, hardware stores, government agencies, and developers.

Promote sustainability by minimizing waste and adopting environmentally friendly production practices.

Expand market reach into major construction hubs across Tanzania and neighboring countries.

EPANSION COMPANY LIMITED

PURPOSE OF THE BUSINESS PLAN

The purpose of this Business Plan is to provide a comprehensive framework that outlines the strategic direction, operational model, and financial requirements of Expanse Company Limited's building materials manufacturing venture. It serves as a guiding document for management, investors, partners, and financial institutions by clearly presenting the company's goals, market potential, competitive strategy, projected performance, and implementation roadmap.

This Business Plan aims to:

Demonstrate the viability and profitability of the manufacturing project.

Communicate the company's vision, mission, and strategic objectives.

Provide detailed financial projections to support funding and investment decisions.

Guide internal planning, coordination, and monitoring of project activities.

Serve as a reference document for long-term sustainability and business growth.

PURPOSE OF THE PROJECT

The purpose of this Project is to establish a modern, efficient, and sustainable building materials manufacturing facility that addresses the growing demand for reliable, affordable, and high-quality construction materials in Tanzania. The project is designed to support national development goals, improve local supply chains, and provide a long-term solution to material shortages commonly faced in the construction sector.

Specifically, the project seeks to:

Increase domestic production of quality building materials.

Reduce dependency on imported construction inputs.

Provide affordable and durable materials for housing, commercial, and infrastructure projects.

Create employment opportunities and stimulate local economic growth.

Enhance efficiency, quality standards, and competitiveness in the building materials market.

Support sustainable construction through eco-friendly practices and technologies.

EPANSION COMPANY LIMITED

SUMMARY OF EXPECTED RESULTS

The implementation of the building materials manufacturing project by Expanse Company Limited is expected to deliver significant economic, operational, and social benefits. The project will increase the availability of high-quality construction materials in Tanzania while strengthening the company's competitive position in the market.

Key Expected Results:

Increased Production Capacity

Establishment of a modern manufacturing facility capable of producing high volumes of quality building materials consistently.

Improved Market Supply of Building Materials

Reliable availability of affordable and durable products for contractors, hardware suppliers, real estate developers, and government projects.

Enhanced Product Quality

Production that meets both national and international standards through advanced technology and strict quality control systems.

Reduced Dependence on Imports

More locally manufactured materials, helping lower construction costs and stabilizing market prices.

Job Creation and Skills Development

Direct employment of skilled and unskilled workers, and indirect opportunities in logistics, distribution, and support services.

Stronger Business Competitiveness

Improved market share, brand reputation, and customer confidence in Expanse Company Limited.

Economic Growth and Community Impact

Contribution to regional and national economic development through job creation, tax contributions, and support of local suppliers.

Sustainable and Efficient Production

EPANSION COMPANY LIMITED

Reduced waste, optimized production processes, and adoption of environmentally responsible practices.

Financial Viability and Profitability

Increased revenue generation, improved cash flow, and long-term business sustainability.

MARKET ANALYSIS

INDUSTRY OVERVIEW

The building materials industry in Tanzania is one of the key drivers of the country's economic growth, supported by strong demand from the construction, housing, and infrastructure sectors. Rapid urbanization, population growth, and major government infrastructure investments have created a continuous need for reliable and affordable construction materials.

Over the past decade, Tanzania has experienced significant expansion in residential construction, commercial buildings, roads, bridges, schools, hospitals, and industrial facilities. This growth has increased the demand for products such as concrete blocks, paving stones, tiles, roofing materials, steel products, and general construction aggregates. As a result, the industry provides vast opportunities for manufacturers who can supply high-quality materials consistently and at competitive prices.

Despite the growth, the industry still faces notable challenges, including high dependence on imported materials, inconsistent local supply, outdated production technologies among smaller manufacturers, and limited quality control. These challenges create strong opportunities for professionally managed and technologically advanced manufacturers to capture market share by offering reliable, standardized, and durable products.

Additionally, the government of Tanzania continues to promote local manufacturing through investment incentives, improved infrastructure, support for the construction industry, and policies aimed at reducing import dependency. These factors make the building materials sector a strategically important and high-potential industry for long-term growth.

Overall, the building materials manufacturing industry in Tanzania presents a favorable environment for investment and expansion due to rising demand, supportive government policies, market gaps in quality and supply, and ongoing economic development across the country.

EPANSION COMPANY LIMITED

TARGET MARKET

Expanse Company Limited will focus on supplying high-quality and affordable building materials to a wide range of customers within the construction and infrastructure sectors. The target market includes both institutional and individual clients who rely on reliable materials for residential, commercial, and industrial projects.

1. Construction Companies and Contractors

These are major consumers of building materials for large-scale projects such as commercial buildings, residential estates, roads, bridges, warehouses, and public infrastructure. They require consistent supply, bulk quantities, and products that meet industry standards.

2. Hardware and Building Materials Retailers

Local hardware shops and distributors form a crucial part of the supply chain. They purchase materials in bulk and resell to small contractors, individual builders, and rural customers. This segment helps the company reach wider geographical areas.

3. Real Estate Developers

Property developers constructing apartments, housing estates, office complexes, and mixed-use buildings require high volumes of quality building materials to maintain timelines and control project costs.

4. Government and Public Sector Agencies

Government-funded construction projects—including schools, hospitals, roads, public housing, and municipal infrastructure—represent a significant market. These projects often demand durable, standardized materials with reliable supply.

5. Individual Home Builders

This segment includes families and individuals constructing or renovating homes. Though purchases are smaller in volume, it is a consistent and growing market due to rising population and urban development.

6. NGOs and Development Organizations

Organizations involved in rural development, housing initiatives, or disaster relief often require building materials for community projects, low-cost housing, water systems, sanitation facilities, and other infrastructure.

7. Industrial and Commercial Facilities

Factories, warehouses, logistics centers, and commercial centers require specific construction materials for new developments or expansion works.

EPANSION COMPANY LIMITED

MANUFACTURING INDUSTRY

The manufacturing industry plays a critical role in Tanzania's economic development by supporting industrialization, job creation, value addition, and reduction of import dependency. The sector contributes significantly to Gross Domestic Product (GDP) and is a key pillar under Tanzania's industrialization agenda as outlined in the National Development Vision 2025. Manufacturing activities in Tanzania span various sub-sectors, including building materials, agro-processing, textiles, pharmaceuticals, chemicals, and light engineering.

In recent years, increased public and private investments in infrastructure, housing, and commercial developments have accelerated demand for locally manufactured construction materials. As a result, the building materials manufacturing sub-sector has emerged as one of the fastest-growing segments within the manufacturing industry. Government policies continue to encourage local production through tax incentives, investment protection, and support for industrial parks and special economic zones.

MANUFACTURING INDUSTRY IN TANZANIA

Tanzania's manufacturing industry is steadily expanding, driven by rapid urbanization, population growth, infrastructure development, and rising demand for affordable construction solutions. The government has prioritized industrial growth through supportive policies, improved power supply, transport infrastructure, and regulatory reforms aimed at enhancing ease of doing business.

The building materials manufacturing sector benefits directly from national development projects such as roads, railways, ports, housing schemes, and commercial buildings. Local manufacturers are increasingly preferred due to lower transportation costs, faster supply chains, and alignment with national policies promoting domestic production.

Expanse Company Limited operates within this favorable industrial environment by focusing on the production of high-quality, durable, and cost-effective building materials. By leveraging local raw materials, modern manufacturing techniques, and skilled labor, the company contributes to import substitution, employment creation, and sustainable industrial growth. Its operations align with Tanzania's broader objective of strengthening the manufacturing base and supporting long-term economic development.

IMPORTANCE OF MANUFACTURING INDUSTRY IN TANZANIA.

The manufacturing industry in Tanzania is a central pillar of the country's economic development strategy. It involves the transformation of raw materials into finished or semi-finished goods across various sub-sectors including food and beverages, textiles, chemicals, building materials, Plastic materials and metal products. The sector is recognized as a key driver for industrialization, job creation, and economic

EPANSION COMPANY LIMITED

diversification under Tanzania's Development Vision 2025 and the Second Five-Year Development Plan (FYDP II).

Importance of the Manufacturing Industry in Tanzania.

Economic Growth, Manufacturing boosts a country's Gross Domestic Product (GDP) by creating value-added products. It drives economic diversification, reducing reliance on agriculture or raw material exports.

Employment Creation, The sector provides mass employment opportunities across skill levels—ranging from factory workers to engineers and managers. It also supports indirect jobs in transport, logistics, packaging, and services.

Export Development, Manufactured goods often have a higher export value than raw materials. Developing a strong manufacturing base allows a country to become competitive in regional and international markets.

Import Substitution, Local manufacturing reduces the need to import finished goods, saving foreign currency and improving the trade balance. It encourages self-reliance and builds local capacity.

Value Addition, Manufacturing adds value to raw materials (e.g., turning cotton into garments or maize into flour). This increases income and profits within the country compared to exporting raw materials.

Infrastructure Development, Manufacturing encourages the development of related infrastructure such as:

- oRoads and ports
- oPower generation
- oIndustrial zones and water supply systems

Technology Transfer and Innovation, the industry promotes technology adoption, skills upgrading, and innovation through machinery use and technical training. It attracts foreign direct investment (FDI), which often comes with new technologies and expertise.

Stimulates Other Sectors, Manufacturing supports and is supported by other sectors: Agriculture (via agro-processing), Construction (steel, cement), Mining (metal refining) Energy (generation and equipment)

Government Revenue, Taxes from manufacturing companies (corporate tax, VAT, import duties) are a significant source of government revenue. This revenue can be reinvested into public services like health, education, and infrastructure.

EPANSION COMPANY LIMITED

SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The establishment of Expanse Company Limited's manufacturing plant for building materials is expected to generate significant positive social and economic impacts at both local and national levels. The project directly supports Tanzania's industrialization and economic diversification agenda by promoting local manufacturing and reducing reliance on imported construction materials.

Social Impact:

The project will create direct and indirect employment opportunities for local communities, including skilled, semi-skilled, and unskilled labor. This will contribute to improved household incomes, poverty reduction, and enhanced living standards. Expanse Company Limited will also support skills development through on-the-job training, knowledge transfer, and exposure to modern manufacturing technologies. Additionally, the availability of affordable and durable building materials will support improved housing conditions and infrastructure development, benefiting communities across Tanzania.

Economic Impact:

Economically, the project will contribute to government revenue through the payment of taxes, levies, and statutory contributions. Local sourcing of raw materials and services will stimulate small and medium enterprises (SMEs) and strengthen backward and forward linkages within the economy. The project will also support import substitution, conserve foreign exchange, and enhance Tanzania's balance of trade. By increasing local production capacity, Expanse Company Limited will help stabilize construction material prices and improve supply reliability in the domestic market.

Overall, the project promotes sustainable industrial growth, employment creation, and socio-economic development, aligning with Tanzania's national development objectives and long-term economic vision.

EPANSION COMPANY LIMITED

OPPORTUNITY DRIVERS

The growth and sustainability of Expanse Company Limited are supported by several strong opportunity drivers within Tanzania's manufacturing and construction sectors. These drivers create a favorable environment for investment in the local production of building materials.

Rapid Urbanization and Population Growth

Tanzania continues to experience rapid urbanization and population growth, leading to increased demand for residential housing, commercial buildings, and social infrastructure. This trend has significantly increased the need for reliable, affordable, and durable building materials across urban and peri-urban areas.

Expansion of Infrastructure Development

Ongoing government and private sector investments in roads, railways, ports, industrial parks, public buildings, and housing projects have created sustained demand for construction materials. National flagship projects and public-private partnerships continue to drive long-term market opportunities for local manufacturers.

Government Industrialization and Local Content Policies

The Government of Tanzania actively promotes domestic manufacturing through industrialization policies, local content requirements, and incentives aimed at reducing imports. Preference for locally produced materials in public projects enhances market access and competitiveness for local manufacturers such as Expanse Company Limited.

Import Substitution and Cost Advantages

Locally manufactured building materials offer cost advantages over imported products due to reduced transportation costs, lower lead times, and stable supply chains. This creates a strong opportunity to replace imported materials while maintaining competitive pricing and consistent quality.

Availability of Local Raw Materials and Labor

Tanzania has abundant natural resources and a growing labor force suitable for building materials manufacturing. Access to local raw materials and affordable labor lowers production costs and improves operational efficiency.

Growth of the Private Construction Sector

Increased private investments in real estate, industrial facilities, and commercial developments have expanded the customer base for building materials. This sustained private sector growth presents continuous demand beyond government-led projects.

Overall, these opportunity drivers position Expanse Company Limited to capitalize on Tanzania's expanding construction and manufacturing landscape, ensuring long-term growth, profitability, and contribution to national development goals.

EPANSION COMPANY LIMITED

PROJECT PLANNING

Project planning for Expanse Company Limited focuses on the systematic and efficient establishment of a manufacturing facility for building materials. The planning process ensures timely implementation, optimal resource utilization, compliance with regulatory requirements, and achievement of the project's technical, financial, and operational objectives.

Project Scope and Objectives

The project involves the establishment of a manufacturing plant for building materials, including site development, installation of machinery and equipment, recruitment of personnel, and commencement of production. The main objectives are to:

Produce high-quality, durable, and affordable building materials;

Meet growing domestic demand driven by construction and infrastructure development;

Promote local manufacturing and import substitution;

Generate employment and contribute to economic growth.

Project Location and Site Planning

The project will be located in a strategically suitable area with access to raw materials, reliable transport networks, electricity, water supply, and labor. The site layout will be designed to ensure efficient workflow, safety, environmental compliance, and future expansion capacity.

Implementation Schedule

The project will be implemented in phases to ensure effective coordination and control. Key phases include:

Regulatory approvals and licensing;

Site preparation and construction works;

Procurement and installation of machinery and equipment;

Recruitment and training of staff;

Test production and full-scale commercial operations.

Regulatory and Compliance Planning

The project will comply with all applicable Tanzanian laws and regulations, including business registration, environmental approvals, occupational health and safety

EPANSION COMPANY LIMITED

standards, tax registration, and industry-specific permits. Compliance planning minimizes operational risks and ensures sustainable operations.

Resource and Budget Planning

Project planning includes detailed budgeting for capital expenditure, working capital, and operational costs. Financial planning ensures the availability of funds for construction, equipment, utilities, raw materials, labor, and contingencies. Efficient resource allocation supports cost control and timely project completion.

Risk Management and Contingency Planning

Potential risks such as delays in approvals, supply chain disruptions, cost overruns, and market fluctuations have been identified. Mitigation measures include supplier diversification, contingency budgeting, and phased implementation to reduce project uncertainty.

Overall, effective project planning provides a strong foundation for the successful implementation and long-term sustainability of Expanse Company Limited's manufacturing operations.

OPERATIONAL MANAGEMENT

Operational management at Expanse Company Limited is designed to ensure efficient, consistent, and cost-effective production of high-quality building materials. The company adopts structured systems, qualified personnel, and modern manufacturing practices to achieve operational excellence, regulatory compliance, and customer satisfaction.

Production Process Management

The production process will follow standardized operating procedures to ensure quality, safety, and efficiency. Raw materials will be sourced, inspected, processed, and converted into finished building materials using appropriate machinery and technology. Quality checks will be conducted at each stage of production to minimize defects and ensure compliance with industry standards.

Supply Chain and Inventory Management

The company will establish reliable supply chains for raw materials, spare parts, and consumables, prioritizing local suppliers where possible. Inventory management systems will be implemented to maintain optimal stock levels, reduce wastage, and avoid production interruptions. Finished goods will be stored and distributed efficiently to meet customer demand.

Quality Control and Assurance

Expanse Company Limited will implement strict quality control and assurance measures in line with Tanzania Bureau of Standards (TBS) requirements. Regular

EPANSION COMPANY LIMITED

testing, inspections, and documentation will ensure that all products meet required specifications, durability standards, and customer expectations.

Human Resource and Labor Management

The company will employ skilled, semi-skilled, and unskilled personnel across production, administration, and logistics functions. Continuous training programs will be provided to enhance technical skills, workplace safety, and productivity. Fair labor practices and compliance with Tanzanian labor laws will be strictly observed.

Health, Safety, and Environmental Management

Operational activities will adhere to occupational health and safety standards to ensure a safe working environment. Environmental management practices will be implemented to minimize waste, control emissions, and promote responsible use of resources in accordance with environmental regulations.

Maintenance and Equipment Management

Preventive and corrective maintenance programs will be established to ensure machinery reliability and minimize downtime. Regular inspections and timely servicing will extend equipment lifespan and support uninterrupted production.

Monitoring, Reporting, and Continuous Improvement

Operational performance will be monitored through key performance indicators (KPIs) such as production output, efficiency, quality levels, and cost control. Management will use these reports to support decision-making and drive continuous improvement.

Overall, effective operational management enables Expanse Company Limited to maintain high production standards, control costs, meet market demand, and achieve sustainable growth.

EPANSION COMPANY LIMITED

MANAGEMENT TEAM

Expanse Company Limited is managed by a competent and experienced team responsible for strategic direction, operational efficiency, and financial sustainability of the company. The management team combines technical expertise, industry knowledge, and strong governance practices to ensure effective implementation of the project and long-term business success.

Managing Director

The Managing Director provides overall leadership and strategic oversight of the company. Responsibilities include setting corporate objectives, overseeing operations, maintaining stakeholder relationships, and ensuring compliance with regulatory and statutory requirements. The Managing Director also plays a key role in business development and decision-making.

Operations / Production Manager

The Operations or Production Manager is responsible for day-to-day manufacturing activities, production planning, quality control, machinery management, and efficiency improvement. This role ensures that production targets are met while maintaining safety, quality, and cost-effectiveness.

Finance and Administration Manager

The Finance and Administration Manager oversees financial planning, budgeting, accounting, tax compliance, and internal controls. The role ensures proper financial management, timely statutory reporting, and effective use of company resources.

Sales and Marketing Manager

The Sales and Marketing Manager is responsible for market development, customer relations, pricing strategies, distribution planning, and promotion of the company's products. This role ensures market penetration and revenue growth.

Human Resources and Compliance Officer

This role oversees recruitment, staff training, performance management, and compliance with labor laws, health and safety standards, and environmental regulations.

The management team is supported by qualified technical staff and operational personnel, ensuring efficient execution of company activities. Clear reporting lines and accountability structures enhance coordination, transparency, and effective decision-making.

EPANSION COMPANY LIMITED

CONCLUSION

Expanse Company Limited is well positioned to contribute meaningfully to Tanzania's manufacturing and construction sectors through the production of high-quality, durable, and affordable building materials. The project responds directly to the growing demand created by rapid urbanization, infrastructure development, and increasing housing needs across the country.

The favorable manufacturing environment, strong opportunity drivers, effective project planning, and sound operational management framework provide a solid foundation for successful implementation and sustainable operations. The project is expected to generate significant social and economic benefits, including employment creation, skills development, import substitution, and increased government revenue through taxes and statutory contributions.

With a competent management team, access to local raw materials, and a clear commitment to quality and compliance, Expanse Company Limited demonstrates strong potential for long-term growth and profitability. The project aligns with Tanzania's national development objectives and industrialization agenda, making it a viable and attractive venture for investors, financiers, and strategic partners.

Overall, the establishment of Expanse Company Limited represents a sustainable and impactful investment that supports economic growth, industrial development, and improved living standards in Tanzania.

EPANSION COMPANY LIMITED

INVESTEMENT STRUCTURE

Category	Amount (TZS)
Land & Building	300,000.00
Plant / Machines	600,000.00
Motor Vehicles	200,000.00
Furniture & Fittings	150,000.00
Pre-Operating Expenses	500,000.00
Others	250,000.00
Working Capital	1,000,000.00
TOTAL INVESTMENT	3,000,000.00

EPANSION COMPANY LIMITED

FINANCIAL PROJECTION SUMMARY FROM 2025 TO 2029

PROJECTED STATEMENT OF FINANCIAL POSITION FOR 5 YEARS

DETAILS	2025	2026	2027	2028	2029
ASSETS					
NON-CURRENT ASSETS					
PPE	2,000,000	1,800,000	1,600,000	1,400,000	1,200,000
TOTAL NON-CURRENT ASSETS	2,000,000	1,800,000	1,600,000	1,400,000	1,200,000
CURRENT ASSETS					
Inventory	350,989	356,000	361,990	370,000	401,000
Trade Receivables	45,000	46,000	70,800	78,500	81,750
Cash & Cash Equivalent	1,000,000	1,020,000	1,050,000	1,100,000	1,150,000
TOTAL CURRENT ASSETS	1,395,989	1,422,000	1,482,790	1,548,500	1,632,750
TOTAL ASSETS	3,395,989	3,222,000	3,082,790	2,948,500	2,832,750
EQUITY AND LIABILITIES					
EQUITY					
Share Capital	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Retained Earnings	119,429	462,467	1,091,057	1,819,857	2,545,412
TOTAL EQUITY	1,619,429	1,962,467	2,591,057	3,319,857	4,045,412
LIABILITIES					
Long-Term Loan	1,500,000	1,350,000	1,200,000	1,050,000	900,000
Trade Payables	145,589	148,260	146,900	133,900	125,624
Other Payables	131,000	131,273	144,833	144,743	136,714
TOTAL LIABILITIES	1,776,589	1,629,533	1,491,733	1,328,643	1,162,338
TOTAL EQUITY AND LIABILITIES	3,395,989	3,222,000	3,082,790	2,948,500	3,207,750

EPANSION COMPANY LIMITED

FINANCIAL PROJECTION SUMMARY FROM 2025 TO 2029
PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME
FOR 5 YEARS

DETAILS	2025	2026	2027	2028	2029
SALES	880,000	1,200,000	1,800,000	2,200,000	2,500,000
TOTAL INFLOW	880,000	1,200,000	1,800,000	2,200,000	2,500,000
COST OF SALES					
Opening Inventory	330,260	350,989	356,000	361,990	370,000
Add: Production Cost	1,000,000	1,020,000	1,050,000	1,100,000	1,150,000
Less: Closing Inventory	-350,989	-356,000	-361,990	-370,000	-401,000
Total Cost of Sales	979,271	1,014,989	1,044,010	1,091,990	1,119,000
GROSS PROFIT	-99,271	185,011	755,990	1,108,010	1,381,000
OPERATING EXPENSES					
Administration Expenses	150,000	160,000	170,000	180,000	190,000
Sales & Distribution Expenses	120,000	130,000	145,000	160,000	175,000
Finance Cost (10% Loan)	150,000	135,000	120,000	105,000	90,000
Depreciation (10-year straight-line)	200,000	200,000	200,000	200,000	200,000
TOTAL OPERATING EXPENSES	620,000	625,000	635,000	645,000	655,000
PROFIT / (LOSS) FOR THE YEAR	-719,271	-439,989	120,990	463,010	726,000

EPANSION COMPANY LIMITED

THANK YOU