

# ULTRA HAULAGE LIMITED

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## BUSINESS PROPOSAL FOR LOGISTICS OPERATIONS



# Executive Summary

ULTRA HAULAGE LIMITED, headquartered in Tanzania, aims to become a leader in the logistics industry by offering reliable, cost-efficient, and tailored transportation and logistics solutions. The company seeks to address the growing demand for professional logistics services driven by the expansion of key economic sectors such as mining, agriculture, and construction. ULTRA HAULAGE LIMITED aims to strengthen its local market presence and establish itself as a reliable supplier in Dar es Salaam. The plan involves targeted investment in production facilities, distribution networks, and strategic partnerships to drive growth and create a sustainable operation.

ULTRA HAULAGE LIMITED's service portfolio includes long-haul trucking, containerized cargo transport, warehousing, and fleet management services. The company intends to leverage its strategic location, strong operational framework, and advanced fleet to enhance service delivery and create sustainable growth. By embracing modern technology, ensuring compliance with regulatory standards, and adhering to strict safety protocols, ULTRA HAULAGE LIMITED is well-positioned to meet Tanzania's logistics needs while promoting economic growth.

We take pride in our intention for compliance with country laws and regulations as well as great care for the environment. The company in Tanzania has demonstrated satisfactory financial capability, operational efficiency, compliance with country laws and regulations, as well as great care for the environment.

Our aim in this investment venture is to improve our country's economy, as clearly demonstrated by the sixth phase government under the leadership of H.E Dr. Samia Suluhu Hassan, President of the United Republic of Tanzania.

In this purpose, ULTRA HAULAGE LIMITED 's support will be demonstrated through increased government revenue through tax payments, creation of jobs, support for improving the balance of trade, acquisition of debt funding while enjoying low leverage.

Thus, our existence in this space will have considerable multiplier effects and mutual benefits among all stakeholders in the region. With competent management, financial strength, compliance with government laws and regulations, and our great care for sustainable business through environmental care and a give-back policy through our intense Corporate Social Responsibility.

# Chapter One

## 1.1 Company Aspiration

The directors of ULTRA HAULAGE LIMITED envisage a bright future in the logistic business in Tanzania.

□ **Mission:**

To provide superior logistics solutions that ensure the seamless movement of goods across Tanzania and beyond, fostering economic development.

□ **Vision:**

To become the most trusted logistics partner in East Africa, recognized for operational excellence and customer-centric solutions.

**Core Values:**

- **Integrity:** Transparent dealings and adherence to ethical practices.
- **Reliability:** Consistently delivering on promises with precision and care.
- **Safety:** Upholding the highest safety standards for employees, clients, and cargo.
- **Innovation:** Leveraging technology for efficiency and customer satisfaction.

**Objectives:**

- Expand service coverage to all regions of Tanzania and key East African countries.
- Develop state-of-the-art warehousing facilities in Dar es Salaam, Arusha, and Mwanza.
- Employ and train 100+ logistics professionals by 2026.
- Attain 25% market share in Tanzania's logistics sector within five years.
- Build a fleet of 200 modern, fuel-efficient trucks by 2027.
- Establish partnerships with 10+ international freight forwarders.

The formal logistic business in Dar es Salaam remains undersupplied, presenting investors with an opportunity for growth. We intend to be a key player to capture this emerging opportunity.

## Chapter Two

### 2.1 Project management

The project is under the lead of Mr Ahmed Farid, the entire EXCO and Senior Management. Senior Management team in the project include Chief Legal Officer, Group Treasurer, Chief of Procurement, Head of Property Management, Tax and Compliance Manager and Finance Manager. The EXCO team in the project include the Chief Finance Officer, Chief Internal Auditor, Chief Commercial Officer, Chief Human Resources Officer and the Chief Information Officer.

### 2.2 Market analysis

Tanzania's logistics sector is experiencing rapid growth, fuelled by significant investments in infrastructure, the strategic importance of Dar es Salaam Port, and the increasing volume of imports and exports. Key industries driving logistics demand include mining, agriculture, manufacturing, and construction.

#### Target Market:

- Exporters and importers utilizing Dar es Salaam Port.
- Local manufacturers requiring raw material and product distribution.
- Mining companies in need of specialized transportation.
- Government projects requiring bulk cargo transport.

#### Competitive Analysis:

While the industry is highly competitive, ULTRA HAULAGE LIMITED differentiates itself through:

- A young, well-maintained fleet ensuring fewer breakdowns and timely deliveries.
- Advanced fleet management systems for real-time tracking and reporting.
- Dedicated customer service to handle inquiries and resolve issues promptly.

#### Market Potential:

- Tanzania's Logistic market is projected to grow due to increasing demand for convenient, packaged food.
- The Logistic is expected to grow due to a shift toward protein-based diets.

### 2.3 Service Offered

#### I. Long-Haul Trucking:

Comprehensive and efficient transportation of bulk and containerized goods across Tanzania and neighboring countries, ensuring timely deliveries through optimized routes, modern tracking systems, and skilled logistics teams. Services are tailored to

handle diverse client needs, including fragile and high-value cargo, with a strong emphasis on reliability and safety.

## **II. Containerized Cargo Transport:**

Specialized services for container movement to and from Dar es Salaam Port, utilizing a fleet of state-of-the-art container trucks equipped with GPS tracking for real-time monitoring.

The services include efficient customs clearance processes, secure handling of goods, and adherence to international shipping standards. ULTRA HAULAGE LIMITED ensures timely deliveries and seamless coordination between port authorities and clients to maintain operational excellence



## **III. Warehousing:**

Secure, strategically located facilities for short- and long-term storage, equipped with advanced security systems such as CCTV surveillance, controlled access points, and fire safety measures.

These facilities are designed to accommodate diverse cargo types, including perishable goods and high-value items, with climate-controlled units available for sensitive materials. Additionally, inventory management systems ensure real-time tracking and efficient handling of stored goods.

#### **IV. Fleet Management Services:**

Comprehensive solutions, including routine vehicle maintenance programs to ensure fleet reliability, advanced driver training initiatives focused on safety and fuel efficiency, and the use of AI-driven route optimization tools to minimize delivery times and operational costs. ULTRA HAULAGE LIMITED also provides real-time vehicle performance analytics to anticipate potential issues and reduce downtime, ensuring seamless operations.



### **2.4 Operational strategy**

#### **i. Fleet Management**

- Acquisition of modern, fuel-efficient trucks equipped with GPS tracking.
- Routine maintenance schedules to minimize downtime.
- Driver training programs emphasizing safety, efficiency, and customer service





#### ii. **Technology Adoption:**

- Real-time tracking systems for cargo visibility and security.
- Automated inventory systems in warehouses for efficiency and accuracy.

#### iii. **Compliance:**

- Adherence to Tanzania's transport regulations and international standards.
- Environmental sustainability initiatives, including fuel-efficient practices and waste reduction.

### **2.5 Marketing and Growth Strategy**

#### **i. Marketing Strategy**

Strategic partnerships with key import/export companies to streamline logistics services, optimize supply chain efficiency, and expand international reach. Collaborations with government agencies will ensure compliance with regulations, facilitate trade, and enhance the company's reputation as a reliable partner in the logistics ecosystem.

Digital marketing campaigns to build brand awareness, including targeted social media advertising, search engine optimization (SEO) to improve online visibility, and content marketing through blogs and newsletters highlighting the company's services and industry insights.

Engaging actively in trade fairs and logistics expos to showcase ULTRA HAULAGE LIMITED's innovative solutions, strengthen industry partnerships, and attract potential clients and collaborators.

## **ii. Customer Engagement:**

Loyalty programs for repeat customers, including discounts on recurring shipments, priority handling for high-volume clients, and exclusive access to value-added services such as shipment tracking insights and personalized logistics solutions.

24/7 customer support for real-time issue resolution, including a dedicated helpline, live chat options, and a well-trained team available to assist clients with queries, updates on shipments, and troubleshooting. This comprehensive approach ensures that customers receive timely and effective assistance at all times.

Feedback mechanisms to improve service quality, including periodic customer satisfaction surveys, post-delivery reviews, and an online feedback portal. These initiatives aim to gather actionable insights, address customer concerns promptly, and refine operational processes to meet evolving client expectations.

We will employ a multi-channel marketing approach, including:

- Building strong relationships with bread makers, cake sellers, and Mcs
- Participating in industry exhibitions and trade shows
- Implementing digital marketing strategies such as SEO, social media marketing, and email campaigns
- Providing excellent customer service and after-sales support



## ii. Distribution Channels

Our Company already has distribution centers, wholesalers, and storage warehouses in several parts of the country. However, in order to ensure that products under our customer are being pick up well and reach intended market timely, the company will deploy an additional 150 delivery trucks of varying carrying capacity. We shall use the expertise of fleet management and logistics coordination to ensure our marketing and distribution team deliver up to customer expectations. The trucks will be divided into zones according to zone size and demand for products.

Distribution Centers shall be used to coordinate deliveries between wholesalers and retailers. Products available in the Distribution Centre shall be distributed in a similar fashion with 80% delivered from Distribution Centre to retailers.

Trucks and equipment requirements (tentative) to facilitate distribution are listed below

SN	Vehicles	Description	Qty
2	Trucks	3T trucks	100
3	Forklift	1T	10
4	Handling Equipment		5
5	Escort Vehicles	For Managers	10
	<b>Equipment</b>		
1	EFD Machines	1 per track	30
2	Phones with Software	For salespeople	20
3	Furniture	Godowns, Office & Centre	20
4	Computers networked		20
5	Compliance requirements		
6	Branding	To be established	

## 2.6 PROJECT IMPLEMENTATION TIMELINE

- **Phase 1 (Months 1-3):** Procurement and importation of trucks and equipment, recruitment of staff, and setup of operational headquarters. During this phase, the company will ensure that all legal and compliance requirements are met, including licensing and registration.
- **Phase 2 (Months 4-6):** Initial trial operations, focusing on route testing, staff training, and pilot logistics services to key clients. This phase will also include marketing initiatives to introduce ULTRA HAULAGE LIMITED's services to the market.

- **Phase 3 (Months 7-9):** Full-scale operations with the launch of all services, establishment of strategic partnerships, and commencement of regular logistics routes. Distribution partnerships and long-term contracts with key clients will also be finalized.
- **Phase 4 (Months 10-12):** Monitoring and evaluation of operational performance, market analysis to refine strategies, and scale-up adjustments. The company will also focus on gathering feedback to enhance service quality and prepare for regional expansion opportunities.

## Chapter Three

### 3.1 Financial requirements and utilization

#### i. Funding Requirements

- Total funding needed: TZS 10 billion. - Sources include bank loans, personal investments, and potential investors.

#### ii. Financing Structure

Financing of the project will constitute only the owner's equity. equity will be for funding to accommodate civil works and installation of utilities and machinery. The composition of equity is shown below.

Activity	Pre operating expenses	Capital expenditure	WC	Total
<b>Amounts in TZS</b>	<b>7.4 billion</b>	<b>2.0 billion</b>	<b>0.6 billion</b>	<b>10.0b</b>
Funding				-
Equity	<b>7.4 billion</b>	<b>2.0 billion</b>	<b>0.6 billion</b>	<b>10.0b</b>
Debt*	-		-	-
Debt Local	<b>7.4 billion</b>	<b>2.0 billion</b>	<b>0.6 billion</b>	<b>10.0b</b>
Debt Foreign	-	-		-

\*The company directors will raise and provide all the Funding needs to finance the project as for pre operating expenses, capital expenditure and working capital of TZS 104 billion.

#### ii. Funds Utilization

Below is the description of funds utilization.

Category	Description	Amount (TZS)
Fleets	Importation, Maintenance and	7.4 billion
Equipment	Auxiliary Equipment such as Forklift and like	1 billion
Operational Costs	Initial staff salaries, utilities, and maintenance	1.7 billion
Marketing and Distribution	Advertising and distribution channel setup	100 million
Working Capital	Reserve for covering operational costs	0.6 billion
Total		<b>10 billion</b>

The pre-operating expenditures will be met by the company through internally generated cash flows.

SUPPLIER	TYPE	CAPEX REQUIREMENTS	
		Details	<b>TZS</b>
<b>1</b>	Trucks	100 For Cargo Transport	8.76b
<b>2</b>	Forklift	20 For auxiliary Distribution	0.4b
<b>3</b>	Pick Ups	20 For Managers and Escot	0.4b
<b>4</b>	Clanes	For Cargo Lifting and Handling	108m
<b>5</b>	Equipments	Handling Equipment	0.5b
<b>6</b>	Distribution Vehicles	Distribution Vehicles	1.2b
<b>7</b>	Other Fixed assets	Other Fixed assets	678m
<b>8</b>	Civil works	<b>Final Estimated price</b>	1.1b
		<b>TOTAL</b>	<b>10.0b</b>

Note: figures are exclusive VAT

Capex is divided into two major expenditures. The first is the cost of acquisition of trucks from the suppliers.

#### IV. Financial Projections

We expect to commence full operations in early 2026, marking the beginning of our commercial rollout and fleet activation. With the planned deployment of 100 fleets, the business will enter the market with robust logistics capabilities tailored for petroleum and petrochemical handling. These projections incorporate our assumptions on operating costs, fuel turnover, market demand, and phased revenue growth.

The five-year financial projection spans from 2026 through 2030, reflecting the operational scale-up, reinvestment cycles, and performance benchmarks that align with industry growth patterns. The figures provide a baseline for investor confidence and funding alignment.

#### Key Assumptions:

- 100 fuel-carrying trucks operational from Q1 2026.
- Average monthly throughput of 2.5 million liters per month in year one, scaling by 15% annually.
- Stable market demand with seasonal fluctuations.
- Fuel handling fee estimated at USD 0.06 per liter.
- Incremental operating cost adjustments based on inflation (6% p.a.).

**ULTRA HAULAGE LIMITED CASH FLOW PROJECTION FOR FIVE YEARS PERIOD FROM 2026 TO 2030**

<b>DETAILS/YEARS</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>Cash Inflows</b>					
Trucking Revenue	19,371,507,176	59,260,441,672	71,112,530,006	85,335,036,007	102,402,043,208
Warehousing Revenue	2,671,932,024	8,173,854,024	9,808,624,828	11,770,349,794	14,124,419,753
Fleet Services Revenue	1,001,974,509	3,065,195,259	3,678,234,311	4,413,881,173	5,296,657,407
Other Revenue	37,407,048,340	2,043,463,506	2,452,156,207	2,942,587,449	3,531,104,938
<b>Total Inflows</b>	<b>60,452,462,050</b>	<b>72,542,954,460</b>	<b>87,051,545,352</b>	<b>104,461,854,422</b>	<b>125,354,225,307</b>
<b>Cash Outflows</b>					
Fuel Costs	19,784,442,125	23,741,330,551	28,489,596,661	34,187,515,993	41,025,019,191
Maintenance Costs	2,637,925,617	3,165,510,740	3,798,612,888	4,558,335,466	5,470,002,559
Driver Salaries	5,275,851,233	6,331,021,480	7,597,225,776	9,116,670,931	10,940,005,118
Staff Salaries	4,836,196,964	5,803,436,357	6,964,123,628	8,356,948,354	10,028,338,025
Marketing Costs	200,123,650	250,154,563	312,693,203	390,866,504	488,583,130
Utilities	439,654,269	527,585,123	633,102,148	759,722,578	911,667,093
Loan Repayments	4,396,542,695	5,275,851,233	6,331,021,480	7,597,225,776	9,116,670,931
Border Fees	1,099,135,674	1,318,962,808	1,582,755,370	1,899,306,444	2,279,167,733
administrative costs	549,567,837	659,481,404	791,377,685	949,653,222	1,139,583,866
Miscellaneous Costs	2,198,271,347	2,637,925,617	3,165,510,740	3,798,612,888	4,558,335,466
<b>Total Outflows</b>	<b>41,417,711,411</b>	<b>49,711,259,876</b>	<b>59,666,019,579</b>	<b>71,614,858,156</b>	<b>85,957,373,112</b>
<b>Net Cash inflow/(Outflow)</b>	<b>19,034,750,639</b>	<b>22,831,694,584</b>	<b>27,385,525,773</b>	<b>32,846,996,267</b>	<b>39,396,852,195</b>
Opening Balance		19,034,750,639	41,866,445,223	69,251,970,995	102,098,967,262
<b>Net Cash Flow</b>	<b>19,034,750,639</b>	<b>41,866,445,223</b>	<b>69,251,970,995</b>	<b>102,098,967,262</b>	<b>141,495,819,457</b>

These figures will be reviewed annually and adjusted based on actual operating data, market trends, and regulatory changes. A detailed breakdown of monthly cash flows, CAPEX recovery, and EBITDA analysis can be provided upon request.

## **Chapter Four**

### **4. General Operating Environment**

#### **4.1 Risks and Mitigations**

The Bakery and Poultry sector in Tanzania is still relatively small but has a significant contribution to the country's overall GDP. Over the past decade, the sector has averaged 2% of GDP and 1% annual growth rate. Most of the Bakery and Poultry activities are centered on simple consumer products such as foods and allied products.

The recent development agenda in the country has brought industrial development back as one of the country's policy priorities. Policy makers have made it a point to lead the process of transforming the country's economy from low productivity and low growth to high productivity and dynamic economy, associated with structural change and sustained income growth.

Currently the domestic value addition is limited by the dependence of imported intermediate goods, signifying limited inter-industry linkages that are important for promoting domestic manufacturing base and employment. Various technological, financial, policy, and administrative constraints remain unresolved and therefore limiting faster industrial growth and transformation.

ULTRA HAULAGE LIMITED has ventured into Logistic Business. The company will concentrate on Fleet management and warehousing. The following are the key risks (and their respective mitigations) the company is likely to face.

Key Risk	Mitigation
<p data-bbox="177 275 790 360"><i>A. Product safety and processes (compliance risk)</i></p> <p data-bbox="129 383 790 745">Adhering to safety standards and having comprehensive processes in place is critically important the manufacturers' survival and the health &amp; wellbeing of its employees and customers. Claims arising out of negligence/supply chain issues can damage the brand and potentially closure of business</p>	<p data-bbox="815 275 1437 804">ULTRA HAULAGE LIMITED has ensured the layout of factory is per the manufacturer specifications in order to have a seamless production process from start to finish. All the employees will be trained and constantly undergoing capacity building to make sure they are adhering to all the safety standards. The factory will also be undergoing various spot checks (without interrupting operations) from management.</p>
<p data-bbox="177 848 584 880"><i>B. Supply chain interruption</i></p> <p data-bbox="129 902 790 1431">The business will be reliant on the quality of their suppliers' products, and when there is a disruption in the supply chain, it is difficult to find a replacement. A compromised supply chain will lead to disappointed customers who may choose other products in the future. Supply delivery can be interrupted by many factors, including adverse weather, infrastructure issues, price increases, or damage to a supplier location.</p>	<p data-bbox="815 848 1437 1153">ULTRA HAULAGE LIMITED will work with their procurement teams to build a panel of approved alternative suppliers that will support the business in case one of their suppliers is unable to deliver. This will ensure business continuity.</p>
<p data-bbox="177 1476 552 1507"><i>C. Product Quality Issues</i></p> <p data-bbox="129 1529 790 1946">Many companies run into quality issues when they try to speed up or slow down production in response to the market. Especially for brands that have a multinational customer base, it is difficult to consistently deliver products in a manner that is simultaneously reliable, efficient and profitable. This could lead to excessive inventory, lower margins and</p>	<p data-bbox="815 1476 1437 1946">In order to avoid product quality issues, ULTRA HAULAGE LIMITED conducted a comprehensive market study to determine demand and supply challenges. The company will also be using state of the art technology to streamline the entire production process. They will also employ best technology to provide market and industry insights on developing trends and</p>

profits, higher product waste and increased operating costs	flag inefficiency and detect bottlenecks in the processes set in place
<p><i>D. Equipment breakdown</i></p> <p>The company will rely on plant and machinery as a key part of their operational infrastructure. Whether it is the reliance on refrigeration units to store products; reliable power supply; or critical production equipment that can lead to stoppage of production the breakdown of either could have a detrimental effect on the business.</p>	<p>The company will use equipment manufactured by Italian and German companies. These manufacturers bear great reputation for delivering reliable machinery to various manufacturers in Tanzania. So far, there is not any adverse report of failure of any of their equipment/machinery.</p>
<p><i>E. Environmental and Social Risk</i></p> <p>Environmental issues in beverage manufacturing include solid waste, wastewater, energy consumption and emissions to air.</p>	<p>The customer will be complying with Environmental Regulations, OSHA and Fire Safety Standards. The project will be registered by NEMC. The company will also have essential tools for managing impacts while optimizing water, energy, and resource use and improving working practices by adoption of good-manufacturing practice and quality management systems</p>

## 4.2 SWOT ANALYSIS

### STRENGTHS

- The project will leverage the good brand ULTRA HAULAGE LIMITED has established with their various other products.
- The Company already has in place existing distribution channels that will be useful in ensuring the products reach the final customer timely.
- The company will install state of the art trucks from German and Italian manufacturers who have a proven track record in their reliable motor Vehicles.

- The experience of entire management in handling operations of bread making business and poultry. Key department - Finance and Productions are managed by professional CPA holders and Cooks.
- The existence of a prime location for production. The Warehouse will be set up at Mikocheni Mwai Kibaki road where the Headquarter existed. The area has good infrastructure and is accessible easily.

<b>WEAKNESSES</b>	<b>MITIGATIONS</b>
<p><b>Key man Risk</b></p> <p>The business is family owned with one-man key decision maker.</p>	<p>Professionals have been employed in areas of Finance, Logistics, Human Resources Production and Marketing.</p> <p>The majority shareholder Mr. Ahmed is not involved in the day-to-day operations of the business. The group has defined all the key functions and has employed staff with relevant credentials to oversee the businesses.</p>
<p><b>Development Risk</b></p> <p>The project may stall in case the Directors divert resources/requested funding.</p>	<p>All the disbursements for equipment acquisition will be made directly to the suppliers. The directors of the company have a good reputation in funds utilization, a reputation that has been built in many years as indicated by the growth of the Ultra Haulage brands.</p>
<p><b>Exchange rate risk</b></p> <p>Fluctuation of foreign exchange.</p>	<p>The company will ensure bulk importation of Trucks to avoid frequent ordering of Trucks that may otherwise be negatively impacted by exchange rate volatility.</p>

<b>OPPORTUNITIES</b>	
Despite the existence of other players, there is room for other companies such as ULTRA HAULAGE LIMITED to establish themselves. Demand for Transport services is on the rise, coinciding growing population and changing lifestyles.	
Tanzania has undergone a lot of improvement in infrastructure in its road network. This will simplify the delivery of services to various outlets across the country.	
The government is encouraging the growth of industries in order to contribute to the economic growth of Tanzania. This means the company will receive all the support it requires as it continues to set up the factory.	
<b>CHALLENGES</b>	<b>MITIGATIONS</b>
Competition from existing Transporters with an established footprint	The company will rely on its existing extensive network in marketing (for example Billboards, distribution and logistics to maximize its products upon launching

ULTRA HAULAGE LIMITED is well-positioned to capitalize on Tanzania's growing demand for transport Services, by investing in efficient technology, quality control, and local partnerships, ULTRA HAULAGE LIMITED aims to become a trusted name in Dar es Salaam's Logistic supply industry. The proposed expansion will not only enhance profitability but also create jobs and support local transports. The requested funding will enable us to establish robust facilities and execute our marketing and distribution strategy effectively, ensuring long-term sustainability and growth.