

Fujian New Bridge Industry TZ Company



FUJIAN NEWBRIDGE

BUSINESS PLAN

**IMPORT RAW MATERIALS AND MAKING/
PRODUCE PRODUCTS THEN SALE**

DECEMBER, 2021

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1. THE COMPANY OVERVIEW

The Company consists of business as manufacturers, general traders, importers, exporters, distributors, storers, buyers, sellers of all kinds of Welding electrodes. The company will also establish workshops for training of welding electrodes production equipment, handling and safety measures, hire of production equipment, vehicles labour and general advisory services and other activities as described in the Memorandum of Association of the Company.

The total investment in the importation of raw materials, production/making of welding electrodes then sale is expected to be at least USD. 1,000,000.

This company is projected to grow at 4.2 percent annual growth within 2022 and 2024. It is important to state that the Company is well committed into the business.

Over and above, the making and/ production of the welding electrodes is a profitable industry and it is open for any aspiring entrepreneur to come in and establish business.

2. EXECUTIVE SUMMARY

Fujian New Bridge Industry TZ Company Limited is a Tanzanian registered company objectively to import and sale building materials in Tanzania. The Company will import raw materials and make/ produce products known as welding electrodes then sale.

DIRECTORS of Fujian New Bridge Industry TZ Company are;

Mr. Xueju Li,
Mr. Baoyin Chen,
Mr. Shengshou Jiang, and
Mr. Zhihao Xu.

We were able to survey Dar es Salaam city and Tanzania regions and have discovered that welding electrodes are highly demanded as people have emerged to develop modern structures and constructions using modern designs. Dar es Salaam city, upcountry regions and neighbor countries demands the large quantity of the building and construction materials especially the welding electrodes. Our company has been able to obtain land, facilities, and equipment enough that fit into the design of the warehouses and other storage places at our business location which is in Pwani region, Mkuranga District, Tambani Ward at Mwanambaya Street.

We are aware that there are several building construction materials' companies and stores all around Dar es Salaam, which is why we spent time and resources to conduct a thorough feasibility studies and market survey so as to be well positioned to favorably compete with all our competitors. We have an online service option for our customers, and our outlet is well secured with the various payment options.

The Company will ensure that all our customers are given first class treatment whenever they visit our company, building material warehouse or store. We will maintain a one on one relationship with our customers no matter how large they are. We will ensure that we get our customers involved in the selection of brands need to be imported and that will be on our warehouse and store and also when making some business decisions.

We plan to use superior customer attention, great product selection, and reasonable prices to capitalize on this promising opportunity. A location is being secured that offers excellent traffic and environmental friendliness. The Company's management team as well has a wealth of business, financial and mechanical experience that ensure a great investment and the overall success of the venture.

The projected growth rate for the Company is quiet stead and has the potential to grow exponentially along with the increase in development of people and country's economy generally.

We will at all times demonstrate commitment to sustainability, both individually and as a company, by actively participating in the communities and integrating sustainable business practices wherever possible.

3. OBJECTIVE OF THE COMPANY

The Objectives of the Fujian New Bridge Industry TZ Company includes importing raw materials, making and/or producing products then sale.

THE COMPANY'S MAJOR FUNCTIONS include the following;

- (a) Importation of raw materials known as Hot rolled steel wire rods (non-alloy) or wire rods.
- (b) Production and/or making of products namely Welding Electrodes code number J38.12/E6013, SIZE 2.5 x 300mm 17gm per piece, size 3.2 x 350mm, 300mm length, 2.5 x 300mm 2.5kgs per carton, 3.2 x 350mm 5kgs per carton branded FUJIAN NEW BRIDGE.

THE MACHINES FOR MAKING WELDING ELECTRODES include the following;

- (i) Furnace Body.
- (ii) Butt Welding Machine.
- (iii) Wire Feeder Machine.
- (iv) Wire Drawing Machine.
- (v) Graining Machine.
- (vi) Cutting Machine
- (vii) Packing Machine.
- (viii) Peeling Machine.
- (ix) Husking Machine.
- (x) Heat Shrink Machine
- (xi) ...and other machines.

THE CHEMICALS TO BE USED IN THE PRODUCTION PROCESS include the following;

1. Welding Electrode Powder.
2. Potassium Silicate Liquid.
3. Wire Drawing Powder.

THE PROCESS OF MAKING/ PRODUCING THE WELDING ELECTRODES include the following;

Forming the Wire

The wire starts as an uneven roll of metal wire. The type of wire is usually stainless steel, but it depends on the electrodes that is being made. The wire may be heat treated to increase its ductility. A metal forming machine will then pull the wire through drawing dies and shape the wire until it is uniform and completely straight at a set diameter.

Cutting the wire

The straight metal wire is then guided by metal rollers into a cutting device that chops the wire into equal segments. The length of these segments will vary depending on the type of electrode being produced, but will usually be approximately 12 inches. These are equal pieces of wire will soon become the core of the electrode.

Making the coating

A dry mixture of elements must then be created to coat the metal wire and act as a flux. The mixture can contain nickel, manganese, iron, aluminum, titanium dioxide, mica and limestone. A coloring agent will be added to help differentiate between different type of electrode. Potassium silicate is then added to the mixture to wet the mixture and act as a bonding agent.

Adding the coating

The wet mixture is loaded manually into hydraulic extrusion press. This will apply 120 tonnes of pressure to form briquettes. The wires are then fed into the extrusion press by rollers and coated by the flux mixture. The wires go through one at a time but at an extremely fast rate of up to 1000/minute.

Sanding the electrodes

The wire emerges fully coated, but it needs sanding before it can be used. The bottom couple of inches of flux is sanded away to create a piece of bare wire that can be gripped and the tip is beveled to help better create arc.

Inspecting the electrodes

Workers will manually check the electrodes to ensure the coating is consistent and they appear as they should. Electrodes that fail manual review will be stripped on their flux and the wire will go back into the machine to try again.

Heating the electrodes

Once the electrodes have been quality checked, they are loaded into an oven to reduce moisture. The aim is to reduce moisture content to maximum 4% can take up to 5hours at over 900 degrees Fahrenheit.

Grading the electrodes

Once the electrodes have cooled, they are fed through a printing press where the welding rod number and model are printed in addition to a colored strip to identify the type of electrode it is.

Packing

Once all is done they can be packaged and sent for delivery and distribution.

4. OUR PRODUCTS AND SERVICES

Fujian New Bridge Industry TZ Company will be involved in the importation of raw materials mentioned above for making and/ or producing and selling of Welding Electrodes number J38.12/E6013, SIZE 2.5 x 300mm 17gm per piece, size 3.2 x 350mm, 300mm length, 2.5 x 300mm 2.5kgs per carton, 3.2 x 350mm 5kgs per carton branded FUJIAN NEW BRIDGE so as to service a wide range of clients and of course to make profits. The Company will ensure that it go all the way to make available a wide range of Welding Electrodes similar quality from top manufacturing brands in China and other countries of the world.

We will do all that is permitted by the laws of Tanzania to achieve our aim and ambition of starting the business.

5. OUR MISSION AND VISION STATEMENT

Our **vision** is to become the best Company in importation of raw materials known as Hot rolled steel wire rods (non-alloy) or wire rods and making/producing products called welding electrodes then sale in Tanzania.

Our **mission** is to establish a world – class Welding Electrodes production business that will make available a wide range of welding electrodes at least similar with top manufacturing brands at affordable prices to the residents of Dar es Salaam City, regions of Tanzania and other key cities in the Africa where we intend opening of chains of building materials supply Companies.

6. OUR BUSINESS STRUCTURE

Fujian New Bridge Industry TZ Company do not intend to start an importation of raw materials and making/ producing welding electrodes and then sale including building materials on a small scale; our intention of starting importation of raw materials and production of welding electrodes business is to build a standard and one stop store in Dar es Salaam City – Tanzania.

We will ensure that we put the right structures in place that will support the kind of growth that we have in mind while setting up the business. We will ensure that we hire people that are qualified, honest, customer centric and are ready to work to help us build a prosperous business that will benefit all our stake holders.

As a matter of fact, profit-sharing arrangement will be made available to all our senior management staff and it will be based on their performance for a period of ten years or more. In view of that, we have decided to hire qualified and competent hands to occupy the following positions;

- Chief Executive Officer (Owner)
- Store Manager
- Human Resources and Amin Manager
- Merchandize Manager
- Sales and Marketing Manager
- Information Technologist
- Accountants/Cashiers
- Customer Services Executive
- Truck and Van Drivers

7. JOB ROLES AND RESPONSIBILITIES

CHIEF EXECUTIVE OFFICER – CEO:

- Increases management's effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; communicating values, strategies, and objectives; assigning accountabilities; planning, monitoring, and appraising job results; developing incentives; developing a climate for offering information and opinions; providing educational opportunities.
- Creates, communicates, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Responsible for fixing prices and signing business deals.
- Responsible for providing direction for the business.
- Responsible for signing checks and documents on behalf of the company.
- Evaluates the success of the organization.

ADMIN AND HR MANAGER

- Responsible for overseeing the smooth running of HR and administrative tasks for the organization.
- Ensures operation of equipment by completing preventive maintenance requirements; calling for repairs.
- Defines job positions for recruitment and managing interviewing process.
- Carries out induction for new team members.
- Responsible for training, evaluation and assessment of employees.
- Responsible for arranging travel, meetings and appointments.
- Oversees the smooth running of the daily office activities.

WAREHOUSE MANAGER:

- Responsible for managing the daily activities in the warehouse.
- Ensures that proper records of building materials are kept and warehouse does not run out of products.
- Ensures that the warehouse facility is in tip top shape and goods are properly arranged and easy to locate.
- Interfaces with building material manufacturers.
- Controls building material distribution and supply inventory.
- Supervises the workforce in the building material sales floor.

MERCHANDISE MANAGER

- Manages vendor relations, market visits, and the ongoing education and development of the organizations' buying teams.
- Helps to ensure quality building materials are purchased and retailed in good price that will ensure we make good profit.
- Responsible for the purchase of building materials for the organizations.

SALES AND MARKETING MANAGER

- Manages external research and coordinate all the internal sources of information to retain the organizations' best customers and attract new ones.
- Models demographic information and analyze the volumes of transactional data generated by customer purchases.
- Identifies, prioritizes, and reaches out to new partners, and business opportunities et al.
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients.
- Develops, executes and evaluates new plans for increasing sales.
- Documents all customer contact and information.
- Represents the company in strategic meetings.
- Helps to increase sales and growth for the company.

INFORMATION TECHNOLOGIST

- Manages the organization website.
- Handles ecommerce aspect of the business.
- Responsible for installing and maintenance of computer software and hardware for the organization.
- Manages logistics and supply chain software, Web servers, e-commerce software and POS systems.
- Manages the organization's CCTV.
- Handles any other technological and IT related duties.

ACCOUNTANT/CASHIER:

- Responsible for preparing financial reports, budgets, and financial statements for the organization.
- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex

proposed projects; conducts market research to forecast trends and business conditions.

- Responsible for financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting.
- Responsible for developing and managing financial systems and policies.
- Responsible for administering payrolls.
- Ensures compliance with taxation legislation.
- Handles all financial transactions for the organization.
- Serves as internal auditor for the organization.

TRUCK AND VAN DRIVERS

- Assists in loading and unloading goods/building materials.
- Maintains a logbook of their driving activities to ensure compliance with federal regulations governing the rest and work periods for operators.
- Keeps a record of vehicle inspections and make sure the truck is equipped with safety equipment, such as hazardous material placards.
- Inspects vehicles for mechanical and safety issues and performs preventative maintenance.
- Complies with truck driving rules and regulations (size, weight, route designations, parking, break periods etc.) as well as with company policies and procedures.
- Collects and verifies delivery instructions.
- Reports defects, accidents or violations.

CLIENT SERVICE EXECUTIVE

- Ensures that all contacts with clients (e-mail, walk-In center, SMS or phone) provide the client with a personalized customer service experience of the highest level.
- Through interaction with customers on the phone, uses every opportunity to build client's interest in the company's products and services.

- Consistently stays abreast of any new information on the organizations' products, promotional campaigns etc. to ensure accurate and helpful information are supplied to customers when they make inquiries.

8. SWOT ANALYSIS

Our intention of opening company for importing raw materials, making/ producing products and selling of Welding Electrodes in Pwani Region – Tanzania is to test and run the business for a period of 5 to 10 years to know if we will invest more money, expand the business and then open other outlets all over major cities and regions in Africa as whole.

We are quite aware that there are several importers of raw materials, makers of products and sellers of Welding Electrodes all over Pwani and Dar es Salaam City and even in the same location where we intend locating ours, which is why we are following the due process of establishing a business.

We know that if a proper SWOT analysis is conducted for our business, we will be able to position our business to maximize our strength, leverage on the opportunities that will be available to us, mitigate our risks and be well equipped to confront our threats.

Our Company has employed the services of an expert HR and Business Analyst with bias in supply chain business to help us conduct a thorough SWOT analysis and to help us create a Business model that will help us achieve our business goals and objectives.

This is the summary of the SWOT analysis that was conducted for **Fujian New Bridge Industry TZ Company**;

STRENGTH:

Our business is located in the nearby regions with heavy construction and real estate activities and also, we can boast of having good business relationship with top manufacturers in the Welding Electrodes manufacturing industry. The Company is located closer to the main port of Dar es Salaam hence it will reduce transportation costs of the imported materials from the port to the production plant.

WEAKNESS:

A major weakness that may count against us is the fact that we do not have our own Welding Electrodes production plant, we are a new Welding Electrodes supply Company and we don't have the financial capacity to compete with multi – billion dollars building materials supply companies when it comes to supplying building materials at a rock bottom prices.

OPPORTUNITIES:

The fact that we are going to be operating our Welding Electrodes supply company in one of the busiest building material markets in Pwani region which is nearby the Dar es Salaam City, Dar es Salaam provides us with unlimited opportunities to sell our products to a large number of individuals.

We have been able to conduct thorough feasibility studies and market survey and we know what our potential clients will be looking for when they order building materials from us; we are well positioned to take on the opportunities that will come our way.

THREAT:

Just like any other business, one of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing and/ or spending power especially construction and/ or building materials. Another threat that may likely confront us is the arrival of a new building material company in the same location where ours is located. So also, unfavorable government policies may also pose a threat for businesses such as ours.

9. MARKET ANALYSIS

MARKET TRENDS

If you are conversant with the Welding Electrodes and Building Materials Industry, you will quite agree that the changes in disposable income, consumer sentiment, ever changing trends and of course the rates of homeownership are major growth drivers for this industry.

No doubt, a massive rise in consumer confidence has also contributed in helping the industry experience remarkable growth, but uneven performance in these drivers has led to slightly constrained revenue growth.

So also, the rising demand for both building renovations, as a result of increasing disposable income and consumer sentiment will result in revenue growth, but profit margins will stagnate as Welding Electrodes supply companies keep prices low to attract more sales amid growing competition.

A close watch on industry activities reveals that, the retail market for building materials was hit hard by the economic downturn experienced in recent time due to Covid-19 outbreak. As part of marketing strategies, building material supply companies partner with key players in the construction and real estate industry. They are in the best position to offer you building material supply contract.

10. ENVIRONMENTAL IMPACT ASSESSMENT ANALYSIS

LAND USE

The Company is located at the Industrial area, which can be improved considerably to suit requirement of the operations without causing environmental effects at all. It has been clearly assessed that, there is no land uses envisaged that would compete with the proposed operation of the company i.e. importation of raw materials, production/making of Welding Electrodes then sale.

SOCIO-ECONOMIC & HUMAN HEALTH CONDITIONS

The environmental impact assessment on socio-economic and human health condition is low due to the fact that near the Company location there is a very low population density-less than a person per km².

Moreover, the expected production plant is planned to consider protection of environmental pollution and degradation and human health as required by the laws of Tanzania.

11. OUR TARGET MARKET

Our main target is welding electrode consumables market. We have positioned our company to service the residents of Tanzania and every other location where outlets of our welding electrodes supply warehouses will be located all over the Country in the United Republic of Tanzania.

We have conducted our market research and feasibility studies and we have ideas of what our target market would be expecting from us. We are in business to supply a wide range of welding electrodes to the following;

- Automotive and transportation companies,
- Building and Construction companies,
- Marines
- And others

OUR COMPETITIVE ADVANTAGE

A close study of the welding electrode industry reveals that the market has become much more intensely competitive over the last decade. As a matter of fact, you have to be highly creative, customer centric and proactive if you must survive in this industry. We are aware of the stiff competition and we are well prepared to compete with other leading importers and sellers of welding electrodes in Tanzania and throughout the Africa.

Fujian New Bridge Industry Tz Company Limited is launching a standard welding electrodes Centre that will indeed become the preferred choice for key players in the construction industry.

One thing is certain; we will ensure that we have a wide range of welding electrodes code number J38.12/E6013, SIZE 2.5 x 300mm 17gm per piece, size 3.2 x 350mm, 300mm length, 2.5 x 300mm 2.5kgs per carton, 3.2 x 350mm 5kgs per carton branded FUJIAN NEW BRIDGE available in our warehouses at all times. It will be difficult for customers to visit our stores and not see the type of products or materials that they are looking for.

One of our business goals is to make **Fujian New Bridge Industry Tz Company Limited's** welding electrodes Warehouse a one stop welding electrodes shop for customers at all levels. Our excellent customer service culture, online store, various payment options and highly secured facility will serve as a competitive advantage for us.

Lastly, our employees will be well taken care of, and their welfare package will be among the best within our category in the industry meaning that they will be more than willing to build the business with us and help deliver our set goals and achieve all our aims and objectives. We will also give good working conditions and commissions to freelance sales agents that we will recruit from time to time.

12. SALES AND MARKETING STRATEGIES

Fujian New Bridge Industry Tz Company Limited is focused on business to retail a wide range of Welding Electrodes to the businesses and residents of Tanzania. We are in the Welding Electrodes stores industry to maximize profits and we are going to go all the way out to ensure that we achieve our business goals and objectives.

We will among other things generate income by;

- Importing raw materials.
- Making and/ or producing welding electrodes.

13. SALES FORECAST

One thing is certain when it comes to building material companies, if your store is well stocked with various types of Welding Electrodes and centrally positioned, you will always attract customers cum sales and that will sure translate to increase in revenue generation for the business.

We are well positioned to take on the available market in Tanzania and we are quite optimistic that we will meet our set target of generating enough income from the first six months of operation and grow the business and our clientele base.

We have been able to critically examine the Welding Electrodes material stores industry and we have analyzed our chances in the industry and we have been able to come up with the following sales forecast.

The sales projection is based on information gathered on the field and some assumptions that are peculiar to startups in Pwani region and neighbor regions like Dar es Salaam.

- **First Fiscal Year:** 20%
- **Second Fiscal Year:** 30%
- **Third Fiscal Year:** 40%

N.B: This projection was done based on what is obtainable in the industry and with the assumption that there will not be any major economic meltdown and there will not be any major competitor retailing same Welding Electrodes within same location. Please note that the above projection might be lower and at the same time it might be higher.

MARKETING AND SALES STRATEGY

Before choosing a location for **Fujian New Bridge Industry Tz Company Limited**, we conducted a thorough market survey and feasibility studies in order for us to be able to penetrate the available market and become the preferred choice for key players in the construction and building materials.

We have detailed information and data that we were able to utilize to structure our business to attract the number of customers we want to attract per time.

We hired experts who have good understanding of the Welding Electrodes supply warehouse industry to help us develop marketing strategies that will help us achieve our business goal of winning a larger percentage of the available market in Tanzania.

In summary, **Fujian New Bridge Industry Tz Company Limited** will adopt the following sales and marketing approach to win customers over;

- Open our business in a grand style with a party for all.
- Introduce our Welding Electrodes warehouses by sending introductory letters alongside our brochure to construction companies, plumbers, home remodeling companies and other key stake holders in Tanzania.
- Ensure that we have a wide range of Welding Electrodes at all times.
- Make use of attractive hand bills to create awareness and also to give direction to our Welding Electrodes supply store and warehouses.
- Position our signage/flexi banners at strategic places around Dar es Salaam City – Tanzania.
- Create a loyalty plan that will enable us reward our regular customers.
- List our business and products on yellow pages' ads (local directories).
- Leverage on the internet to promote our business.

- Engage in direct marketing and sales.
- Encourage the use of Word of mouth marketing (referrals).

14. PUBLICITY AND ADVERTISING STRATEGY

Despite the fact that our company and business is well located, we will still go ahead to intensify publicity for the business. We are going to explore all available means to promote our business activities.

Fujian New Bridge Industry Tz Company Limited has a long – term plan of opening outlets in various locations all around Tanzania and key cities in Africa which is why we will deliberately build our brand to be well accepted in Tanzania before venturing out.

As a matter of fact, our publicity and advertising strategy is not solely for winning customers over but to effectively communicate our brand. Here are the platforms we intend leveraging on to promote and advertise **Fujian New Bridge Industry Tz Company Limited**;

- Place adverts on community based newspapers, radio and TV stations.
- Encourage the use of word of mouth publicity from our loyal customers.
- Leverage on the internet and social media platforms to promote our business.
- Ensure that we position our banners and billboards in strategic positions all around Dar es Salaam City.
- Distribute our fliers and handbills in target areas in and around our neighborhood.
- Advertise our building material business in our official website and employ strategies that will help us pull traffic to the site.
- Brand all our official cars and trucks and ensure that all our staff members and management staff wear our branded shirt or cap at regular intervals.

15. OUR PRICING STRATEGY

Aside from quality, pricing is one of the key factors that gives leverage to building materials stores, it is normal for consumers to go to places where they can get Welding Electrodes at cheaper price which is why big player in the building material supply stores industry will attract loads of clients.

We know we don't have the capacity to compete with multi – million dollar building material companies but we will ensure that the prices and quality of all the Welding Electrodes that are available in our store are competitive with what is obtainable amongst building material supply stores within our level.

PAYMENT OPTIONS

The payment policy adopted by **Fujian New Bridge Industry Tz Company Limited** is all inclusive because we are quite aware that different customers prefer different payment options but at the same time, we will ensure that we abide by the financial rules and regulation of the United Republic of Tanzania.

Here are the payment options that **Fujian New Bridge Industry Tz Company Limited** will make available to her clients;

- Payment via bank transfer
- Payment with cash
- Payment via credit cards
- Payment via online bank transfer
- Payment via check
- Payment via mobile money transfer
- Payment via bank draft

In view of the above, we have chosen banking platforms that will enable our client make payment for supply of our building materials without any stress on their part. Our bank account numbers will be made available on our website and promotional materials.

16. PROJECTED EXPENDITURE (BUDGET)

Fujian New Bridge Industry Tz Company Limited is a private company that is solely owned and financed by four members;

Shareholders		Number of shares
Mr. Xueju Li	-	2,500
Mr. Baoyin Chen	-	2,500
Mr. Shengshou Jiang	-	2,500
Mr. Zhihao Xu	-	2,500

Total planned investment is USD.1, 000,000.

THE INVESTMENT CAPITAL BREAKDOWN will be as follows;

Investment Breakdown	USD
Land/ Building	50,000
Plant	200,000
Vehicles	100,000
Furniture & Fittings	40,000
Pre-expenses	60,000
Others	50,000
Working Capital	500,000
Total	1,000,000

In setting up any business, the amount or cost will depend on the approach and scale you want to undertake. If you intend to go big by renting / leasing a big facility, then you would need a good amount of capital as you would need to ensure that your employees are well taken care of, and that your facility is conducive enough for workers to be creative and productive.

This means that the start-up can either be low or high depending on your goals, vision and aspirations for your business. The materials and equipment that will be used are nearly the same cost everywhere, and any difference in prices would be minimal and can be overlooked.

As for the detailed cost analysis for starting a building material company business; it might differ in other countries due to the value of their money. These are the key areas where we will spend our start-up capital;

PROJECTED STATEMENTS;

FUJIAN NEW BRIDGE COMPANY LIMITED

PROJECTED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2022, 2023, 2024, 2025 AND 2026

	NOTES	31.12.2022 Tshs	31.12.2023 Tshs	31.12.2024 Tshs	31.12.2025 Tshs	31.12.2026 Tshs
ASSETS						
Non Current Assets						
Property and Equipment	6	81,875,000	61,750,000	52,875,000	58,625,000	34,000,000
Current Assets						
Receivable	7	240,226,230	264,248,853	290,673,738	432,407,214	540,509,017
Inventory		540,509,017	648,610,820	778,332,984	940,485,690	1,143,176,572
Cash and Bank	8	889,202,913	1,723,437,624	2,716,411,061	3,852,724,559	5,385,716,175
Total Current Assets		1,669,938,160	2,636,297,297	3,785,417,783	5,225,617,463	7,069,401,764
Total asset		<u>1,751,813,160</u>	<u>2,698,047,297</u>	<u>3,838,292,783</u>	<u>5,284,242,463</u>	<u>7,103,401,764</u>
EQUITY AND LIABILITIES						
EQUITY						
Issued and paid up share capital:10,000 share@10,000		1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Retained Earnings		692,459,489	1,618,683,654	2,742,007,852	4,162,487,099	5,950,171,659
		1,692,459,489	2,618,683,654	3,742,007,852	5,162,487,099	6,950,171,659
Current Liabilities						
Tax Liability		59,353,671	79,390,643	96,284,931	121,755,364	153,230,105
Payables	10	-	-	-	-	-
Total Liabilities		59,353,671	79,390,643	96,284,931	121,755,364	153,230,105
Total Equity and Liabilities		<u>1,751,813,160</u>	<u>2,698,074,297</u>	<u>3,838,292,783</u>	<u>5,284,242,463</u>	<u>7,103,401,764</u>

Director.....

Date:.....

FUJIAN NEW BRIDGE COMPANY LIMITED
PROJECTED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 2022 ,2023, 2024, 2025 AND 2026

		2022	2023	2024	2025	2026
		Tshs	Tshs	Tshs		
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit (Loss) before tax		989,227,842	1,323,177,378	1,604,748,854	2,029,256,068	2,553,835,085
Add: Depreciation		20,125,000	20,125,000	23,875,000	27,750,000	27,125,000
Profit before changes in Working Capital		<u>1,009,352,842</u>	<u>1,343,302,378</u>	<u>1,628,623,854</u>	<u>2,057,006,068</u>	<u>2,580,960,085</u>
Changes in Working in Capital						
(Increase)/Decrease in receivables		(240,226,230)	(24,022,623)	(26,424,885)	(141,733,476)	(108,101,803)
(Increase)/Decrease in Inventory		(540,509,017)	(108,128,803)	(129,722,164)	(162,152,706)	(202,690,882)
Increase/(Decrease) in payables		-	-	-	-	-
Increase/(Decrease) in accrual		-	-	-	-	-
Cash generated from Operations		<u>(780,735,247)</u>	<u>(132,151,426)</u>	<u>(156,147,049)</u>	<u>(303,886,182)</u>	<u>(310,792,685)</u>
Tax paid		<u>(237,414,682)</u>	<u>(376,916,241)</u>	<u>(464,503,368)</u>	<u>(583,306,388)</u>	<u>(734,675,784)</u>
Net cash flows Used in Operating Activities	A	<u>(8,797,087)</u>	<u>834,234,711</u>	<u>1,007,973,437</u>	<u>1,169,813,498</u>	<u>1,535,491,616</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Acquisition of non current assets		<u>(102,000,000)</u>	<u>-</u>	<u>(15,000,000)</u>	<u>(33,500,000)</u>	<u>(2,500,000)</u>
Net cash used in Investing Activities	B	<u>(102,000,000)</u>	<u>-</u>	<u>(15,000,000)</u>	<u>(33,500,000)</u>	<u>(2,500,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES						
Increase in share capital		-	-	-	-	-
Net Cash from in Financing Activities	C	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash and Cash Equivalents (A+B+C)	(A+B+C)	(110,797,087)	834,234,711	992,973,437	1,136,313,498	1,532,991,616
Cash and Cash Equivalents as at 1st January		<u>1,000,000,000</u>	<u>889,202,913</u>	<u>1,723,437,624</u>	<u>2,716,411,061</u>	<u>3,852,724,559</u>
Cash and Cash Equivalents as at 31st December		<u>889,202,913</u>	<u>1,723,437,624</u>	<u>2,716,411,061</u>	<u>3,852,724,559</u>	<u>5,385,716,175</u>

FUJIAN NEW BRIDGE COMPANY LIMITED
PROJECTED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2022, 2023, 2024, 2025 AND 2026

		2022	2023	2024	2025	2026
		Tshs	Tshs	Tshs	Tshs	Tshs
Revenue	NOTE 2	4,804,524,595	5,765,429,514	6,918,515,417	8,648,144,271	10,810,180,339
Less: Cost of Sales	3	<u>3,699,216,753</u>	<u>4,324,072,136</u>	<u>5,188,886,563</u>	<u>6,486,108,203</u>	<u>8,107,635,254</u>
Gross profit		1,105,307,842	1,441,357,378	1,729,628,854	2,162,036,068	2,702,545,085
Less: General and Administration Cost	4	106,080,000	106,180,000	112,380,000	119,030,000	133,585,000
Finance and other cost	5	<u>10,000,000</u>	<u>12,000,000</u>	<u>12,500,000</u>	<u>13,750,000</u>	<u>15,125,000</u>
Net Profit/(Loss) before tax		989,227,842	1,323,177,378	1,604,748,854	2,029,256,068	2,553,835,085
Tax		<u>296,768,353</u>	<u>396,953,213</u>	<u>481,424,656</u>	<u>608,776,820</u>	<u>766,150,526</u>
Net profit after tax		<u>692,459,489</u>	<u>926,224,165</u>	<u>1,123,324,198</u>	<u>1,420,479,248</u>	<u>1,787,684,560</u>

Director.....

Date:.....

FUJIAN NEW BRIDGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR

NOTES 1.0 ACCOUNTING POLICIES

1.1 BASIC OF ACCOUNTING

The financial statements have been prepared according to International Financial Reporting Standards.

1.2 DEPRECIATION

Depreciation of non current assets is calculated using Straight Line Method to write off the cost of assets over their expected useful lives. The following are the rates applicable,

Furniture and Fittings	12.50%
Office Equipment	25.00%
Computer	25.00%
motor vehicle	20.00%
Motor cycle	12.50%

Full year depreciation is charged in the year of acquisition and non is charged in the year of disposal.

NOTE 2 REVENUE

Sales	4,804,524,595	5,765,429,514	6,918,515,417	8,648,144,271	10,810,180,339
Total	<u>4,804,524,595</u>	<u>5,765,429,514</u>	<u>6,918,515,417</u>	<u>8,648,144,271</u>	<u>10,810,180,339</u>

NOTE 3.0 COST OFSALES

Opening Inventory	-	540,509,017	648,610,820	778,332,984	940,485,690
Add Imported Purchases	3,410,945,277	3,548,139,151	4,254,886,982	5,318,608,728	6,648,260,910
Clearance Fee (Shifting&verification,agency fee,transport,inspection)	621,585,369	665,276,091	797,791,309	997,239,136	1,246,548,920
Wages (Offloading)	<u>207,195,124</u>	<u>221,758,697</u>	<u>265,930,436</u>	<u>332,413,045</u>	<u>415,516,306</u>
Cost of Goods Available for Sale	4,239,725,770	4,975,682,956	5,967,219,547	7,426,593,893	9,250,811,826
Less Closing Inventory	<u>540,509,017</u>	<u>648,610,820</u>	<u>778,332,984</u>	<u>940,485,690</u>	<u>1,143,176,572</u>
Cost of Sales	<u>3,699,216,753</u>	<u>4,327,072,136</u>	<u>5,188,886,563</u>	<u>6,486,108,203</u>	<u>8,107,635,254</u>

NOTE 4.0 GENERAL AND ADMISTRATION COST

Electricity	1,800,000	1,900,000	1,920,000	1,940,000	1,980,000
Water	360,000	390,000	395,000	400,000	450,000
Business Rent	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000
Insurance	1,500,000	1,500,000	1,500,000	1,500,000	1,600,000
Salary and Wages	14,800,000	14,940,000	15,440,000	15,440,000	15,800,000
Skills and Development Levy	500,000	500,000	500,000	500,000	500,000
City Service Levy	15,000,000	15,000,000	15,000,000	16,500,000	17,000,000
Advertisement	3,000,000	4,000,000	4,500,000	4,500,000	5,000,000
Registration BRELA	520,000	-	-	-	-
Office expenses	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Telephone and Internet	650,000	700,000	800,000	850,000	900,000
Accountancy fee	1,000,000	1,200,000	1,250,000	1,300,000	1,350,000
legal fee	1,000,000	1,200,000	1,250,000	1,300,000	1,360,000
Stamp duty	225,000	225,000	250,000	250,000	320,000
Stationery	1,000,000	1,000,000	1,200,000	1,300,000	13,600,000
Fuel	15,600,000	16,000,000	16,500,000	17,000,000	17,500,000
Audit fee	4,000,000	4,000,000	4,500,000	5,000,000	5,600,000
Business license	1,500,000	-	-	-	-
Depreciation	<u>20,125,000</u>	<u>20,125,000</u>	<u>23,875,000</u>	<u>27,750,000</u>	<u>27,125,000</u>
TOTAL	<u>106,080,000</u>	<u>106,180,000</u>	<u>112,380,000</u>	<u>119,030,000</u>	<u>133,585,000</u>

FUJIAN NEW BRIDGE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR

	2022	2023	2024	2025	2026
NOTES 5.0 FINANCE AND OTHER COSTS					
Bank charges	10,000,000	12,000,000	12,500,000	13,750,000	15,125,000
TOTAL	10,000,000	12,000,000	12,500,000	13,750,000	15,125,000

NOTES 6.0 NON CURRENT ASSETS

	FURNITURE & FITTINGS	MOTOR VEHICLE	COMPUTER & PRINTER	OFFICE EQUIPMENT	TOTAL
	Tshs	Tshs	Tshs	Tshs	Tshs
COST					
Balance as at 01.01.2022	-	-	-	-	-
Additions	15,000,000	70,000,000	5,000,000	12,000,000	102,000,000
Balance as at 31.12.2022	15,000,000	70,000,000	5,000,000	12,000,000	102,000,000
COST					
Balance as at 01.01.2023	15,000,000	70,000,000	5,000,000	12,000,000	102,000,000
Additions	-	-	-	-	-
Balance as at 31.12.2023	15,000,000	70,000,000	5,000,000	12,000,000	102,000,000
COST					
Balance as at 01.01.2024	15,000,000	70,000,000	5,000,000	12,000,000	102,000,000
Additions	-	-	-	15,000,000	15,000,000
Balance as at 31.12.2024	15,000,000	70,000,000	5,000,000	27,000,000	117,000,000
COST					
Balance as at 01.01.2025	15,000,000	70,000,000	5,000,000	27,000,000	117,000,000
Additions	-	30,000,000	3,500,000	-	33,500,000
Balance as at 31.12.2025	15,000,000	100,000,000	8,500,000	27,000,000	150,500,000
COST					
Balance as at 01.01.2026	15,000,000	100,000,000	8,500,000	27,000,000	150,500,000
Additions	-	-	2,500,000	-	2,500,000
Balance as at 31.12.2026	15,000,000	100,000,000	11,000,000	27,000,000	153,000,000
DEPRECIATION					
Balance as at 01.01.2022	-	-	-	-	-
Charge	1,875,000	14,000,000	1,250,000	3,000,000	20,125,000
Accumulated at 31.12.2022	1,875,000	14,000,000	1,250,000	3,000,000	20,125,000
NBV as at 31.12.2022	13,125,000	56,000,000	3,750,000	9,000,000	81,875,000
Balance as at 01.01.2023	1,875,000	14,000,000	1,250,000	3,000,000	20,125,000
Charge	1,875,000	14,000,000	1,250,000	3,000,000	20,125,000
Accumulated at 31.12.2023	3,750,000	28,000,000	2,500,000	6,000,000	40,250,000
NBV as at 31.12.2023	11,250,000	42,000,000	2,500,000	6,000,000	61,750,000
Balance as at 01.01.2024	3,750,000	28,000,000	2,500,000	6,000,000	40,250,000
Charge	1,875,000	14,000,000	1,250,000	6,750,000	23,875,000
Accumulated at 31.12.2024	5,625,000	42,000,000	3,750,000	12,750,000	64,125,000
NBV as at 31.12.2024	9,375,000	28,000,000	1,250,000	14,250,000	52,875,000
Balance as at 01.01.2025	5,625,000	42,000,000	3,750,000	12,750,000	64,125,000
Charge	1,875,000	20,000,000	2,125,000	3,750,000	27,750,000
Accumulated at 31.12.2025	7,500,000	62,000,000	5,875,000	16,500,000	91,875,000
NBV as at 31.12.2025	7,500,000	38,000,000	2,625,000	10,500,000	58,625,000
Balance as at 01.01.2026	7,500,000	62,000,000	5,875,000	16,500,000	91,875,000
Charge	1,875,000	20,000,000	1,500,000	3,750,000	27,125,000
Accumulated at 31.12.2026	9,375,000	82,000,000	7,375,000	20,250,000	119,000,000
NBV as at 31.12.2026	5,625,000	18,000,000	3,625,000	6,750,000	34,000,000

	2022 Tshs	2023 Tshs	2024 Tshs	2025 Tshs	2026 Tshs
NOTES 7.0 RECEIVABLES	240,226,230	264,248,853	290,673,738	432,407,214	540,509,017
Total	240,226,230	264,248,853	290,673,738	432,407,214	540,509,017

We would need an estimate/ projection of one USD. 1,000,000 to successfully operate the business of Import and sale of building materials.

17. IMPLEMENTATION STRATEGIES AND TENTATIVE COST ESTIMATES

17.1 INTRODUCTION

The Implementation strategies presented in this part will assist the Company to implement its objective as per the projections in this plan. The weakness and threat issues addressed in part 8 will be turned into real opportunities. The detailed plans, budget and projections of the proposed Investment, form the point of departure to the implementation.

Due to the fact that the resources available for completing this plan are limited and some depends on operational process, a phased strategy for implementing the investment is recommended. Logically, this phased strategy needs priorities assigned to its various components based on a variety of factors such as implementation logistics, construction operations, bid packaging, and cost/ pricing efficiencies. However, the nature of the proposed investment at Mkuranga District, Pwani Region allows phased implementation of the identified investment without significantly affecting the day to day operations of the company.

As implementation of the Business Plan is a process, it will require updates as operations, constructions, productions, products, prices, markets and other similar components are not static. Therefore, it is recommended that the Business Plan be reviewed for minor adjustment as the need arise, yearly in order to ensure progress towards implementation of the investment proposed in this document.

17.2 IMPLEMENTATION PHASES

By phasing the implementation of various components of this Business Plan, the Company will appreciate recognizable activities such as importation of raw materials, making of Welding Electrodes and sale.

Small steps toward the completion of each recommendation can be implemented slowly and carefully over time. Therefore, the phase implementation strategy allows mobilization of resources and identification of short, medium and long term executions. However, phasing in this investment will be influenced by the costs associated with the operations, productions and sale.

IMPORTATION OF RAW MATERIALS, MAKING/PRODUCING PRODUCTS THEN SALE IN PHASE 1 (2022)

This phase covers the annual period of year 2022, the priority of the Company is placed on the Installment of production machines, importation of raw materials, production of Welding Electrodes and then sale. The production machines also can be installed into phases, at least one machine at a time according to the availability of funds so as to balance well costs of operations. As noted earlier, the area proposed for the investment has currently not installed with resources required for the operations. Therefore, installation of the required machines will go hand in hand with building of go-downs and warehouses to facilitate easy movements (in and out) of the products. The Implementation of the production machines should be in this initial stage since its completion is a reduction of storage costs if at all the Company would have opted to begin its operation by leasing bonded-warehouses. Therefore, installation of production machine is important at this stage so as to serve the imported raw materials, produced Welding Electrodes and the expected one for sale.

IMPORTATION OF RAW MATERIALS, MAKING/PRODUCING PRODUCTS THEN SALE PHASE 2 (2023), PHASE 3 (2024), PHASE 4 (2025), PHASE 5 (2026)

Phase two, three, four, and five necessitate massive strengthening of the investment especially by adding resources according to the rhythms of the business industry and commercial statistics. This will include extending importation of raw materials, production and sales of Welding Electrodes to potential clients via every cost-effective approach possible.

Because the turnover is expected to rise by 2023, then the expansion of the facilities, increase number of laborers and the chain of operation is expected to be improved at least 25% above phase one and for all other coming phases as per the projections.

17.3 IMPLEMENTATION MODALITIES

Possible implementation modalities which the Company can apply include the following;

- i) **Build Operate and Hire (BOH):** The Company can build a facility such as a bonded warehouse and go-downs and provide for extra space where other persons can hire for agreed period of time to recover costs quickly.
- ii) **Joint Venture:** The Company can enter into potential joint ventures with investors or other potential development partners implement particular projects.
- iii) **Monitoring and Evaluation:** this will involve stakeholders at different levels including both from the public and private sector. This should be done through participatory monitoring and evaluation based on the notion that people's knowledge is the basis for planning and change. Participatory monitoring and valuation is an inclusive process which bring the sense of ownership hence sustainability development. However, the monitoring and evaluation requires Project Planning and Management skills in order to maximize return on resources, cost saving and time. This will also build capacity of the Company to identify common problem, set priorities, plan for implementation of the proposed investment projects, implement, coordinate and make follow up on the implementation of proposed development activities.
- iv) **Review of the Business Plan:** It is suggested that mid review and Annual Progress Report be prepared and presented to the Company Management and Board about the operations and implementation of the Business Plan in order to understand the implementation status and the emerging challenges. The emerging challenges and limitations may necessitate minor or major review of the Business Plan.