

## **Business Plan: Farmers Centre Limited.**

### **A Comprehensive Proposal for Strategic National and International Growth**

**Submitted to: The Tanzania Investment and Special Economic Zones Authority (TISEZA) Date:  
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#### **DUAL-STREAM GROWTH: TIC REGISTRATION (BUGURUNI FACILITY) & EPZ DEVELOPMENT (KIGAMBONI FACILITY)**

### **1.0 Introduction & Company Profile**

Farmers Centre Ltd., a proudly 100% Tanzanian-owned company, was founded in 1994 and formally incorporated on April 14, 2003. For over 25 years, our core mission has been to serve as a leading provider of high-quality and reliable veterinary and agricultural solutions.

We are deeply committed to contributing to the food security and economic well-being of farming communities, not only in Tanzania but across Africa and beyond.

As a vertically integrated company, our operations encompass the full value chain, from manufacturing to importation, exportation and distribution of essential agricultural inputs. This model has allowed us to build a strong market presence and a reputation for excellence. We are a significant local employer with a dedicated team of over 160 professionals. Our financial stability is demonstrated by our 2024 audited results, which show a sales turnover of TZS 13.461 billion and a total asset base of TZS 7.19 billion.

This business plan presents a comprehensive, dual-stream strategy for our next phase of growth, for which we seek the support and approval of TISEZA. It covers two distinct but synergistic projects:

**Project A (TIC):** The formal registration of our existing, highly productive manufacturing facility located in Buguruni, Dar es Salaam.

**Project B (EPZ):** The development of a new, export-focused manufacturing facility on company-owned land in Kigamboni, Dar es Salaam.

### **2.0 Detailed Project Plan**

#### **2.1 Investment Objective, Sector, and Products Investment Objective:**

**Buguruni (Local):** The primary objective is to formally register our existing facility with the Tanzania Investment Centre. This will officially recognize its significant historical and ongoing contribution to the domestic economy, secure its investment status, and facilitate

its continued, crucial role in ensuring national food security and supplying the local market with essential agricultural and veterinary products.

**Kigamboni (Export):** The objective is to construct and operate a state-of-the-art factory under an Export Processing Zone license. This facility will be the engine of our international growth. Its primary purpose is to dedicate 80% of its production capacity to export markets. This will achieve several key national goals: a significant increase in foreign exchange earnings, large-scale creation of skilled employment, the transfer of advanced manufacturing technology, and the promotion of the 'Made in Tanzania' brand on a global stage. Currently we are exporting to Oman, Zambia, Kenya, Uganda, Burundi, Comoros, Zimbabwe, Mozambique and South Africa.

**Sector:** Manufacturing (Pharmaceuticals and Agrochemicals).

**Products:** Our product portfolio is scientifically formulated and manufactured to meet the highest international quality standards. Both facilities will produce our core range, with the new Kigamboni plant having dedicated lines and packaging configurations specifically for international markets. Also, upon expansion we are planning to introduce new production lines like Injectables, Tablets & Bolus, Ointments, Sterile powders and Veterinary Equipments.

**2.2 Investment Costs and Sources of Finance (Kigamboni EPZ Project)**

The new Kigamboni facility represents a total planned investment of **TZS 19,610,000,000**. The investment is heavily weighed up in terms of capital expenditure, reflecting our commitment to building a world-class production facility. The working capital has been calculated to ensure a smooth operational start-up.

**Table 1: Investment Cost Breakdown**

Item	Detailed Breakdown	Estimated Cost (TZS)
<b>A. Capital Expenditure</b>		<b>17,280,000,000</b>
	Factory Construction & Civil Works (Foundation, structure, roofing, finishing)	12,000,000,000
	State-of-the-Art Manufacturing Equipment (Formulation, blending, and packaging lines)	5,000,000,000
	Utility & Effluent Treatment Infrastructure (Transformer, generator, water treatment)	200,000,000
	Office Furniture & IT Systems (Computers, ERP software, office setup)	80,000,000

<b>B. Working Capital</b>		<b>2,330,000,000</b>
	Initial Inventory (Strategic stock of APIs, chemicals, packaging materials)	2,000,000,000
	Regulatory Affairs	30,000,000
	Operational Cash Reserve	300,000,000
<b>TOTAL PROJECT COST</b>		<b>19,610,000,000</b>

### 2.3 Job Creation

This expansion will make Farmers Centre Ltd. a major employer in Tanzania's manufacturing sector. We are committed not just to creating jobs, but to developing careers and building a highly skilled local workforce.

**Table 2: Projected Job Creation (Direct Employment)**

<b>Category</b>	<b>Buguruni Facility (Current)</b>	<b>Kigamboni Facility (Projected New Jobs)</b>	<b>Total Employees (Post-Expansion)</b>
Current Direct Employees	<b>160+</b>	-	160+
Projected New Direct Jobs (Y1-Y3)	-	<b>250+</b>	-
Total Direct Workforce (by Year 3)	160+	250+	<b>410+</b>

**Table 3: Detailed New Job Creation Breakdown (Kigamboni Facility)**

<b>Position</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Plant Manager	1	1	1	1	1
Factory / Operational Managers	4	6	8	8	8

Quality Control & Assurance Officers	5	8	10	12	12
Machine Operators & Technicians	40	60	80	90	90
Logistics & Warehouse Staff	10	15	20	25	25
R&D and Formulation Scientists	3	5	8	10	10
Admin, Finance & HR	5	7	8	10	10
Maintenance, Electrical and Civil Engineers	4	6	8	8	8
Other Staffs	30	50	70	80	80
<b>Total New Employees</b>	<b>102</b>	<b>158</b>	<b>213</b>	<b>244</b>	<b>244</b>

#### 2.4 Financing Plan (Kigamboni EPZ Project)

The project's financing is structured to be robust and sustainable, leveraging the company's strong financial health and history of reinvestment (e.g., TZS 851.6 million in capital investments in 2024).

**Table 4: Sources of Finance**

Source	Amount (TZS)	Percentage	Details
Shareholder Equity	3,922,000,000	20%	A direct injection from Farmers Centre Ltd.'s corporate reserves, demonstrating full commitment.
Debt Financing	15,688,000,000	80%	A long-term industrial development loan to be secured from a reputable financial institution for financing capital equipment and construction.
<b>TOTAL FINANCE</b>	<b>19,610,000,000</b>	<b>100%</b>	

#### 2.5 Sources of Supply of Inputs

Our procurement strategy is designed to create powerful backward linkages, stimulating growth in other local industries.

**International Sourcing:** Active Pharmaceutical Ingredients (APIs) and specialized chemical raw materials will be sourced from our network of certified global suppliers to ensure world-class quality. The EPZ status is critical for the efficient, duty-free importation of these essential raw materials.

**Local Sourcing (Strategic Priority):** This expansion will create significant, consistent, and long-term demand for Tanzanian businesses. We are committed to maximizing local content and will prioritize local suppliers for packaging materials, non-active raw materials, excipients and other related raw materials available locally.

**2.6 Marketing Plan**

Our marketing plan is an aggressive, yet structured, multi-phased strategy to capture significant market share in key international regions. The EPZ facility is the cornerstone of this plan.

**Table 5: Phased Export Market Expansion Strategy**

Phase	Timeframe	Target Markets	Key Actions & Strategy
1	Years 1-2	<b>SADC:</b> Deepen presence in Zambia, DRC, Malawi. <b>Enter</b> Rwanda, Oman and other GCC	Increase marketing budgets, establish in-country sales support, sign exclusive distribution agreements, and initiate product registration with national regulatory bodies.
2	Years 3-4	<b>West Africa:</b> Nigeria, Ghana, Cameroon, Angola,	Conduct detailed feasibility studies, adapt product packaging for both Anglophone and Francophone markets, and establish a regional logistics hub for efficient distribution.
3	Years 4-5	<b>Deepen GCC:</b> UAE, Saudi Arabia, Kuwait.	Target high-value, quality-conscious markets. Achieve necessary certifications (e.g., ISO, GMP) and leverage Dubai as a strategic hub for re-export to the wider MENA region.

**2.7 Implementation Schedule (Kigamboni EPZ Project)**

The project is meticulously planned for completion and commissioning within a 36-month timeframe, with clear phases and milestones to ensure it is delivered on time and within budget.

**Table 6: Project Implementation Timeline**

Phase	Activity	Duration
1	<b>Pre-Development:</b> Final Architectural & Engineering Designs, NEMC Approval, Building Permits, Finalize Financing Agreements	6 Months
2	<b>Construction &amp; Procurement:</b> Site Mobilization, Civil Works, Factory Construction, Equipment Manufacturing & Shipping	14 Months
3	<b>Commissioning &amp; Launch:</b> Equipment Installation, Electrical & Mechanical Works, Staff Recruitment & Intensive OEM-led Training, Trial Production Runs	6 Months
4	<b>Commencement of Commercial Operations</b>	<b>Start of Month 25</b>

## 2.8 Financial Projections (Kigamboni EPZ Project - 5 Years)

The following forecast demonstrates the strong financial viability, profitability, and rapid growth trajectory of the new export-focused facility. The projections are based on our phased market entry plan and the production capacity of the new plant.

**Table 7: 5-Year Financial Projections (in '000 TZS)**

Item	Year 1 (2026)	Year 2 (2027)	Year 3 (2028)	Year 4 (2029)	Year 5 (2030)
Total Revenue	3,200,000	4,800,000	7,200,000	9,000,000	10,800,000
Cost of Goods Sold (COGS)	(2,080,000)	(3,120,000)	(4,680,000)	(5,850,000)	(7,020,000)
<b>Gross Profit</b>	<b>1,120,000</b>	<b>1,680,000</b>	<b>2,520,000</b>	<b>3,150,000</b>	<b>3,780,000</b>
Operating Expenses	(750,000)	(825,000)	(907,500)	(998,250)	(1,098,075)
<b>EBITDA</b>	<b>370,000</b>	<b>855,000</b>	<b>1,612,500</b>	<b>2,151,750</b>	<b>2,681,925</b>
Depreciation	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Interest Expense	(240,000)	(200,000)	(160,000)	(120,000)	(80,000)
<b>Profit Before Tax</b>	<b>(20,000)</b>	<b>505,000</b>	<b>1,302,500</b>	<b>1,881,750</b>	<b>2,451,925</b>
Corporate Tax		(50,500)	(130,250)	(564,525)	(735,578)

<b>Net Profit / (Loss)</b>	<b>(20,000)</b>	<b>454,500</b>	<b>1,172,250</b>	<b>1,317,225</b>	<b>1,716,347</b>
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## 2.9 Capacity of the Project

The new Kigamboni facility is designed for high-volume production and will more than double our company's total manufacturing capability, positioning us as a major regional producer. **Table 8: Total Production Capacity (Post-Expansion)**

<b>Category</b>	<b>Buguruni Facility (Current Annual)</b>	<b>Kigamboni Facility(Projected Add-on)</b>	<b>Total Combined Annual Capacity</b>
Solid Goods	1,747 Tonnes	3,500 Tonnes	<b>5,247 Tonnes</b>
Liquid Goods	224,748 Litres	500,000 Litres	<b>724,748 Litres</b>

## 3.0 Conclusion

Farmers Centre Ltd. has a proven history of growth, a strong financial foundation, and a clear, ambitious vision for the future. This business plan demonstrates our readiness to undertake this strategic expansion. The TIC registration of our Buguruni facility will solidify our domestic foundation, while the EPZ license for our new Kigamboni facility will unlock our potential to become a flagship example of Tanzanian industrial and export success. We are confident that this dual strategy will yield significant, sustainable economic benefits for

the nation, and we respectfully request the Authority's approval for both applications.