SAMPLE – FICTIONAL COMPANY

Hilltop Spring Water

Business Plan 2027–2029

A small premium spring water brand from the KwaZulu-Natal Midlands, made for local retailers, gyms and offices.

Hilltop Spring Water is a fictional company. All financial figures are assumptions for illustration. Market data is cited to its public source.

Illustrative sample. Page count is not a package promise.

AT A GLANCE

The plan on one page

Hilltop will bottle natural spring water in the KZN Midlands and sell it within a short drive of the spring. We aim to be the local premium choice for shops, gyms and offices in Durban and Pietermaritzburg.

KEY TAKEAWAYS

- **The need is real.** In 2023, 46% of South Africa's water supply systems had poor or bad microbiological water quality (Blue Drop report).
- **The gap:** big brands dominate shelves, but few premium brands are bottled in KZN for KZN.
- **The plan:** sell to three customer groups – retailers, gyms and offices – from one small, efficient plant.
- **The numbers** ASSUMPTIONS : revenue grows from R3.19m (Year 1) to R12.36m (Year 3). We expect a profit (EBITDA) from Year 2.
- **The ask:** R3.5 million for 20% of the company, mainly to upgrade the bottling line.

R3.5m
Funding sought ASSUMPTION

R12.36m
Year 3 revenue target
ASSUMPTION

Year 2
First year with positive EBITDA
ASSUMPTION

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SECTION 1

Executive summary

Hilltop Spring Water (Pty) Ltd is a new company. It will bottle still spring water from a protected underground source in the KZN Midlands.

What we do

We bottle spring water at source and deliver it ourselves. Our customers are within 150 km of the plant. This keeps transport costs low and the water fresh.

Retailers

Independent supermarkets, franchise grocers, delis and farm stalls. 500ml and 1.5 litre bottles.

Gyms

Branded fridges at the front desk. Cold 500ml bottles sold to members.

Offices

18.9 litre bottles for water coolers, on a weekly delivery plan. 500ml cases for meetings.

Why we will win

- **Local and fresh.** Bottled in KZN, sold in KZN. Shorter supply chain than national brands.
- **Premium feel, fair price.** A planned shelf price of R11.99 for 500ml – below Valpré (R13.99) and in line with Bonaqua (R11.99) at the prices we found online. PRICE IS AN ASSUMPTION
- **Service.** Our own van, fixed delivery days and one contact person per customer.
- **Experienced operator.** The founder brings operations and procurement experience in FMCG manufacturing.

Financial summary ALL FIGURES ARE ASSUMPTIONS

ZAR	Year 1	Year 2	Year 3
Revenue	R3.19m	R8.88m	R12.36m
Cost of sales	-R1.85m	-R4.88m	-R6.55m
Gross profit	**R1.34m**	**R4.00m**	**R5.81m**
Operating costs	-R2.35m	-R2.85m	-R3.55m
EBITDA (profit before interest, tax and depreciation)	**-R1.01m**	**R1.15m**	**R2.26m**

Revenue – cost of sales = gross profit; gross profit – operating costs = EBITDA. Full table on page 10.

What we need

We are raising **R3.5 million** for a **20% shareholding** ASSUMPTION. Most of it (R1.6m) pays for a bottling line upgrade. The rest covers a delivery vehicle, launch marketing, working capital and certification.

SECTION 2

Problem and solution

Many people in KZN do not fully trust their tap water. Businesses want a reliable, good-looking local water to offer their customers and staff.

> **KEY TAKEAWAY**
> Demand for safe drinking water is strong. Local buyers have few premium options bottled close to home.

The problem

- **Trust in tap water is low.** In the 2023 Blue Drop report, 277 of 958 water supply systems (29%) were in a "critical" state.[1]
- **Quality is uneven.** 46% of systems had poor or bad microbiological water quality in 2021/22 tests.[1]
- **KZN is affected too.** 21 KZN systems were rated critical in 2023.[2]
- **Shelves look the same.** National brands dominate. Gyms and offices often buy from a cash-and-carry with no service.

Our solution

- **Natural spring water**, bottled at source and tested every day.
- **Three formats:** 500ml, 1.5 litre and 18.9 litre cooler bottles.
- **Direct delivery** on fixed days from our own van.
- **Simple, premium branding** that local shops and gyms are proud to stock.
- **Responsible packaging:** recyclable PET, returnable 18.9L bottles, and membership of a recycling scheme (see page 8).

How it works for a customer

Customer	What they buy	How often	Why they choose us
Corner supermarket in Pietermaritzburg	500ml and 1.5L cases	Weekly	Good margin, local story, reliable delivery
Gym in Umhlanga	500ml cases + branded fridge	Weekly	Cold stock, extra income, members ask for it
Office park in Durban	18.9L cooler bottles	Weekly or fortnightly	No contract lock-in, empties collected

1. Department of Water and Sanitation, 2023 Blue Drop Report media statement: https://www.gov.za/news/media-statements/water-and-sanitation-releases-2023-full-blue-drop-report-05-dec-2023
2. DWS, Blue Drop 2023 KZN Report: https://ws.dws.gov.za/IRIS/releases/BD_2023_KZN_Report.pdf

SECTION 3

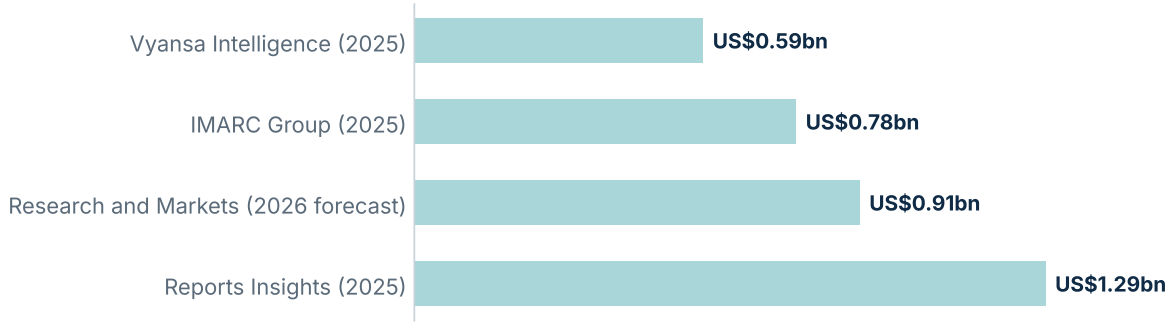
The market

South Africa's bottled water market is worth hundreds of millions of US dollars a year. Research firms disagree on the exact size, so we use a range, not a single number.

KEY TAKEAWAYS

- Published 2025–2026 estimates range from about **US$0.59bn to US$1.29bn**.
- Most forecasts expect steady growth of roughly **2.6% to 5.8% a year**.
- Our plan does not depend on any one estimate. We only need a tiny local share.

Market size estimates (published)



Different firms use different definitions (for example, retail-only versus all channels), which explains the wide range. Sources listed on page 13.

What is driving demand

- Concern about municipal water quality and supply interruptions.
- Health awareness: people swapping sugary drinks for water.
- On-the-go lifestyles, gyms and office hydration.

Our target area

We focus on the Durban–Pietermaritzburg corridor and the KZN Midlands. These are within a day's round trip from the spring.

Our Year 3 goal: R12.36m in sales ASSUMPTION. That is well under 1% of even the lowest national estimate.

Volume context: SANBWA, the industry body, cites BMI Research data showing 596.9 million litres of bottled water sold in South Africa in 2018.

SECTION 4

Competitors

We compete with large national brands, retailer own brands and a few premium spring waters. We position Hilltop as a local premium brand at a mid-market price.

KEY TAKEAWAY

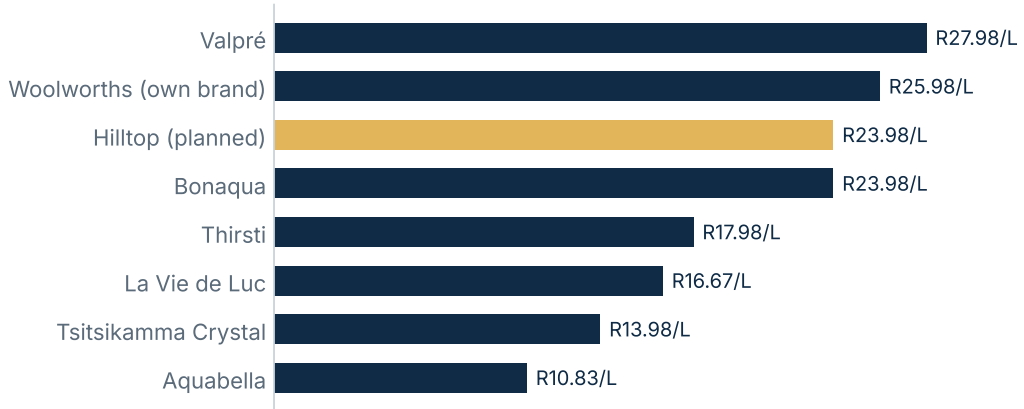
Prices for a 500ml bottle range from about R5 (in a 24-pack) to R14 (single bottle). A planned R11.99 shelf price puts Hilltop in the upper-middle of the range.

Prices found online (500ml still water, checked 3 Nov 2026)

Brand	Type / origin	Per 500ml	Pack priced	Per litre
Valpré	Coca-Cola brand	R13.99	single 500ml	R27.98
Woolworths (own brand)	Retailer private label	R12.99	single 500ml	R25.98
Bonaqua	Coca-Cola brand	R11.99	single 500ml	R23.98
Tsitsikamma Crystal	SA spring water, Tsitsikamma (E. Cape)	R6.99	single 500ml	R13.98
Thirsti	SA spring water brand	R8.99	single 500ml	R17.98
La Vie de Luc	Franschhoek, W. Cape	R8.33	24 × 500ml for R200.00	R16.67
Aquabella	Paarl, W. Cape	R5.42	24 × 500ml for R129.99	R10.83
Hilltop (planned)	**Local KZN premium**	**R11.99**	**Recommended shelf price** ASSUMPTION	**R23.98**

Multipack prices are divided per bottle, so they look cheaper than single bottles. Prices change often. Source links are in the market research report and on page 13.

Price per litre compared



Our edge: big brands win on reach. We win on freshness, local identity and service to businesses that buy by the case.

SECTION 5

Marketing and sales

We will sell face to face first. Every early customer gets a visit, a tasting and a simple price list.

BRAND PROMISE

"Pure KZN spring water. Bottled at the hill, delivered to your door."

Pricing plan ASSUMPTIONS

Product	Sold to	Our price	Recommended shelf price
500ml still, case of 24	Retailers, gyms	R156 (R6.50/bottle)	R11.99 per bottle
1.5 litre still, case of 6	Retailers	R78 (R13.00/bottle)	R19.99 per bottle
18.9 litre cooler bottle	Offices	R65 delivered	n/a (direct sale)

Retailers

- 25 independent stores by month 6, 50 by month 12
- Free first case and shelf strip
- Monthly in-store tastings

Gyms

- Branded fridge on loan
- Sponsor fun runs and classes
- Instagram content with trainers

Offices

- Free cooler with 4+ bottles a week
- No long contracts
- Simple online reorder form

Launch timeline

When	What happens	Target ASSUMPTION
Months 1–3	Line installed, certification, first production runs	Product ready
Months 4–6	Launch in Pietermaritzburg and the Midlands	25 retail, 5 gyms, 10 offices (40 customers)
Months 7–12	Expand into Durban, Umhlanga and Ballito	50 retail, 15 gyms, 35 offices (100 customers)
Year 2–3	Approach regional buyers of grocery chains	180 customers by month 36

SECTION 6

Operations

One small plant, one simple process, tested every day. Good operations keep water safe and costs low.

KEY TAKEAWAY

The planned line fills about 2,000 bottles an hour ASSUMPTION. That is enough for Year 3 volumes on a single shift.

From spring to customer

Step	What happens	Why it matters
1	Draw water from the borehole spring	Volumes stay within our licensed limit
2	Store in stainless-steel tanks	Keeps water clean before bottling
3	Filter and treat with UV light	Removes particles and germs without chemicals
4	Rinse, fill and cap bottles	Automated, so fewer handling errors
5	Label, date-code and shrink-wrap	Every pack can be traced to its batch
6	Lab test each batch	Batches are released only after tests pass
7	Deliver with our own van	Fixed routes and delivery days

Compliance checklist

- Water use licence for the spring (Department of Water and Sanitation).
- Packaged water regulations under the Foodstuffs, Cosmetics and Disinfectants Act.
- Aim to join SANBWA, the industry body, and pass its audit.
- Register for Extended Producer Responsibility (EPR) for PET bottles once we place more than 10 tonnes of packaging a year, e.g. via Petco.*

Suppliers and stock

- Two approved suppliers for bottles (preforms), caps and labels to avoid single-source risk.
- Buy preforms quarterly on fixed-price contracts where possible.
- Keep two weeks of finished stock and four weeks of packaging.
- Track waste, downtime and output every shift.

* Petco, Producers: https://petco.co.za/producers/

SECTION 7

Team

A small team with hands-on bottling, sales and finance experience. All names below are fictional.

Ayanda Zulu – Founder and Managing Director

Operations and procurement experience in FMCG manufacturing. Leads strategy, operations, supplier contracts and key accounts.

Priya Naidoo – Commercial and Finance Lead

Eight years in FMCG sales and finance in Durban. Owns pricing, customer accounts, monthly reporting and cash flow.

Johan van der Merwe – Production and Quality Manager

Food technologist. Runs daily testing, hygiene, batch release and the audit programme.

Advisory board (part-time)

A retired retail buyer and a chartered accountant. Meet quarterly to review results and risks.

Hiring plan ASSUMPTION

Role	Year 1	Year 2	Year 3
Management	3	3	4
Production operators	3	5	6
Drivers and delivery assistants	2	3	4
Total staff	**8**	**11**	**14**

How we work

- Weekly sales and production meeting with one shared dashboard.
- Clear safety and hygiene rules, with training for every new starter.
- We hire locally from the Midlands wherever possible.

SECTION 8

Financial projections

These are planning assumptions, not results. They show what the business could look like if the plan works.

> **IMPORTANT**
> Every number on this page is an **illustrative assumption** for a fictional company. None is a real result or forecast.

Projected income statement

ZAR million	Year 1	Year 2	Year 3
Revenue – Retailers	R2.18m	R5.75m	R8.02m
Revenue – Gyms	R0.42m	R1.23m	R1.65m
Revenue – Offices	R0.59m	R1.90m	R2.69m
Total revenue	**R3.19m**	**R8.88m**	**R12.36m**
Cost of sales (water, bottles, caps, labels, power)	-R1.85m	-R4.88m	-R6.55m
Gross profit	**R1.34m**	**R4.00m**	**R5.81m**
Gross margin	42%	45%	47%
Salaries and wages	-R1.25m	-R1.55m	-R1.90m
Delivery and fuel	-R0.35m	-R0.55m	-R0.70m
Marketing	-R0.50m	-R0.45m	-R0.55m
Admin, insurance and other	-R0.25m	-R0.30m	-R0.40m
Total operating costs	**-R2.35m**	**-R2.85m**	**-R3.55m**
EBITDA	**-R1.01m**	**R1.15m**	**R2.26m**
Depreciation (wear and tear on equipment)	-R0.34m	-R0.34m	-R0.34m
Profit before tax	**-R1.35m**	**R0.81m**	**R1.92m**

Negative numbers are costs or losses. Each line is rounded once to R0.01m and totals are built from the rounded lines, so every column adds up.

What the table says

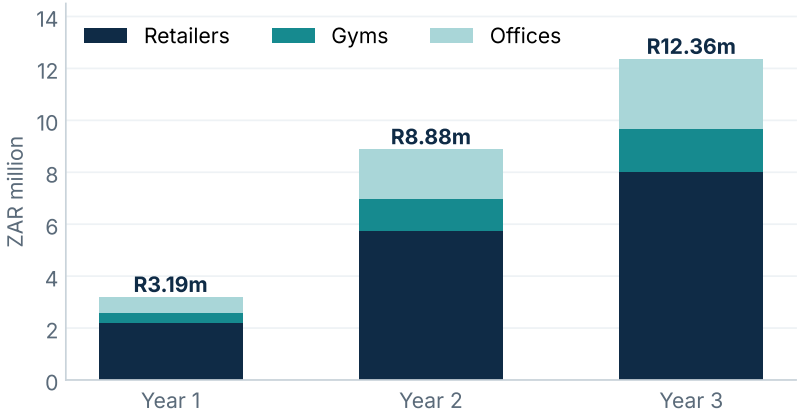
- **Year 1 is a loss** of R1.01m (EBITDA): sales start in month 4, building to 100 customers by month 12.
- **Monthly break-even** (EBITDA) is reached in month 10, so **Year 2 is profitable** at R1.15m EBITDA.
- **Year 3 EBITDA** reaches R2.26m, or 18% of revenue.

SECTION 8 (CONTINUED)

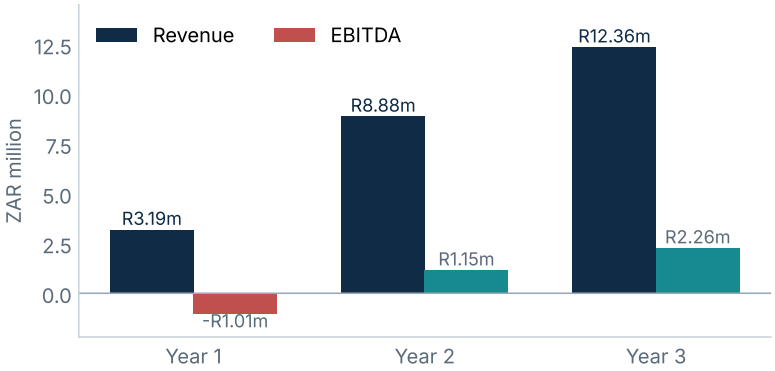
How the numbers grow

Retail is the biggest channel. Offices grow fastest because cooler bottles are bought every week.

Revenue by customer group ASSUMPTIONS



Revenue and EBITDA ASSUMPTIONS



Key assumptions behind the model

Assumption	Value used
Paying customers (end of month 6 / 12 / 24 / 36)	40 / 100 / 140 / 180 (month 12: 50 retail, 15 gyms, 35 offices)
Sales per customer per month (Year-1 prices)	Retailers R7,500; Gyms R5,500; Offices R3,500
Average selling price per litre (all formats)	About R8.35 in Year 1 (mix of 500ml, 1.5L and 18.9L)
Gross margin	42% in Year 1, improving to 47% as the line runs fuller
Price increases	5% a year, in line with general inflation
Customer payment terms	30 days for retailers and offices; gyms pay on delivery

SECTION 9

Funding ask

We are raising R3.5 million in equity to build capacity and launch the brand.

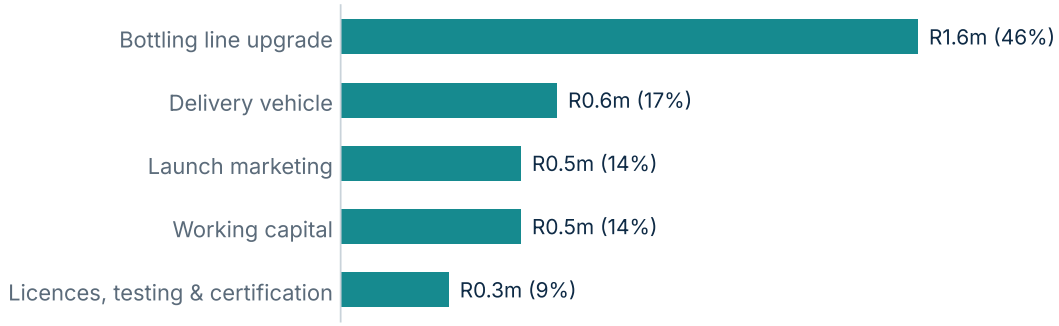
R3.5m
Investment sought

20%
Shareholding offered

R0.5m
Founder's own contribution

ALL TERMS ARE ILLUSTRATIVE ASSUMPTIONS for this fictional sample.

How the money will be used



Milestones the money unlocks

By	Milestone
Month 3	Upgraded line installed and certified; first batches released
Month 6	40 paying customers across all three groups
Month 10	Monthly break-even (EBITDA)
Month 12	100 customers (50 retail, 15 gyms, 35 offices); monthly sales of about R0.58m
Year 3	R12.36m revenue; 180 customers; listed with at least one regional grocery buyer

What investors get

- Quarterly reports with sales, margins and cash.
- A board seat for the lead investor.
- A clear plan for a second line or a regional expansion in Year 4.

SECTION 10

Risks, assumptions and sources

Main risks and how we manage them

Risk	What we will do
Price war from big brands	Focus on service and local accounts, not lowest price.
Contamination or quality failure	Daily testing, batch release only after tests pass, product recall plan.
Load-shedding or power cuts	Generator and solar back-up included in operating costs.
Rising PET and fuel costs	Quarterly supplier contracts, two suppliers, efficient delivery routes.
Slow customer uptake	Start lean, track sales weekly and delay hiring if targets slip.

About the numbers in this plan

- **Hilltop Spring Water is fictional.** Its team, prices, volumes and financials are illustrative assumptions.
- **Illustrative sample. Page count is not a package promise.**
- **Market and water-quality figures** come from the public sources below. Competitor prices were read from retailer websites on 3 November 2026 and change often.

Sources

- Vyansa Intelligence (2025): https://www.vyansaintelligence.com/industry-report/south-africa-bottled-water-market-analysis
- IMARC Group (2025): https://www.imarcgroup.com/south-africa-bottled-water-market
- Research and Markets (2026 forecast): https://www.researchandmarkets.com/reports/5952712/south-africa-bottled-water-market-strategic
- Reports Insights (2025): https://www.reportsinsights.com/quants/research/bottled-water-market/south-africa
- DWS 2023 Blue Drop Report statement: https://www.gov.za/news/media-statements/water-and-sanitation-releases-2023-full-blue-drop-report-05-dec-2023
- DWS Blue Drop 2023 KZN Report: https://ws.dws.gov.za/IRIS/releases/BD_2023_KZN_Report.pdf
- SANBWA, Bottled Water Myths (BMI Research volume): https://www.sanbwa.org.za/bottled-water-myths.html
- Technavio (2.7% CAGR 2025–2030): https://www.technavio.com/report/south-africa-bottled-water-market-analysis
- Petco, EPR for producers: https://petco.co.za/producers/
- Valpré price: https://www.shoprite.co.za/All-Departments/Drinks/Bottled-Water/Valpr%C3%A9-Still-Spring-Water-500ml/p/10130000EA
- Woolworths (own brand) price: https://www.woolworths.co.za/prod/_/A-20088859
- Bonaqua price: https://www.pricecheck.co.za/offers/237463853/Bonaqua+Still+Water+Bottle+500ML
- Tsitsikamma Crystal price: https://www.mrd.com/delivery/groceries/products/110764_EA/tsitsikamma-crystal-still-spring-water-500ml
- Thirsti price: https://www.pricecheck.co.za/offers/187633249/Thirsti+Still+Water+500ML
- La Vie de Luc price: https://laviedeluc.co.za/products/la-vie-de-luc-24-x-500ml-still
- Aquabella price: https://liquor.co.za/products/aqua-bella-24×500ml-still-pet