



2023 - 2025

BUSINESS PLAN

MOHAMED MILAD IKBAL HAJI
SM HAULIERS COMPANY LIMITED

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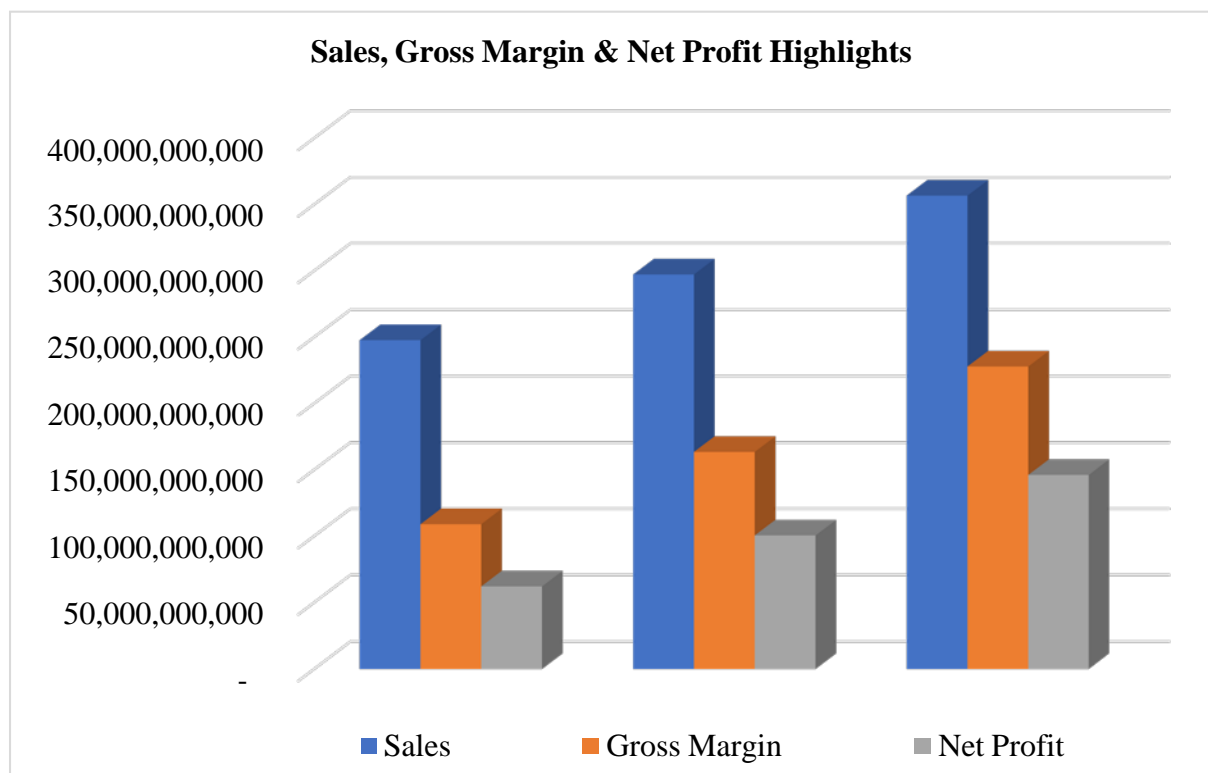
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1.0 EXECUTIVE SUMMARY

SM Hauliers Company Limited is a new medium- and long-haul freight transport company based on Dar es Salaam and founded by expert entrepreneurs; Mohamed Milad Ikbal Haji and Yakub Mabruk Salim. It is a limited liability company registered by Business Registration and Licensing Agency (BRELA) under the Companies Act No. 12 of 2002 (CAP. 212) with incorporation number 162538527 in 13th day of January 2023. SM Hauliers Company Limited will serve businesses in the East and Central Africa region (eventually expanding to include Tanzania, Kenya, Uganda, Rwanda, Burundi, Zambia and Democratic Republic of Congo) with freight hauling and logistics management services. The business will develop a reputation for its on-time and accurate service as well as sophisticated Web and software functionality, allowing clients to align their business with SM Hauliers Company Limited's services and scheduling automatically. The business will be managed by Mohamed Milad Ikbal Haji, Chief Executive Officer (CEO), and Yakub Mabruk Salim, Chief Operating Officer (COO) as well as other hired staffs.

SM Hauliers Company Limited can be launched for about TZS 105,166,830,000/= largely with investment of shareholders and with some investment by investing partners. The business will be launched with one hundred fifty 18-wheeler trucks using auto loans to finance this expansion. Gross margins will be around 46%, allowing for significant profit by the end of the first year as the business scales up.

Beyond three years, SM Hauliers Company Limited will seek to expand to additional bases of operation and to add trucks with refrigerated and temperature-controlled trailers.





1.1 Our Vision

SM Hauliers Company Limited vision is to become the largest and most reliable high-quality transit services provider in the logistics industry in Tanzania and other East and Central African countries.

1.2 Our Mission

SM Hauliers Company Limited’s mission is to provide high quality, convenient and comprehensive haulage and logistics services operations at the lowest cost and exceptional customer care services in a loving and caring way with strong emphasis on on-time delivery and sound condition of freight upon delivery.

SM Hauliers Company Limited will use management of logistics, on time, accurate deliveries from destination to destination and partnership with distribution centres and warehousing businesses to achieve its goals.

SM Hauliers Company Limited will simplify freight transport for local businesses and other East and Central Africa businesses, becoming their partner in operating efficiently and reliably.

1.3 Our Values



Diversity and Respect is our life blood and govern the way we do business and make our company stronger. Our diverse workforce mirrors different cultures and viewpoints to create a work environment for our people to express their thoughts and ideas. We treat each other with dignity and respect all individuals and their contribution to the team.



Customer Focus where we value our customers as the fundamental reason for us to be in business. We act on our customers’ terms by offering quality products and solutions, with the best customer service possible. We look for every opportunity where we can exceed our customers’ expectations.



Commitment to Quality and Efficiency, where we built on our business to deliver this promise at all time by providing value in all that we do.



Growth, where we continuous strive to improve our people and services. This is to ensure our people are always knowledgeable, helpful, and highly qualified to provide courteous, prompt, and dependable service.



Responsibility and Result Orientation characterised by our people taking ownership being accountable for what needs to be done and getting the job done despite obstacles and difficulties.

1.4 Our Objectives



SM Hauliers Company Limited intends to serve businesses in the East and Central Africa region (eventually expanding to include Tanzania, Kenya, Uganda, Rwanda, Burundi, Zambia and Democratic Republic of Congo) with truck-based transit services.

Over the first three years of operations, SM Hauliers Company Limited will seek to meet the following objectives:

- Establish bases in Dar es Salaam, Tanzania
- Purchase three hundred fifty 20-wheeler trucks with dry van trailers
- Hire 385 full-time truck drivers and 17 machineries operators
- Achieve strong annual revenue based on many miles of freight transportation in the third year

1.5 Keys to Success

The keys to success in the SM Hauliers Company Limited freight transportation business are:

1. Robust communication systems between drivers, bases, and clients
2. Setting delivery schedules that can be met (i.e. setting the right expectations)
3. Hiring and retaining reliable, safe drivers as well as in-house mechanics to handle maintenance and repairs
4. Understanding what clients are trying to achieve, and helping them find the right distribution solution to create long-term relationships
5. Having systematic maintenance routines
6. Charging competitive rates to our customers with regard to national authorities' standards

1.6 Business Summary

SM Hauliers Company Limited, a start-up freight transport business headquartered in Dar es Salaam, Tanzania will provide freight transport by road solutions and services for business clients in the East and Central Africa countries. Beginning with operations in Tanzania, SM Hauliers Company Limited will haul freight from suppliers to manufacturers to distributors and retailers, operating in partnership with oil suppliers, distribution centers, warehouses, and wholesalers.

1.7 Business Ownership

SM Hauliers Company Limited is a limited liability company registered by Business Registration and Licensing Agency (BRELA) under the Companies Act No. 12 of 2002 (CAP. 212) with incorporation number 162538527 in 13th day of January 2023.

SM Hauliers Company Limited was founded and is owned by two shareholders namely; Mohamed Milad Ikbal Haji and Yakub Mabruk Salim, previous owners of a different businesses. Directors share ownership at the ration of Mohamed Milad Ikbal Haji 500 Ordinary Shares and Yakub Mabruk Salim 250 Ordinary Shares.

Being owned by persons with vast experience in business the company enjoys the services of capable, experienced and dynamic management.

1.8 Start-up Summary

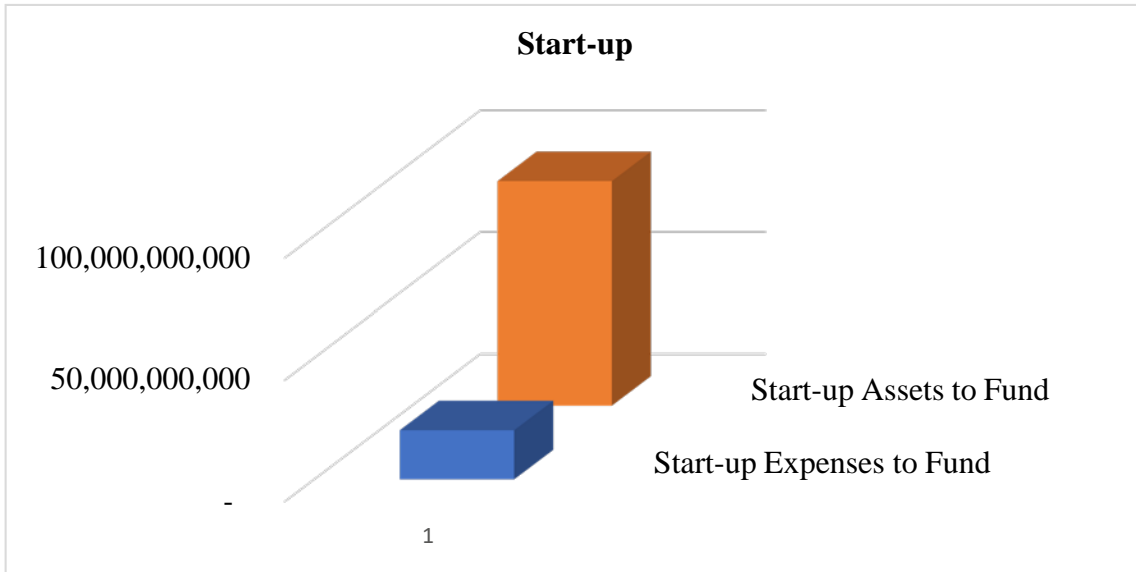
SM Hauliers Company Limited needs TZS 53,035,580,00 to start its operations of which TZS 2,000,000,000 will be for financing start-up expenses respectively. The start-up expenses include some of the basic set-up costs for the SM Hauliers Company Limited office – stationery (business cards and letterhead), rent for the office and a large adjacent parking lot for one year's rent and one year's security at TZS 4,500,000 per month, and computer equipment. Marketing expenses include brochures and website development (see website plan for more details). Other expenses include legal consultation fees to ensure that all precautions are taken to limit the risk of the business and to establish templates for client and partner agreements, insurance premiums for the first year of operation to cover liability associated with the service, the office, and the trucks, and licenses and permits for the business.

The other TZS 105,166,830,000/= will be for purchasing Long-term assets including; 350 Tractortrucks, 50 Tipping trailers, 250 Flatbed trailers, 50 Danglers, 50) Tanker trailers, 50 Dump Trucks.

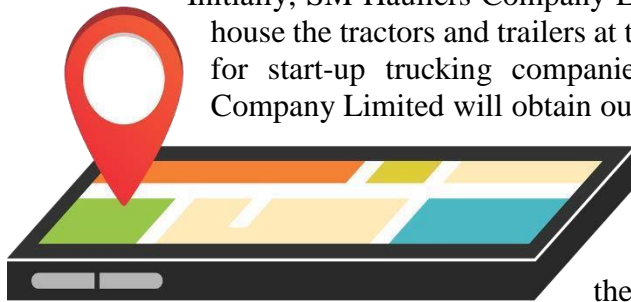
10 excavators, 10 Patrol vans, 5 Directors cars, 6 Forklifts, 3 Reach stackers and 8 Bobcat, 5 Generator KVA320, 30 Tractors, 5 Weighbridges, 5 crane truck, 30 skeleton trailers with two axles, Repair equipment and tools, Truck trucking devices, Truck batteries, Truck spare parts, Truck tyres, building materials and Office furniture will all be made in cash. The business will purchase new in order to better ensure that deliveries are made on time and that the usual risks of aging equipment are avoided. SM Hauliers Company Limited will also have a budget for other long term assets including repair equipment and tools which will be enough to own in- house, satellite-tracking equipment for each truck, and office furniture and other current assets including; office supplies, software for accounting, scheduling, and resource management and light equipment.

The cash required will also be used to fund the months of operation before cash flow break-even is achieved and to allow for adequate cash reserves to reduce the risk of running low on cash if targets are not met.

While some trucking businesses hire owner-operators of trucks, SM Hauliers Company Limited will maintain greater control over the service it offers by owning the trucks, ensuring that it always lives up to its name.



1.9 Locations and Facilities



Initially, SM Hauliers Company Limited will maintain a leased office and will house the tractors and trailers at the leased yard as well. This is not uncommon for start-up trucking companies. As the Company grows, SM Hauliers Company Limited will obtain our own space that provides a traditional office for employees to comfortably work as well as space to house and park its trucks. SM Hauliers Company Limited management expects that this space will be needed within the next three years.

2.0 PRODUCT AND SERVICES



SM Hauliers Company Limited will provide transit services to countries in the East and Central Africa countries. The following are the services that SM Hauliers Company Limited will provide to its customers:

- Dedicated transit services
 - Flatbed hauling services of goods and materials from and to locations in its geographic range by tippers and 20-wheeler trucks hauling dry van trailers
 - Logistic services
- Both “less than a truck load” and “truck load” services
 - Online tracking information detailing the location of all GPS-tagged trucks and the status of deliveries, including expected arrival times for pick-up or delivery
 - Phone support for all customer questions, delivery changes, and scheduling
 - Preferred client services including online accounts, regular schedules of shipping, or linking of client order information directly to SM Hauliers Company Limited’s scheduling software to allow for seamless logistics

To maintain its competitiveness in its core services, SM Hauliers Company Limited will NOT offer:

- Storage or warehousing of goods awaiting delivery (goods can remain in storage in trucks for short periods, but at relatively high cost to customers)
- Packaging and crating

A few keys of SM Hauliers Company Limited to maintaining a successful freight transportation operation are to:

- Find a niche and dominate it
- Have an inbound load for every outbound load
- Ensure that customers can easily and quickly place orders for shipping merchandise short or long distances throughout the local and regional area

At SM Hauliers Company Limited trucks will be operated by qualified and well-trained drivers with spotless records. Drivers will be safety trained and re-tested for knowledge of laws as they change. A dedicated suite of software and communication systems will allow for the logistical management mentioned above.

2.1 Sourcing and Fulfilment

As previously noted, SM Hauliers Company Limited will initially fill orders as an independent contractor for other trucking companies. The only thing required on the part of the Company to fulfil these initial orders will be a freight truck and drivers.

SM Hauliers Company Limited will make sure that each transportation order is handled in a safe and professional manner. Important to maintaining and developing successful business operations is the ability to consistently deliver high quality freight at reasonable prices. With the fluctuating and oftentimes increasing price of diesel fuels, it is especially important that SM Hauliers Company Limited develop and implement strategies to minimize the possibility of mistakes in fulfilling orders.

2.2 Technology

SM Hauliers Company Limited will use the internet, email and telephone communication to disseminate information, take orders and plan deliveries.

In the future, SM Hauliers Company Limited will make improvements such as utilizing top-of-the-line trucking software that tracks information detailing the location of all GPS-tagged trucks and the status of deliveries, including expected arrival times for pick-up or delivery.

2.3 Future Products and Services

After the first 2 years in business, SM Hauliers Company Limited plans to expand its services by entering into contracts directly with vendor as opposed to only serving as an independent contractor for other trucking companies. This will allow SM Hauliers Company Limited to increase revenue while having more freedom in job selection.

In the future, SM Hauliers Company Limited will add the following services:

- Temperature-controlled shipping to expand the range of customers SM Hauliers Company Limited can appeal to.

2.4 Benefits of our products and services

The benefits of our products and services are:

- Accurate and on-time distribution of goods throughout the federation and beyond.
- Effective monitoring of freight throughout the period of transit online.
- Sound and quality management of freight during transportation to ensure optimum delivery condition, etc.
- We provide excellent customer care services all times.
- All our services are offered at the lowest possible price.

3.0 INDUSTRY ANALYSIS

3.1 Global Logistics Industry Overview

According to Research and Market, “the global logistics market was worth 10.32 billion USD in 2021 and it is estimated to grow to 12.68 billion USD by 2023 with CAGR (Compound Annual Growth Rate) of 3.49% between 2022 and 2023.”

Reasons cited for this predicted growth are an increase in global trade activities in developing economies, a rise in trade-related agreements, and advancements in information technology and transportation. The Asia Pacific region is predicted to be the leader of the global logistics market in the future.

3.2 Global Logistics Market Trends

The global logistics market reached a value of US\$ 4.92 Trillion in 2021. Looking forward, we expect the market to reach US\$ 6.55 Trillion by 2027, exhibiting at a CAGR of 4.7% during 2022-2027.

The thriving e-commerce industry, along with the increasing availability of high-speed network connectivity, represents one of the key factors positively influencing the market. As the e-commerce business is growing significantly, the demand for efficient logistics services is increasing. In addition, the shifting consumer preference toward online purchasing is driving the market. Online retail channels offer convenient home delivery services that are supporting the growth of the market. Apart from this, the manufacturers are focusing on adopting green logistic solutions to reduce the environmental impact and improve the green credentials of their businesses. They are also offering logistics monitoring systems integrated with advanced technologies, such as blockchain, augmented reality (AR), artificial intelligence (AI), and the internet of things (IoT). These systems track real-time information and provide predictive alerts of warehouse management, transportation, and delivery of the products. Furthermore, a significant rise in globalization and the increasing trade agreements among various countries are catalyzing the demand for logistics to keep pace with the growing needs of importers and exporters. Moreover, the flourishing pharmaceutical, food, and beverage (F&B), and e-commerce industries are propelling the market growth.

3.3 Tanzania Logistics Industry Overview

Logistics refers to the process of storing and transporting resources, such as equipment, inventory, food, liquids, and materials, from one location to the desired destination. It includes the management of the flow of goods from production to the point of consumption to meeting the requirement of customers. It helps enterprises create additional value, save costs, deliver a better customer experience, and improve brand reputation. At present, various organizations around the world are focusing on strategic logistics management to reduce their transport expenses.

As of 2020, transportation and material moving accounted for 7.1% of all Tanzania jobs employing one of the largest workforces in the country, surpassed only by food service, sales related occupations, and administrative careers. This number is expected to growing.

The Tanzania economy is predicted to continue the pattern of growth we’ve seen in the past few years, with an increasing gross domestic product (GDP), as well as unemployment and

inflation rates rising slower than country target estimates. This trend will result in job growth, particularly in industries like construction, which is a key indicator of freight demand.

3.4 Significance of Logistics Industry

Logistics involves the process of planning, implementing, and controlling the flow of raw materials and finished goods, and it is there from the point of origin to the end of consumption of any product. It plays a vital role in the economic growth of any country.

The logistics industry contributes to the economy by creating work opportunities, helping industries do business efficiently, and offering support to most manufacturing industries.

Tanzania is a country in East Africa with the 12th largest economy in Africa and the 2nd largest in the East African region. As per a report based on the recent data from the World Bank, the contribution of Logistics to Tanzania's GDP during the last decade is very significant.

This country relies mainly on the agricultural processing and mining industries. Agriculture contributes approximately 24.5% of the country's GDP and almost 85% of all countries' exports. In this scenario, the logistics' role becomes more relevant because export is entirely dependent on the logistics sector.

The logistics industry in Tanzania plays an essential role in growing and improving the other industries as well. So here we are going to talk about the significance of logistics in Tanzania and the world.

Logistics helps in cost reduction and thus maximizes the profit. This becomes possible due to improved material handling, safe and speedy transportation, convenient location of warehouses, etc.

Logistics mainly helps in the efficient flow of manufacturing operations. It makes on-time delivery of raw materials possible and results in the proper utilization of these materials and then finished goods.

Logistics provides a competitive edge to the industry by increasing sales by providing better customer service, which is only possible due to logistics. It helps to arrange for a reliable delivery without errors in order processing of any product.

Moreover, logistics help in developing an effective communication system for any enterprise as well. Because of the continuous interaction with suppliers and delivery, companies can improve customer service.

It also helps in inventory management, which is a significant part of production management. How to ensure an adequate inventory can be answered by logistic management. Today, all types of industries in the world are dependent on the logistics sector. So it is the essential requirement of any enterprise which has a supply chain.

3.5 Market Needs

According to the Ministry of Transportation, at least 66% of all shipments are delivered by track. This means that all goods transported in Tanzania are primarily transported and delivered by road through trucks leaving an overwhelming need for drivers and companies to deliver said

goods. According to our research demand is driven by consumer spending and manufacturing output. The profitability of individual companies depends on efficient operations. Large companies have advantages in account relationships, bulk fuel purchasing, fleet size, and access to drivers. Small operations can compete effectively by providing quick turnaround, serving a local market, or transporting unusually sized goods.

Large established companies tend to have their own truck fleets, but many smaller companies outsource the freight transportation function. The latter vary in the scale of their operations, but have a steady demand for reliable transportation solutions. SM Hauliers Company Limited will actively solicit such customers to meet this need.

Market research shows that customers in the trucking industry are price sensitive, and they value on-time deliveries, special handling capabilities, and less-than-truckload orders. Customer referrals also strongly influence the buying decisions of these customers. SM Hauliers Company Limited has taken this into consideration as it prepares its marketing plan.

3.6 Tanzania Market Trends

Any economy's ability to perform economically depends on logistics and warehousing. According to our feasibility study the market is anticipated to benefit from the expansion of infrastructure and construction industries. In addition, it will grow from increased industrial activity, e-commerce, and an influx of foreign businesses into the East and Central Africa region during the project period.

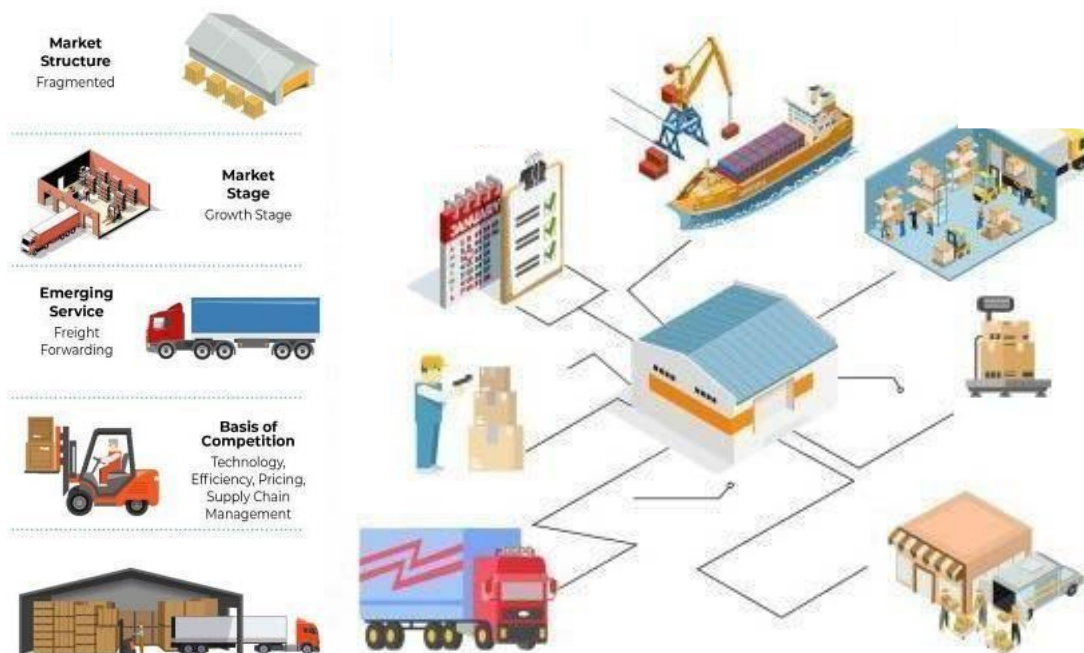
The rise of the freight forwarding market in the region was significantly influenced by the food and beverages, construction and industrial sectors. Due to improvements in the road infrastructure, it was found that road freight was the most desired mode of transportation, followed by air and sea freight. There are several challenging terrains in the region that are inaccessible by any other form of transportation. The Tanzania freight forwarding market's top revenue source was Asia.

The Tanzania warehousing business had expanded slowly due to the severe shortage of high-quality, contemporary warehouses. One of the major areas of logistics that calls for increased funding and technological innovation is warehousing. It is anticipated that the development of automation technology and more sophisticated inventory management systems would aid in the expansion of the warehouse sector.

Compared to the US and China, the African Continent's E-Commerce market grew relatively late and only accounts for 0.6 percent of total transactions in 2020. As the industry expands, so do the market's logistical requirements, particularly in the express delivery sector.

Other factors contributing to the growth are:

- Large percentage of Tanzania's overall exports is towards its neighbouring countries.
- The retail business in Tanzania is thriving making it a lucrative country for international retailers and wholesalers.
- Tanzania has good harbour and robust connectivity with land locked countries giving incentives to this country to transport through and store in Tanzania



As the economy grows, the demand for goods will continue to increase, and more truck drivers will be needed to keep supply chains moving. Trucks transport most of the freight in Tanzania and other countries, so as households and businesses increase their spending, the logistics industry will continue to grow.

As fuel prices rise, some companies may switch their shipping to rail to lower costs. However, rail is unlikely to take much market share away from trucks, because even with high diesel prices for truck fuel, trucks are more efficient for short distances and areas with no railway network. Additionally, many products need to be delivered within the short time frame that only trucks can operate in.

3.7 Market Accessibility by Road

SM Hauliers Company Limited has identified ten main corridors with a total length of about 15,000 km, which facilitates accessibility to the market in the East and Central African countries. These are roads of strategic importance in facilitating trade and require to be kept in excellent condition. In order to ensure a high level of serviceability, the EAC in collaboration with Partner States has put in place a collaboration platform with development partners in order to mobilize funds for the development of these corridors.

SM Hauliers Company Limited have identified ten main corridors (a total length of about 14,460 km) that facilitate import and export activities in the East and Central African region: The ten major road transport corridors are:

1. Northern Corridor Mombasa

Nairobi – Nakuru – Eldoret – Bungoma – Malaba – Bugiri – Jinja – Kampala – Masaka – Katuna/Gatuna – Kigali – Nembu/Gasenye – Ngozi – Kayanza – Bugarama - Bujumbura

Corridor Length (rounded): 2,080km

2. Central Corridor

Dar es Salaam – Morogoro – Dodoma – Singida – Nzega – Tinde – Isaka - Lusahunga to:

- (i) Gisenyi via Rusumo and Kigali
- (ii) Bujumbura via Nyakasanza, Kobero and Gitega
- (iii) Masaka via Bukoba and Mutukula

Corridor Length (rounded): 2,170km

3. Dar es Salaam (TAZARA) Corridor

Morogoro – Iringa – Mbeya -Tunduma

Corridor Length (rounded): 1,100km

4. Namanga Corridor

Iringa – Dodoma - Babati – Arusha – Namanga – Nairobi – Thika -Murang’a – Embu – Nyeri – Nanyuki – Isiolo – Marsabit - Moyale

Corridor Length (rounded): 1,800km

5. Sumbawanga Corridor

Tunduma – Sumbawanga –Mpanda – Uvinza – Kasulu – Manyovu/Mugina – Makamba - Nyanza Lac – Rumonge -Bujumbura

Corridor Length (rounded): 1,260km

6. Sirari Corridor

Biharamulo – Mwanza – Musoma - Sirari/Isebania – Kisii - Kisumu – Kakamega – Webuye - Kitale - Lodwar Lokichokio

Corridor Length (rounded): 1,500km

7. Coastal Corridor

Mingoyo - Dar es Salaam - Bagamoyo – Tanga – Horohoro/Lunga lunga – Kwale – Mombasa – Kilifi – Malindi - Lamu

Corridor Length (rounded): 1,500km

8. Mtwara Corridor

Mtwara – Mingoyo – Masasi –Tunduru – Songea - Mbamba Bay

Corridor Length (rounded): 800km

9. Tanga Corridor

Tanga – Arusha – Musoma – Lake Victoria - Kampala

Corridor Length (rounded): 1,650km

10. Gulu Corridor

Nimule – Bibia – Gulu – Lira – Soroti – Mbale - Tororo

Corridor Length (rounded): 600km

3.8 Future Prospects

In the forthcoming years, Tanzania’s market growth is anticipated to be attributed to the warehousing segment's higher growth rate than the dominant freight forwarding segment. In order to offer better customer service, logistics companies are anticipated to invest in cutting-edge technological solutions including autonomous logistics, real-time tracking, and automation. Incorporating cutting-edge technology-based solutions can aid logistics service providers in efficiently delivering goods in light of the expanding global trade. Additionally, construction industries will be the main factor for the growth, which has sparked a wave of construction projects in the nation, increasing trade and storage activities

3.9 Key Players

Some major key player companies in Tanzania’s Logistics Industry are; Bravo Logistics, Ostrich Transport & Logistic Company Ltd, Arusha Freight & Transport Agency, Wenson Logistics Co. Ltd, DTS Logistics Company Limited, KRB Freight Co. Ltd, SAS Logistics Ltd, Astraline Logistics, LGT Logistics Tz, Malawi Cargo Centres Ltd, Sino Logistics Co Ltd and some others.

4.0 MARKET ANALYSIS

4.1 Market Analysis Summary

The Tanzania commercial trucking industry serves as a key link between raw material suppliers, manufacturers, wholesalers, distributors, and retailers in most industries. The industry includes dry van, flatbed, refrigerated and bulk/tank trucking over short-haul (up to 100 miles), medium-haul (100 to 250 miles), and long-haul (250 miles and up).

SM Hauliers Company Limited will compete in the market for medium and long haul freight transit in the East and Central Africa. This market serves businesses ranging from the oil, packaged goods/grocery industry to the clothing industry to high-tech equipment, as well as commercial relocations.

4.2 Key Customers

SM Hauliers Company Limited intends to operate as a general carrier of merchandise for companies and individuals, especially in Tanzania and other East and Central Africa countries. As such, it is difficult to determine the average customer of the Company as SM Hauliers Company Limited will have the licensure and the ability to effectively move almost any type of merchandise.

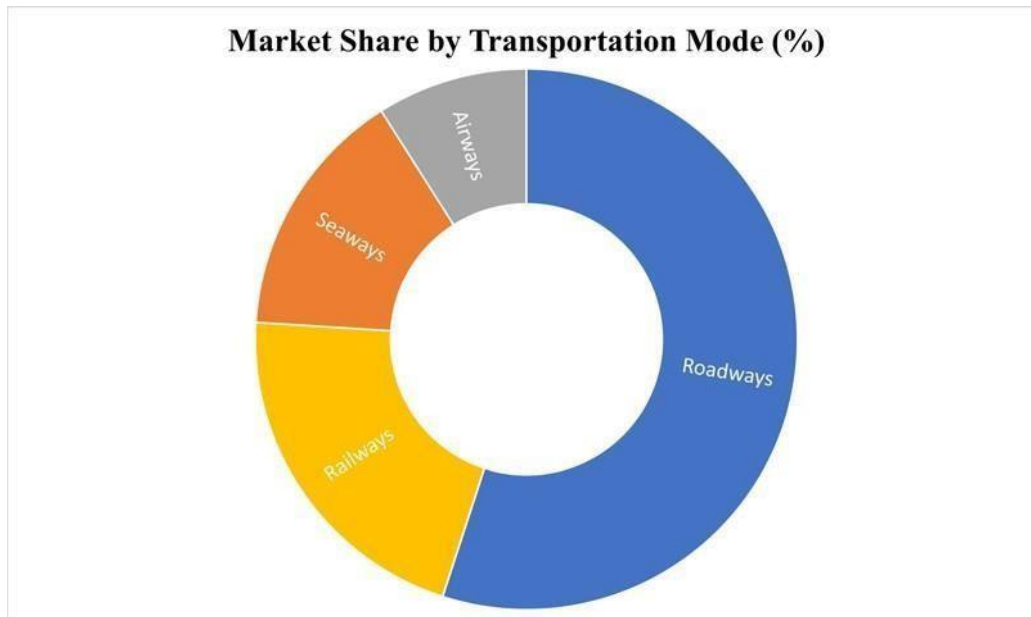
SM Hauliers Company Limited will initially focus specifically on being an independent contractor to transportation companies in Tanzania and other East and Central Africa countries. By serving as an independent contractor, SM Hauliers Company Limited will provide a more affordable freight transport solution for new and growing companies than purchasing their own trucks. SM Hauliers Company Limited will also serve larger trucking companies who simply don't have enough drivers for delivery but at the same time, is not interested in hiring additional full time employees.

4.3 Customer Focus

SM Hauliers Company Limited will target all businesses and individuals in need of freight services. SM Hauliers Company Limited will begin by targeting local and foreign business owners both companies and individuals in need of transit services. No matter the client, SM Hauliers Company Limited will deliver a customer-centric experience where they will customize each shipment to match the customer's specific requirements.

4.4 Market Segmentation

Our company provides an analysis of the key market in each sub-segment of the logistics market, along with forecasts at the global, regional, and country level from 2023-2027. Our company has categorized the market based on the transportation mode, end-use and region.



On the basis of transportation mode, the industry is segmented into:

- Roadways
- Seaways
- Railways
- Airways

Currently, roadways represent the leading segment in the market.

On the basis of end-use, the industry is divided into:

- Manufacturing
- Consumer Goods and Retail
- Food and Beverages
- IT Hardware and Telecom
- Healthcare
- Chemicals
- Construction
- Automotive
- Oil and Gas
- Others

Amongst these, consumer goods and retail accounts for the largest share in the total market.

On the basis of the region

By region SM Hauliers Company Limited segments the market as follows:

- East Africa
 - Tanzania

- Kenya
- Uganda
- Rwanda
- Burundi
- Central Africa
 - Democratic Republic of Congo
 - Zambia
 - Africa

4.5 Target Market



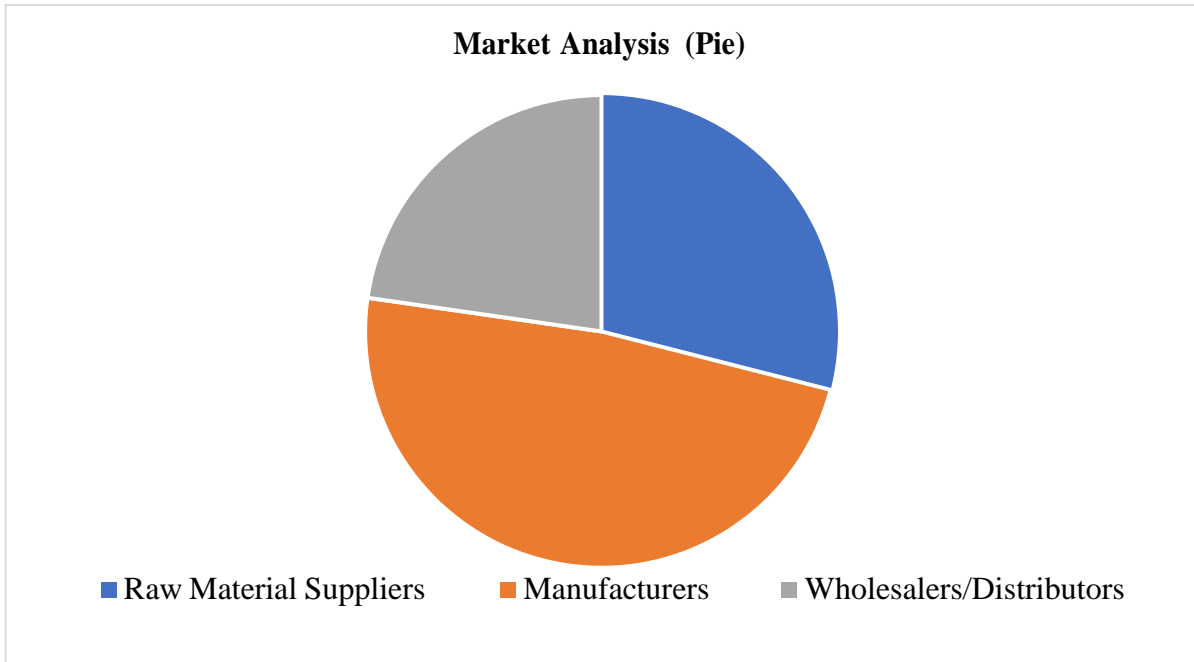
SM Hauliers Company Limited target market include the following:

Raw Material Suppliers: These transport large quantities of materials to large manufacturers in the East and Central African countries. These materials generally do not require refrigeration or temperature control. Manufacturers maintain some on-site storage for these supplies and generally have some leeway as to when deliveries can be received, except when projections are mistaken and supplies drop low. Packaging supplies also must be transported to manufacturers and are included in this group.

Manufacturers: These often outsource the distribution of their goods to businesses that specialize in serving one the type of retailer or business. Their packaged goods are often transported to only one wholesaler/distributor, creating a regular business in transporting between the two locations.

Wholesalers/Distributors that serve large retailers assemble truckloads of goods from the many manufacturers they serve. While they often have their own trucks or distribution means, some of these firms do not either because they are smaller or because they attempt to limit their investment in assets. Others may require additional transportation support when they are operating at capacity but not prepared to expand their transportation capacity.

The market analysis chart covers likely market segments within the seven countries which SM Hauliers Company Limited will serve.



4.6 Target Market Segment Strategy

SM Hauliers Company Limited will begin by focusing specifically on the segment of manufacturers in Tanzania, expanding after the first year to the entire intended East and Central Africa region. By serving manufacturers, SM Hauliers Company Limited can provide an affordable shipping solution for new and growing manufacturers over purchasing their own trucks.

Raw material suppliers sometimes require flatbed or bulk/tank transit which will also be offered by SM Hauliers Company Limited and wholesalers often have their own trucks. These segments are expected to yield some customers, but by focusing first on the middle of the supply chain with manufacturers, SM Hauliers Company Limited will be introduced to suppliers and distributors who may require their services without having to engage in full marketing campaigns to these segments.

4.7 Competition and Buying Patterns

In addition to competing with other freight transport companies, SM Hauliers Company Limited will compete with rail and air cargo transportation. However, for the distances it intends to transport, and due to the few rail lines over the countries and regions, freight transportation is at an advantage.

Clients choose between transit companies based on:

- Their track record of on-time and accurate deliveries
- Their price
- Their ability to partner with the shipper to offer logistics expertise and added services.

4.8 Web Plan Summary

The SM Hauliers Company Limited website will serve as a source of basic information for those who find it via Internet searches, as well as a sophisticated account management portal for clients. For potential clients, the website will serve as a deeper explanation of the services

and background of the company than a brochure or advertisement can provide. Specific calls to action on the website will ask users to call to speak to a salesperson or to fill in a form with their basic information and a good time to speak with them, so that a salesperson can contact them. Even one-time clients will be able to access up-to-date information about SM Hauliers Company Limited services and current location of their deliveries. Clients who subscribe to preferred services will have access to more advanced information and functions.

4.9 Website Marketing Strategy

SM Hauliers Company Limited will utilize the following means to promote its website as a marketing tool:

- Initial and ongoing search engine optimization by the Web developer and then by an SEO firm
- Google AdWords campaign which can be reduced or defunded if organic search rankings are high enough
- Profiles and listings on ten business and trucking company online databases
- Mention of the website URL in all brochures and advertisements

Development Requirements

The website's components will have the following requirements:

Front End

- Homepage – Mirroring a basic brochure about SM Hauliers Company Limited
- About Us – Background on the partners, mission, and basics of the business
- Contact – Form to submit information and phone number to reach a salesperson during business hours
- Services – Deeper description of the service options along with images of the trucks and a map of the area served

Delivery Tracking

- Form – To enter delivery code which was designated for the delivery
- Map – Shows current location of the delivery on a map
- Statistics – Gives ETA, minutes late or ahead of schedule, status of pick-up or drop-off, other notes about the order

Account Management

- Login – Login form for client username and password
- Account Profile – Basic client information, settings related to interface between client systems and SM Hauliers Company Limited if direct links have been established
- Scheduling – Calendar on which pickups and deliveries can be scheduled and rescheduled
- Alerts – Settings for email or text alerts about deliveries which can be sent to client

Back End

- Database Entry – Ability to search within and make changes and edits to the client and scheduling information in the database
- Billing Interface – Website sends billing information for completed jobs directly to accounting software for bill creation

The website will be developed over a three-month period and for three years it will require TZS 46,612,500. Many elements can be adapted from off-the-shelf or open source software, but others must be developed from scratch to interface between client software and the SM Hauliers Company Limited database.

4.10 Competitive Edge

SM Hauliers Company Limited will establish a competitive edge through its dogged focus on on-time deliveries for its specific target market. Software systems, communication systems, operational choices and marketing materials will all be oriented around this goal. By making customers more assured of on-time delivery with SM Hauliers Company Limited than with competitors, they will be more likely to use the business overall, as they can never be sure when a few hours can make an incredible difference to their potential revenues or expenses.

SM Hauliers Company Limited will be able to achieve success by offering the following competitive advantages over their competition:

- **Experience.** A major competitive advantage for the Company is the vast industry experience and solid reputation of its owners.
- **Qualified and knowledgeable staff:** Proactive, Friendly, knowledgeable, helpful, and highly qualified team of trucking and logistics experts, sales representatives and dispatchers with extensive experience in the field that are able to effectively navigate the journey of both customers and drivers.
- **Customized services:** Customized service that allows for a small business or an individual to have their requirements accommodated. SM Hauliers Company Limited takes care of everything from truck inspections and maintenance to scheduling drivers, loading/unloading, and short-and-long range distribution.
- **Technology:** Use of the latest trucking and logistics technology to ensure each haul is handled with the best of care and delivered efficiently.
- **Quality Service:** Customers will be provided with courteous, prompt, and dependable service. SM Hauliers Company Limited will develop a reputation for timely deliveries and intends to build upon that.
- **Competitive rates:** SM Hauliers Company Limited will be able to offer the best and competitive pricing for customized and small shipments compared to the competition.
- **Package handling.** By maintaining dependable and safe equipment, SM Hauliers Company Limited will ensure that there is no damage to customer's cargo.

4.11 SWOT Analysis

SM Hauliers Company Limited has been established with a valuable inventory of strengths that shall contribute to the success of the company. These strengths include experienced,

knowledgeable staff with a clear vision of the freight transportation industry, market needs and, excellent client services.

<p>Strengths</p> <p>-----</p> <ul style="list-style-type: none"> • The staff at SM Hauliers Company Limited is experienced and knowledgeable in the logistics of the trucking industry, they are courteous and provide excellent services to all of SM Hauliers Company Limited clients. • Strong relationships with clients, offering flexible arrangements for rush deliveries • Competitive prices provide repeat and referral business. • Premium quality service and on-time delivery 	<p>Weaknesses</p> <p>-----</p> <ul style="list-style-type: none"> • Start-up funding needed • The business has been unpredictable during the uncertainty of economic conditions. • SM Hauliers Company Limited needs new trucks. New trucks will provide better fuel efficiency; better emissions control and lower our cost of overhead to maintain. These new trucks will allow us to expand our services, creating more revenue to pay our debts. • Initially limited to independent contracting with larger transport companies
<p>Opportunities</p> <p>-----</p> <ul style="list-style-type: none"> • Increase sales opportunities beyond other transportation companies • Current clients with manufacturing plants in other regions. • Strategic alliances offering resources for referrals and marketing to extend SM Hauliers Company Limited reach to potential new clients. • Ability to grow quickly because of increases in market demand • Take advantage of the fact that many trucking companies do not like to offer services in DR Congo, Rwanda and Burundi 	<p>Threats</p> <p>-----</p> <ul style="list-style-type: none"> • The rising cost of fuel, maintenance, and repairs. • Likely entry of potential new competitors • Possible new regulations • Possible winters with weather that makes driving a truck difficult/impossible

5.0 MARKETING STRATEGY AND IMPLEMENTATION

5.1 Overview

SM Hauliers Company Limited will attempt to rapidly achieve awareness in Dar es Salaam and other Tanzania's regions about its business in the first year, followed with awareness in East and Central Africa countries in future years.

SM Hauliers Company Limited intends to maintain a marketing campaign that will ensure maximum visibility for the business in its targeted market. Below is an overview of the marketing strategies and objectives of SM Hauliers Company Limited:

- Establishing a strong software/Web component to its business to drive adoption of its preferred client services
- Building and maintaining its on-time reputation to command revenue per mile slightly over the industry average
- Targeting manufacturers in Dar es Salaam and other Tanzania regions in the first wave of marketing as the segment most in need of SM Hauliers Company Limited's services
- Establish relationships with freight brokerages and transportation companies in need of freight delivery services within the targeted market.
- Develop an online presence by developing a website and placing the SM Hauliers Company Limited's name and contact information with online directories.

5.2 Marketing Strategy



SM Hauliers Company Limited intends to use a multitude of marketing strategies to promote and expand its freight trucking business. SM Hauliers Company Limited will maintain a listing in the Yellow Pages, create marketing campaigns within local newspapers, and promote the business through word of mouth advertising.

SM Hauliers Company Limited also intends to maintain a website that allows customers to contact them directly over email for more information regarding freight trucking services and pricing quotes. As SM Hauliers Company Limited expands, the website will be upgraded to include higher levels of functionality and support.

As an extra incentive for customers and potential customers to remember the name, SM Hauliers Company Limited plans to distribute coffee mugs, T-shirts, pens, and other advertising specialties with the SM Hauliers Company Limited's name.

SM Hauliers Company Limited will develop two compelling brochures: one to promote sales to other trucking companies and later, one that promotes the Company's direct services.

Overall, SM Hauliers Company Limited will also rely heavily on word of mouth/ referrals from satisfied customers to maintain steady contract work.

5.3 Brand & Value Proposition

SM Hauliers Company Limited will offer the following unique value propositions to its clientele:

- Highly-qualified team of skilled employees that is able to provide a comprehensive set of trucking services (shipping, receiving, monitoring, short-distance, small hauls).
- Customized approach to freight distribution, leveraging technology and flexibility to provide the highest quality of service to its customers.

5.4 Promotion Strategy

SM Hauliers Company Limited will focus its promoting strategy on the following areas:

- **Word of Mouth/Referrals:** SM Hauliers Company Limited owners and staffs have built up an extensive list of contacts over the year by providing exceptional service and expertise to clients who are committed to help spread the word of SM Hauliers Company Limited.
- **Professional Associations and Networking:** SM Hauliers Company Limited will become a member of Tanzania Truck Owners Association (TATO), and Transporters Association of Tanzania (TAT). We will focus our networking efforts on expanding their client network.
- **Print Advertising:** SM Hauliers Company Limited will invest in professionally designed print ads to include in industry publications.
- **Website/SEO Marketing:** SM Hauliers Company Limited will utilize our in-house marketing director that designed our print ads to also design our website with visibility on search engines and in databases of freight transportation companies. The website will be well organized, informative, and list all of our services. The website will also list our contact information and provide information for people looking to become drivers. The marketing director will also manage the company's website presence with SEO marketing tactics so that anytime someone types in the Google or Bing search engine "Tanzania transit company" or "Transit company near me", SM Hauliers Company Limited will be listed at the top of the search results.
- **On-Time Reputation:** Building and maintaining an on-time reputation that commands revenue per mile slightly over the industry average
- **Target Market:** Targeting other transportation companies in need of assistance with freight delivery
- **Emphasis on service:** SM Hauliers Company Limited will differentiate itself by providing premium services to its customers. It will establish new business by offering competitive prices and flexibility for our clients' needs.
- **Build a relationship-oriented business:** Building long-term relationships with customers will be a strong attribute of SM Hauliers Company Limited. Customers can trust that they will be provided the delivery services they require.
- **Brochure:** Creating a compelling brochure of SM Hauliers Company Limited services which will be distributed through direct mail, and kept in stock for networking events
- **Exhibition:** Exhibiting at Tanzania business service conferences, especially for sectors of the manufacturing industry

- **Advertisements in trade publications**
- **Public Relation:** Public relations efforts including press releases related to the business launch and its unique preferred client account management package

5.5 Positioning

The strategy of SM Hauliers Company Limited is to consolidate excellent customer service with timely deliveries and a competitive pricing structure. SM Hauliers Company Limited's goal in the next 2 years is to enter into direct contracts with manufacturers and other business entities in need of freight delivery services without having to serve as an independent contractor for other trucking companies.

SM Hauliers Company Limited will therefore seek to position itself not necessarily as the most inexpensive carrier, but as a carrier with the best service and on-time record coupled with advanced systems to help clients manage their logistics better.

5.6 Pricing

SM Hauliers Company Limited will have independent contractor arrangements with various companies that deliver freight. In many ways, pricing is dependent upon the company being serviced. The Company will be able to charge competitive rates, as it has minimal overhead compared to its competition.

Pricing of our service must remain initially competitive with our rivals. This is typical within the industry and can create higher margins. The pricing of SM Hauliers Company Limited will be moderate and on par with competitors so customers feel they receive value when purchasing their services. The average truck rate is TZS 280,800 to 315,900 per ton for all loaded miles. SM Hauliers Company Limited will start out charging TZS 280,800 per ton per trip during the first year of operation and change it later.

5.7 Place/Distribution

SM Hauliers Company Limited's deliveries will feature:

- Low Distribution Costs
- Fast Delivery
- Optimal Payload Utilization
- Quick Turnaround Times
- Proper Route Planning and Analysis
- Fuel Efficiency

5.8 Strategic Alliances

SM Hauliers Company Limited will form strategic alliances with other trucking companies in need of transit services. SM Hauliers Company Limited will serve as an independent contractor for these companies and hopes to call on them as the Company starts to take on its own direct customers.

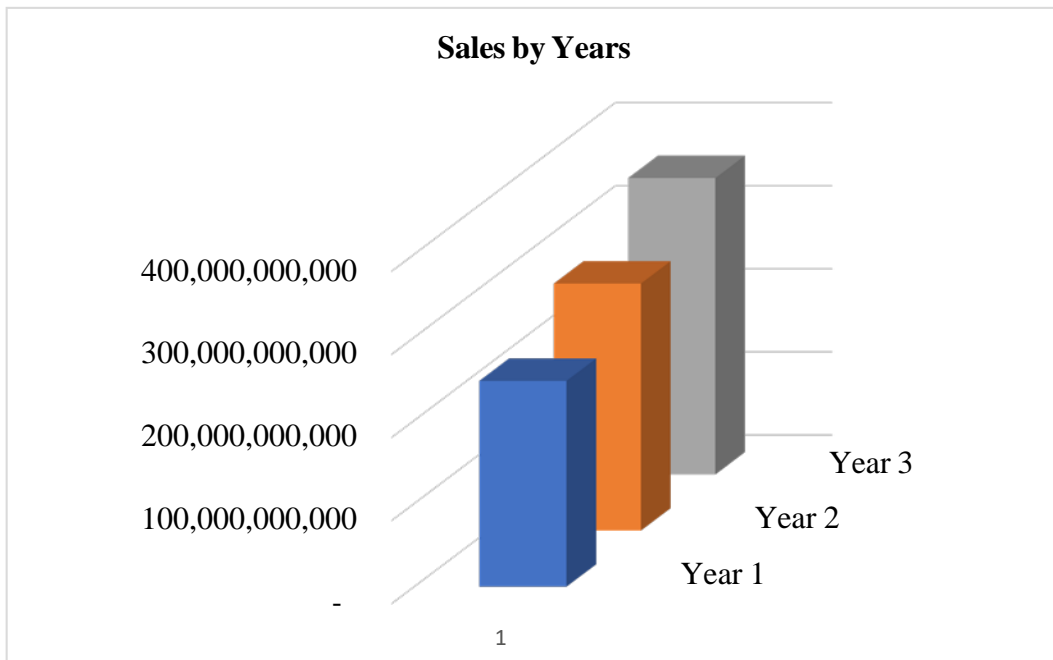
Additionally, SM Hauliers Company Limited intends to continually develop a number of referral and contractual relationships with retailers, distribution companies, and freight brokers. Since these businesses are regularly seeking transit services, the owners see a significant opportunity to partner with these firms.

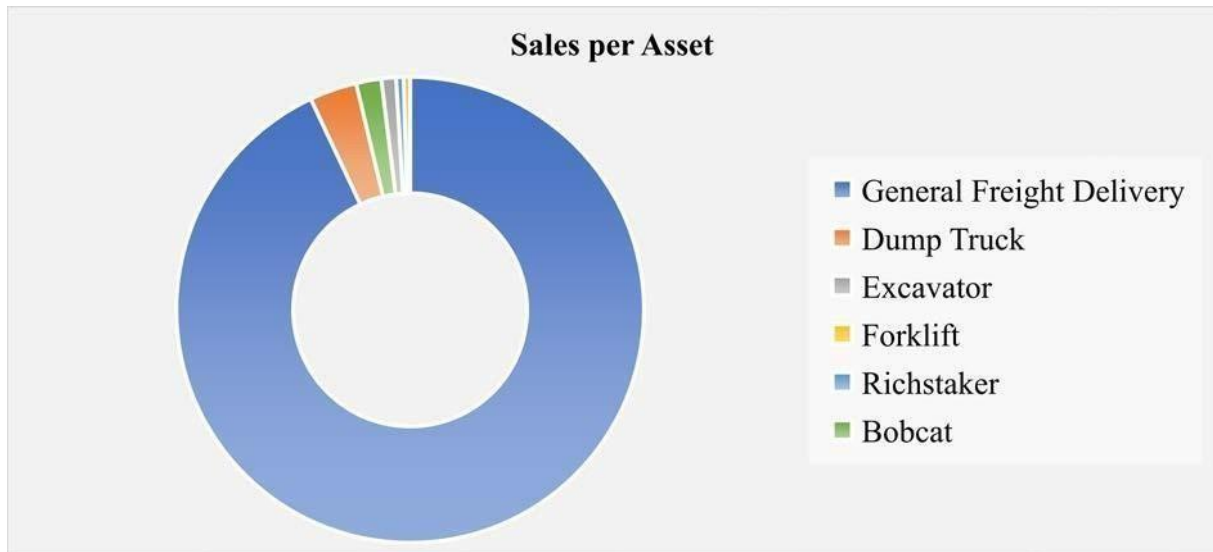
5.9 Sales Strategy

Mohamed Milad Ikbal Haji will manage sales for the business, making appointments with and traveling to client businesses in the region when necessary to establish relationships based on an understanding of the client’s needs for freight transportation. Mohamed Milad Ikbal Haji will prospect from a list of manufacturer businesses in the targeted area, starting with small and new businesses which may not have established a long-term relationship with a carrier yet.



The cost of sales listed by SM Hauliers Company Limited for per-mile transportation is approximately 25% for fuel based on the estimated 10 mpg for loaded trucks, and another 25% for truck driver labour hours that can be assigned to the jobs based on agreed hour rate. Cost of sales for preferred accounts is much smaller as it consists only of set-up and maintenance labour for hourly operators.





5.10 Milestones & Metrics

Milestones

The milestones table covers the early marketing activities described in the marketing strategy summary. The first two milestones (website and brochure) are budgeted under start-up expenses and the remainder are budgeted under the first year marketing budget for operations.

Milestone	Start Date	End Date
Find funding to Start SM Hauliers Company Limited	01/07/2023	01/09/2023
Purchase Trucks and trailers	01/09/2023	01/10/2023
Insurance and permits	01/09/2023	01/10/2023
Hire drivers	01/09/2023	01/10/2023
Pick up first loads	01/10/2023	01/11/2023
Create Brochure	01/09/2023	01/12/2023
Create Website	01/09/2023	31/12/2023
Generate Mailing List	01/09/2023	30/12/2023
Direct Mail Distribution	01/10/2023	31/12/2023
Run First Advertisements	15/09/2023	31/12/2023
Launch Press Release	01/10/2023	30/11/2023
First Trade Show (Pre and Run)	15/10/2023	30/12/2023

Key Metrics

- Freight cost per unit shipped
- Outbound freight costs
- Inbound freight costs as percentage of purchases
- Transit time
- Claims as % of freight costs
- Sales
- Loads
- Maintenance
- Driver commissions
- Leads
- Closes
- Clients
- Repeat clients

6.0 MANAGEMENT SUMMARY

6.1 Management Team

SM Hauliers Company Limited management will comprise of the following:

Chief Executive Officer (CEO)

Mohamed Milad Ikbal Haji, CEO, will manage the strategic direction, as well as sales and marketing of SM Hauliers Company Limited during the first three months of operation. He developed experience in all of these areas through work in his previous business.

Chief Operating Officer (COO)

The Chief Operating Officer position will be filled by Yakub Mabruk Salim. The Chief Operating Officer will manage operations, finances, human resources, and procurement.

Sales and Marketing Associate

Once SM Hauliers Company Limited acquires new trucks, a sales manager will be hired to solicit new business. This will also allow Mohamed Milad Ikbal Haji to dedicate more time into company management.

Administrator

SM Hauliers Company Limited plans to hire an accountant to handle company administration and financial report, all clients accounting, and ensure company compliance with tax regulation across the country.

Safety Manager

At SM Hauliers Company Limited the Safety Manager will provide oversight on all maintenance and safety inspections of the vehicles and drivers.

The business will require additional personnel including an administrator/dispatch center operator and a sales/marketing support associates. These individuals will be managed by the COO and the CEO, respectively.

6.2 Personnel Plan

Truck driver salary listed here covers only salary. This includes training, repair work, returns from deliveries, and other required driving with empty trucks. It is expected that this will be less than 20% of driver wages. Truck drivers will be 150 full-time by the end of year 1. There will be enough full-time truck drivers as the business will attempt to utilize the capacity of the trucks and limit overtime of drivers.

The sales/marketing associate will be hired in the first month of operation but will be working together with the CEO on all sales and marketing operations for the first three months.

Position	Monthly	Year 1	Year 2	Year 3
CEO	1,200,000	14,400,000	14,400,000	14,400,000
COO	1,000,000	12,000,000	12,000,000	12,000,000
Accountant	900,000	10,800,000	10,800,000	10,800,000
Sales & Marketing	800,000	9,600,000	9,600,000	9,600,000
Administrator	700,000	8,400,000	8,400,000	8,400,000
Technicians	7,200,000	86,400,000	86,400,000	86,400,000
Safety Manager	500,000	6,000,000	6,000,000	6,000,000
Truck Drivers	22,500,000	270,000,000	295,000,000	320,000,000
Operators	500,000	6,000,000	6,000,000	6,000,000
Total	35,300,000	423,600,000	448,600,000	473,600,000
Total People	161	161	261	361

7.0 FINANCIAL PLAN

SM Hauliers Company Limited will establish its business with items to be added from investment plan i.e. Tractor trucks 350 , 50 Tipping trailers, 250 Flatbed trailers, 50 Dangers, 50 Tanker trailers, 50 Dump Trucks.

10 excavators, 10 Patrol vans, 5 Directors cars, 6 Forklifts, 3 Reach stackers and 8 Bobcat, 5 Generator KVA320, 30 Tractors, 5 Weighbridges, 5 crane truck, 30 skeleton trailers with two axles financed by the owners' and investors or partner's equity. Profits will swing positive from the first year of operation.

After the three years of operation, the business can sustain growth of at least twenty additional trucks per year, and begin to add additional bases of operation so that truck drivers who do not live in the Dar es Salaam area can be hired and trucks do not have to return to this base after all jobs.

Dividends will not be paid out, as per agreement between shareholders, investors and partners. After five years of operation.

7.1 Start-up Funding

Shareholders will provide part of start-up funding out of savings from their previous businesses and personal finance. Additional investment will be from investing partners.

Start-up Funding

Start-up Expenses to Fund 200,000,000

Start-up Assets to Fund 105,166,830,000

Total Funding Required 105,166,830,000

Assets

Non-cash Assets from Start-up 105,166,830,000

Cash Requirements from Start-up -

Additional Cash Raised -

Cash Balance on Starting Date -

Total Assets 105,166,830,000

Liabilities and Capital

Liabilities

Current Borrowing

Long-term Liabilities

Accounts Payable (Outstanding Bills)

Other Current Liabilities (interest-free)

Total Liabilities

Capital

Planned Investment

Shareholders

Investors

Additional Investment Requirement 105,366,830,000

Total Planned Investment 105,366,830,000

Loss at Start-up (Start-up Expenses)	(200,000,000)
Total Capital	105,166,830,000
Total Capital and Liabilities	105,166,830,000

7.2 Important Assumptions

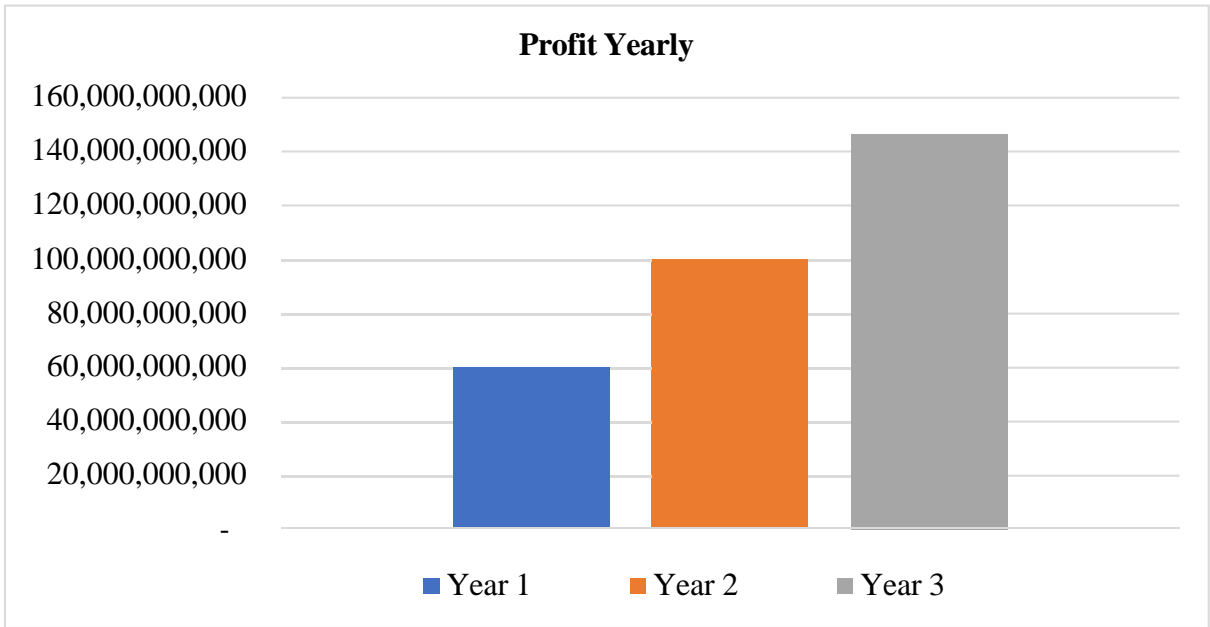
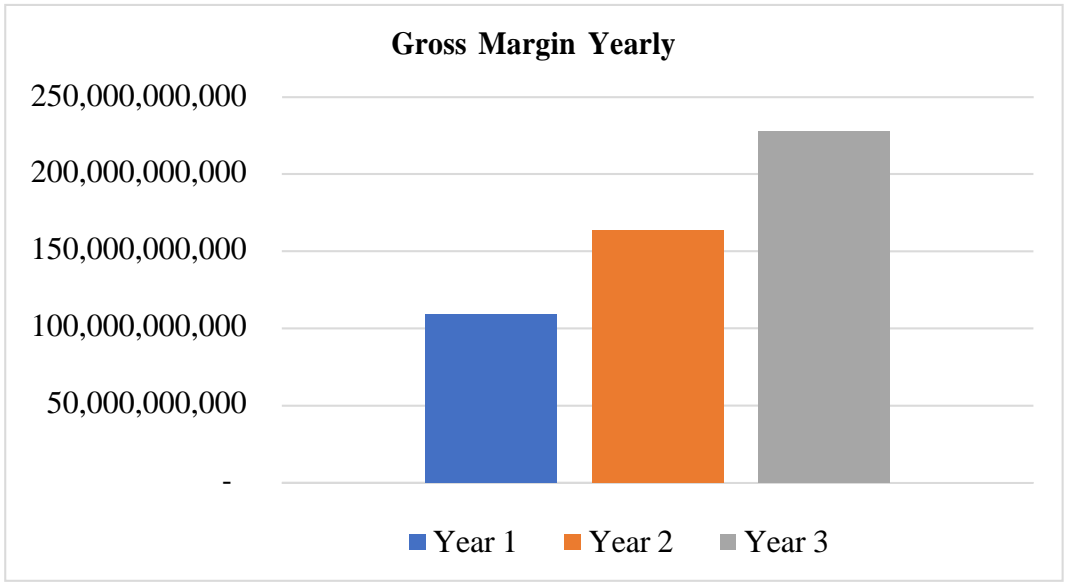
The business assumes the cost of fuel at an average of the past two years, slightly higher than today's fuel prices, expecting it to be decreasing more during the coming years causing decrease in the direct costs. This is considered a conservative estimate as it is possible that fuel will stay below this number during at least part of the start-up phase. However, if fuel becomes significantly more expensive, the gross margins of the business will drop.

7.3 Projected Profit and Loss

Major expenses include:

- **Payroll:** Covers the management, staff, and truck driver wages.
- **Marketing/Promotion:** Projected higher in the first year and then dropping due to extra marketing devoted to the launch and the weaning off of search engine marketing over time
- **Depreciation:** Reflects the growing investment in trucks and equipment over the years. Trucks are depreciated at 25% on a 10-years straight-line schedule. The depreciation is TZS 1,063,241,250 per month including the additional equipment purchased with the trucks.
- **Truck Maintenance/Repair:** Estimated at 2% per month per truck to will rise to 4 in year 4 due to aging of the trucks purchased.
- **Rent & Utilities:** Projected to be static during the first three years of business and rise slightly during the fourth year of business due to inflationary increases
- **Insurance:** Will grow with the number of trucks and size of operations
- **Payroll Taxes:** Applied to payroll as listed and half of the direct cost of sales
- **Licensing and Permitting:** Include ongoing renewals of licenses and additional licenses for new trucks as they are purchased

The business expects a net profit in the first year as operations and sales scale up straightaway due to there being high demand for our product and services in the market.



Profit and Loss Statement

	Year 1	Year 2	Year 3
Revenue			
General Freight Delivery	460,400,000	1,076,480,000	1,531,776,000
Dump Truck	18,100,000	19,720,000	20,664,000
Excavator	12,520,000	13,024,000	14,628,000
Forklift	10,080,000	11,296,000	11,555,200
Richstaker	11,296,000	11,555,200	11,866,240
Bobcat	4,320,000	5,184,000	6,220,800
Total Revenue	516,716,000	1,137,259,200	1,596,710,240

Operating Expenses

Payroll	423,600,000	448,600,000	473,600,000
Operations Cost	40,500,000	40,500,000	40,500,000
Marketing and Promotions	2,000,000	2,000,000	2,000,000
Insurance	500,000	500,000	500,000
Payroll Taxes	5,000,000	5,000,000	5,000,000
Licenses and permitting	1,000,000	1,000,000	1,000,000
Rent	3,000,000	3,000,000	3,000,000
Security	1,500,000	1,500,000	1,500,000
Utilities	1,000,000	1,000,000	1,000,000
Web Hosting and	500,000	500,000	500,000
Miscellaneous	2,000,000	2,000,000	2,000,000

Total Operating Expenses **480,600,000** **505,600,000** **530,600,000**

Profit Before Interest and Taxes **36,116,000** **631,659,200** **1,066,110,240**

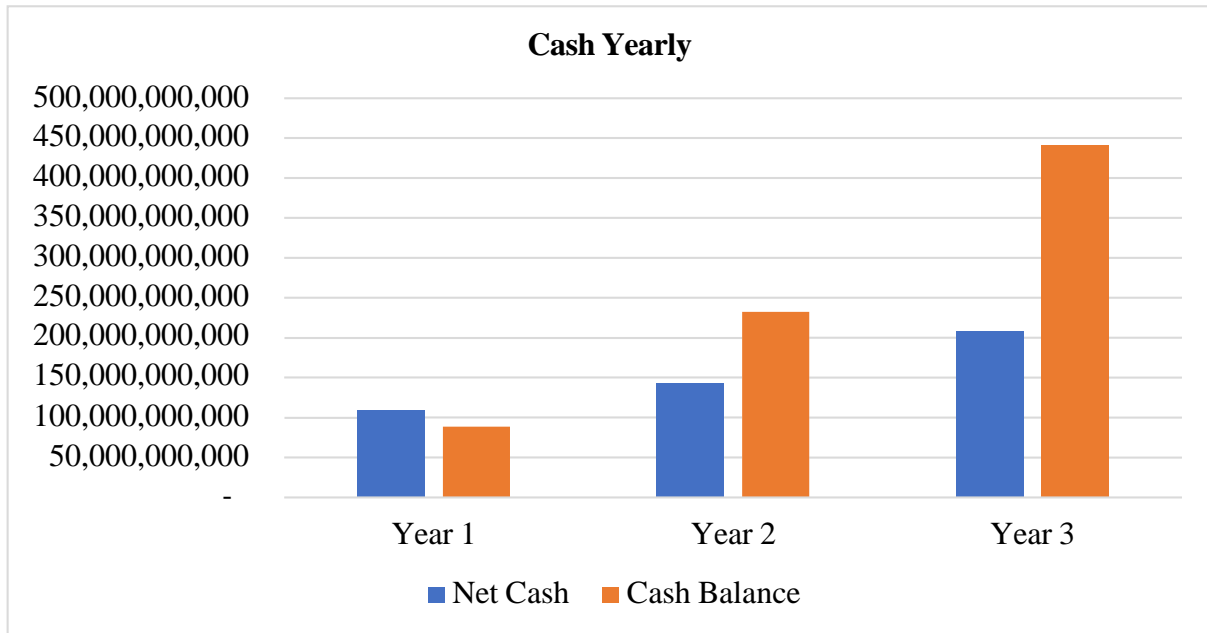
Income Taxes 10,834,800 189,497,760 319,833,072

Net Profit **25,281,200** **442,161,440** **746,277,168**

Net Profit/Sales % 489% 3888% 4674%

7.4 Projected Cash Flow

Purchases of new long-term assets which comprise of 150 Tractor trucks, 50 Tipping trailers, 15 Flatbed trailers, 25 Dangers, 20 Tanker trailers, 50 Dump trucks, 10 excavators, 10 Patrol vans, 5 Directors cars, 6 Forklifts, 3 Richstakers and 8 Bobcat, Generator KVA320, Repair equipment and tools, Truck trucking devices, Truck batteries, Truck spare parts, Truck tyres and Office furniture will all be made in cash. This cash will be secured from owners' and investors or partners contribution.



Projected Cash Flow

Cash Received	Year 1	Year 2	Year 3
Cash from Operations			
Cash Sales	516,716,000	1,137,259,200	1,596,710,240
Cash from Receivables	-	-	-
Subtotal Cash from Operations	516,716,000	1,137,259,200	1,596,710,240
Additional Cash Received	-	-	-
Sales Tax, Income Tax, VAT Paid Out	-	-	-
New Current Borrowing	-	-	-
New Other Liabilities (interest-free)	-	-	-
New Long-term Liabilities	51,235,580,000	13,572,000,000	12,572,000,000
Sales of Other Current Assets	-	-	-
Sales of Long-term Assets	-	-	-
New Investment Received	52,583,415,000	31,550,049,000	21,033,366,000
Subtotal Cash Received	104,335,711,000	46,259,308,200	35,202,076,240

Expenditures**Expenditures from Operations**

Cash Spending	480,600,000	505,600,000	530,600,000
Bill Payments	-	-	-

Sub total Spent on Operations	480,600,000	505,600,000	530,600,000
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Additional Cash Spent

Sales Tax, Income Tax, VAT Paid Out	10,834,800.00	189,497,760	319,833,072
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Other Liabilities Principal Repayment	-	-	-
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Long-term Liabilities Principal Repayment	-	-	-
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Purchase Other Current Assets	51,035,580,000	13,572,000,000	13,572,000,000
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Purchase Long-term Assets	-	-	-
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Dividends	-	-	-
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Subtotal Cash Spent	51,527,014,800	14,267,097,760	14,422,433,072
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Net Cash Flow	52,808,696,200	31,992,210,440	20,779,643,168
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Cash at Beginning of Period	-	52,808,696,200	84,800,906,640
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Net Change in Cash	52,808,696,200	31,992,210,440	20,779,643,168
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Cash at End of Period	52,808,696,200	84,800,906,640	105,580,549,808
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7.5 Projected Balance Sheet

The balance sheet illustrates the launch of the business on equity financing and augmented by finance from investors and partners over its first three years of operation to purchase new trucks. This will allow cash and assets, as well as net worth, to continue to grow.

Retained earnings will be set positive in the third year after two profitable years of operation.

7.6 Projected Balance Sheet

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7.7 Projected Balance Sheet

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Retained earnings will be set positive in the third year after two profitable years of operation.

Projected Balance Sheet

	Year 1	Year 2	Year 3
Cash	52,808,696,200	84,800,906,640	105,580,549,808
Account Receivable	16,606,730,000	15,911,895,000	22,136,895,000
Other Current Assets	-	600,000,000	720,000,000
Total Current Assets	69,415,426,200	101,312,801,640	128,437,444,808
Long-term Assets	51,035,580,000	64,607,580,000	78,179,580,000
Accumulated Depreciation	(12,758,895,000)	(16,151,895,000)	(19,544,895,000)
Total-Long Term Assets	38,276,685,000	48,455,685,000	58,634,685,000
Total Assets	107,692,111,200	149,768,486,640	187,072,129,808
Accounts Payable	2,000,000,000	-	2,880,000,000
Short-term Loans	-	-	-
Accrued Liabilities	300,000,000	334,718,800	432,000,000
Total Current Liabilities	2,300,000,000	334,718,800	3,312,000,000
Long-Term Debt	105,366,830,000	148,941,044,000	182,546,410,000
Total Liabilities	107,666,830,000	149,275,762,800	185,858,410,000
Paid-in Capital	-	-	-
Retained Earnings	25,281,200	467,442,640	1,213,719,808
Total Owner's Equity	25,281,200	492,723,840	1,213,719,808
Total Liabilities & Equity	107,692,111,200	149,768,486,640	187,072,129,808