



8/26/2025

BUSINESS PLAN

Registration of a Poultry Farming and
Packaging Project



SANTAI INVESTMENT COMPANY LIMITED

EXECUTIVE SUMMARY

Santai Investment Company Limited is a locally registered company wholly and exclusively owned by foreigners. All its shareholders are Chinese. The company plans to establish a poultry production, farming, processing, and packaging project for both domestic and foreign markets. It plans to invest at least USD 613,000 over the first 5 years of operation. The project's capacity is project to be 439 metric tons during year 5.

Among the benefits of the project are creation of direct jobs to 111 locals, indirect jobs (suppliers, bankers, and all that serve the project) to 500 locals, market for food processor's rejects like maize husks, add to the production and availability of quality chicken, and so forth. In this regard, the Management presents this business plan for registration with TISEZA in order to enjoy the incentives offered.



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INTRODUCTION

The Company

Santai Investment Company Limited is a locally established company owned by foreigners by 100%. It was registered under the laws of Tanzania on 9th January 2025 and granted Certificate of Incorporation No. 181049553. Its TIN is 181049553. The company's office is in Kinondoni District, Dar es Salaam. Its capital is TShs. 10,000,000 divided into 100 Ordinary shares of TShs. 100,000 each. The capital is an equivalent of about USD 4,000.

The company is launching a transformative agribusiness project in Tanzania with a planned investment capital of USD 613,000. The venture will establish a vertically integrated poultry operation spanning chicken farming, slaughtering, and packaging for both domestic and export markets. With a production target of 439 tons annually, the company aims to meet rising protein demand across East Africa and globally, while adhering to international food safety and halal standards. The project is designed to scale sustainably over five years, positioning Santai as a regional leader in premium poultry products.

Among the planned activities of this company is to engage in and carry out activities related to mixed farming, including but not limited to the cultivation of crops, rearing of livestock, and any ancillary agricultural operations.

This locally registered project is owned by Chinese nationals as shown under the table below. The shares taken total to 55 while the unallotted shares are 45, accounting for 45% of the shares of Santai Investment Company Limited.

NO.	NAME	SHARES TAKEN	% STAKE	NATIONALITY
1	Lin Wu	52	52%	China
2	Chen Jiawei	2	2%	China
3	Chen Bingjun	1	1%	China
4	Unallotted Shares	45	45%	
	TOTAL	100	100%	

The distribution of allotted shares is as shown below:

NO.	NAME	SHARES TAKEN	% STAKE	NATIONALITY
1	Lin Wu	52	94.55%	China
2	Chen Jiawei	2	3.64%	China
3	Chen Bingjun	1	1.81%	China
	TOTAL	55	100%	

Vision and Mission

Vision: To become East Africa’s leading provider of premium, processed chicken products for domestic and international markets.

Mission: To deliver safe, high-quality poultry through sustainable farming, advanced processing, and strategic distribution.

The Project

Santai Investment Company Limited plans to establish a project for farming, slaughtering and packaging of chicken. Alongside the farming, the company will develop a chicken meals plant to feed the fowls, and also manufacture trays for eggs when we embark on layers. This project will be located in Magu in the region of Mwanza. The company plans to inject an invest of **USD 613,000** into this project.

Project Manning

The project expects to create about 120 direct jobs through its operations. This numbers includes foreigners and locals as shown under tables 2 and 3. The gender and nationality distribution of jobs is portrayed in figures 1 & 2.

Table 2: Summary of Direct Jobs

CATEGORY	LOCAL	FOREIGN	TOTAL
MALE	38	6	44
FEMALE	73	3	76
TOTAL	111	9	120

Table 3: Detailed Jobs Distribution

DETAILS	LOCAL		FOREIGN		TOTAL
	MALE	FEMALE	MALE	FEMALE	
CEO			1		1
Operations Director			1		1
Technical Leads	1		4	2	7
Operators	6	2		1	9
Casual Labourers	20	60			80
Drivers	5	2			7
Support services	6	9			15
TOTAL	38	73	6	3	120

Project Capacity

This is a project for farming, slaughtering and packaging of chicken for, initially the local market, and later regional and international markets. At year 5 the project's capacity will be **439** tons per annum.

MARKET ANALYSIS

Market Overview of Tanzania's Poultry Sector

Tanzania's poultry industry is one of the most dynamic and rapidly evolving segments of the country's agricultural economy. Traditionally dominated by smallholder farmers raising indigenous chickens, the sector is now undergoing a significant transformation driven by rising consumer demand, government support, and private sector investment. Poultry farming in Tanzania contributes to food security, employment, and rural livelihoods, while also emerging as a viable export industry.

In the fiscal year 2023/2024, Tanzania produced and distributed over 95.5 million chicks, a remarkable 13.9% increase from the previous year. This surge reflects improved breeding practices, better access to veterinary services, and increased investment in hatcheries. Of these chicks: -

- i) 73.5 million were broilers (meat production)
- ii) 14.1 million were hybrids
- iii) 7.9 million were layers (egg production)

This balanced growth between meat and egg production indicates a maturing market that caters to both domestic consumption and export demand.

The government has made significant strides in strengthening poultry infrastructure. A key milestone was the establishment of Aviagen East Africa Limited in Kilimanjaro, which produces grandparent stock for high-quality chicks. In 2023/2024 alone, 515,174 parent-stock chicks were produced, with 468,340 exported to neighboring countries including Kenya, Uganda, Rwanda, and Ethiopia.

Additionally: -

- i) 71 permits were issued for importing parent-stock chicks to improve genetic quality
- ii) 85 new distributors were registered to streamline the supply chain
- iii) 170 informal hatcheries were identified and integrated into the formal market, producing over 2.8 million chicks annually

These efforts are aimed at improving traceability, reducing fraud, and enhancing the overall quality of poultry products.

Tanzania is increasingly positioning itself as a regional poultry hub. In 2023/2024, the country exported 2.7 million chicks to destinations including Zambia, Kenya, Belgium, France, Poland, and the UK. This not only boosts foreign exchange earnings but also enhances Tanzania's reputation in global agribusiness.

The country's strategic location, especially its proximity to the port of Dar es Salaam, facilitates access to East African and international markets. With proper certification (e.g., halal, HACCP, ISO 22000), Tanzanian poultry producers can tap into high-demand markets in the Gulf Cooperation Council (GCC), Europe, and Asia.

Poultry meat is a key source of protein in Tanzania, with per capita consumption estimated at 15 kg/year. Urbanization and rising incomes are driving demand for processed and packaged chicken, especially in cities like Dar es Salaam, Arusha, and Mwanza. The government actively promotes poultry consumption as part of its national nutrition strategy, recognizing its role in combating malnutrition and improving dietary diversity.

Moreover, poultry manure is increasingly used as organic fertilizer, adding value to the production cycle and supporting sustainable agriculture.

The poultry value chain is a powerful engine for poverty alleviation. According to SAGCOT, 70% of smallholder poultry keepers are youth, and 40% are women. The sector provides income, employment, and empowerment, especially in rural areas. Poultry is also culturally significant, often used as a form of wealth storage and exchange in local communities.

Despite its growth, the sector faces several challenges:

- i) High feed costs and limited access to quality inputs
- ii) Unreliable supply of day-old chicks in remote areas
- iii) Limited processing and cold chain infrastructure
- iv) Disease outbreaks, especially Newcastle disease and avian influenza
- v) Fragmented market systems and lack of coordination among stakeholders

To address these issues our company has developed coordinated efforts to exploit the platforms involving the government, private investors, and development partners.

For investors and agribusiness entrepreneurs, Tanzania’s poultry sector offers compelling opportunities as follows: -

- i) Processing and packaging for domestic and export markets
- ii) Cold chain logistics and distribution networks
- iii) Feed production using local raw materials (e.g., maize, soy)
- iv) Veterinary services and biosecurity solutions
- v) Digital platforms for poultry traceability and e-commerce

The government’s openness to public-private partnerships and its commitment to agricultural transformation make Tanzania an attractive destination for poultry-related investments.

Key Indicators for the Poultry sub-sector in Tanzania.

Indicator	Value (2023/2024)
Total chicks produced	95.5 million
Broiler chicks	73.5 million
Layer chicks	7.9 million
Chicks exported	2.7 million
Per capita poultry consumption	15 kg/year
Informal hatcheries integrated	170
Parent-stock chicks exported	468,340
Women in poultry value chain	40%
Youth in poultry value chain	70%

EAC and Global Markets

a) The East African Community (EAC) Market

Key markets include Kenya, Uganda, Rwanda, Burundi, South Sudan and the DRC

Growth drivers of the market are:

- i) Urbanization and rising middle class
- ii) Shift from red meat to poultry for health reasons
- iii) Regional trade agreements easing cross-border exports³

How Santai Investment Company Limited can exploit the market:

- i) By establishing distributor partnerships
- ii) By offering halal-certified, vacuum-packed chicken
- iii) By leveraging Tanzania's port infrastructure for regional logistics

b) The Global Poultry Market

Market size: **USD 336 billion** in 2025, growing at 6.9% CAGR

Market Trends:

- i) Demand for organic, antibiotic-free, and halal-certified poultry
- ii) Growth in frozen and ready-to-eat products
- iii) Rising consumption in Asia-Pacific, Middle East, and Africa

How Santai can exploit the Global Market:

- i) By exporting to GCC and UK via Dar es Salaam port
- ii) By obtaining HACCP, ISO 22000, and halal certifications
- iii) By partnering with global distributors and attend trade expos

SWOT Analysis

This section analyses the internal strengths and weaknesses of the project, as well as its environmental opportunities and threats. The tabulated content gives the overview of these aspects.

Internal Analysis

Strengths	Weaknesses
✓ Strong domestic demand for poultry products	⚠ High initial capital requirements for infrastructure and equipment
✓ Government support for agriculture and agribusiness	⚠ Limited access to advanced farming and processing technologies
✓ Availability of labor, especially in rural areas	⚠ Inconsistent supply of quality feed and veterinary services
✓ Potential for full value chain control (farming → processing → packaging)	⚠ Weak cold chain logistics in remote regions

Environmental Analysis

Opportunities	Threats
🚀 Expanding middle class with changing dietary preferences	● Disease outbreaks (e.g., avian flu) affecting livestock
🚀 Export potential to neighboring East African markets	● Climate change impacting feed production and poultry health
🚀 Growth in retail, hospitality, and fast food sectors	● Competition from imported poultry products
🚀 Rising interest in organic and eco-friendly poultry practices	● Regulatory shifts or increased taxation

PESTEL Analysis

This section analyses the political, economic, social, technological, environmental and legal aspects of the Tanzanian market in as far as poultry farming is concerned. The tabulated content gives the overview of these aspects.

Political	Stable government with pro-agriculture policies; export permits and trade agreements support regional expansion
Economic	Growing middle class and urbanization drive poultry consumption; inflation may affect feed and transport costs
Social	Shift toward healthier diets and halal-certified products; increasing awareness of food safety
Technological	Adoption of smart farming, automated processing, and cold chain logistics enhances efficiency
Environmental	Need for sustainable practices; potential risks from avian diseases and climate change
Legal	Compliance with food safety, animal welfare, and export regulations is essential for market access

Marketing Strategy

This strategy is a threefold as shown below

a) Entry Strategy: -

- i) Launching with branded, halal-certified chicken
- ii) Partnering with supermarkets, hotels, restaurants, and chicken products sellers like KFC
- iii) Attending trade expos and food fairs

b) Persistence Strategy: -

- i) Loyalty programs for bulk buyers
- ii) Subscription model for households
- iii) Continuous quality assurance and customer feedback loops

c) Global Strategy: -

- i) Exporting through the Dar es Salaam Sea and airports
- ii) Collaborating with the TANTRADE and stakeholders in the chicken sector
- iii) Digital campaigns targeting diaspora and halal markets

- iv) QR-coded packaging for traceability and transparency

Implementation Plan

This is a 5-year project. It is set to commence in the year 2025 which is Y1 and will span until 2029 when it will attain its full capacity. Below is the implementation plan of this poultry project.

PHASES AND ACTIVITIES	YEARS				
	Y1	Y2	Y3	Y4	Y5
Pre-Launch Phase					
Build & Launch Phase					
Operational Expansion Phase					
Regional Export Phase					
Product Diversification Phase					
Global Positioning Phase					

Project Rationale

Justification for this project is anchored on these 5 items: -

- i) It addresses protein demand in Tanzania and East Africa
- ii) It creates jobs and supports rural development
- iii) It aligns with government goals for food security and export diversification
- iv) It offers scalable, sustainable agribusiness with high ROI
- v) It leverages Tanzania’s strategic location for regional and global exports



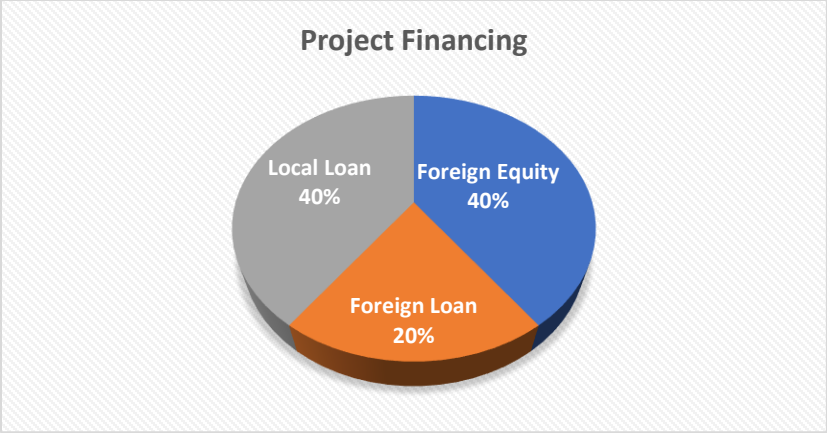
PROJECT FINANCIALS

This section focuses on the financial aspects of the project. It covers project financing, investment breakdown and financial projections for the project.

Project Financing

The poultry project will be financed by both loan and equity. The loan will be local and foreign while the equity is purely foreign as shown in the table and figure below.

ITEM	AMOUNT	%
Foreign Equity	245,200	40%
Foreign Loan	122,600	20%
Local Loan	245,200	40%
TOTAL	613,000	100%



The company looks forward to securing local and foreign to the tunes of USD 245,200 and USD 122,600 respectively. These loans make a total of USD 367,800 in the financing of the project.

The loan details are given in the tables below

Loans Taken and Interest Payments

LOAN	RATE	LOAN TAKEN	INTEREST PAYMENTS				
			Y1	Y2	Y3	Y4	Y5
Foreign Loan	0.1	122,600	12,260	12,260	12,260	12,260	12,260
Local Loan	0.14	245,200	34,328	34,328	34,328	34,328	34,328
TOTAL		367,800	46,588	46,588	46,588	46,588	46,588

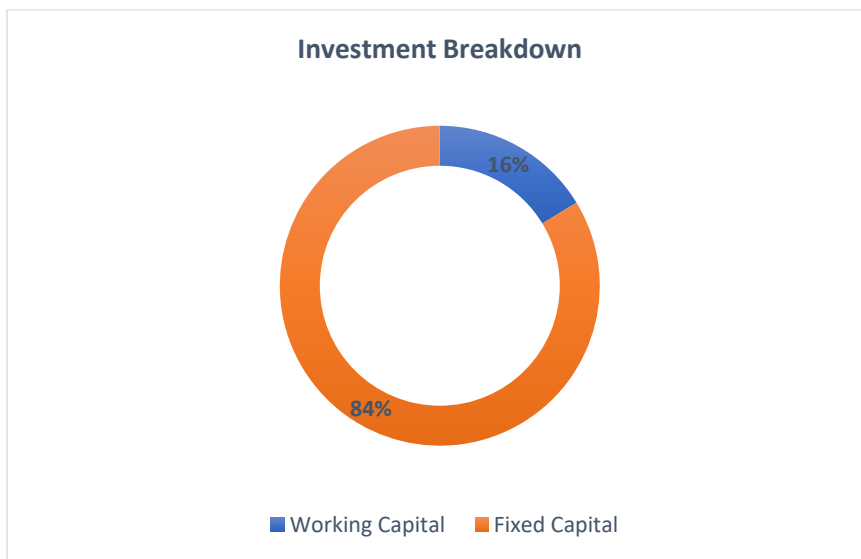
Loans and Interest Repayments

LOAN TYPE	LOAN TAKEN	REPAYMENTS				
		Y1	Y2	Y3	Y4	Y5
Foreign Loan	122,600	24,520	24,520	24,520	24,520	24,520
Local Loan	245,200	49,040	49,040	49,040	49,040	49,040
TOTAL LOAN AND INTEREST		120,148	120,148	120,148	120,148	120,148

Investment Breakdown

This is a USD 613,000 project. The money to be invested will finance different items as shown in the table and figure below. Fixed capital accounts for 84% of the investment while working capital makes 16% of the same.

ITEM	VALUE
Land and Buildings	100,000
Plant	231,000
Vehicles	82,000
Furniture and Fittings	20,000
Pre-Expenses	50,000
Others	30,000
Working Capital	100,000
TOTAL	613,000
Fixed Capital	513,000



Investment Plan

The planned capital of USD 613,000 will be invested over the first 5 years of operation of the project as shown below

ITEM	AMOUNTS					TOTAL
	Y1	Y2	Y3	Y4	Y5	
Land and Buildings	100,000					100,000
Plant	150,000	81,000				231,000
Vehicles	12,000	40,000	30,000			82,000
Furniture and Fittings	5,000	15,000				20,000
Pre-Expenses	50,000					50,000
Others	6,000	6,000	6,000	6,000	6,000	30,000
Working Capital	10,000	15,000	15,000	20,000	40,000	100,000
TOTAL	333,000	157,000	51,000	26,000	46,000	613,000

Financial Projections

This sub-section covers financial projections for this project. Being projections, they may not be exactly the same during implementation but the promoters of the project look forward to having a good business for the good of the company, and for the good of the customers and other stakeholders. It covers production projections and other aspects of financial projection.

Gross Profit Projections

In terms of production the project is expected to have a gradual growth over the years, attaining its highest capacity during year 5. This is a 439 metric tons production per year. Key assumptions for this projection are a production growth by 20%, a 6% inflation, and 99% sales of the existing stock as shown in the table below.

ITEM	ASSUMPTIONS	AMOUNTS				
		Y1	Y2	Y3	Y4	Y5
Annual Production (MT)	Growth by 20%	300	330	363	399	439
Price per Kg (USD)	6% inflation	4.0	4.2	4.5	4.8	5.0
Sales per annum (KG)	99% of the existing stock	297,000	3,297	323,796	39,208	356,926
Sales in USD		1,188,000	13,978	1,455,267	186,788	1,802,445
Cost of Sales		475,200	5,591	582,107	74,715	720,978
Gross Profit		712,800	8,387	873,160	112,073	1,081,467

Income Statement Projections

Projections show that this will be a successful project over the first five years of operation as shown in the projected income statement.

	AMOUNTS				
	Y1	Y2	Y3	Y4	Y5
REVENUE					
Sales	2,673,000	3,333,755	4,120,388	5,092,634	6,294,292
Sales Returns	0	0	0	0	0
Sales Discounts (2%)	53,460.00	66,675.10	82,407.75	101,852.69	125,885.85
Other Revenue	=	=	=	=	=
<i>Net Sales</i>	<i>2,619,540</i>	<i>3,267,080</i>	<i>4,037,980</i>	<i>4,990,782</i>	<i>6,168,407</i>
Cost of Goods Sold	<u>1,069,200</u>	<u>1,333,502</u>	<u>1,648,155</u>	<u>2,037,054</u>	<u>2,517,717</u>
<i>Gross Profit</i>	<i>1,550,340</i>	<i>1,933,578</i>	<i>2,389,825</i>	<i>2,953,728</i>	<i>3,650,690</i>
OPERATING EXPENSES					
Salaries and Wages	720,000	763,200	1,221,120	1,953,792	3,126,067
Depreciation Expenses	25,650	25,650	25,650	25,650	25,650
Office Expenses	6000	6360	6742	7146	7575
Maintenance Expenses	10,260	10,260	10,260	10,260	10,260
Advertising Expenses	<u>2,673</u>	<u>2,833</u>	<u>3,003</u>	<u>3,184</u>	<u>3,375</u>
<i>Total Operating Expenses</i>	<i>764,583</i>	<i>808,303</i>	<i>1,266,775</i>	<i>2,000,032</i>	<i>3,172,927</i>
Income from Operations	785,757	1,125,274	1,123,050	953,696	477,763
Interest Income (Expense)	<u>-46588</u>	<u>-46588</u>	<u>-46588</u>	<u>-46588</u>	<u>-46588</u>
Income Before Taxes	739,169	1,078,686	1,076,462	907,108	431,175
Corporate Tax	<u>221,751</u>	<u>323,606</u>	<u>322,939</u>	<u>272,132</u>	<u>129,352</u>
NET INCOME	<u>517,418</u>	<u>755,081</u>	<u>753,523</u>	<u>634,976</u>	<u>301,822</u>

Cash Flow Projections

The project, ceteris paribus, will have a positive cash flow over the first 5 years as shown in the cashflow projections below

	AMOUNTS				
	Y1	Y2	Y3	Y4	Y5
Cash Received					
Beginning Cash Balance	10,000	1,533,069	3,281,373	5,413,837	7,760,292
Cash Sales	2,673,000	3,333,755	4,120,388	5,092,634	6,294,292
Cash Collections	-	-	-	-	-
Loans	367,800	-	-	-	-
Total Cash Available	3,050,800	4,866,824	7,401,760	10,506,472	14,054,584
Cash Disbursed					
Salaries and Wages	720,000	763,200	1,221,120	1,953,792	3,126,067
Depreciation Expenses	25,650	25,650	25,650	25,650	25,650
Office Expenses	6,000	6,360	6,742	7,146	7,575
Maintenance Expenses	10,260	10,260	10,260	10,260	10,260
Advertising Expenses	2,673	2,833	3,003	3,184	3,375
Total Disbursements	764,583	808,303	1,266,775	2,000,032	3,172,927
Cash Position					
Loan Payment with Interest	120,148	120,148	120,148	120,148	120,148
Capital Purchases	333,000	157,000	51,000	26,000	46,000
Owners' Withdrawals	300,000	500,000	550,000	600,000	630,000
Total Cash Paid Out	1,517,731	1,585,451	1,987,923	2,746,180	3,969,075
Closing Balance	1,533,069	3,281,373	5,413,837	7,760,292	10,085,510

CONCLUSION

Santai Investment Company Limited has made analysis and convinced itself that the poultry project will be a success over the first 5 years. With an USD 613,000 investment, this project has many benefits to Tanzanian economy as it will create direct jobs to the tune of 111 locals, indirect jobs (suppliers, bankers, and all that serve the project) to the tune of 500 locals, market for food processor's rejects like maize husks, add to the production and availability of quality chicken, and so forth. The management of the company presents this business plan to the Tanzania Investment and Special Economic Zone Authority in order to enjoy incentives for the soft take-off.