

# RUNX COMPANY LTD BUSINESS PLAN

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## **Executive Summary**

### **1.1 Business Overview**

Runx is a dynamic transportation company specializing in the efficient and secure movement of transit goods across regional routes with a focus on reliability, speed, and customer satisfaction. Runx delivers tailored freight solutions that meet the unique needs of businesses in industries such as manufacturing, retail, and e-commerce.

By leveraging advanced tracking technology and a robust fleet of vehicles, Runx ensures real-time cargo visibility, optimized routing, and consistent on-time deliveries. Our intelligent fleet management system enables proactive vehicle monitoring and performance optimization, ensuring maximum efficiency and reliability across every shipment.

At the core of our operation is a dedicated team of logistics professionals committed to uphold the highest standards of cargo handling, and safety throughout the supply chain. Whether it's **full truckload (FTL)**, **less-than-truckload (LTL)**, or **time-sensitive shipments**, Runx delivers transit goods with precision and care—keeping your business moving forward with confidence.

### **1.2 Services**

The main services offered including goods transportation (across regional and continental routes), fleet management that is intelligent vehicle monitoring and optimization for reliable on time performance, and real-time cargo tracking (end to end visibility with advanced tracking and status updates).

Runx serves as a reliable bridge for cross-continental commerce, offering superior logistics solutions that simplify complexity and guarantee secure, timely delivery. Backed by a skilled team, cutting-edge logistics technology, and in-depth regulatory expertise, Runx is a trusted partner for businesses seeking seamless and compliant transit operations.

### **1.3 Customer focus**

Runx company will primarily services businesses within Tanzania and Africa. Their potential customers are the approximately 2,000 businesses and manufacturer within this region, giving us a large customer base to work with. Though we are open to working with most businesses, some of the industries we expect to serve the most includes:

- Chemical and Energy
- Agribusiness

- Technology
- Petroleum Industry

#### **1.4 Management Team**

Runx company is headed by Mr. Farid Seif Salum, who graduated from College of Business Education with a bachelor degree in Procurement and Supply. prior to starting Runx Company, Mr Farid Seif worked as an operational manager for 12 years. Where he was able to learn all aspects of the industry, including the operations and management sides. His experience will be invaluable to the business.

#### **1.5 Success Factor**

Runx Company is uniquely qualified to succeed for the following reasons:

- Runx Company will focus primarily on the local region (about a mile's radius from Dar es Salaam, which is currently unserved.
- We surveyed the target market and received extremely positive feedback saying that they explicitly want to make use of our services when launched.
- The polytra has a robust business environment with a large number of businesses needing logistics services like ours.
- The management team has a track record of success in the logistics services industry.

#### **1.6 Investment Goal**

Runx Company seeks TZS 2,600,000,000 billion in investment capital to expand it is fleet, establish regional depots and implements an integrated digital logistic platform. Specifically, these funds will be used as follows:

- Vehicle Purchase and Maintenance: 2,400,000,000
- Working capital: TZS 200,000,000 to pay for marketing, salaries, and lease costs until Runx Company reaches break even.

## **2.COMPANY OVERVIEW**

Runx Company is a dynamic logistics company headquarter Ilala-Kinyerezi, Dar es Salaam. We provide a full range of transportation and logistic services including:

- Goods transportation (across regional and continental routes),
- Fleet management that is intelligent vehicle monitoring and optimization for reliable on time performance, and
- Real-time cargo tracking (end to end visibility with advanced tracking and status updates).

While open to serving businesses across various industries, Runx primarily target the healthcare, agribusiness, food and beverages sectors both within and outside Tanzania.

The Company is led by its founder, **Mr Farid S. Salum**, alongside shareholders **Ms. Asha H. Masha** and **Mr. Mohamed H. Mubago** who serve as Managing Directors. Together, they aim to bridge the services gap in regional logistics by delivering reliable, tech-driven and client focused solutions.

### **Vision Statement.**

“To ensure operational excellence in transit logistics by consistently delivering fast, secure and cost-effective movement of goods across continent”

Our vision drives a relentless focus on internal processes optimization, integrating modern technology to meet the commercial demand for speed and efficiency

### **Mission Statement**

“To execute precise, end to end global transit operations by leveraging advanced technology and experts’ personnel, ensuring all clients’ goods are moved expeditiously, securely and affordably.”

## 2.1 Company Background

Established on 06<sup>th</sup> February, 2020, Runx Company Limited was formed as a **Limited Liability Company (LLC)**, headquarter in Dar es Salaam, Tanzania to provide transportation support services, with a strong focus on operational excellence in transit logistics.

Upon incorporation, Runx Company was able to achieve the following milestones:

- Secure a business location and signed a letter of intent to lease it
- Developed the company's branding (name, email, logo, and website)
- Completed legal registration and licensing as a limited liability company (LLC)
- Determine equipment and vehicle requirement
- Began recruiting key personnel

Our business is guided by core values: **Reliability, Safety, Efficiency, Integrity, Customer focus, Innovation, Teamwork, Sustainability.**

## 2.2 Company Services

Over four years, Runx Company has built a strong reputation through the following services:

- Goods transportation (across regional and continental routes),
- fleet management that is intelligent vehicle monitoring and optimization for reliable on time performance, and
- real-time cargo tracking (end to end visibility with advanced tracking and continuous status updates for improved transparency and customer trust).

Runx specializes in both cross border and domestic transportation, positioning itself as a trusted logistics partner in the region. The company operates along key trade routes such as:

- Dar es salaam -Zambia
- Dar es salaam- Congo (DRC)
- Domestic routes within Tanzania

## 2.3 Strategic Direction

Runx Company Limited continues to invest in technology, infrastructure, and human capital with the goal of becoming a top-tier logistics provider not only in Tanzania but throughout Africa Key strategic initiatives include:

- Expansion into **new markets** within the SADC and COMESA regions
- Development of **green logistics solutions** to align with global sustainability goals
- Integration of **AI and data analytics** for smarter logistics planning

- Strengthening of **compliance and regulatory frameworks** to ensure seamless international trade operations

## **2.4 COMPANY OBJECTIVES (2025-2028)**

1. Operate a fleet of over 50 trucks across Tanzania and EAC region
2. Expand market presence and service quality by strengthen and extend operations to neighbouring countries in the East African region by delivering safely, timely and cost effective through adopting best industry practices and maintaining high operational standards
3. Create over 100 direct and 50 indirect employment opportunities
4. Digitalize fleet management to reduce operational costs by 20%
5. Strengthen strategic partnerships

Collaborate with local and international stakeholders, including logistics firms, suppliers, and regulatory bodies, to enhance service coverage and competitiveness.

### 3.MARKET ANALYSIS

#### 3.1 Target Market

Runx will serve both domestic and international businesses, particularly in underserved areas. Over 219,371 businesses operate in our region.

#### 3.2 Market Segments

##### 3.2.1 Target Market

Though we are open to working with most businesses and industries, our market analysis shows that we will primarily work with the following segments:

- **Manufactures:** chemicals and chemical-based products used across various sectors such as agriculture (fertilizers), pharmaceuticals (medicines), manufacturing (plastics, paints), and construction (sealants, adhesives). currently depend on logistics companies that are local and cater to their unique needs. They require special handling of their materials and quick delivery to get essential products for testing and procedures. We can easily provide chemical industry with these services.
- **Agribusiness:** Tanzania consists of a large agribusiness that is essential to the nation's food supply. This industry needs proper storage for food and equipment and quick shipping to prevent spoilage. Since this is such an important industry, we will work closely with local agribusinesses to provide them with all their logistics needs.
- **Food and beverage industry:** Runx company will also offer transportation of perishable and non-perishable food items for local food and beverage businesses.
- **Exporters / importers** via Dar es Salaam Port
- **Government and non-government with logistic needs**

##### 3.2.2 Market Size and growth

- The road freight market in Tanzania is valued at USD 2.3 billion (2024), with a projected annual growth of 6-7%
- **Client-oriented service:** Runx Company will have 24/7 customer service and a strong sales team to fully cater to our clients needs.
- **Management:** Director Farid S Salum has been extremely successful working in the industry and will be able to use his previous experience to provide the best sales

and customer service experience. His unique qualifications will serve customers in a much more sophisticated manner than other competitors.

- **Strong Relationships:** Director Farid S Salum knows many of the local leaders, business managers, and other influencers within Tanzania. With his 6 years of experience and good relationships with business leaders in the area, he will be able to develop an initial client base.

### 3.3 Competitive Analysis

Direct and indirect competitors

The following logistics business offers extensive logistic services national wide and therefore provide either direct or indirect competition to our business:

#### I. SAF Logistics Limited

which is well-established, good reputation. Offers clearing & freight forwarding, transport, warehousing, export/import services.

| FEATURES  | STRENGTH  | WEAKNESS   |
|---|---|--|
| <p><b>Wide Transportation Network</b></p> <ul style="list-style-type: none"> <li>• Covers major routes (regional and/or international) with road, air, and sea freight options</li> </ul> | <p><b>Experienced Workforce</b></p> <p>Skilled drivers, logistics planners, and warehouse staff</p> | <p><b>Dependency on Third Parties</b></p> <p>Reliance on subcontractors or external carriers can affect service quality.</p> |
| <p><b>Modern Fleet</b></p> <ul style="list-style-type: none"> <li>• Equipped with GPS tracking, fuel efficiency systems, and regular maintenance schedules.</li> </ul>                    | <p><b>Strong Technology Backbone</b></p> <p>Improves transparency and reduces</p>                   | <p><b>High Operating Costs</b></p> <p>Fleet maintenance, fuel, and labor can be costly</p>                                   |

|   |  |  |
|---|--|--|
|   | operational inefficiencies.  | if not managed well.   |
| <b>Technology Integration</b> <ul style="list-style-type: none"> <li>Use of logistics software (TMS, WMS), real-time tracking, and digital customer portals.</li> </ul> | <b>Reliable Delivery</b><br>Timely pickups and drop-offs enhance customer trust            | <b>Limited Presence in Remote Areas</b><br>May not cover rural or underserved regions efficiently    |
| <b>Customized Solutions</b> <ul style="list-style-type: none"> <li>Tailored services for different industries like retail, pharma, manufacturing,</li> </ul>            | <b>Scalable Services</b><br>Ability to handle small parcels to large industrial shipments. | <b>Technology Adoption Gaps</b><br>If not fully digitized, may lag behind competitors in efficiency. |

## II. . Next Couriers & Logistics LTD,

it has experience (since 2005), well-known in freight & courier, transit, clearing. Offers broad services (sea, air, road freight)

| STRENGTH  | WEAKNESS  |
|---|---|
| <b>Longevity and Reputation</b><br>Being in the market since 2005 means they've established presence and experience. That tends to build customer trust | Scale limitation<br>Although they serve international trade, they might be smaller compared to major global logistics firms in terms of fleet size, bargaining power, or capacity. Smaller size can lead to higher costs per unit or limitations in handling very large or specialized projects |

|   |  |
|---|--|
| <p><b>Diverse Service Offering</b></p> <p>Because they do air, sea, domestic couriers, customs brokerage, warehousing. Customers can get many logistics needs met in one place. That helps them be a “one stop shop.”</p> | <p><b>Operational Risk</b></p> <p>Handling of customs, sea/air freight and cross-border services implies exposure to regulatory changes, tariffs, delays, exchange rate fluctuations</p>   |
| <p><b>Partnerships &amp; Networks</b></p> <p>Their affiliations with international networks and with global courier operators helps with international reach, cost efficiencies, and perhaps operational know-how.</p>    | <p><b>Cost Pressures</b></p> <p>Operating in freight, warehousing, customs brokerage involves high fixed and variable costs (fuel, staff, equipment). They may struggle with cost escalation (fuel, regulatory costs, import duties etc.) which could squeeze margins.</p> |

### III. **Advanced Logistics Ltd,**

Has good domestic reach (many regions), presence in many services including courier, warehouse, transport.

| STRENGTH   | WEAKNESS  |
|--|---|
| <p><b>Wide Geographic Coverage</b></p> <p>Advanced Logistics Ltd has physical presence in many regions in Tanzania: they operate in ten regions, and also have offices/branches in Morogoro, Iringa, Mbeya, Shinyanga, Kahama, Tabora, Nzega, Bukoba, Moshi</p>                                | <p><b>Limited International Footprint</b></p> <p>While they handle many domestic routes and have international agent roles (like DHL), their core business is domestic. They may not match large global firms in scale or in handling cross-border/international logistics fully end-to-end. There may be limits in infrastructure or network for some international operations</p> |
| <p><b>Range of Services</b></p> <p>They provide a full suite of services: courier (same-day in Dar es Salaam, three days outside), cargo transport (road, air, rail, sea), warehousing/storage, office/home relocation, DHL agent services, express services, even humanitarian logistics.</p> | <p><b>Delivery Time Outside Major Regions</b></p> <p>Outside Dar es Salaam, deliveries may take up to three working days to reach regions. For customers needing faster delivery, this may be a drawback.</p>   |

|  |   |
|--|---|
| <p><b>Strong Brand in Domestic Market</b></p> <p>Since incorporation in 2014, they have achieved a certain reputation. Their motto (“You call, we deliver”), customer focus, sense of urgency, trustworthiness are part of their brand values.</p> | <p><b>Cost vs. Speed Trade-offs</b></p> <p>Express / same-day or special services have extra cost. For many customers, balancing cost and speed is tough. If costs are high for express, may lose out to competitors.</p> |
|--|---|

### 3.4 Market Trends

| S/N | PERIOD  | METRIC  | SOURCE                                   | VALUE  |
|-----|---|---|--|--|
| 1   | May–Nov 2024 vs same period 2023              | Transit cargo at Dar es Salaam Port                       | TPA records surge in revenue at Dar port | ~ <b>6.3 million tonnes</b> in 2024 vs ~5.3 million tonnes in 2023 which is equal to <b>~19.3% growth</b>                  |
| 2   | May–Nov 2024 vs same 2023                     | Total cargo handled (all ports)                           | TPA records surge in revenue at Dar port | <b>16.5 million tonnes</b> , up ~6% from ~15.6 million tonnes in 2023  |
| 3   | May–Nov 2024 vs same 2023                     | Container traffic (TEUs) at Dar + all ports               | TPA records surge in revenue at Dar port | ~621,584 TEUs in 2024 vs ~601,805 in 2023 → <b>~3.3% increase</b>  |
| 4   | Dar es Salaam Port – recent months (mid-2024) | Cargo handling increases and container TEU monthly record | TPA records surge in revenue at Dar port | TEUs per month rose; in Sept 2024, monthly container handling jumped to around 27,000 from ~12,000 average earlier months, |

### 3.5 Regulatory Environment

- **TRA:** Tanzania Revenue Authority — customs licences, import/export/transit goods licensing.
- **LATRA:** Land Transport Regulatory Authority of Tanzania — licensing for goods vehicle operations, driver permits, vehicle standards.
- **Motor Vehicles Insurance Act [Cap 169 RE 2002]:** for insurance
- **TAFFA:** Tanzania Freight Forwarders Association — for clearing & forwarding firms; offers regulations, membership, training, credentialing
- **Business Registration & Licensing Agency (BRELA)** and Local Government Authorities — for business licences.
- **Tanzania Bureau of Standards (TBS)** — sets vehicle and emissions standards, including inspection of imported vehicles for safety and emissions compliance

## 4.PRODUCT AND SERVICES

Runx Limited has been established to bridge this service gap by offering tailored logistics solutions that combine technology, speed, and safety in transporting both transit and domestic goods.

### 4.1 Services

#### 4.1.1. Transportation Services

- **Reasonable price** per mile rate for standard loads, with customized quotes for specialized transportation needs. Our transportation services ensures that goods are efficiently moved from one point to another, be intra -city or cross- country. We utilized truck vehicles catering to diverse client requirements.
- **Specifications**
- **Vehicle type:** Trucks (31 ton, 32, ton and 33 ton)
- **Delivery Timeframes:** Express(24-48hrs), Standard (3-5 days)
- **Coverage :**( Zambia, Congo, Tanzania)

#### 4.1.2. Additional services

- fleet management that is intelligent vehicle monitoring and optimization for reliable on time performance, and
- real-time cargo tracking (end to end visibility with advanced tracking and continuous status updates for improved transparency and customer trust).

### 4.2 Quality Control

#### 1. Pre-Trip Inspection and Vehicle Standards

Ensures all transport vehicles are roadworthy and compliant with safety and environmental standards.

- Vehicle inspection checklist (brakes, lights, tires, cargo space)
- Compliance with LATRA vehicle licensing and load limits
- Emissions and safety standards (for environment and road safety)

#### 2. Driver Training and Certification

Qualified and trained drivers are crucial for consistent service quality.

- Valid commercial driver's license (class matching vehicle type)
- Training on defensive driving, border procedures, and customer service

- Fatigue management and health check compliance

### **3. Cargo Handling and Packaging Standards**

Goods must be safely packaged, loaded, and secured to prevent damage.

- Proper labelling (especially for hazardous or fragile goods)
- Use of pallets, straps, padding, or containers
- Weight distribution to prevent shifting or tipping
- Separation of incompatible goods (e.g. chemicals and food)

### **4. GPS Tracking and Monitoring**

Technology ensures real-time visibility and quality oversight during transportation.

- Use of GPS trackers in all transit trucks
- Real-time monitoring of vehicle location, speed, and routes
- Alerts for route deviations or unauthorized stops

### **5. Transit Time Management and Scheduling**

Delays can compromise product quality and customer satisfaction.

- Route planning to minimize travel time and customs clearance delays
- Contingency planning for roadblocks or bad weather
- Digital dispatching and delivery scheduling systems

### **6. Customs and Regulatory Compliance (Transit Goods)**

Transit goods require strict compliance with border and customs regulations.

- Use of **TANCIS** (Tra's customs transit system)
- Proper documentation (transit entry, bond, invoices)
- Seal integrity checks (to prevent tampering)
- Transit logbook and border clearance verification

### **7. Delivery Verification and Documentation**

Proof of successful delivery and condition of goods.

- Delivery note (signed by client or recipient)
- Proof of delivery (POD) system or e-signature
- Incident/damage report if applicable

## **5.MARKETING STRATEGIES**

Runx company brand will focus on the company's unique value proposition:

- Client-focused logistics services that treat each client individually and get the job done right the first time
- Services built on long -term relationships
- Thorough knowledge of our clients and their varying needs

Marketing strategies will include both online and offline methods

- Online: Website with search engine, social media campaign, direct mail
- Offline: Printed brochures distributed at events and business locations

### **5.1 Promotion Strategy**

#### **I. Website and Search Engine Optimization**

Runx Company will develop a professional website that showcases pictures of the services we provide. It will also invest in SEO so that the company's website will appear at the top of search engine results.

#### **II. Social Media**

Runx Company will create the company's social media accounts and invest in ads on all social media platforms. The company will use a targeted marketing strategy to appeal to our target demographics and showcase our success.

#### **III. Direct Mail**

Runx Company will distribute direct mail pieces to target business. These will include general company information, Promotional discounts, and other incentives to attract new clients.

#### **IV. Brochures**

Detailed brochures showcasing our services, distributed at industry events, offices and via direct mail.

### **5.2 Customer Retention Strategies**

#### **i. Annual Membership Discounts**

That is providing cost effective packages for clients looking for long term collaborations.

#### **ii. Personalized Services**

Providing dedicated account managers for high volume clients, ensuring personalized, prompt services.

iii. Feedback Loop

Maintaining a feedback loop and prompt follow -up through regular survey, letting our clients know their voice matters.

## 6. OPERATIONS PLAN

Efficient operations ensure that goods are delivered **on time, in good condition, and with minimal disruptions**. This enhances the company's reputation, strengthens customer trust, improves service quality, reduce operation cost and optimize resources utilization. This chapter includes staffing and training: Operational Process: Equipment and Machinery.

Fleet:

- 24 trucks (Current)-mix of semi-trailers, tankers and cargo carriers
- Fleet expansion Target :50 vehicles by 2028

Human resources:

- 25 employees (drivers, mechanic, dispatchers and admin)
- Projected Growth to 70 staff by 2028

### 6.1 STAFFING AND TRAINING

#### i. Operations manager

##### **Educational Qualifications**

- **Bachelor's degree** in one of the following fields:
  - Logistics and Supply Chain Management
  - Transport Management
  - Business Administration
  - Operations Management
  - Engineering (with logistics exposure) or related field (a Master's degree is an added advantage)

##### **Experience Requirements**

- 3-5+ years of progressive experience in logistics, fleet management, or supply chain roles.
- Previous experience in cross-border (transit) logistics is a strong asset.
- Familiarity with Tanzanian logistics laws (TRA, LATRA, TBS) and East African corridor transit procedures.

##### **Training Requirements**

Operations Managers should undergo initial and ongoing training to stay effective in the dynamic logistics environment.

### **Initial Training Areas**

- Fleet and route optimization software (e.g. GPS tracking systems)
- Customs procedures and border regulations (especially for transit goods)
- Safety and compliance (vehicle inspection, driver regulations, cargo handling)
- Warehouse and inventory management systems
- Customer relationship and complaint management

### **Ongoing/Periodic Training**

- **Leadership & people management** (team supervision, conflict resolution)
- **Technology updates** (logistics software, automation tools)
- **Regulatory changes** (TRA, LATRA, NEMC regulations)
- **Sustainability and environmental compliance** (especially emissions, waste management)
- **Risk management and business continuity**

### **Key Duties and Responsibilities of an Operations Manager**

#### **A. Operational Planning & Coordination**

- Plan and schedule transport activities for both transit and domestic goods.
- Allocate trucks, drivers, and cargo efficiently to maximize productivity.
- Monitor daily operations to ensure timely deliveries and safe handling of cargo.

#### **B. Fleet & Driver Management**

- Ensure vehicles are roadworthy, insured, and compliant with regulatory standards.
- Oversee vehicle servicing, inspection, and breakdown response.
- Supervise recruitment, scheduling, and performance of drivers and logistics staff.

#### **C. Quality and Compliance Oversight**

- Implement quality control checks (cargo handling, documentation, vehicle safety).
- Ensure compliance with **TRA, LATRA, TBS, NEMC**, and other bodies.

- Manage customs documentation and border processes for transit goods.

#### **D. Cost Control and Resource Optimization**

- Monitor fuel usage, route efficiency, and overtime costs.
- Analyse logistics KPIs to identify and eliminate inefficiencies.
- Manage relationships with service providers (fuel suppliers, mechanics, etc.).

#### **E. Client Service and Communication**

- Coordinate with sales or account managers to fulfill customer requirements.
- Handle operational complaints or issues reported by clients.
- Provide real-time updates on cargo movement and estimated delivery times.

#### **F. Risk and Crisis Management**

- Respond to emergencies (vehicle breakdowns, cargo damage, border delays).
- Implement security measures to prevent theft or cargo loss.
- Develop contingency plans for disruptions (e.g., roadblocks, strikes).

#### **G. Reporting and Performance Tracking**

- Prepare daily, weekly, and monthly operations reports.
- Track key performance indicators (KPIs) such as delivery time, fuel efficiency, cargo loss rate.
- Recommend improvements to increase efficiency and service quality.

## **2.ACCOUNTANT**

### **Educational Background**

- Bachelor's degree in:
  - Accounting
  - Finance
  - Commerce (BCom – Accounting)
  - Business Administration with Accounting focus OR any related field

## Professional Certification

- Certified or pursuing certification in:
  - **CPA (T)** – *Certified Public Accountant Tanzania* – Registered with **NBAA** (National Board of Accountants and Auditors) is an added advantage

## Experience

- 2–5+ years in accounting or finance roles
- Prior experience in **transport, logistics, or supply chain** companies is preferred
- Familiarity with Tanzanian tax laws (TRA), customs duties, and fuel levy accounting is a plus

## Training Requirements:

### Initial Knowledge Areas

- Basic accounting principles (IFRS, GAAP)
- Use of accounting software (e.g., QuickBooks, Tally, Zoho systems)
- Tanzanian tax regulations – VAT, PAYE, SDL, WHT, and customs tax
- Financial reporting and compliance with NBAA standards

### Ongoing Training

- Updates on TRA tax changes and electronic filing systems (e.g., *e-filing, EFD returns*)
- Changes in **fuel levy, road maintenance taxes, and import duty treatment**
- Risk management and internal controls in logistics (e.g., managing advances, cash handling)
- Compliance with **Audit standards** (internal and external)

## Key Duties and Responsibilities of an Accountant

### A. Financial Record-Keeping

- Record daily transactions (income, expenses, fuel purchases, salaries, etc.)

- Maintain ledgers, journals, and reconcile accounts
- Ensure accurate data entry and classification of financial data

## **B. Cost Management and Analysis**

- Track costs of transportation, fuel usage, maintenance, and customs payments
- Prepare cost analysis reports to guide management decisions
- Monitor operating expenses vs. budget

## **C. Tax Compliance and Filing**

- Prepare and file tax returns:
  - **VAT, PAYE, WHT, SDL, corporate tax**
- Ensure EFD (Electronic Fiscal Devices) are used and integrated with TRA
- Liaise with **TRA** and ensure timely tax clearance

## **D. Payroll and Employee Benefits**

- Prepare monthly payroll
- Calculate statutory deductions (PAYE, NSSF, NHIF)
- Ensure remittance to relevant bodies and issuance of pay slips

## **E. Invoicing and Receivables**

- Generate and issue invoices to clients
- Track payments, follow up on overdue accounts
- Reconcile client accounts and ensure accuracy in billing (especially for transit clients with variable charges)

## **F. Budgeting and Financial Planning**

- Assist in preparing annual budgets and cash flow forecasts
- Monitor budget performance and highlight variances

## **G. Reporting and Audits**

- Prepare monthly, quarterly, and annual financial reports

- Assist with internal and external audits
- Maintain proper documentation and audit trail

## **H. Internal Controls**

- Ensure proper financial controls to prevent fraud or misuse of company funds
- Monitor petty cash, bank reconciliations, and advance retirements

## **3.DRIVERS**

### **Qualifications of a Driver (Transit & Domestic Logistics)**

#### **Licensing Requirements**

- Must hold a valid **Tanzanian driver's license**, appropriate to the vehicle type:
  - **Class C** – for medium to heavy trucks (common for local/domestic deliveries)
  - **Class E** – for articulated trucks, trailers (required for long-haul and cross-border transit)
- Possession of a **Professional Driving Permit (PDP)** is an added advantage.
- Must be registered with **LATRA** (Land Transport Regulatory Authority), especially for commercial transport roles.

#### **Educational Level**

- Minimum: **Form IV (Ordinary Level)** education.
- Ability to read and understand road signs, manifests, and delivery instructions in Kiswahili and basic English.

#### **Other Requirements**

- Clean driving record (no serious traffic offenses).
- Valid medical certificate indicating fitness to drive.
- Police clearance (for trustworthiness in handling high-value or sensitive cargo).

#### **Training Requirements**

## **Initial Training (Before or During Employment)**

- Defensive driving techniques
- Cargo handling and loading safety
- Vehicle inspection and basic maintenance
- Border crossing and customs procedures (for transit goods)
- Use of GPS devices, logbooks, and digital tracking systems

## **Ongoing/Refresher Training**

- Updates on road safety laws, LATRA regulations, and vehicle load limits
- Fatigue and stress management for long-distance drivers
- First aid and emergency response training
- Environmental awareness (e.g. fuel-efficient driving, emissions control)
- Internal safety training or comply with partner/customer delivery protocols.

## **Key Duties and Responsibilities of a Driver**

### **A. Transporting Goods Safely and On Time**

- Deliver goods (transit or domestic) to the correct location within the required time frame.
- Follow assigned routes, schedules, and delivery protocols.
- Communicate delays, roadblocks, or incidents immediately to the operations team.

### **B. Vehicle Inspection and Maintenance**

- Perform **daily vehicle checks** (brakes, tires, lights, fluids).
- Report any mechanical problems or maintenance needs.
- Ensure vehicle is clean, roadworthy, and properly documented.

### **C. Documentation and Record-Keeping**

- Maintain and submit delivery notes, manifests, logbooks, fuel receipts.
- Ensure all transport documents are signed and returned as proof of delivery.

- Verify the cargo list against actual goods being transported.

#### **D. Security and Cargo Handling**

- Ensure goods are properly loaded, secured, and protected from damage.
- Use tarpaulins, seals, straps, or containers as required.
- Prevent unauthorized access to the cargo.

#### **E. Compliance with Traffic and Transport Laws**

- Adhere to Tanzanian traffic rules and **LATRA** transport regulations.
- Comply with weight limits, speed limits, and rest schedules.
- For transit routes, comply with **customs** rules, **TANCIS** entries, and **border protocols**.

#### **F. Customer Service**

- Be courteous and professional when interacting with clients or offloading staff.
- Represent the company positively during all deliveries.

### **6.2 OPERATIONAL PROCESS**

#### **i. Order/Service Request Initiation**

**Purpose:** Begin the transport service cycle.

- Receive transport request from customer (via call, email, app, or contract)
- Gather essential details:
  - Type of goods
  - Quantity and weight
  - Pickup and delivery locations
  - Required delivery date/time
  - Special instructions (e.g. customs documentation)
- Confirm availability of trucks and drivers

#### **ii. Sending quotations**

After request analysis and price determination, a client will be issued with a quotation cover necessary information. The quotation should be professional and easy to understand.

### **iii. Route Planning & Scheduling**

**Purpose:** Optimize time, fuel, and resources.

- Select the most efficient route (taking into account road conditions, borders, weighbridges)
- Determine fuel stops, rest points, and risk areas
- Assign truck(s) and qualified driver(s)
- Schedule pickup and estimated delivery date/time

Tools: GPS system, driver schedule board

### **iv. Vehicle Inspection & Loading**

**Purpose:** Ensure safety and prevent cargo damage.

- Pre-trip inspection:
  - Brake check
  - Lights and tires
  - Documentation and permits
- Prepare truck for loading (clean cargo area, secure tie-downs)
- Load goods using proper equipment
- Verify:
  - Correct quantity
  - Packaging condition
  - Labelling and handling instructions
- Seal truck or container (especially for transit)

### **v. Documentation & Dispatch**

**Purpose:** Ensure legal compliance and shipment traceability.

- Issue transport documents:
  - Delivery note

- Transit bond (if applicable)
- Customs clearance papers (for border crossings)
- Log driver departure time
- Activate GPS tracking and start trip monitoring

#### **vi. Transportation & Monitoring**

**Purpose:** Ensure on-time, secure delivery.

- Driver begins journey
- Operations team monitors in real-time:
  - Location (via GPS)
  - Speed and route compliance
  - Stops and delays
- Provide clients with updates
- Handle exceptions (e.g., breakdowns, accidents, border delays)

#### **i. Handling Delivery & Offloading**

**Purpose:** Complete service and confirm handover.

- Arrive at destination (customer or warehouse)
- Inspect cargo condition before offloading
- Offload goods as per instructions
- Collect proof of delivery (POD) signed by receiver
- Note any discrepancies (damage, shortages, delays)

#### **vii. Post-Delivery Process**

**Purpose:** Close trip, analyse performance, and process payments.

- Return signed documents to office
- Update delivery status in system
- Submit fuel receipts, tolls, and other expenses for accounting
- Analyse KPIs (e.g., delivery time, fuel usage, cargo damage rate)
- Send invoice to customer (if post-paid)

- Retire trip for auditing and records

### 6.3EQUIPMENT AND MACHINERY

Runx company Limited equipment serves as the backbone of both transit and domestic transportation services—ensuring that goods are moved efficiently, safely, and in compliance with national and international regulations.

This section outlines the key equipment and machinery required to support the core logistics functions of the company, including transportation, tracking, communication, cargo handling, and administrative support.

As a company committed to delivering timely and secure transport solutions, Runx company invests in high-quality vehicles, fleet monitoring tools, and support systems to meet the diverse needs of clients and operate within Tanzania's regulatory framework.

The equipment and machinery described below not only enable operational efficiency but also contribute to cost control, service quality, and customer satisfaction.

#### 6.3.1 HARDWARE REQUIREMENTS

##### 1. Office Equipment

| S/N | Hardware                 | Purpose   |
|-----|--------------------------|---|
| 1   | Desktop/Laptop Computers | For admin work, documentation, dispatching, and reporting |
| 2   | Printers/Scanners        | Printing delivery notes, invoices, permits, contracts     |
| 3   | Internet Router & Wi-Fi  | Stable internet for communications and cloud software     |
| 4   | Backup Power             | To avoid data loss or interruptions during blackouts      |

##### 2. Fleet & Field Equipment

| S/N | Hardware                 | Purpose  |
|-----|--------------------------|--|
| 1   | GPS Trackers (per truck) | Real-time truck tracking and route monitoring      |
| 2   | Vehicle Dash Cameras     | Communication, navigation, photo proof of delivery |

### 6.3.2 SOFTWARE REQUIREMENTS

#### 1. Logistics & Fleet Management Software

| S/N | Software                          | Purpose   |
|-----|-----------------------------------|---|
| 1   | GPS Tracking Platform             | Real-time location tracking, geofencing, speed alerts         |
| 2   | Transport Management System (TMS) | Schedule dispatches, monitor delivery status, optimize routes |

#### 2. Accounting & Financial Software

| S/N | Software            | Purpose  |
|-----|---------------------|--|
| 1   | Excel Sheets        | For quotations, budgeting, cost tracking (basic use) |
| 2   | TRA e-Filing Portal | For filing VAT, PAYE, SDL, and corporate tax         |

#### 3. Communication & Documentation

| S/N | Software               | Purpose  |
|-----|------------------------|--|
| 1   | Microsoft Office       | Word processing, spreadsheets, emails, file sharing      |
| 2   | WhatsApp Business      | Quick communication with drivers and clients             |
| 3   | Email (Gmail, Outlook) | Formal communication with clients, partners, authorities |

#### 4.Data Backup & Security

| S/N | Software                               | Purpose                                    |
|-----|--|--|
| 1   | Cloud Storage (Google Drive, OneDrive) | Backup transport documents, PODs, invoices |
| 2   | Antivirus Software                     | Protect computers from cyber threats       |

## **7. MANAGEMENT TEAM**

At Runx company, leadership is crucial for driving strategic planning and operational excellence, where strong leaders ensure efficient supply chain management and cost-effective delivery solutions. They inspire teams, uphold safety standards, and maintain high workforce morale, enables swift decision-making during disruptions and market changes. Innovation and technology adoption at Runx are guided by visionary leadership. Ultimately, leadership at Runx fuels growth, customer satisfaction, and long-term success.

### **7.1 Key Managers**

#### **I. Farid Seif Salum (C.E.O-[farid@runx.co.tz](mailto:farid@runx.co.tz))**

He is the visionary behind Runx Company, provide direction and leadership. With his profound industry knowledge and dynamic leadership style, Mr Farid ensure our business remains at the forefront of logistic innovations. His primary responsibilities encompass overall leadership, financial oversight, and ensuring the firm's alignment with industry trends.

#### **II. Tumain Yoaza Mrikaria (Operation [manager-tumainyoaza0@gmail.com](mailto:tumainyoaza0@gmail.com))**

He is the one who oversees the day-to-day functions of the company to ensure efficiency and productivity, manage logistic, coordinate teams, problem solving, decision making, and streamline process for optimal performance trough effective planning and execution.

#### **III. Dickson Tumsiime Simeo (Chief Internal Auditor)**

He is the Auditor at Runx Company, responsible for evaluating financial statements to ensure accuracy and regulatory compliance. He assesses internal control systems to identify risks, irregularities, or inefficiencies. Through objective and independent analysis, he enhances transparency and accountability. This role is crucial for maintaining financial integrity, strengthening stakeholder confidence, and supporting informed strategic decision-making.

## 7.2 Organization Structure

### 1. Chief Executive Officer (CEO)

The **CEO** is at the top of the hierarchy of Runx company and is responsible for overall strategic direction, high-level decision-making, and company performance. All key departments report to the CEO.

### 2. Operations Manager

Reports directly to the **CEO**. Responsible for managing daily operations, logistics, and supply chain activities. Makes operational decisions and implements the CEO's strategic directives.

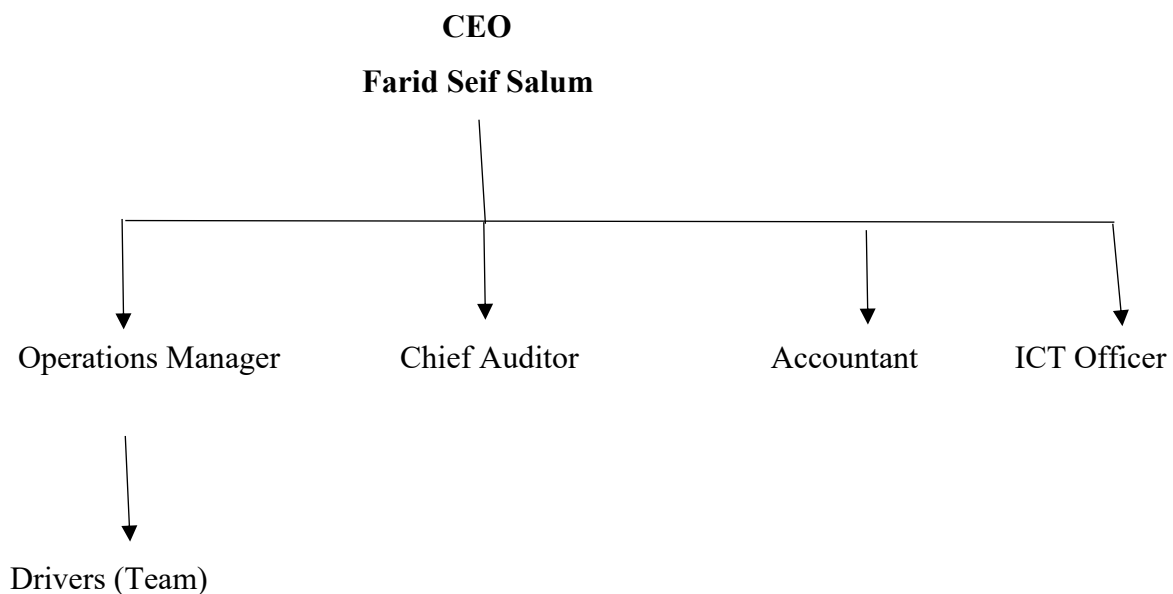
### 3. Chief Auditor

Also reports to the **CEO**. Oversees internal audits, compliance, and risk management. Ensures integrity in financial and operational processes, providing independent assessments to the CEO.

### 4. Accountant

Reports to both the **Operations Manager** for routine financial operations and the **Chief Auditor** for compliance-related reporting. Manages financial records, budgeting, and reporting.

### 7.2.1 Organization Chart



## 8. FINANCIAL PLAN

A well-structured financial plan for Runx Company is a critical foundation for building a strong and sustainable business strategy. It ensures clear visibility into revenues, expenses, and profits, allowing the company to allocate resources efficiently and prioritize growth opportunities. By incorporating accurate financial forecasting, realistic budgeting, and effective cash flow management, the plan minimizes financial risks and secures operational stability.

This chapter includes:

- financial needs,
- profit /loss statement,
- financial position and
- cash flow statement.

### 8.1 COMPANY FINANCIAL NEEDS

| RUNX COMPANY FINANCIAL NEEDS |                         |                                    |                |
|------------------------------|-------------------------|------------------------------------|----------------|
| S/N                          | Category                | Item                               | Estimated cost |
| 1                            | Business Setup          | Business registration and licenses | 200,000        |
|                              |                         | Office lease and setup             | 10,000,000     |
|                              |                         | Branding and marketing materials   | 6,000,000      |
| 2                            | Fleet and Equipment     | Vehicle purchase (12)              | 2,400,000,000  |
|                              |                         | GPS tracker and installation       | 1,000,000      |
| 3                            | Technology and software | Accounting and CRM tools           | 2,228,784      |
| 4                            | Operations              | Salaries and wages (6 staff)       | 4,800,000      |
|                              |                         | Fuel and vehicle maintenance       | 15,000,000     |
|                              |                         | Insurance                          | 60,180,000     |
| 5                            | Contingency Reserve     | Emergency fund                     | 100,000,000    |
|                              |                         | Risk Mitigation and compliance     | 50,000,000     |
|                              |                         | TOTAL AMOUNTS                      | 2,649,408,784  |

## 8.2 PROFIT/ LOSS STATEMENT

| PROJECTED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 <sup>st</sup> , DECEMBER 2026,2027,2028 |                       |                       |                         |
|--|-----------------------|-----------------------|-------------------------|
| DETAILS  | 2026(TZS)             | 2027(TZS)             | 2028(TZS)               |
| Revenue  | 580,000,000.00        | 890,000,000.00        | 1,590,000,000.00        |
| <b>Cost of sales</b>   |                       |                       |                         |
| Opening stock  | 0.00                  | 0.00                  | 0.00                    |
| fuel expenses  | (74,288,620)          | (82,502,540)          | (93,500,000)            |
| Motor vehicle spare and tires  | (35,528,481)          | (52,356,420)          | (75,200,000)            |
| compensation and benefit   | (12,305,000)          | (4,250,000)           | (4,450,000)             |
| Other purchase   | 0.00                  | (43,742,360)          | (298,712,775)           |
| Closing stock  | 0.00                  | 0.00                  | (5,049,600)             |
| <b>Gross Profit</b>  | <b>457,877,899.00</b> | <b>707,148,680.00</b> | <b>1,123,186,825.00</b> |
| <b>Administrative expenses</b>   |                       |                       |                         |
| Remuneration and related expenses  | (9,660,000)           | (10,500,000)          | (5,500,000)             |
| Insurance cost   | (8,928,143)           | (11,179,218)          | (9,854,000)             |
| Staff welfare  | (357,500)             | 0.00                  | 0.00                    |
| Office and transport expenses  | (628,100)             | (1,525,910)           | (440,000)               |
| Hiring and staff training  | (866,400)             | 0.00                  | 0.00                    |
| Business registration and licensing  | (466,000)             | (220,000)             | (220,000)               |
| Advertising and marketing  | 0.00                  | (500,000)             | 0.00                    |
| Office telecom expenses  | (1,080,000)           | 0.00                  | 0.00                    |
| Premises rent  | (6,000,000)           | (6,000,000)           | (6,000,000)             |
| Office supplies  | (2,195,600)           | 0.00                  | 0.00                    |
| Electricity and water bills  | (645,000)             | (550,000)             | (325,000)               |
| Cleaning and waste management expenses   | (600,000)             | 0.00                  | 0.00                    |
| Amortisation and depreciation  | (1,308,750)           | 0.00                  | 0.00                    |
| Professional Services and consultation fee   | (800,000)             | 0.00                  | 0.00                    |
| Non income levies  | (546,000)             | 0.00                  | 0.00                    |
| Office equipment repair and maintenance  | (318,000)             | 0.00                  | 0.00                    |
| <b>Financial cost</b>  |                       |                       |                         |
| Banking expenses(interest)   | (388,868)             | (9,376,540)           | (1,250,440)             |
| <b>Profit or Loss before Tax</b>   | <b>423,478,406.00</b> | <b>667,297,012.00</b> | <b>1,099,597,385.00</b> |
| Tax expenses (profit*30%)  | 127,043,521.80        | 200,189,103.60        | 329,879,215.50          |
|  |                       |                       |                         |
| Profit /loss for the year  | <b>296,434,884.20</b> | <b>467,107,908.40</b> | <b>769,718,169.50</b>   |
| Other comprehensive income (loss) for the year   | 0.00                  | 0.00                  | 0.00                    |
| <b>Total Comprehensive Income for the year</b>   | <b>296,434,884.20</b> | <b>467,107,908.40</b> | <b>769,718,169.50</b>   |

### 8.3 STATEMENT OF FINANCIAL POSITION

| PROJECTED FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2026,2027 AND 2028 |                       |                         |                         |
|--|-----------------------|-------------------------|-------------------------|
| DETAILS  | 2026(TZS)             | 2027(TZS)               | 2028(TZS)               |
| <b>ASSETS</b>  |                       |                         |                         |
| <b>Non- current Asset</b>  |                       |                         |                         |
| Property, Plant and Equipement   | 297,023,119.00        | 587,635,464.00          | 941,189,430.00          |
| <b>Total non- current asset</b>  | <b>297,023,119.00</b> | <b>587,635,464.00</b>   | <b>941,189,430.00</b>   |
| <b>Current Assets</b>  |                       |                         |                         |
| Inventories  | 0.00                  | 0.00                    | 386,400,000.00          |
| Trade and Other Receivables  | 510,000.00            | 81,378,221.00           | 170,290,563.00          |
| Cash and cash Equivalent   | 150,112,000.00        | 380,913,351.00          | 380,913,351.00          |
| Current Tax Asset  | 0.00                  | 1,560,000.00            | 3,060,000.00            |
| <b>Total current asset</b>   | <b>150,622,000.00</b> | <b>463,851,572.00</b>   | <b>940,663,914.00</b>   |
| <b>Total Assets</b>  | <b>447,645,119.00</b> | <b>1,051,487,036.00</b> | <b>1,881,853,344.00</b> |
| <b>EQUITY</b>  |                       |                         |                         |
| Share Capital  | 441,800,000.00        | 441,800,000.00          | 241,800,000.00          |
| Retained Earning   | (4,154,881)           | (20,312,964)            | 1,081,738,787.00        |
| <b>Total Equity</b>  | <b>437,645,119.00</b> | <b>421,487,036.00</b>   | <b>1,323,538,787.00</b> |
| <b>LIABILITY</b>   |                       |                         |                         |
| Non- Current Liability   | 0.00                  | 0.00                    | 0.00                    |
| <b>Total non- current liability</b>  | <b>0.00</b>           | <b>0.00</b>             | <b>0.00</b>             |
| <b>Current Liability</b>   |                       |                         |                         |
| <b>Trade and loan payable</b>  | <b>10,000,000.00</b>  | <b>630,000,000.00</b>   | <b>558,314,557.00</b>   |
| <b>Total current liability</b>   | <b>10,000,000.00</b>  | <b>630,000,000.00</b>   | <b>558,314,557.00</b>   |
| <b>Total Equity and liability</b>  | <b>447,645,119.00</b> | <b>1,051,487,036.00</b> | <b>1,881,853,344.00</b> |

## 8.4 CASH FLOW STATEMENT

| PROJECTED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 <sup>st</sup> , DECEMBER 2026, 2027 AND 2028 |                       |                         |                         |
|--|-----------------------|-------------------------|-------------------------|
| DETAILS  | 2026(TZS)             | 2027 (TZS)              | 2028 (TZS)              |
| <b>CASH FLOW FROM OPERATING ACTIVITY</b>   |                       |                         |                         |
| Profit before tax  | 423,478,406.00        | 667,297,012.00          | 1,099,597,385.00        |
| Increase in trade payables   | 0.00                  | 129,200,000.00          | 428,314,557.00          |
| Additions to Depreciation  | 26,551,678.00         | 26,551,677.80           | 61,887,655.00           |
| <b>Total cash inflow</b>   | <b>450,030,084.00</b> | <b>823,048,689.80</b>   | <b>1,589,799,597.00</b> |
| <b>Subtructions from cash</b>  |                       |                         |                         |
| Decrease in trade receivables  | 0.00                  | (81,378,221)            | (88,912,342)            |
| Tax paid   | (510,000)             | (1,050,000)             | (1,500,000)             |
| Decrease in trade and other payable  | (800,000)             | 0.00                    | 0.00                    |
| <b>Net cash inflow from operating activity</b>   | <b>448,720,084.00</b> | <b>740,620,468.80</b>   | <b>1,499,387,255.00</b> |
|  |                       |                         |                         |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>   |                       |                         |                         |
| Purchase of Property, Plant, and Equipment   | (262,022,492)         | (52,500,000)            | (100,000,000)           |
| <b>Net cash outflow from Investing activities</b>  | <b>(262,022,492)</b>  | <b>(52,500,000)</b>     | <b>(100,000,000)</b>    |
|  |                       |                         |                         |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>   |                       |                         |                         |
| Proceeds from issue of share capital   | 241,800,000.00        | 152,800,000.00          | 152,800,000.00          |
| <b>Net cash inflow from financing activities</b>   | <b>241,800,000.00</b> | <b>152,800,000.00</b>   | <b>152,800,000.00</b>   |
|  |                       |                         |                         |
| <b>Net cash flows balances</b>   | <b>428,497,592.00</b> | <b>840,920,468.80</b>   | <b>1,552,187,255.00</b> |
| Cash balances at the beginning of the periods  | 0.00                  | 211,703,613.00          | 822,624,081.80          |
| <b>Cash balances at the end of the period</b>  | <b>428,497,592.00</b> | <b>1,052,624,081.80</b> | <b>2,374,811,336.80</b> |

## APPENDIX 1: SEGMENTATION ANALYSIS.

---

### A. Segment Revenue Analysis (TZS)

| Year | Transport Services | Fuel Sales & Distribution | Spare Parts & Maintenance | Other Services | Total Revenue |
|------|--------------------|---------------------------|---------------------------|----------------|---------------|
| 2026 | 280,000,000        | 160,000,000               | 80,000,000                | 60,000,000     | 580,000,000   |
| 2027 | 420,000,000        | 260,000,000               | 130,000,000               | 80,000,000     | 890,000,000   |
| 2028 | 760,000,000        | 440,000,000               | 240,000,000               | 150,000,000    | 1,590,000,000 |

#### Observation:

- Revenue grows steadily across all segments, with **Transport Services** remaining the same, the main driver contributes ( $\approx 48\text{--}50\%$  of total revenue).
  - **Fuel Sales & Distribution** shows strong growth due to scale and higher market demand.
  - **Spare Parts and Maintenance** increases in contribution, aligning with expansion of fleet and operations.
- 

### B. Segment Gross Profit Analysis (TZS)

| Year | Transport Services | Fuel Sales & Distribution | Spare Parts & Maintenance | Other Services | Total Gross Profit |
|------|--------------------|---------------------------|---------------------------|----------------|--------------------|
| 2026 | 190,000,000        | 130,000,000               | 85,000,000                | 52,877,899     | 457,877,899        |
| 2027 | 275,000,000        | 210,000,000               | 140,000,000               | 82,148,680     | 707,148,680        |
| 2028 | 440,000,000        | 320,000,000               | 250,000,000               | 113,186,825    | 1,123,186,825      |

#### Observation:

- Overall **gross profit** grows strongly, consistent with revenue expansion.
  - **Transport Services** continues to dominate profit generation, contributing around 38–40% of total gross profit.
  - **Fuel Sales** maintains stable profit levels despite fluctuations in fuel prices due to volume gains.
-

### C. Segment Profitability Ratio (% of Revenue)

Gross Profit margin = gross profit/Revenue \*100

| Year | Profit margin ratio |
|------|---------------------|
| 2026 | 79%                 |
| 2027 | 79%                 |
| 2028 | 71%                 |

Net profit margin = Profit after tax / Revenue \*100

| Year | Profitability Ratio (%) |
|------|-------------------------|
| 2026 | 51.11%                  |
| 2027 | 52.47%                  |
| 2028 | 48.41%                  |

Interpretation:

The slight decline in gross margin in 2028 reflects expected increases in input costs (fuel, spare parts, fleet maintenance) and is consistent with scaling operations.

THE END