

TNS HOSPITALITY COMPANY LIMITED

TNS HOSPITALITY TOURIST LODGES AND CAMPS

**Alina Towers & Suites - Arusha City | Lake Ndutu Luxury Tented Lodge | Kemarishe
Serengeti Lodge | Serengeti Kuhama Camp | Ngorongoro Kuhama Camp | TNS Ngorongoro
Lodge | Serengeti Makoma Luxury Lodge | Tarangire Silale Luxury Lodge**

Confidentiality Agreement

The undersigned reader acknowledges that the information provided by TNS Hospitality Company Limited in this business plan is confidential; therefore, reader agrees not to disclose it without the express written permission of the company

It is acknowledged by reader that information to be furnished in this business plan is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader, may cause serious harm or damage to our business

Upon request, this document is to be immediately returned to TNS Hospitality Company Limited.

Signature

Name (typed or printed)

Date

This is a business plan. It does not imply an offering of securities.

1.0 Executive Summary	1
1.1 Objectives	2
1.2 Keys to Success	3
1.3 Mission	3
2.0 Company Summary	3
2.1 Company Ownership	3
2.2 Start-up Summary	4
4.0 Market Analysis Summary	4
4.1 Market Segmentation	4
5.0 Strategy and Implementation Summary	5
5.1 Competitive Edge	5
5.2 Marketing Strategy	5
5.3 Sales Strategy	6
5.3.1 Sales Forecast	6
6.0 Web Plan Summary	6
6.1 Website Marketing Strategy	6
6.2 Development Requirements	6
7.0 Management Summary	7
7.1 Personnel Plan	7
7.2 Management Information Systems	7
7.3 Key Management	7
8.0 Financial Plan	7
8.1 Break-even Analysis	7
8.2 Five years Projected Financial Statement-Profit and Loss, Cash flow and Balance Sheet	7

1.0 Executive Summary

Introduction

Offering a unique blend of nature with living for tourists and vacationers, TNS Hospitality Company Limited proudly presents its proposal for establishment and operation of various tourist lodges and camp sites led by the Lake Ndutu Luxury Tented Lodge, the flagship property of the TNS Hospitality portfolio which will include other two luxurious accommodation facilities now under construction in Central Serengeti and one luxurious accommodation facilities now under construction in Ngorongoro Conservation Area.

The long-term goal of TNS Hospitality for temporary lodging, dining, bar and game driving Park by creating a differentiated experience capitalizing on personal service, the historical nature of the Tanzania Northern tourism attraction circuit, and its unique location in one of the most tourist attractive parts of Ngorongoro and Serengeti. We plan to be more than a great lodging, restaurant, bar and RV Park. We plan to create an environment of pampered luxury that surpasses the standard fare. Expanding our exposure via the Internet and introducing the Tanzania Northern Tourist Circuit to people/tourists that have not yet discovered this year-round paradise will allow us to maintain a higher-than-average occupancy rate and above average profits.

Location

The TNS Hospitality tourists accommodation prime properties are located in Arusha City, Ngorongoro and Serengeti National Parks.

The Company

TNS Hospitality is an established tourism hospitality company and has been in operation for the last five years as the main developer and operator of **Lake Ndutu Luxury Tented Lodge** | **Kemarishe Serengeti Lodge** | **Serengeti Kuhama Camp** | **Ngorongoro Kuhama Camp** | **TNS Ngorongoro Lodge** | **Serengeti Makoma Luxury Lodge**

The management of TNS hospitality will operate facilities to be developed as tourists vacation resorts and the lodge will be opened year-round 24 hours a day, 7 days a week.

Our Services

The eight TNS Hospitality facilities located in various tourism destinations in the Northern circuit of Arusha, Ngorongoro and Serengeti, some are already put into operations while others are in the construction stage. Our facilities are beautifully designed tented, hotels, lodge and camps situated in Serengeti National Park and at the Ngorongoro Conservation Area, a prime location for game drives and an ideal stopover to the neighboring Serengeti National Park. The facilities are well appointed sleeping tents with a combination of Family Suites and individual Guest Tents offering a top-notch true African safari experience. Each of our rooms is equipped with two double beds or a queen bed, and rooms with a second bedroom or kitchenette are available. We have a full-service swimming pool, restaurant, a bar with a dance floor that provides live entertainment, and eight RV sites with hook-ups, full-service operated laundry facilities (washing, drying, and optional folding).

As the entire TNS Hospitality facilities become established, we plan to expand our services to the domestic travelers in surrounding Regions in time for the off-season.

The Market

TNS Hospitality's target market strategy is based on becoming a destination choice for the tourists in the Tanzania Northern Tourist Circuit who are looking for a place to relax or recharge. The target markets that we are going to pursue are people or families looking for a vacation destination, honeymooners, family reunions, hunters, and drop-in customers. Our setting and facilities are a natural for people or families to visit, what with the Tanzania Northern Tourist Circuit having so many outdoor things to do.

Our three major customer segments are tourists, hunters from all over the World since this area is known for great hunting and local patrons who need the facilities for various events. Subscriptions to various Web services will provide international exposure to potential customers for nominal annual fees, plus we have a website <https://tnshospitality.co.tz>. The TNS Hospitality would like to see a 10% increase in customers on a yearly basis.

Financial Considerations

TNS Hospitality will be a purely private financing initiative investment whereby project financing will be contributed by the company promoter own equity, cash from on-going project operations and to large extent the loan sourced from various local banks. TNS enjoys cordial relationship with many local banks who are willing to extend hand in supporting fully establishment to the project.

We estimate average monthly fixed costs, including operating expenses and mortgage payment, as presented in the Financial Plan chapter below. Peak and off-season will have significant impact on the monthly earnings. For the first year, on-season revenues will offset off-season losses. As TNS Hospitality builds its market position among the local patrons, we anticipate that off-season revenues will be enough to break even during that season.

Investment Financing Plan in Million US\$

Local Equity/Operation Cash

10,000,000

Local Loan

14,000,000

1	Land and Building	17,000,000
2	Plant	2,000,000
3	Vehicles	
4	Furniture and Fittings	5,000,000
5	Pre-Expenses	
6	Others	
7	Working Capital	
	Total	24,000,000

1.1 Objectives

The objective of the TNS Hospitality for the first three years of operation include:

- Opened the TNS Hospitality "turnkey operation" for the Lake Ndutu, Serengeti Kuhama Camp, Ngorongoro Kuhama Camp Lodge, Kemarishe Serengeti, completed facilities and finalization of the on-going constructions and development for Arusha Town luxury lodge, Ngorongoro Lodge and Serengeti Makoma luxury Lodge.
- Exceeding the customer's expectations for tourists and vacationing accommodations.
- Maintaining a 90% occupancy rate each month.
- Assembling an experience and effective staff.
- To increase the number of clients by 10% each year.
- Increase exposure and market using Internet technology and direct advertising.

- Through incentives and increased exposure on the Internet, we hope to increase off-season occupancy by 30% the first year.
- Increase off-season use by expanding into other uses for property (cater parties, receptions, weddings, etc.).

1.2 Keys to Success

The primary keys to success for the TNS Hospitality will be based on the following factors:

- Provide a facility that is first class with attention to detail.
- Give each guest a sense that he or she is our top priority.
- Provide quality meals.
- Retain our guests to ensure repeat bookings and referrals.

1.3 Mission

The mission of TNS Hospitality is to become the best choice in the Tanzania Northern Tourist Circuit for temporary lodging by expanding our exposure via the Internet (with multiple networks and links), and introducing the area to market segments that have not yet discovered this year-round hunter's dream. We plan to be more than a great TNS Hospitality. We plan to create an environment of conveniences that surpasses the standard fare for East Africa's tourists' accommodation.

The TNS Hospitality guests will have every need met to ensure his/her comfort. For special occasions, catered meals, chilled wine, etc. can be provided for an additional fee. During the weekends, guests will return to the TNS Hospitality in the evening and find a fine restaurant to dine at before turning in.

As the TNS Hospitality becomes established through the peak season, we plan to expand our services to the domestic travelers from the neighboring cities in time for the off-season. The large dining area can convert into a large area, ideal for formal or informal gatherings (i.e. wedding receptions, family reunions, Christmas parties, etc.). The outdoors, with its access to the mountains, opens several additional opportunities. With the capability for a catered reception inside, the TNS Hospitality will make events smooth and easy for the guests. As owners we intend to see that attention to detail and service and good food will be followed by a staff dedicated to each guest.

2.0 Company Summary

TNS Hospitality is an established tourism hospitality company and has been in operation for the last five years as the main developer and operator of **Lake Ndutu Luxury Tented Lodge | Kemarishe Serengeti Lodge | Serengeti Kuhama Camp | Ngorongoro Kuhama Camp | TNS Ngorongoro Lodge | Serengeti Makoma Luxury Lodge**

The management of TNS hospitality will operate facilities to be developed as tourists vacation resorts and the lodge will be opened year-round 24 hours a day, 7 days a week.

2.1 Company Ownership

	Member	Nationality	Stake %
1	Mr. Zuher Hassanali Fazal	Tanzania	50
2	Mr. Gulam Hassanali Fazal	Tanzania	50

2.2 Start-up Summary

TNS Hospitality will be a purely private financing initiative investment whereby project financing will be contributed by the company promoter own equity, cash from on-going project operations and to large extent the loan sourced from various local banks. TNS enjoys cordial relationship with many local banks who are willing to extend hand in supporting fully establishment to the project.

3.0 Services

The eight TNS Hospitality facilities located in various tourism destinations in the Northern circuit of Arusha, Ngorongoro and Serengeti, some are already put into operations while others are in the construction stage. Our facilities are beautifully designed tented, hotels, lodge and camps situated in Serengeti National Park and at the Ngorongoro Conservation Area, a prime location for game drives and an ideal stopover to the neighboring Serengeti National Park. The facilities are well appointed sleeping tents with a combination of Family Suites and individual Guest Tents offering a top- notch true African safari experience. Each of our rooms is equipped with two double beds or a queen bed, and rooms with a second bedroom or kitchenette are available. We have a full-service swimming pool, restaurant, a bar with a dance floor that provides live entertainment, and eight RV sites with hook-ups, full-service operated laundry facilities (washing, drying, and optional folding).

As the entire TNS Hospitality facilities become established, we plan to expand our services to the domestic travelers in surrounding Regions in time for the off-season.

4.0 Market Analysis Summary

The TNS Hospitality's target market strategy is based on becoming a destination choice for families and game driving in the greater Tanzania Northern Tourist Circuit region who are looking for a place to relax or game drive or recharge. The target markets that we are going to pursue are people looking for a vacation or game driving destination, and drop-in customers.

We envision many game driving customers from all over the world, as some do now, coming to stay and hunt in this great Tanzania Northern Tourist Circuit region. The setting and our facilities make the TNS Hospitality a natural destination choice for people. The TNS Hospitality would like to see a 10% increase in customers on a yearly basis.

4.1 Market Segmentation

Our target market strategy is based on becoming a destination for people who are looking to get away for a vacation or an area to hunt in. Our marketing strategy is based on superior performance in the following areas:

- Quality facilities
- Beautiful location
- Customer service

The target markets are separated into three segments; "Vacationers," "Hunters," and "Drop-ins." The primary marketing opportunity is selling to these accessible target market segments by focusing on their vacation and recreational needs.

Vacationers

During the spring and summer months, the TNS Hospitality area is a beautiful wilderness retreat with over 50 hiking trails nearby and other outdoor recreational activities.

Hunters

The TNS Hospitality locale is one of the best hunting areas in Tanzania

5.0 Strategy and Implementation Summary

The primary sales and marketing strategy for the TNS Hospitality includes these factors:

- To offer a tourist hotel, lodge and camp Park facilities that will appeal to the vacationer or hunter.
- To provide unmatched customer service to our guests.
- To concentrate our marketing in the greater Tanzania Northern Tourist Circuit area.

5.1 Competitive Edge

The TNS Hospitality sets itself apart from similar competition in the following ways.

- **Location:** Having our lodging facilities within the key wildlife Parks all at one facility is a huge plus, because guests never have to leave.
- **Our rooms:** Each room is individually decorated with a country setting that is tasteful and comfortable. You feel as if you have stepped back in time.
- **Customer service:** Customer service is our number one priority. The TNS Hospitality will treat each guest as if they are family.

Another significant advantage for the TNS Hospitality is its location. Being located in the Tanzania Northern Tourist Circuit area, the TNS Hospitality is uniquely positioned, centrally located to hunting areas, a national park, and historical places.

5.2 Marketing Strategy

Our marketing strategy is based on becoming a destination for vacationers and hunters who are looking for truly beautiful and unique lodgings. With the greater Tanzania Northern Tourist Circuit area our main target market the TNS Hospitality will use several different approaches to advertise our facility. We will use the Yellow Pages to advertise, as well as develop a Web page that will show our Lodges and camps, we will have an eye-catching sign that will alert potential drop-ins of our existence. The TNS Hospitality is confident that it will not take long, with word-of-mouth recommendations from past customers, to build up to full capacity.

With the right exposure, we believe that an un-tapped market of vacationers and hunters can be enticed to Tanzania Northern Tourist Circuit and the TNS Hospitality. Membership in TripAdvisor (an international Web catalog for lodging) will put us in front of millions of computer screens on a daily basis.

The TripAdvisor partner network allows real-time reservations on today's most popular websites, including AOL, Yahoo!, and Lycos. In addition, TripAdvisor has developed exclusive relationships with destination and special activity websites and call centers. TripAdvisor provides a free connection to the SABRE travel agent system, providing access to over 100,000 agents worldwide, as well as to users of Travelocity, one of the most popular online travel sites.

All of this visibility is free, with the exception of a five to ten percent transaction fee for any booking made directly via the service and online; much less expensive, yet more comprehensive than traditional advertising. However, not all lodging patrons are computer savvy. Therefore, we will be placing seasonal specific advertisements in regional newspapers and major city magazines.

5.3 Sales Strategy

The TNS Hospitality will rent its rooms directly to repeat customers, as well as via traditional travel agents and through the Internet. All reservations will be handled by our Deputy General Manager-Reservations. Repeat customers will have the privilege of priority reservations during the high season. As mentioned above, we will also list the TNS Hospitality on www.TripAdvisor.com, which will make it available to millions of international tourists.

5.3.1 Sales Forecast

The sales forecast table is broken down into two main revenue streams: Reservations and Drop-ins. The sales forecast for the upcoming year is based on a 10% growth rate for direct sales. The TNS Hospitality plans for a minimum of 150 rooms to offer its guests at a rate of\$ per night. We expect the number of rooms occupied to increase as the year progresses. In spite of the economic unpredictability we are experiencing, these projections appear attainable and take the increasing base into consideration. Growth rates for the years 2021 and 2022 recovery after covid pandemic are based on percentage increases as follows:

- Reservations: 10% growth rate per year.
- Drop-ins: 10% growth rate per year.

6.0 Web Plan Summary

The TNS Hospitality website will focus on the features the TNS Hospitality has to offer. Each room with its different options will be on the site as well as pictures of the TNS Hospitality and the facilities that it has to offer. The lunch/dinner menu will be displayed. Room rates will be given, with maps on how to get to all TNS facilities. Attractions within 30 miles will be on the site and other local color will be shown. Reservations can be made online if the consumer wishes to do so.

6.1 Website Marketing Strategy

Our website marketing strategy will focus on Vacationers & Hunters who are looking for a vacation or hunting destination that is both close and comfortably homelike. The Lake Ndotu lodge area will be our main focal point. The TNS Hospitality will promote through our website by using:

- Detailed photos of the TNS Hospitality and surrounding area.
- Price list of our rooms and our restaurant menu.

6.2 Development Requirements

7.0 Management Summary

7.1 Personnel Plan

The personnel needed for the TNS Hospitality is estimated to be 110 as following:

- Managers for each facility
- Assistant manager to each facility
- Cooks
- Maintenance persons
- Cleaning persons

7.2 Management Information Systems

Mr Sreenvasa Rao will be maintaining financial and accounting controls for the project through the use of a sophisticated point-of-sale Royal cash register system and personal computer network using a computerized reservation system that is accessible for booking rooms on the Internet. The Royal and the personal computer network provides the TNS Hospitality management with daily and weekly information regarding sales, cash receipts, inventory, food and beverage costs, and other controllable operating expenses.

7.3 Key Management

The TNS Hospitality tourist lodges and camps will be overall managed by the project promoter and company Managing Director Mr. Zuher Hassanali Fazal

8.0 Financial Plan

The TNS Hospitality expects business to grow steadily until we are at an average of over 90% capacity for the year 2025 with a conservative capacity rate of 70% expected at times. We will be growing slowly with profits growing at a rate of about 10%. Expenses will be well managed, allowing TNS Hospitality to make a profit even if the capacity rate drops as low as 50%.

8.1 Break-even Analysis

We estimate average monthly fixed costs shown below. Peak and off-season will have significant impact on the monthly earnings. For the first year, on-season revenues will offset off-season losses. As TNS Hospitality builds its market position among the local patrons, we anticipate that off-season revenues will be enough to break even during that season. Further, a rate increase may be considered in Fiscal Year 2024.

8.2 Five years Projected Financial Statement

Below is the TNS Hospitality projected income statement for the next Five years. As mentioned above, earnings are subject to seasonal fluctuations. The owners will, however, strengthen the TNS Hospitality's market position among the local communities who will patronize the establishment during the low season, and thus offset the negative impact of the season.

TNS HOSPITALITY COMPANY LIMITED

FINANCIAL STATEMENTS AT AT 31ST DECEMBER

CURRENCY REPRESENTATION IN USD (figures are in thousands)

BALANCE SHEET						
	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028	
	('000)	('000)	('000)	('000)	('000)	
CURRENT ASSETS						
Cash and Bank Balance	127	145	85	89	93	
A/c Receivables	162	171	69	72	75	
Other Current Assets	59	85	36	18	12	
Total Current Assets	348	401	190	179	180	
Fixed Assets (Net)	3,591	3,626	3,663	3,699	3,736	
TOTAL ASSETS	3,939	4,027	3,853	3,878	3,916	
CURRENT LIABILITIES:						
Accruals & Creditors	207	230	295	310	325	
Bank Overdraft - USD 150,000	50	0	0	0	0	
Other Current Liabilities	231	273	0		9	
Total Current Liabilities	488	503	295	310	334	
Long Term Liabilities - New Loan USD 2M	498	498	498	498	498	
TOTAL LIABILITIES	986	1,001	793	808	832	
EQUITY:						
Share Capital	2824	2824	2824	2824	2824	
Profit for the year	129	202	236	246	260	
Total Equity	2,953	3,026	3,060	3,070	3,084	
TOTAL LIABILITIES & EQUITY	3,939	4,027	3,853	3,878	3,916	
INCOME STATEMENT						
Sales/Revenue						
Lake Ndutu Luxury Tented Lodge (22 rooms)						
Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 75% - Rate Per Person \$ 269.00	4	549	576	605	635	670
Low - 45% - Rate Per Person \$ 180.00	8	432	455	475	500	525
Serengeti Kuhama Camp (10 rooms)						
Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 80% - Rate Per Person \$ 146.00	4	140	147	155	162	170
Low - 25% - Rate Per Person \$ 131.00	8	94	99	104	109	115
Ngorongoro Kuhama Camp (16 rooms)						
Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 80% - Rate Per Person \$ 140.00	4	218	140	148	155	165
Low - 25% - Rate Per Person \$ 140.00	8	134	105	112	116	125
Kimarishe Serengeti Lodge (20 rooms)						
Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 80% - Rate Per Person \$ 300.00	6.5	468	491	516	542	569
Mid - 50% - Rate Per Person \$ 250.00	3.5	131	138	145	152	160
Low - 25% - Rate Per Person \$ 180.00	2	27	28	30	31	33
TNS Ngorongoro Lodge (20 rooms)						
Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 80% - Rate Per Person \$ 300.00	6.5	468	491	516	542	569
Mid - 50% - Rate Per Person \$ 250.00	3.5	131	138	145	152	160
Low - 25% - Rate Per Person \$ 180.00	2	27	28	30	31	33
Serengeti Makoma Luxury Lodge (30 rooms)						
Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 80% - Rate Per Person \$ 350.00	6.5	0	819	860	903	948
Mid - 50% - Rate Per Person \$ 300.00	3.5	0	236	248	260	273
Low - 25% - Rate Per Person \$ 230.00	2	0	55	58	61	64
Alina Twin Towers & Suites (90 rooms)						
Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 50% - Rate Per Person \$ 75.00	4	0	203	213	223	234
Low - 25% - Rate Per Person \$ 75.00	8	0	207	217	228	240

Tarangire Silale Luxury Tented Lodge (20 rooms)

Season Occupancy percentage	No. of Months	Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
High - 80% - Rate Per Person \$ 250.00	6.5	0	0	390	410	430
Mid - 50% - Rate Per Person \$ 200.00	3.5	0	0	105	110	116
Low - 25% - Rate Per Person \$ 130.00	2	0	0	20	20	21
TOTAL REVENUE / SALES		2,821	4,357	5,090	5,343	5,619
Less: Cost of Goods Sold		1,299	2,006	2,343	2,460	2,587
Gross Profit		1,522	2,351	2,747	2,883	3,032
Other income		386	597	697	731	769
Total gross income		1,908	2,948	3,444	3,614	3,801
Operating Expenses		1,212	1,871	2,186	2,295	2,413
Profit before tax and interest		696	1,077	1,258	1,319	1,388
Bank interest and charges		511	789	921	967	1017
Operating Profit/(Loss)		185	288	337	352	371
Tax		56	86	101	106	111
Net Profit/(Loss) for the year		129	202	236	246	260
CASH FLOWS						
		Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028
Profit before Interest & tax		696	1,077	1,258	1,319	1,388
EBIT		696	1,077	1,258	1,319	1,388
(Increase)/Decrease in debtors		162	-9	102	99	-6
(Increase)/Decrease in stocks		0	0	0	0	0
Increase/(Decrease) in OD		50	-50	0	0	0
Increase/(Decrease) in Creditors		207	23	65	80	30
Net Operating cash flows		1,115	1041	1,425	1,498	1,412