

HEROCEAN ENTERPRISES (T) LTD

**BUSINESS PLAN
ELABORATES STRATEGIC TARGET AND
INVESTMENT PROGRAM FOR SETTING UP
AN INDUSTRIAL PARK IN MKURANGA DISTRICT
COASTAL REGION.**

EFFECTIVE FROM: 2023/2028

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1 CHAPTER I: INTRODUCTION

This document mainly elaborates strategic target and investment program of setting up an Industrial Park project in Mkuranga – Pwani Region. Advantages of the company are analyzed in terms of financial situation, management system, sales channel, and human resources etc. The margin of market demand is investigated as well as the situation of competitors, corresponding measures are also programmed. In financial aspect, forecast is made from periodic input of investment to payoff term thereof, balance between expenses and receipts, distribution of profits and so on.

This document includes eight chapters.

Chapter one is scope of responsibilities on management staff.

Chapter two is work standard on execution of work of all management department, production department and auxiliary department. Standard on foundation, course and results of each task of different department are clarified and elaborated.

Chapter three is quality responsibilities which extends detailed standard on quality responsibilities of all management staff on all levels and very worker on his/her post.

Chapter four is assessment standard which extends standard to assess the result of all work including time, scope, process and course of assessment. Sustainable improvement correctness and prevention measures are also regulated. This is a document with high practical value.

Chapter five up to eight

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2 CHAPTER II: BRIEF INTRODUCTION TO THE COMPANY

Herocean Pan-African Network Group, founded in 2008, is a China-Africa supply chain platform enterprise integrating international logistics, African industrial trade and information technology, with its headquarters in Shanghai, China. It has more than 10 wholly-owned or holding subsidiaries and is distributed in 39 city outlets in Asian and African countries, such as Chinese Mainland, Hong Kong, Tanzania, Kenya, Rwanda, Uganda, Zambia, the Democratic Republic of the Congo, Mozambique, Malawi, Ghana, Angola, etc. The compound growth of the group's business each year exceeds the average of the same industry for more than 10 consecutive years.

Herocean Enterprises (T) Ltd is located at Plot No.95-96, Vingunguti Industrial area in Ilala Dar es Salaam and registered under the companies Act, 2002 as a limited company with registration number 75823 operating in the field of roofing sheets manufacturing operate in various regions like Arusha, Iringa, Njombe, Shinyanga and Dodoma while the headquarters remains in Dar es Salaam.

The principal business for which the company was established is manufacturing of the Steel Roofing Sheets.

Nature of the Company: Private Owned Company

Industrial Category: Manufacturing (light industry) and Logistics.

Herocean Mukuranga Industrial Park is located at Plot Number 10 Block H beside the B2 main road in Mukuranga District, and the project is planned to cover an area of 45 acres. The location of

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the project park is superior, less than 30km from the port of Dar es Salaam, and the drive is about 1 hour.

Herocean Mukuranga Industrial Park will acquire high level technical staff and management team, complete and sophisticate productive process and technologies which keep pace with world level development. The company will therefore capable enough to execute effective control over production and execute efficient according to market demand. Complete management system guarantees regular operation of the company. The company is capable enough to face any quality control system and obtain any certificate on quality control.

Product scope of the project:, with the positioning mainly focusing on light industries such as home appliances, home furnishings, and building materials, with manufacturing and logistics services as the main body, and engineering, marketing, and trade developing simultaneously.

We will introduce world-class household appliances and home furnishing production lines, and work with the government to build Tanzania's national brand to meet the household consumption needs of African people.

The combined input of advanced equipment and technology, selected input of combined professional equipment and equipment to be invested during middle and late stages of the investment program will satisfy the requirement of growth of the market. Advantages in technical process, productive capability and professional management empower the company with foundation of long term development.

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OUR VISION

Establishment of physical network base for organic collaboration in every country in Africa.

OUR MISSION

Sustained effort for better life for the people of Africa

Quality guarantee: Depending on the market experience from the high up, company in Tanzania, the company will enjoy advanced technical process, reliable control over productive process, and professional management system.

Personnel Training: The Company will execute overall training program for its personnel with local employees as the majority. Through training on management, technical and process, productive operation and so on, the company will foster high level management team, engineering and technological team, production operation team and professional marketing team. Thus the company will become more localized soon as possible.

Stable quality, exquisite technology, complete management system, sincere service and long term development concept combine to present permanent pursuit of **Herocean Enterprises (T) Limited**.

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3 CHAPTER III. BUSINESS DEVELOPMENT PLAN

3.1 Environment Investment of Tanzania

Herocean Enterprises (T) Limited is going to invest and set up an Industrial Park in United Republic of Tanzania particularly Mkuranga District in Coastal Region, with convenient transportation in terms of road connecting the busy city of Dar es salaam rich human resources and complete infrastructure.

Preferential investment policies, stable social order and friendly people combine to forge sound investment environment for us. It is for above mentioned factors that Mkuranga District was selected to set up a factory therefore **Herocean Enterprises (T) Limited** Mkuranga Industrial Park was established to operate a long-term business Projects to support the industrialization Policy of this beautiful land.

Since President Xi Jinping's visit to Tanzania 10 years ago, China's investment in Tanzania has hit \$1.8 billion. We found it necessary to invest in Tanzania for its optimistic market prospect. The government of Tanzania requires that high quality building materials should be applied in all civil construction, which indicates great market potential.

Our products, upon entrance into Tanzania market will meet such increase of demand. We will introduce world-class household appliances and home furnishing production lines, and work with the government to build Tanzania's national brand to meet the household consumption needs of African people.

We do believe that what makes investors more confident is that government of Tanzania through its industrialization policies providing preferential to foreign investment and has done a lot to ensure social-economic growth and political stability is achieved. We have learnt that many of inspected and approved enterprises may enjoy tax exemption subsidies and have a lot to gain from Tanzania Investment Centre with certain proportion of the investment.

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3.2 Major Investment Projects and Plan

Upon sufficient investigation to Tanzanian market, we made the decision to invest in Mkuranga Industrial Park Project in Coastal Region to major in Light industries that will also be a Business Hub for the distribution of final products of building Materials and home appliance.

A. Lubricating oil project

It is estimated to provide 500 jobs, with an annual production capacity of US \$30 million and an estimated VAT contribution of US \$500000.

Project characteristics

The production of lubricating oil is the blending and filling production of lubricating oil in the petrochemical industry (C2511). Its raw materials and products are high boiling point products of petroleum distillation, non-hazardous chemicals, ordinary goods, but with fire risk.

Project planning

The largest lubricating oil production base in East Africa will be built in Dar es Salaam, Tanzania, mainly to provide maintenance materials for logistics vehicles, mining machinery and small civil vehicles in Tanzania and surrounding countries.

Plant planning

The planned area of the first phase plant is 20000 m² , of which the design area of the main production plant is 12000 m²

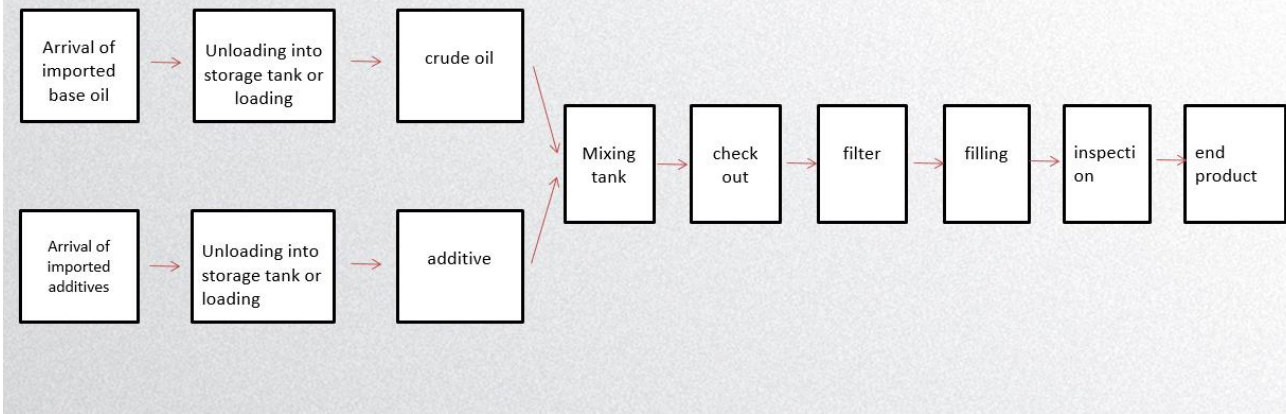
Including raw material storage, production equipment and processing, finished product inventory and other functions

The lowest point of the plant is 8 meters high, with light steel and brick-concrete structure. The workshop roof is flush gable roof double slope roof.

Lightning protection design shall be carried out for basic oil tanks and workshops. The professional technical team ensures the safe and stable implementation of the project.

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Production flow chart



B. Household appliance assembly project

The introduction of a relatively advanced household appliance assembly production line, which is located in Dar es Salaam, Tanzania, covers refrigerators, freezers and other refrigeration appliances, filling the gap in the current East African market.

It is estimated to provide 500 jobs, with an annual production capacity of 20 million US dollars and an estimated value-added tax contribution of 300000 US dollars

Planned capacity: refrigerating appliances, with an annual capacity of 500000 units

The estimated building area of the plant is 20000 m²

Production process

(1) Squeezing plate - tank blistering - tank processing - refrigeration evaporator pressing - tank splicing - two-chamber installation - base installation - sealing - heater bonding - pipeline finishing - backplane installation - tank finishing - tank foaming - tank inspection - installation of compressor - pipeline plugging and shaping - pipeline welding - vacuum pumping - refrigerant filling - sealing - detection

(2) Extruded plate - door liner blister - door body foam

(3) Door shell sheet metal - door body frame strip - door body seal

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C. Canning production project

It is estimated to provide 300 jobs, with an annual production capacity of 10 million US dollars and an estimated value-added tax contribution of 200000 US dollars.

Mainly engaged in export processing business, combined with local products, manufacturing canned fruits, vegetables and seafood that are easy to store and transport, for export to all parts of the world

The planned area of the plant is 10000 m²

Estimated capacity: 2 million cans/year

D. PVC project

It is estimated to provide 200 jobs, with an annual production capacity of 5 million US dollars and an estimated value-added tax contribution of 100000 US dollars.

It is the only base specialized in producing, processing and selling color coated steel coils in Tanzania, equipped with modern, automatic and advanced technology color steel assembly line production equipment. At least 8 PVC production lines are planned to produce more than 1.6 million gusset plates each year.

E. Cross-border urban distribution transportation

Herocean has 60 collection vehicles to coordinate 1000 sets of container trucks from outsourcing suppliers, including low flat plates for various loading equipment

All vehicles in Tanzania, including but not limited to heavy trucks, ton trucks, dump trucks, motorcycles and other means of transport.

F. Storage yard

Planned site area: 20000 m²

Planned storage yard support: modern storage system, including but not limited to crane, forklift and other handling tools

Services available: container, equipment, bulk cargo storage services

For customers: Tanzanian Terminal, MAERSK, PIL, COM, COSCO, ESL, all shipping companies

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G. Warehouse (bonded warehouse)

Planned warehouse area: 40000 m²

Plan supporting: modern storage system, including but not limited to crane, forklift and other handling tools

Services available: loading and unloading, storage, distribution and other services of import and export goods

Facing customers: all customers who need warehousing services through Tanzania

H. Other agent resources

1. **Existing resources:** Herocean has its own customs clearance bank, which can coordinate 20 outsourcing customs clearance agents;
2. **Planned supporting facilities:** a comprehensive office building that can accommodate 200 agents;
3. **Plan to introduce resources:** various customs clearance agents, shipping company agents, customs offices;
4. **Services can be provided:** all import and export customs clearance and customs transfer services through Tanzania;
5. **Facing customers:** all customers who need customs clearance services through Tanzania.

3.2.1 The total Amount of Investment

The total investment of the industrial park is **300 million US dollars** where **200 Million USD** will be foreign equity and **100 Million USD** will be Local loan.

Once we finish the progress of TIC and get the building permits, we will start right now the building construction. During the period of construction, we will ship some of construction equipment from China.

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3.3 Personnel Training Program

Currently, we engage in processing of color steel tile, which is particular and professional in Dar es salaam. Our management and production staff can go into function only when they grasp certain professional skills. So professional training on different levels is necessary for management staff. All equipment, technology and skills will be procured from China. (Unavailable in Tanzania at present) Strict procedures and safety regulations must be observed in operating the equipment which requires special training to operating team.

3.3.1 Elementary Training

All recruited staff should be trained in a 10 day routine training course for the following contents: management program, which provides organizational structure and management process of the factory, function of each section, where to go for different issues and how; training on work discipline and regulations, which provides detailed information on discipline and regulations, personal acts should be regulated in the factor and punishment will follow up when violation occurs; training on security and environment protection to let the staff know connotation thereof, how to protect environment of the factory and how to work in a good manners.

3.3.2 Intermediate Training

Special training course will be offered to employees at different posts during 120 to 180 days.

3.3.2.1 Training on Technical Process

This is to let the employees know the overall technical process and know the role of each step. Training on how to operate should be given to major operators and operator at crucial posts. The trained worker is required to be able to grasp the technical skills of his post and should work on his own under guidance of his trainer.

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3.3.2.2 Training on Secured Operation and Equipment Maintenance

This is to let the workers completely grasp essentials of secured operation and know performance of the equipment as well as how to do regular maintenance for the equipment.

3.3.2.3 Training on Management

This is to train the new management staff on responsibility, standard, management process and so on to let them be able to do their work smoothly.

3.3.3 Advanced Training

We shall select some crucial local staff operators who have passed the intermediate training and who is smart and responsible to come to China for more systematic training to become completely independent, proficient and be able to work as a demand of a group or a team. These will function as engine to promote the quality of the whole staff. We shall also select some mid-and-high level management workers to come to China for a training course so that they can shoulder the work of a department or certain sector and execute effective control over different steps of the whole process.

Herocean Enterprises (T) Limited regards staff training a very important part of management which is a programmed work. Planned and schedule training will be arranged in different stages of management. Contents and examination results will be recorded into profiles after each course to count in work position promotion.

3.3.4 Development Trend of the Enterprise

The Forum on color steel tile Furthering Processing in 2019 attracted 300 participants from over 20 countries and regions of the world. From the information we got at the forum, we see that the development trend of this field is not only to promote security but energy saving and environment protection. The target of our company goes in accordance with this trend.

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3.3.4.1 1. The Development Trend of Energy Saving, Environment Friendly and More Secure

Modern architecture of Tanzania has been greatly improved or say popularized. At present, color steel tile further processing is relatively backward. We enter the market with high tech equipment which is currently not available in the

Our tempered and hollow color steel tile, tempered laminate color steel tile and double glazed unit boast higher security ratio and better noise and heat insulation performance. The product is a new one featured by its warming keeping, energy saving and lighting performance.

Our company will have advanced equipment and unique technologies to produce color steel tile to meet varied demand in construction market for all part of the country and we expect to have branches in various strategic regions.

Our develop trend is to become more energy saving, environment protecting and secure.

3.3.4.2 Development Trend of Professional and Scaled Production

Construction industry is one of the most important sectors of the world. Development of construction market requires color steel tile producers to become more professional and promote computerized level to accord with international market. China's color steel tile processing industry is keeping pace with world level. China production scale of color steel tile ranks top in the world.

Our company keeps pace with domestic and international counterparts with advanced and professional equipment, characterized professional technologies and first class management team. We have the capacity of large scaled and professional production to satisfy the demand of development Tanzania's construction industry. Our company has mature technologies and concerning professional equipment in this sector. At the same time, sales channel can be widened to other countries through present export channels and sales network.

The development trend of professionalized scaled production is the pillar of stable development of our company.

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3.3.4.3 High Speed and Sustainable Development Trend

As can be seen through history of color steel tile development that the developing speed is faster and faster, the ways to process color steel tile are more and more, technological level of processing is more and more advanced, product level is higher and higher, application is wider and wider. And the advanced equipment and unique technologies of our own may guarantee larger and wider color steel tile and higher efficiency, which is sure to improve the architecture style to a completely new high. Variety of our products in Tanzania will satisfy demands of different level in other fields of Tanzania because we have very strong capacity and following investment in fund, equipment and human resources.

All these factors will ensure us to keep a high speed and sustainable development trend. Such high speed and sustain able development trend is a natural trend of development of our company.

We have scientific management; strong technological, financial support and huge market potential to guarantee us grow in the direction of high speed, sustainable, professional, energy saving and environment friendly development.

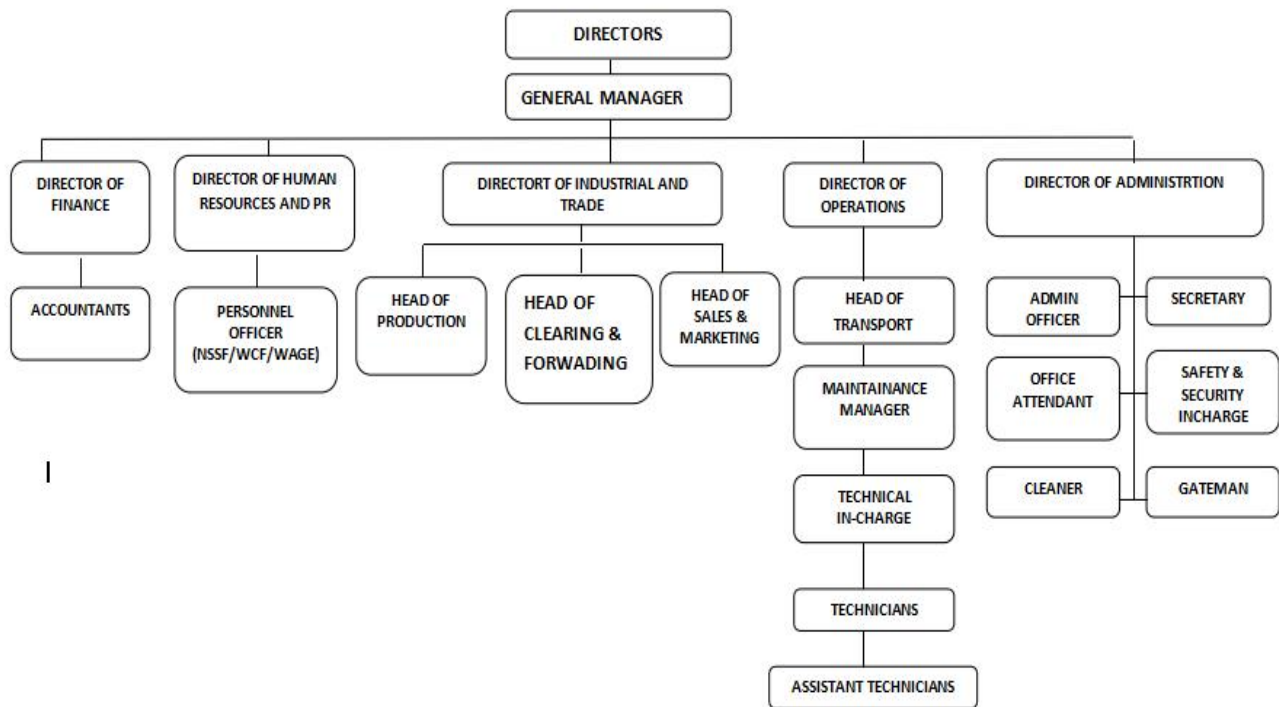
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4 CHAPTER IV MANAGEMENT OF THE COMPANY

4.1 Chart of Management Structure



ORGANIZATION CHART. HEROCEAN ENTERPRISES (T) LTD.



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4.2 Human Resources

Herocean Enterprises (T) Limited will have set up a factory in Tanzania with its headquarter in Dar es salaam while expand to branch level in all major Cities including Arusha, Mbeya, Mwanza and including a Warehousing and Showroom project to be set in Dodoma. In order to sustain in business and work in Professional manner, we will employ people from all walk of life in various positions while engaging some experts in various technical positions in order to impart skills and train local to work with the newly established machines.

There are 5 persons in the first group, all of whom has rich professional knowledge and fine management ability. The following is their brief introduction:

The following is the allocation table of Newly Recruited Tanzanian employees

Table 4:1 Allocation Table of the Local Employees to set up the Factory in Tanzania

S/N	Year	Total	Expert Female	Expert Male	Tanzania Female	Tanzania Male
1	The first year	500	10	20	200	300
2	The second Year	1000	10	15	300	700
3	After five years	2000	20	35	500	1500

Development and allocation of human resources are the most fundamental work for development of an enterprise. We would mainly consider human resource market of Tanzania in developing and allocating our human resource by a combined manner of recruiting and training to foster necessary personnel.

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4.3 Management System

Through the business experience gained by Mr. Sun in Tanzania that the BG/T19001—2000 quality control certificate and the state CNCA—O4C—O28 : 2001 *Tanzania compulsory Certificate (3C)* namely *Executive Rules of Color steel tile Compulsory Certificate, Color steel tile Products*.

At present, the company operates the standardized quality control system according to Director's instructions. The application of standardized quality control system is comprehensively reflected from controlled documents, which mainly include the following:

4.3.1 Program Document

This is a guiding document which presents clear and explicit regulations are made on purpose, responsibility, scope of application, work procedure and quality recording.

Contents of this document mainly include 19 program documents as listed below:

- a) Management and commentary program,
- b) Document control program,
- c) Quality recording control program,
- d) Training control program,
- e) Controlling program relating customers,
- f) Procurement control program,
- g) Control program of production and service,
- h) Inspection and experiment control program,
- i) Product labeling and tracing control program,
- j) Product protection control program,
- k) Crucial and particular process control program,
- l) Supervising and measure device control program,
- m) Customer sincerity investigation and analysis program,
- n) Internal inspection and verification program,
- o) Supervision and measure program of course and product,
- p) Control program of unqualified products,
- q) Control program of data analysis,
- r) Control program on quality improvement and correctness,
- s) Control program of key components and materials.

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4.3.2 Quality Manual

This is the legal document of quality control system of the company including concrete requirement and detailed regulations on guiding principles of quality control, target of quality control, quality management system, management responsibilities, resource management, production realization, survey analysis and improvement. This document is the criteria of establishing and executing quality control system.

4.3.3 Management Standard

Management standard takes management affairs as its object. It is a regulation and criteria of all activities of the whole staff. This standard extends detailed criteria for operation and awarding and punishing in 15 aspects including discipline, salary system, secured production rules, education and training, energy saving and so on.

4.3.4 Work Standard

Work standard is a standard in quality of work taking people as its object. It regulates responsibility and task of every post, clarifies task amount and quality requirement and time limitations, work process and method of work.

It is not the purpose to compile a document. It is an activity to increase value. To increase value, we carefully programmed all progress of work and get each step go under supervision. Through operation of standard quality system, the increase of profit is rather evident.

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5 CHAPTER V. MARKET ANALYSIS

5.1 Market Demand

Tanzania is a prosperous country in African Continent which is developing very fast. High level management personnel of technology and marketing of our company has been to Tanzania three times for market prospect investigation.

To achieve the set target of 25 percent in 2032, there is a need for diversification of the manufacturing base and raising local value-added content resource-based exports

Since **Herocean Enterprises (T) Limited** is registered in Tanzania we believe that when our products and services enter the market, we will gradually satisfy the demand for color steel tile, household appliance and we will export our products to some other nearby countries. What's more, we also found wide margin in repairing and facilitating market. So we conclude that great development potential exists in Tanzania.

Construction industry is rising vigorous in Tanzania. We see that social status of Tanzania inhabitants is rising. Their living environment and living conditions are urgently to be improved. Booming of construction demand is sure to provide vast market for color steel tile producers. The development of city construction cannot do without the requirement of color steel tile. Establishment of our company will greatly satisfy this market demand.

Along with improvement of living standards, the market of color steel tile will also grow. We see that now in Tanzania, color steel tile is simple in techniques but high in prices. We can foresee that sound prospects exist in color steel tile and color steel tile maintain service market.

While analyzing the market of Tanzania, we also put our vision to surrounding countries which also presents increasing market demand, our company owns very strong market development capacity with advantages in international trade. We can export some of our products to East and Central Africa and Latin America since Tanzania's annual export of color steel tile to Africa and Latin

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America exceeds 3 million m².

Strong upward trend in the demand of color steel tile and broad prospects in potential market present optimistic development margin for our company. Our products will soon occupy considerable market share in Tanzania by our fine tradition, reliable quality and outstanding brands.

Therefore it is very essential to establish a warehouse and showroom project in Dodoma which is now found to be the upcoming commercial center to be able to distribute and showcase our final product to various parts upcountry.

5.2 Definition of Market

Through investigation, we found very large market margin in color steel tile with construction, engineering machinery trade. A lot of products relies on import and are despite several local producers present. They are just necessary in the field of modern stadium construction.

Domestic color steel tile output of Tanzania only counts for about 60% of the market demand, the rest part depends on import which indicate huge demand margin. Our company uses the most advanced steel whole welding shaping processing technology, the technology for the domestic and international common steel structure processing technology. With the occupation of funds, high production efficiency, low consumption of resources, low labor intensity, its technical characteristics are technology intensive. According to investigation, production technologies and equipment are not available yet in Tanzania. This is another broad market and it is worthy to invest in this aspect.

One of the proposed measures is to establish Micro Manufacturing Enterprise (MME) Parks in rural urban centres to accommodate micro and small scale manufacturing enterprises forming industrial clusters. Many of the SMEs have their workplace in the backyards of residential premises in residential areas. An effective solution for creating growth opportunities for these enterprises is to provide working premises in industrial areas and support the enterprises to form clusters for business efficiency and co-working

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According to the latest issue of the World Bank's report on business climate, Tanzania was ranked at 128th place out of 184 economies. The report states that infrastructure is inadequate and governmental red-tape increases the cost and time to acquire permits and licenses. It also says that skilled labor is scarce and workers are poorly trained if at all trained. Yes, there are a number of weaknesses that impose major challenges. At the same time there are a number of strengths which any other economy could utilize to overcome the challenges of prevailing weaknesses. The political and social stability of the country is incomparable. Tanzania has six landlocked countries to the west and 800 kilometers of coastal line to the east. Along the coast a series of natural gas reserves have been found and are in ready position to feed clean and cheap energy to industry. There is vast arable land area of up to 44 million hectares with moderate climate suitable for agriculture

Tanzanian industrialists show growing confidence in the emerging trend of economic development. International societies and foreign investors are impressed by the stable economic foundation that is in place in the country. Tanzanian people as well as private enterprises are motivated by the prospects of economic prosperity. The economies of the hinterland countries are also emerging and are integrated into the global market and remain dependent on development corridors running through Tanzanian territory. The huge natural gas reserves found in the last decade are ready to feed clean energy to Tanzanian industries. Although several serious problems may persist, none of them are insurmountable. To position Tanzania as an emerging economy in the 21st century, the Ministry of Industry and Trade (MIT) proposes an aggressive industrial investment strategy to create a challenging industrial base in Tanzania. Tanzania has to step forward to take and steer the rudder of growth dynamism today and not tomorrow or another time in the future.

Based on the market investigation and above fact and reality, we can say that we shall be well accepted by the customers/upcoming investors when we enter the market.

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6 CHAPTER VI: PROCESS OF PRODUCTION

6.1 Construction Scale and Technology

Construction scale: The group has a total investment of 12 million US dollars, covers an area of 19200 square meters, has nearly 100 employees, and backbone employees have 20 years of industrial production experience. The annual production capacity can reach 100000 tons, and the output value is 94 million US dollars.

Products Scheme: 15000 tons / year of Type C steel, Type H steel 30000 tons / year, single board color steel tile 26000 tons / year, composite color steel tile 50000 tons / year

Technology: The project uses the most advanced steel whole welding shaping processing technology, the technology is the domestic and international processing technology of common steel structure. The project production process including raw material, cut (cutting) plank, combination, welding, drilling, anti-corrosion, alignment, testing, installation, transportation and other production processes.

6.2 Description on the Process of Production

Color steel tile can be divided into two categories, single board color steel tile and composite color steel tile. Both are very widely used in practical application of construction sector, engineering machinery and security defensive fields etc. The course of production can be divided into the following steps: preliminary treatment, production of single board color steel tile and composite color steel tile.

6.3 Technology choice

On the basis of product varieties, in order to improve the quality of the premise, in full consideration of economic conditions and management level in the process of the production and reasonable flow, logistics, information flow smoothly and priority to choose safe and reliable. Advanced and safe technology, mature craft, convenient operation and management process are preferentially used.

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6.4 Technical Scheme

This project adopts the most advanced steel whole welding stereotypes processing technology, as is the current international and domestic general steel structure processing technology. The technology has the characteristics of high efficiency; low resource consumption, small labor intensity, and its technical characteristics are technology intensive.

The technology has the following advantages:

- a) The technical content and automation level is relatively high, in the international advanced level and the product level. The technical performance relative to other production cost is superior; the following characters are the reasonable structure, mature function, low operating cost and long service life. The technology can ensure the quality of products at the technological level of high stability, and improve the level of resource utilization and saving energy and reducing consumption. On the equipment level, the technical equipment uses a relatively high degree of automatic control and performance reliability.
- b) The technology of project has a good technical adaptability and it is adapting to domestic resources. The technology Process route can adapt to domestic main raw material properties. The technology Process route is simple and easy to understand, process control and equipment operation. The technology has been proved by domestic production test is mature, good technical support and strong reliability.
- c) The cost of technical equipment investment and product is low, with strong economic rationality. In the process of using this technology construction, the main equipment can be procurement in the domestic market according to the general standard. The project with advanced energy-saving facilities, and it can convert the product of many specifications. The cost of project construction and operation is low, so the project has strong ability to strain the market.

6.5 The Production Process

According to the product scheme and technical scheme of the project, the product production process is divided into raw materials organization, cutting board (cutting), combination, drilling, welding, straightening, anticorrosive, detection, transport, installation phase etc.

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The tile factory equipment list is as tabled below.

Table 6: Board of Material

S/N	DESCRIPTION	HS CODE
1.	CABLE	8544
2.	COPPER NOSE	85389000
3.	POWER DISTRIBUTION BOX	85369090
4.	CIRCUIT BREAKERS	85362000
5.	CIRCUIT BREAKERS	85362000
6.	CRIMPING PLIERS	85369090
7.	INSULATING TAPE	59061010
8.	CUTTING BLADE	68042210
9.	GRINDING WHEEL	68042210
10.	CUTTING BLADE	68042210
11.	ELECTRIC TOOLS	9030
12.	LEATHER GLOVES	4203291090
13.	PROTECTIVE SHOES	64011010
14.	WELDING ROD	83119000
15.	WORK CLOTHES	6103230099
16.	GOGGLES	90049090
17.	ROOF SHEET FORMING MACHINE	84622190
18.	RIDGE TILE ROLL FORMING MACHINE	84622990
19.	ROOF SHEET FORMING MACHINE	84622190
20.	ROOF SHEET FORMING MACHINE	84622190
21.	STEEL HOOK	73269019
22.	SETSCREW	7318159090

HEROCEAN ENTERPRISES (T) LTD

7 CHAPTER VII: FINANCIAL PROGRAM

7.1 Financial Management

Herocean Enterprises (T) Limited has complete financial staff and adopts divided system in account and cash management. Business accounting is operated according to standard of ISO 9000 quality management system. Internal financial management system is complete with strict work standard in terms of assets supervision, fund operation, contract fulfillment, and financial procedures etc.

In the course of setting up the factory in Tanzania, we shall further standardize our financial system in accordance with laws and administrative regulations of Tanzania, setting up and use accountant items to do business accounting. We shall compile financial report at the end of each fiscal year and extend the report to legal accountant's office to be audited for auditor's report as per country regulations.

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7.2 Source of Fund, Estimation of Use and Pay off period

Our planned investment is **USD 300,000,000** of which **USD 200,000,000** from foreign equity and **100,000,000 USD** being originated from Local loan.

Financial Distribution/Breakdown

DESCRIPTION	AMOUNT IN USD
Land and building	50,000,000
Plant	94,000,000
Vehicles	1,850,000
Furniture and Fittings	750,000
Pre-expenses	1,900,000
Other	1,500,000
Working Capital	150,000,000
TOTAL INVESTMENT	300,000,000

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7.3 PROJECT OUTCOME

1. Economic aspects:

Can bring sales contribution of annual output value of US \$1-2 billion

Can bring 2 million US dollars of value-added tax

2. Employment:

Improvement of professional skills of local people in Tanzania

It is estimated that more than 2000 people will be directly employed and more than 10000 indirectly employed

3. Industrial chain:

Obviously driven by upstream and downstream

Especially in logistics, home building materials, home appliance raw materials, packaging, lubricating oil, lighting and other industries

4. Technical aspects:

Introduce advanced equipment and process technology to improve the technical competitiveness of Tanzania's industrial industry

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8. CHAPTER VIII CONCLUSION AND RECOMMENDATION

Forecast on financial results can grasp and guide management activities on the whole. We also fully considered the unforeseeable factors in the changes of management process which can influence financial results. There are sufficient in the estimation of financial results, we have necessary favors for survival and development of an enterprise that is our professional and advanced equipment and technologies as well as an outstanding management team.

This Business Plan objectively reflects our understanding toward investment environment of Tanzania objectively analyzes various advantages of our enterprise and development momentum of the market as well as situations of the competitors. We conclude that it is completely correct to invest in Tanzania.

We are optimistic that the industrial park will be completed within the five-year term of President Samia Suluhu Hassan. Therefore, Chinese investors should come and invest in Tanzania and we are happy that the relationship is growing stronger and stronger.

We firmly believe the investment will be a success and at the same time, we believe our investment will play an active role to social development of Tanzania and its people. We request the noble government support from various angles as stipulated in the below table.

HEROCEAN ENTERPRISES (T) LTD

Tax policy	Corporate tax	Exemption from corporate income tax
	Value added tax	Sales and services are exempt from value-added tax
	Customs	Import of raw materials and equipment into the industrial park, free of import duties
	Import tariff	Tariff-free import
	Stamp duty	Exemption from enterprise stamp tax
	Individual income tax of foreign employees	Individual income tax of foreign employees shall be levied at the uniform preferential rate of 5% or 0
Labor and Immigration	Labor policy	No quota limit for foreign employees
	Work visa	The work visa for foreign employees is 15% of the regular fee, and the green channel for obtaining the work permit
Park construction	Power supply	Power supply is available 24 hours a day to ensure sufficient power supply for enterprises, and special lines can be laid according to the special power demand of enterprises
	Gas supply	The natural gas pipeline is directly connected to the park, and the park has its own liquefied gas station to support gas supply
	Water supply	Water wells or water towers are required to meet the industrial and domestic water demand in the industrial park

REFERENCE

1. The National Development Vision 2025 (VISION 2025)