

azam

THE MARKET

AZAM is the flagship brand for the Bakhresa Group of companies and has a physical presence across Tanzania, Zanzibar, Kenya, Uganda, Rwanda, Burundi, Malawi, Mozambique & the Democratic Republic of Congo. Bakhresa has now emerged as one of the largest established business groups in the Region; Supplying both food and beverage consumables to the mass consumer markets.

With a significant amount of future investment, the group is now poised to push forward with its next stage of strategic growth within East & Central Africa. The Bakhresa group boasts an impressive US \$300+ million turnover with its consumer products contributing an overall \$219.6 million in 2009. The Group is now strategically set to continue its growth through product diversification, physical operational expansion and entry into new markets.

2009 sales are evidence of the brand's success:

Flour Products

- Sales for AZAM flour products - 188 million dollars
- Local - 124 million dollars
- Export - 64 million dollars

Bakery Products

- Bakery product sales - 5.81 million dollars
- Local - 5.77 million dollars
- Export - 41,000 dollars



Beverage Product Sales

- 25.825 million dollars (local)
- Fruit Juices - 5.275 million dollars
- Uhai Water - 16.85 million dollars

Ice-cream Sales

- Ice-Cream - 3.7 million dollars

Azam products are generally targeted at the lower to mid-end markets, pushing higher volumes and gaining economies of scale, which allows the brand to compete and really deliver on value for money. However, Azam will be looking to introduce new products in the near future that will specifically target the higher end markets.

Azam branded consumer products are sold through three categorised routes to market -agents and wholesalers (all products); direct to bakeries (flour products); and direct retail and key accounts (all products).

The Bakhresa Group has high expectations for the Azam brand over the next five to 10 years. With a strong local market share (averaging 70% across the product portfolio) the brand will be looking to capitalise on its current market position, and has set in place the foundations for strategic operational and commercial expansion

The Business strategy will see increased presence and growth within East & Central Africa over the next five years, in addition to growth further afield within the international markets. With the success of the Azam flour range, there will now be a strong focus on growing the presence of the Azam beverage products.

The Bakhresa group aims to develop a business and a brand that sets itself entirely apart

from the rest of the market: A brand that has a global reach, is internationally recognised and is associated with the highest quality products.

ACHIEVEMENTS

All Azam products are currently ISO 9001 certified and the company is currently in the process of upgrading this certification to ISO 22000.

The brand has expanded its capacity through the establishment of further operational facilities in Mozambique, Malawi, Burundi and Rwanda.

HISTORY

The Bakhresa Group started humbly in the port city of Dar Es Salaam, Tanzania, in mid seventies. Since then, it has grown through identifying and capitalising on various niches within the market and has now emerged as one of the biggest and most respected business groups in the Region.

Azam products are now top of mind in a variety of regions, for their quality and value.

THE PRODUCT

All of the Azam products have been specifically designed and introduced into the market to deliver absolute value for money without any compromise on quality. It is this uncompromising commitment throughout the supply chain to the finished product that has gained the brand recognition as market leader.

The main consumer products that fall under the Azam brand are:

Flour products:

Azam Flour - White Gold, Special Bakers Flour, Biscuit Flour, Ngano Bora, Brown Flour, P.P.F. (Pure Patent Flour), Sooji (Wheat Semolina), Classic Bread Mix, Atta (Whole Wheat Flour), Wheat Bran, Wheat Bran Pellets, Cake Flour, H.B.F. (Home Baking Flour), Super Azam



Maize Flour, Maize Bran, Azam Pollard

Food products:

Azam Fruit Juices - A range of 1 ltr premium & 350ml Tetra packed fresh juices in Apple, Apple & Black currant, Azamto (a unique blend of selected black currants), Guava, Mango, Mango & Orange, Orange & Guava, Orange and Pineapple.

Water - Uhai water

Ice cream - Azam ice-cream with a broad selection of flavors

Tomato puree
Coconut milk



RECENT DEVELOPMENTS

The company has expanded its Uganda Wheat Mill with an increased capacity to 1000 metric tons per day; and has



PROMOTION

Azam's biggest promotional tool has been market recognition and the association of Azam products with both quality and value for money. This reputation has allowed Azam to continue to successfully introduce products and gain market share with minimal front end marketing investment. It is the strength of the brand that sells itself.

However, Azam continues to promote new



also increased the capacity of its Malawi Wheat Mill from 250 metric tons to 500 metric tons per day. New wheat mills are being commissioned in Rwanda, Burundi and Mozambique.

Azam has expanded its fruit processing facility to a capacity of 150 metric tons of fruit a day; in line with increased demand and the launch of its Tetra Aseptic pack 1 liter juice range.

A successful launch of both 100% natural coconut cream and tomato puree in 65ml aseptic tetra-pak has seen significant demand, and Azam will seek to increase the capacity of these operations.

The company also recently established a new plastic recycling facility in line with its values and believes it is important to ensure corporate responsibility & commitment to environmentally friendly practices.

Azam have established a new carbonated drinks facility and after much anticipation, will be introducing the AZAM Soda range into the market in early 2011.



and existing products on both national TV and radio, through program sponsorships and stand alone adverts.

With a solid foundation in place and strategic growth set, increased presence and brand representation in these forms of media sets Azam apart from the rest of the market.

Successful Azam slogans loved and remembered by consumers include "Azam - Africa's Number 1 Choice" and "Azam - We make it Good, You make it Great".

BRAND VALUES

The huge success of the Azam brand is largely due to ensuring:

- Products of the highest quality
- Affordability
- Availability within the market

Delivering these core values have been the central focus with each product that is produced under the Azam brand. As such, the brand has been able to instill a real image and reputation within the market; a reputation that associates Azam with the highest quality but at highly competitive and affordable prices.

THINGS YOU DIDN'T KNOW ABOUT AZAM

- The group recently invested significant money into plastic recycling projects and has established a PET recycling plant in a push to develop its CSR
- In addition to consumer related products the Bakhresa Group also operates, the Azam Marine Company (ferry service); Azam Inland Container Depot, Omar Packaging Industries, Tanzania's largest flexographic packaging company; and AZAM Transport Division (logistics and transportation services)
- Azam has also established a football training academy as well as its very own football league contenders with Azam football club.