

BUSINESS PLAN

FOR

**MANUFACTURING AND SALES OF
SOFT DRINKS AND MINERAL WATER**

Prepared By:

ZHONGXING INDUSTRIAL COMPANY LIMITED

P.O.BOX 25630

DARES SALAAM

TANZANIA

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

1. EXECUTIVE SUMMARY

Company & Project Concept:

ZHONGXING INDUSTRIAL COMPANY LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated on 6th March, 2025 and bears Certificate of Incorporation No. 182943363.

ZHONGXING INDUSTRIAL COMPANY LIMITED will be located in Miwaleni Ward, Kibaha District, Pwani Region.

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable and ethical company, building relationships with customers, suppliers and investors.

Company Goals and Objectives:

In Summary ZHONGXING INDUSTRIAL COMPANY LIMITED aims to;

- ❖ Establishing market presence,
- ❖ Achieving profitability.
- ❖ Ensuring sustainable growth.
- ❖ Optimize production processes to minimize costs and maximize output.
- ❖ Establish reliable sourcing of raw materials and efficient distribution networks.
- ❖ Attract new customers and retain existing ones through effective marketing and customer service.
- ❖ Secure a specific percentage of the target market for both soft drinks and mineral water
- ❖ Establish a clear organizational structure with well-defined roles and responsibilities.
- ❖ Foster a culture of continuous improvement and innovation
- ❖ Achieve a satisfactory return on investment for shareholders
- ❖ Achieve a specific level of profitability within a defined time frame.
- ❖ Implement strict quality control measures to ensure product safety and consistency.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

Purpose of Business Plan

This document is prepared to serve the purpose as a Pre-feasibility study report for ZHONGXING INDUSTRIAL COMPANY LIMITED for investment in Manufacturing sector in Iringa Region. But also, the Pre-feasibility study report shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will comprise the following activities: -

- ❖ Establishing market presence,
- ❖ Achieving profitability.
- ❖ Ensuring sustainable growth.
- ❖ Optimize production processes to minimize costs and maximize output.
- ❖ Establish reliable sourcing of raw materials and efficient distribution networks.
- ❖ Attract new customers and retain existing ones through effective marketing and customer service.
- ❖ Secure a specific percentage of the target market for both soft drinks and mineral water
- ❖ Establish a clear organizational structure with well-defined roles and responsibilities.
- ❖ Foster a culture of continuous improvement and innovation
- ❖ Achieve a satisfactory return on investment for shareholders
- ❖ Achieve a specific level of profitability within a defined time frame.
- ❖ Implement strict quality control measures to ensure product safety and consistency.

2. THE PROJECT PROMOTERS

The project will be managed and operated by ZHONGXING INDUSTRIAL COMPANY LIMITED which is owned by Chinese nationals from China with the following share distribution.

NAME	NATIONALITY	SHARES%
F	O	
SHAREHOLDERS		
YE NAIHUI	CHINESE	61
LI WEICAI	CHINESE	15
WU WENJIE	CHINESE	15
ZHOU XUEYUN	CHINESE	9

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

Company Legality:

The legal certificates and documents such as Memorandum and Articles of Association, Certificate of Incorporation, Tax Identification Number. Justify that ZHONGXING INDUSTRIAL COMPANY LIMITED is operating within the ambit of the law of the Land.

Investment Structure:

The project is estimated to cost \$500,000 the money covers building structures but also allocated fund include investment in, building structure, Machineries and Equipment, furniture and fittings, pre-expenses and working Capital. The equity contributed by the shareholders is \$500,000 equivalent to 100%. However, a financial policy of the Company state that the profits generated will be re-invested.

-

Forecasted financial Information, Financial information of ZHONGXING INDUSTRIAL COMPANY LIMITED is projected within three years. The company projected profit and loss account show a respectable turnover (for refence you shall see on the last page).

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

Purpose Of the Project:

This document is prepared to the serve the purpose as a feasibility study for ZHONGXING INDUSTRIAL COMPANY LIMITED for establishment of the Manufacturing Company. The implementation of the project will compromise of the following: -

- ❖ Procurements and installation Machineries and Equipment for this project.
- ❖ To carry on the business of production, processing and manufacturing of soft drinks.
- ❖ Manufacturing of mineral water.
- ❖ Establish reliable sourcing of raw materials and efficient distribution networks.
- ❖ Attract new customers and retain existing ones through effective marketing and customer service.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

Summary of Expected Results;

At the end, the project is expected to achieve the following: -

- Import modern machine in warehouses to accommodate manufacturing process and introduce new technology in Tanzania
- Increase 20 direct employment opportunities.
- Increase tax contributed to the government
- Generate foreign currency.

3. BUSINESS DESCRIPTION

ZHONGXING INDUSTRIAL COMPANY LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 6th March, 2025 and bears Certificate of Incorporate # 182943363. Company implements project which is under Manufacturing sector.

3.1.1. Legal Status

Legal certificates and documents such as Memorandum and Article of Association certificate of incorporation, business license, Tax Identification Number, and value added Tax certificates Justify that ZHONGXING INDUSTRIAL COMPANY LIMITED is operating within the ambit of the law of the Land.

3.1.2. Mission and Vision

The company vision is to be one of the leading companies in Manufacturing Industry.

The current mission of the company is to penetrate the markets within the Manufacturing sector, particularly plastics in Tanzania. The company can achieve this through;

- Establishing sustainable business relationship all business sectors in Tanzania.
- Proper and reasonable remuneration of the personnel
- Continuing networking with our esteemed clients.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

3.1.3. The project promoters

The project will be managed and operated by ZHONGXING INDUSTRIAL COMPANY LIMITED. Current shareholding status is hereby shown below;

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
YE NAIHUI	CHINESE	61
LIN WEICAI	CHINESE	15
WU WENJIE	CHINESE	15
ZHOU XUEYUN	CHINESE	9

3.1.4 Operations

The project will be managed and operated by ZHONGXING INDUSTRIAL COMPANY LIMITED. The Company is finalizing acquisition of operation permits and Tax exemption clearance for machineries and equipment to start the implementation of the project. Management will establish sound operating guidelines to conduct the day-to-day operations of this project.

3.1.5 Project Location

The project shall be implemented at constructed warehouses, administration block which will be spacious to accommodate project of this nature. The project shall be located in IRINGA-TANZANIA

3.1.6 Postal Address

ZHONGXING INDUSTRIAL COMPANY LIMITED
P. O. BOX 25630
DAR ES SALAAM, TANZANIA

4. CORE ACTIVITIES OF THE COMPANY

ZHONGXING INDUSTRIAL COMPANY LIMITED will be dealing with establishing and operating the following facilities;

4.1.1. Landscaping of the Area for Investment

In the first phase of the implementation of this project, the Company shall lease a warehouse, import machines, spare parts and equipment.

4.1.2. Installation of Machines.

In this stage the company shall install machines and equipment imported from China.

5. MANUFACTURING INDUSTRY

5.1 MANUFACTURING INDUSTRY IN TANZANIA.

The manufacturing industry in Tanzania is a central pillar of the country's economic development strategy. It involves the transformation of raw materials into finished or semi-finished goods across various sub-sectors including food and beverages, textiles, chemicals, building materials, and metal products. The sector is recognized as a key driver for industrialization, job creation, and economic diversification under Tanzania's **Development Vision 2025** and the **Second Five-Year Development Plan (FYDP II)**.

Tanzania's manufacturing sector is diverse, with the following prominent sub-industries:

- **Agro-processing:** Processing of food products such as sugar, oil, flour, and beverages.
- **Textiles and Garments:** Production of cotton yarns, fabrics, and clothing.
- **Chemicals and Pharmaceuticals:** Fertilizers, plastics, soap, paints, and basic drugs.
- **Building Materials:** Cement, bricks, tiles, and steel-based construction inputs.
- **Metals and Metal Products:** Production of iron and steel goods, aluminum products, fabrication works.
- **Furniture and Wood Products:** Saw milling, furniture making, and panel boards.

The manufacturing industry in Tanzania is pivotal to achieving sustainable economic growth and industrialization. While challenges remain, ongoing policy reforms, regional trade integration, and rising domestic demand position the sector for continued growth. Strategic investments in infrastructure, skills development, and innovation will be critical to realizing its full potential.

5.2 IMPORTANCE OF MANUFACTURING INDUSTRY IN TANZANIA.

The manufacturing industry in Tanzania is a central pillar of the country's economic development strategy. It involves the transformation of raw materials into finished or semi-finished goods across various sub-sectors including food and beverages, textiles, chemicals, building materials, Plastic materials and metal products. The sector is recognized as a key driver for industrialization, job creation, and economic diversification under Tanzania's **Development Vision 2025** and the **Second Five-Year Development Plan (FYDP II)**.

Importance of the Manufacturing Industry in Tanzania.

- **Economic Growth**, Manufacturing boosts a country's Gross Domestic Product (GDP) by creating value-added products. It drives economic diversification, reducing reliance on agriculture or raw material exports.
- **Employment Creation**, The sector provides mass employment opportunities across skill levels—ranging from factory workers to engineers and managers. It also supports **indirect jobs** in transport, logistics, packaging, and services.
- **Export Development**, Manufactured goods often have a higher export value than raw materials. Developing a strong manufacturing base allows a country to become competitive in regional and international markets.
- **Import Substitution**, Local manufacturing reduces the need to import finished goods, saving foreign currency and improving the trade balance. It encourages self-reliance and builds local capacity.
- **Value Addition**, Manufacturing adds value to raw materials (e.g., turning cotton into garments or maize into flour). This increases income and profits within the country compared to exporting raw materials.
- **Infrastructure Development**, Manufacturing encourages the development of related infrastructure such as:
 - Roads and ports
 - Power generation
 - Industrial zones and water supply systems
- **Technology Transfer and Innovation**, the industry promotes technology adoption, skills upgrading, and innovation through machinery use and technical training. It attracts **foreign direct investment (FDI)**, which often comes with new technologies and expertise.
- **Stimulates Other Sectors**, Manufacturing supports and is supported by other sectors: Agriculture (via agro-processing), Construction (steel, cement), Mining (metal refining) Energy (generation and equipment)
- **Government Revenue**, Taxes from manufacturing companies (corporate tax, VAT, import duties) are a significant source of government revenue. This revenue can be reinvested into public services like health, education, and infrastructure.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

5.3 PROJECT JUSTIFICATION

The proposed project is under management of ZHONGXING INDUSTRIAL COMPANY LIMITED is in line with Tanzania Government efforts in accordance to support investment. This has also been noted of recent drive of attracting investors in Tanzania in order to maximize annual earnings from investment and also compete effectively with regional competitors. This also has been complemented by following measures

The government is making a critical review of all existing laws and regulations, taxation and policies with ultimate aim of improving and creating conducive environment for private sector Investment.

5.4 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The proposed project will result into the following social and economic impacts:

- Improvement of the Manufacturing industry (Soft Drinks and Mineral Water) in Tanzania
- Increased competitiveness among the Manufacturing industry in Tanzania
- The project will provide employment for more than 20 people
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

6. OPPORTUNITY DRIVERS

6.1 Uniqueness location of the project

Iringa Region in Tanzania offers unique advantages for the manufacturing and sale of soft drinks and mineral water. Its cool climate and abundant natural springs provide high-quality water, essential for beverage production. The region's strategic location along major transport routes connecting to Zambia and Malawi facilitates efficient distribution. Additionally, Iringa's growing population and tourism industry create a steady demand for bottled drinks. With supportive local policies and availability of agricultural raw materials like fruits, Iringa presents a promising environment for soft drink and mineral water ventures.

6.2 Government Policy

The Tanzanian government has implemented several policies and initiatives to promote the development of the Manufacturing industry, aiming to enhance economic growth, job creation, and sustainable resource management.

7. MARKETING INFORMATION

7.1 Marketing Strategy

7.1.1 Overview

The success of ZHONGXING INDUSTRIAL COMPANY LIMITED will be achieved by providing high tech products, providing friendly service and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just products and services to make a ZHONGXING INDUSTRIAL COMPANY LIMITED successful. ZHONGXING INDUSTRIAL COMPANY LIMITED will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

Management will endeavor to create and maintain a positive, appealing image for the customers. This image will be consistently portrayed throughout all marketing channels and sales promotions.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

The management team of ZHONGXING INDUSTRIAL COMPANY LIMITED planned to be constituted by the following management team: -

7.1.2 Board of Directors

ZHONGXING INDUSTRIAL COMPANY LIMITED be managed by the board of Directors which is the apex body for strategic decision making of the project. Directors of the Company are the ones who having shares in ZHONGXING INDUSTRIAL COMPANY LIMITED, The Company which shall manage this project.

7.1.2 General Manager

Immediate after Board of Director they shall be a General Manager who will be responsible to take care of mater pertaining operation and managing daily activities of the project as well as other staffs' welfares and report them to the board of directors.

7.1.3 Production Manager

Production Manager will be employed who expected to have an extensive background in the Plastics Manufacturing Industry. As the production Manager will be directly responsible for all processing functions including processing of Plastics and related products.

Under production manager there shall be reasonable number of technical staffs who will be involved in daily processing within this project.

7.1.4 Accountant/cash

An accountant will be employed who expected to have good experience in accounting system as well as he will be responsible in managing cash of ZHONGXING INDUSTRIAL COMPANY LIMITED but also keeping books of accounts properly.

7.1.5 Management Agreements

Management Agreements will be executed between ZHONGXING INDUSTRIAL COMPANY LIMITED and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

7.1.6 Confidentiality Agreements

ZHONGXING INDUSTRIAL COMPANY LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our products, operating systems, policies and procedures. Having confidentiality agreement in place is essential to protect the company's trade secrets, and show our employees that we take our business seriously.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

8. CONCLUSION

- Revenue will be contributed to the Government through various taxes.
- The project will offer continuous direct employment to almost 20 people and create other indirect employment to other people.

The company looks technically feasible and financially viable. It is therefore recommended that the project be supported.

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

ZHONGXING INDUSTRIAL COMPANY LIMITED
INVESTMENT COST PLAN

<i>COST INVESTMENT STRUCTURE</i>	\$
Current assets	
Working capital	100,000
Opening inventory	96,000
Other	5,000
Property and equipment	
Land	100,000
Building	70,000
Equipment	20,000
Furniture and fixtures	6,000
Plant/Machines	90,000
Motor Vehicles	10,000
Other _____	3,000
Total assets	500,000

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

ZHONGXING INDUSTRIAL COMPANY LIMITED

FINANCIAL PROJECTION SUMMARY FROM 2025 TO 2028

**PROJECTED STATEMENT OF FINANCIAL POSITION FOR 3 YEARS FROM 2025 -
2028**

DETAILS	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD
ASSETS				
NON-CURRENT ASSETS				
PPE	85,000	86,000	89,000	90,000
TOTAL NON-CURRENT ASSET	85,000	86,000	89,000	90,000
CURRENT ASSET				
Inventory	350,989	356,000	299,690	370,000
Trade Receivables	54,000	54,000	106,800	57,500
Working Capital	130,000	130,000	130,000	130,000
Cash and Cash Equivalent	25,600	25,800	26,900	27,000
TOTAL CURRENT ASSET	560,589	565,800	563,390	584,500
TOTAL ASSETS	645,589	651,800	652,390	674,500
EQUITY AND LIABILITIES				
EQUITY				
Share Capital	280,000	280,000	280,000	280,000
Retained Earnings	91,455	92,100	93,000	126,800
TOTAL EQUITY	371,455	372,100	373,000	406,800
LIABILITIES				
Trade Payables	145,589	148,260	146,900	133,900
Other Payables	128,545	131,440	132,490	133,800
TOTAL LIABILITIES	274,134	279,700	279,390	267,700
TOTAL EQUITY AND LIABILITIES	645,589	651,800	652,390	674,500

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA

ZHONGXING INDUSTRIAL COMPANY LIMITED

FINANCIAL PROJECTION SUMMARY FROM
2025 TO 2028

PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME FOR
3 YEARS

DETAILS	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD
SALES	880,000	898,000	986,000	900,000
TOTAL INFLOW	880,000	898,000	986,700	900,000
COST OF SALES				
Opening Inventory	330,260	350,689	356,000	299,990
Add: Production Cost	498,000	499,000	496,000	495,000
Less: Closing Inventory	-350,689	-356,000	-299,990	-370,000
	477,571	493,689	552,010	424,990
GROSS PROFIT	402,429	404,311	434,690	475,010
OPERATING EXPENSES				
Adminstration Expenses	90,400	90,500	90,600	100,000
Sales and Distribution Expenses	92,300	90,200	90,300	102,000
Finance Cost	92,300	90,400	90,500	90,900
Depreciation Expense	8,000	8,000	8,000	8,000
-	0	0	0	0
TOTAL OPERATING EXPENSES	283,000	279,100	279,400	300,900
PROFIT FOR THE YEAR	119,429	125,211	155,290	174,110

ZHONGXING INDUSTRIAL COMPANY LIMITED
P.O.BOX 25630
DAR ES SALAAM, TANZANIA