

JAMROSE PACKAGING COMPANY LIMITED

BUSINESS PLAN

FOR

ESTABLISHMENT OF A MODERN WAREHOUSE FOR LEASE

1.0. Executive Summary

1.1 Project Concept

This project proposes the establishment of a modern warehouse and logistics facility designed to provide safe, efficient, and technology-driven storage services for various sectors — including agriculture, FMCG, manufacturing, and imports/exports.

The facility will feature climate-controlled units, material handling systems, inventory management software, and secure truck loading bays.

The total project investment is USD 2 million, funded through a combination of equity (60%) and debt (40%).

Key Highlights:

- Land size: 4 Acres
- Storage capacity: 5,000–6,000 metric tons each warehouse
- Construction area: 2.5 acres covered warehouse service areas
- Target clients: Importers, distributors, agro-traders, and industrial manufacturers
- Project timeline: 12 months construction + 3 months setup and commissioning

2.2 Company Overview

JAMROSE PACKAGING COMPANY LIMITED, a registered Limited company incorporated under the Companies Act, 2002 on the 19th December, 2024 with registration No.180594434 registered under BRELA, planning to set up a modern Warehouses

2.3 Vision

To be Tanzania's most reliable and technologically advanced warehouse service provider, enabling efficient supply chain operations for domestic and regional trade.

2.3 Mission

To deliver high-quality, secure, and cost-effective warehousing solutions supported by modern infrastructure and digital management systems.

2.4 Objectives

Construct and operate a modern, compliant warehouse facility

- Serve at least 300+ clients within the first 3 years
- Achieve operational profitability by Year 3.

2.5 Location

The project will be located at un surveyed area located at Kichangani, Visiga Ward, Kibaha District, Coast Region

2.6 The Sponsors

JAMROSE PACKAGING COMPANY LIMITED is being sponsoring this project. The Company is jointly owned by three shareholders

Share Holders	% of Share	Nationality
James Paradiso Kimaro	68.75	Tanzania
Mohamed Jumanne Mfinanga	3.48	Tanzania
Antojam Technical & Supply Company Limited	27.77	Tanzania

3.0 Market Analysis

3.1. Industry Overview

Tanzania's growing economy and regional trade integration (EAC, SADC) have increased the need for modern logistics and warehousing facilities. The country's import/export and industrial sectors are expanding rapidly, yet most storage facilities remain outdated.

3.2. Demand Drivers

- Increased imports and exports through Dar es Salaam Port
- Expansion of agro-processing and manufacturing,
- Growth in e-commerce and distribution networks
- Government infrastructure and industrialization initiatives

3.3. Target Market

- Manufacturers (food, beverages, construction materials)
- Agro-traders and exporters (maize, rice, fertilizers, inputs)
- FMCG distributors
- Government and NGO storage tenders

3.4. Competition

- Current competitors include private warehouses around Kibaha.
- However, most are not affordable.

3.5. Competitive Advantage

- Modern racking and material handling systems
- Security systems (CCTV, access control)
- Multi-purpose storage (cold + dry)
- Affordable cost

4.0 Project Description

4.1 Project Components

- Land Acquisition and Site Preparation – 4 acres
- Warehouse Construction in phases 2.5 acres
- Reinforced steel structure, high roof, concrete floor
- Forklifts, pallet racks, conveyor belts, weighing scales
- Cold storage units (for perishables)

- Warehouse Management System (WMS)
- CCTV and access control
- Backup generator, water storage, parking, fire safety

5.0 Project Management and Manpower requirements

- The project will under a competent management of **JAMROSE PACKAGING COMPANY LIMITED** comprising 15 employees such as
 - Managing Director
 - Operations Manager
 - Finance/Admin Officer
 - Warehouse Supervisor
 - Technicians & Drivers
 - Security & Support Staff

6.0 Market Strategy

According to expert, personal selling is the most effective method for because the customers and institutions. In order to reduce sunk costs, the project will use marketing agents who will be paid commissions on successful deals. Marketing in all types of media and publicity will support and enhance personal selling

The project will use internet for advertising to potential customers in the world.

6.1 Pricing

The pricing policy for the project will be based on the service cost and competition levels considering various variables namely:

- Service positioning
- Gain market share from competitors
- Stimulating and increasing demand and
- Achieving profitability and liquidity financial performance goals
- The average per sqm per month US\$ 8
- Sqm 10117.1 will be available for lease

6.2 Project Investment Cost

The estimated capital investment cost of the project is U US \$ 2,000,000.

JAMROSE PACKAGING COMPANY LIMITED COST STRUCTURE US \$

Land and Buildings	1,400,000
Machinery & Equipment	300,000
Motor Vehicles	150,000
Furniture & Fixtures	5,000
Pre exp	5,000
Others	20,000
Working Capital	120,000
TOTAL	2,000,000

6.3 Financing Pattern

The project will be financed by equity by US\$ 800,000 and loan US\$1,200,000

6.4 Project Operating Costs

In order to realize its intended objective, the project will have to meet operating costs which will constitute 20% of total revenue.

7.0 Aspect of Project Sustainability

The project sponsors having studied market conditions and the infrastructure in Tanzania are convinced that the project will be able to operate undisturbed. The growing of Tanzania economy and increase of economic activities in Kibaha gives them assurance of a steady market. The peace and tranquility that exist in Tanzania is another aspect of assured business sustainability.

7.1 Monitoring and Evaluation

The monitoring and evaluation tools will be applied in running this project as well, the project sponsors are determined to cooperate fully with the government and other stakeholders for smooth business running.

7.2 Projected Risks

This is a real estate investment; no major risks have been identified for this kind of project so far. Unless a change in the country's political and economic stability occurs, the

project is more likely to prosper very fast for a very long period. However, the following risk needs to be mitigated accordingly

Risk Analysis & Mitigation

Risk	Description	Mitigation
• Construction delays	Weather, permits	Engage experienced contractor
• Market competition	Price pressure	Offer specialized storage, IT integration
• Utility disruptions	Power/water issues	Backup generator, water tanks
• Security risks	Theft/fire	CCTV, guards, fire systems

8.0 Financial Analysis

8.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight-line method to depreciate the project’s capital items has been applied.

It is assumed that the major building raw material will be procured from local market and other will be imported.

8.2 Projected Profit and Loss Statement

The Income and Expenditure Statement show the projected income for the 5 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US \$ 353,492 in first year to US \$ 2,140,096 in the 5th year.

8.3 Projected Cash Flows

This is shown in the financial statements. The project has a positive accumulated cash flow, accumulated cashflows grows from 1st year US\$ 495,992 to the US \$ 2,660,596 in 5th year.

8.4 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholder's equity increases from US\$ 800,000 in the first year of operation to US \$ 2,940,096 in the 5th year.

8.5 Projected payback period

Total investment is US \$ 2,000,000 cash accumulation in 4th year is US\$ 2,089,968 which is more than the initial investment, the project payback Period is exactly 4 years, only

9.0 Economic Aspects

Implementation of this project will have the following social and economic values

- The project is an ideal option for utilization of the prime site obtained in Kibaha
- The project will increase number of quality storage facility and affordable available in Kibaha

- The project will create employment for 10 people on permanent contract basis as well as on temporary basis and indirect 150+)
- It will create more business opportunities to local suppliers.
- It will generate substantial revenue to the government in the form of corporate tax; value added tax and pay as you earn.
- The project will transfer of knowledge and skills to other warehouses in the country.
- Increased efficiency in supply chains
- Support for export logistics
- Infrastructure development in host area

10.0 Implementation

Project implementation is expected to be relatively very short once project has been approved it is estimated that the project will be implemented as followings: –

S/N	Activity	Period
1	Processing TISEZA Certificate of Incentive	November 2025
2	Site preparation and Construction	November 2025 –August 2026
3	Procurement equipment and other facilities	August–October 2026
4	Recruitment	August–October 2026
5	In house training	October– December 2026
6	Commercial operations	January 2027

11.0 Conclusion and Recommendations

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by Tanzania Investment Centre and be granted the TISEZA Certificate of Incentives with its associated privileges and benefits as provided.

APPENDIX I

JAMROSE PACKAGING COMPANY LIMITED PROJECTED PROFIT AND LOSS STATEMENT US\$

	1	2	3	4	5
Revenue –Industrial textiles	809,360	849,828	892,319	936,935	983,782
Total Revenue	161,872	169,966	178,464	187,387	196,756
Profit before Depreciation &Interest					
Interest	96,000	76,800	57,600	38,400	19,200
Depreciation	46,500	46,500	46,500	46,500	46,500
Gross Profit	504,988	556,562	609,756	664,648	721,326
Tax (30%)	151,496	166,969	182,927	199,394	216,398
Profit After Tax	353,492	389,594	426,829	465,254	504,928
Accumulated Profit	353,492	743,086	1,169,915	1,635,168	2,140,096

APPENDIX II

JAMROSE PACKAGING COMPANY LIMITED PROJECTED CASH FLOWS US\$

SOURCES:		1	2	3	4	5
Profit before interest and depreciation	–	647,488	679,862	713,856	749,548	787,026
Equity	800,000					
Loan	1,200,000					
Total Sources	2,000,000	647,488	679,862	713,856	749,548	787,026
Applications:						
Capital expenditure	1,855,000	–	–	–	–	–
working Capital & Others	145,000					
Cash	–	495,992	512,894	530,929	550,154	570,628
Tax	–	151,496	166,969	182,927	199,394	216,398
Sub total	2,000,000	647,488	679,862	713,856	749,548	787,026
Total applications	2,000,000	647,488	679,862	713,856	749,548	787,026
Accumulated cash		495,992	1,008,886	1,539,815	2,089,968	2,660,596

APPENDIX III

JAMROSE PACKAGING COMPANY LIMITED PROJECTED BALANCE SHEET US\$

Fixed Assets		1	2	3	4	5
Opening balance	–	1,855,000	1,808,500	1,762,000	1,715,500	1,669,000
Total Long-term Assets	–	1,855,000	1,808,500	1,762,000	1,715,500	1,669,000
Less depreciation	–	46,500	46,500	46,500	46,500	46,500
Closing balance	–	1,808,500	1,762,000	1,715,500	1,669,000	1,622,500
Working capital	145,000	145,000	145,000	145,000	145,000	145,000
Accumulated cash	–	495,992	1,008,886	1,539,815	2,089,968	2,660,596
Total assets	145,000	2,449,492	2,915,886	3,400,315	3,903,968	4,428,096
Financed by						
Equity	800,000	800,000	800,000	800,000	800,000	800,000
Accumulated profit	–	353,492	743,086	1,169,915	1,635,168	2,140,096
Total equity	800,000	1,153,492	1,543,086	1,969,915	2,435,168	2,940,096
Long term loan	1,200,000	960,000	720,000	480,000	240,000	–
Total debts	1,200,000	960,000	720,000	480,000	240,000	–
Total equity and debts	2,000,000	2,113,492	2,263,086	2,449,915	2,675,168	2,940,096

JAMROSE PACKAGING COMPANY LIMITED FIXED ASSETS US\$

NAME OF ASSETS	1	2	3	4	5
Land And Buildings	1,400,000	1,372,000	1,344,000	1,316,000	1,288,000
Machinery, Tools & Equipment	300,000	297,000	294,000	291,000	288,000
Motor Vehicles	150,000	135,000	120,000	105,000	90,000
Furniture & Fixtures	5,000	4,500	4,000	3,500	3,000
Total	1,855,000	1,808,500	1,762,000	1,715,500	1,669,000
DEPRECIATION	1	2	3	4	5
Land and buildings	28,000	28,000	28,000	28,000	28,000
Machinery tools & Equipment	3,000	3,000	3,000	3,000	3,000
Motor Vehicles	15,000	15,000	15,000	15,000	1,500
Furniture & Fixtures	500	500	500	500	500
ANNUAL DEPRECIATION	46,500	46,500	46,500	46,500	33,000

JAMROSE PACKAGING COMPANY LIMITED PROJECTED LONG TERM LOAN REPAYMENT

Year	Principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	240,000	96,000.00	336,000.00	1,200,000.00
2	240,000	76,800.00	316,800.00	960,000.00
3	240,000	57,600.00	297,600.00	720,000.00
4	240,000	38,400.00	278,400.00	480,000.00
5	240,000	19,200.00	259,200.00	240,000.00