

A FEASIBILITY STUDY OF PROJECT FOR CONSTRUCTION OF AN
INDUSTRIAL PARK AT DUNDANI/MWAMBAYA, MKURANGA DISTRICT WITHIN PWANI REGION BY CHYNA ENTERPRISES
AND TRADING COMPANY LIMITED

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- **Chapter 1: Background**
- **CHYNA ENTERPRISES AND TRADING COMPANY LIMITED** (hereinafter referred to as "**CHYNA**") is a licensed and registered real estate company. We have been able to secure a standard and well positioned real estate activities in Tanzania.

We are now focusing on developing an industrial park whereby we acquired an area in Dundani/Mwambaya area, Mkuranga District Pwani Region that has total area of 127,143 SQM.

Chapter 3-DESIGN PROSPECTS

■ Planning Objective

Fully implement the "one belt, one road" development initiative, strive to build an open and cooperative manufacturing industrial park between China and Tanzania, a successful model and friendly bridges of China's overseas parks.

Became **an national demonstration park**, **a special economic zone**, and **an international regional economic cooperation zone** which has high openness, strong radiation ability, harmonious society and good ecology to promote Tanzania's development.

■ Function Features

Industrial Community= Industrial Park+ Community+ Ecological Park Nature Of The Park: Compound park with high integration of production and life
Core Functions: R & D, Production, Life and Ecology
Core Carrier: A new urban community integrating production, work, life and leisure (City Complex)
Main Features: Deep integration of industry and city life, facilities sharing and ecological harmony

■ Development Orientation

The planning and development orientation of Tanzania National Industrial Park :

Dar es Salaam's Manufacturing

Cluster

Export Processing Demonstration Zone

New industrial Community

Chapter 4-PROJECT DESIGN
PROJECT DESIGN—Plan Spatial Structures

Plan Spatial Structures

One Center, One Corridor, Two Axes and Three Zone

One Center, Public service center
Two Axes

Comprehensive Development Axis

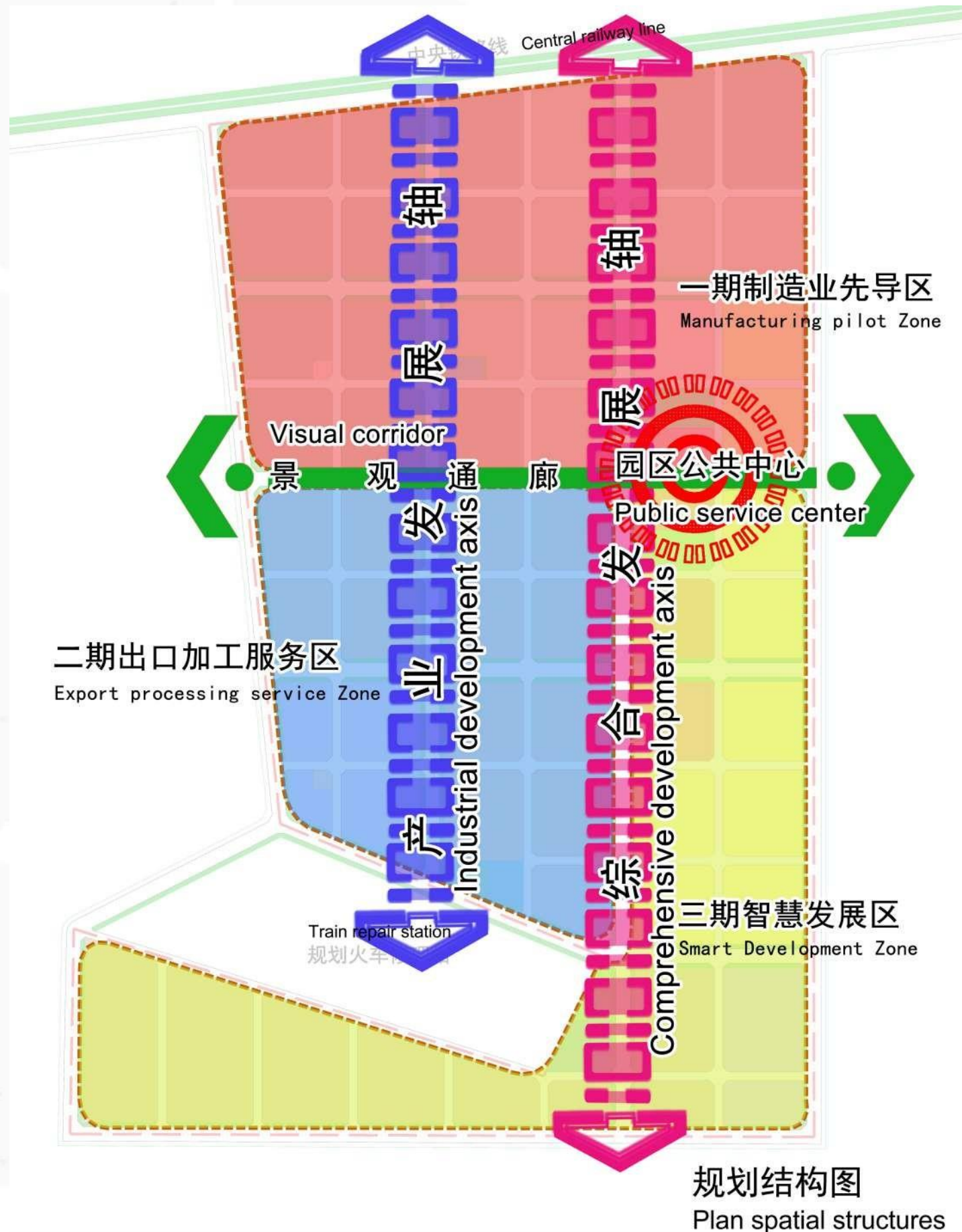
Industrial development axis

One Corridor Visual corridor
Three Zone

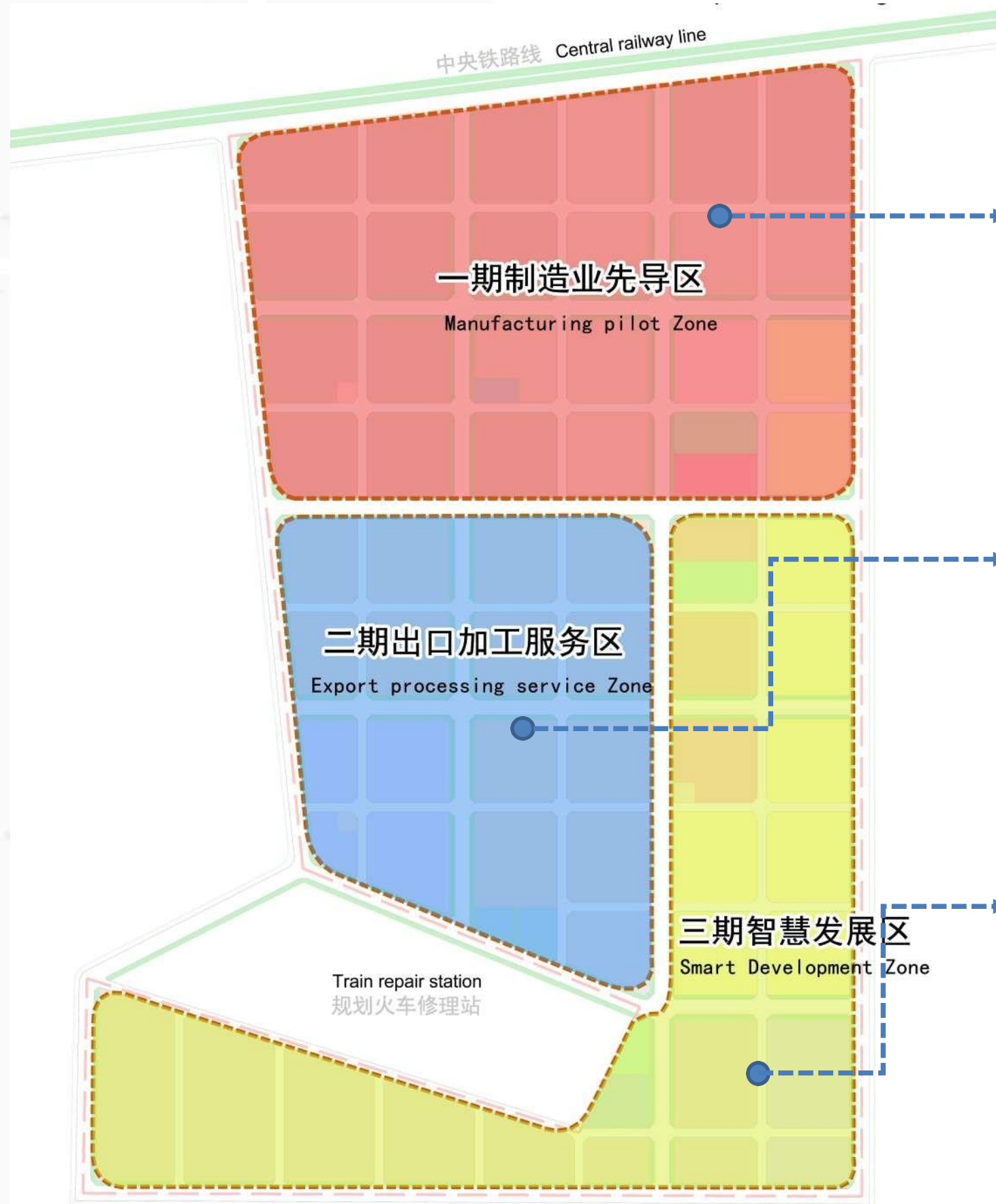
Phase I Manufacturing Pilot Zone

Phase II Export processing service zone

Phase III Smart Development Zone



PROJECT DESIGN—Development Sequence

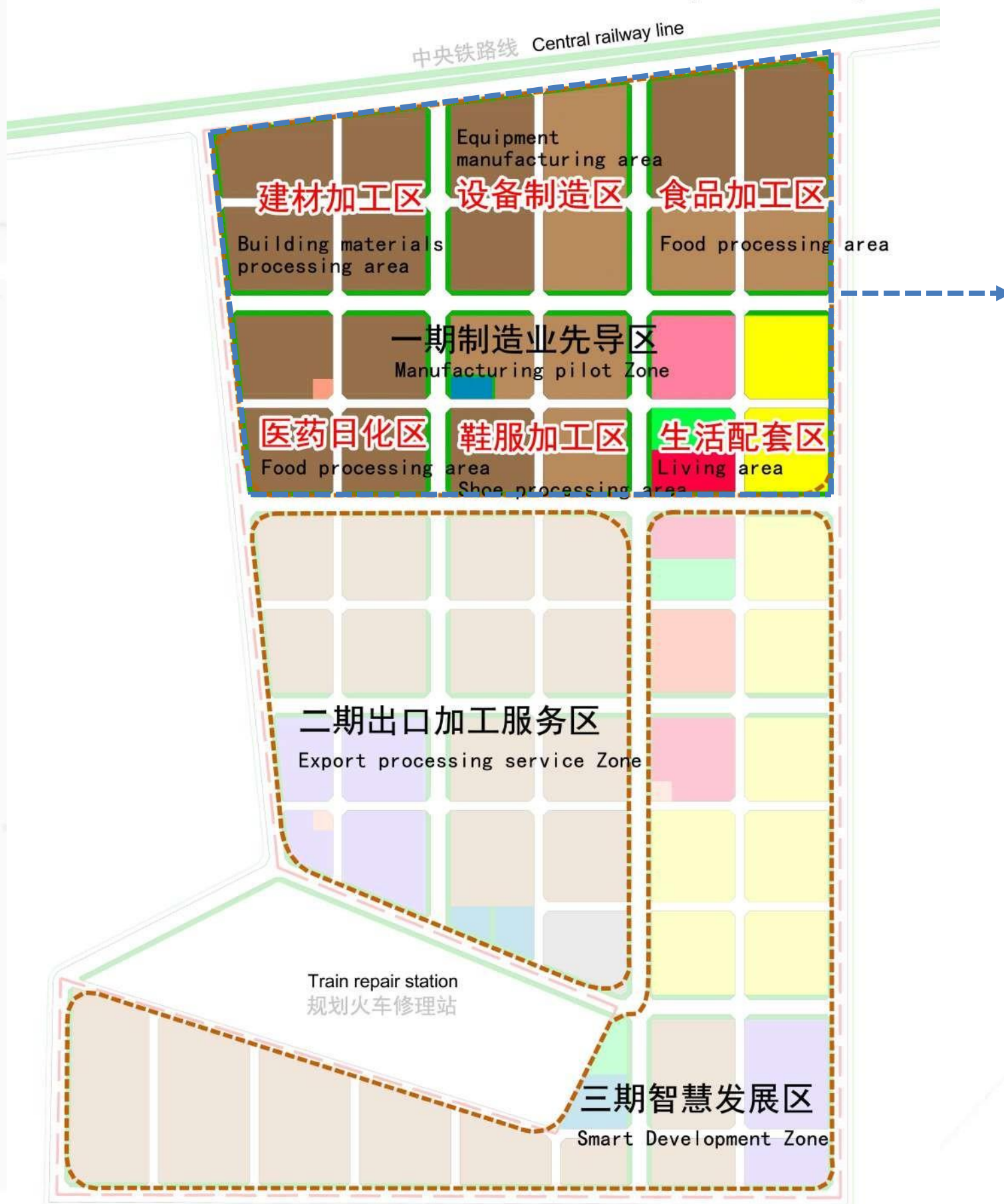


Phase I : Manufacturing Pilot Zone (4.04km²) Focus on light manufacturing industry, construct appropriate living service facilities.
Industry to be introduced: Electronic equipment manufacturing, Agricultural machinery manufacturing, Food processing and manufacturing, Daily chemical production, Shoes and clothing processing, Building materials processing etc.

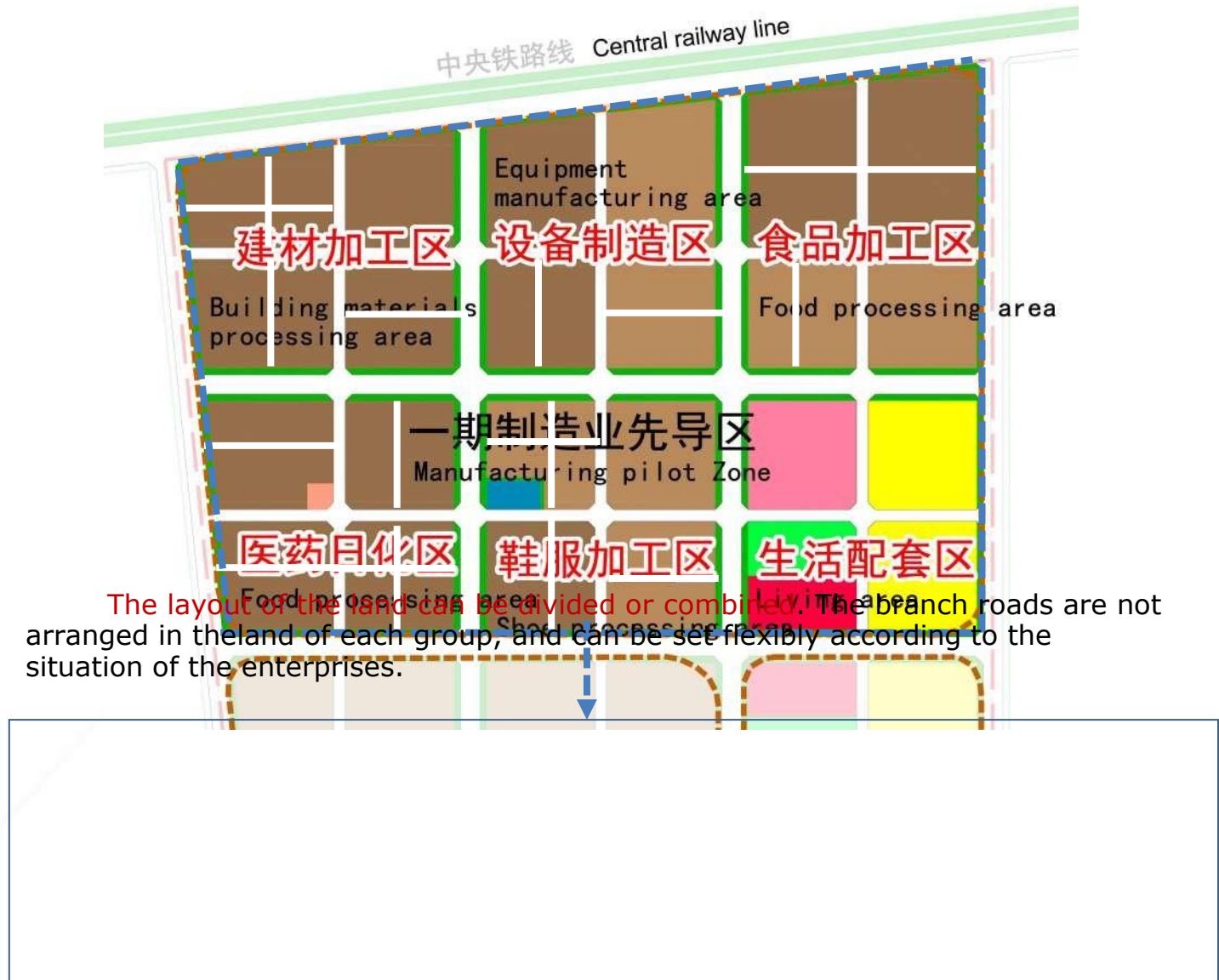
Phase II: Export Processing Service Zone(2.06km²)Based on export orientation ,plan to build an export processing and logistics storage center. Export oriented,to provide fast customs clearance and other services.

Phase III: Smart Development Zone(3.49km²)
Create a new community of "Intelligent Production and Smart Life", to improve the overall service level of the park. Proposed to introduce scale commerce and residence, and build a community-based industrial park integrating production, life and ecology. Introduce high-tech, artificial intelligence and other new industries to promote the development of the whole industry chain from R & D to production.

PROJECT DESIGN—Phase I Development strategy (4.04km²)



Six groups separated by the main road: Living Supporting Area
Food Processing Zone
Shoes and Clothing Processing Zone Equipment Manufacturing
Area Pharmaceutical Daily Chemical District Building Materials
Processing Zone
The actual industry investment can be flexibly incorporated into the group according to the approximate pollution degree



Park Supporting Facilities and Layout

FIRE STATION



TRANSFORMER SUBSTATION



SWWAGE TREATMENT STATION



PETROL STATION



LIVING QUARTAR



生活区

Industrial Development Guidance



Building materials factory



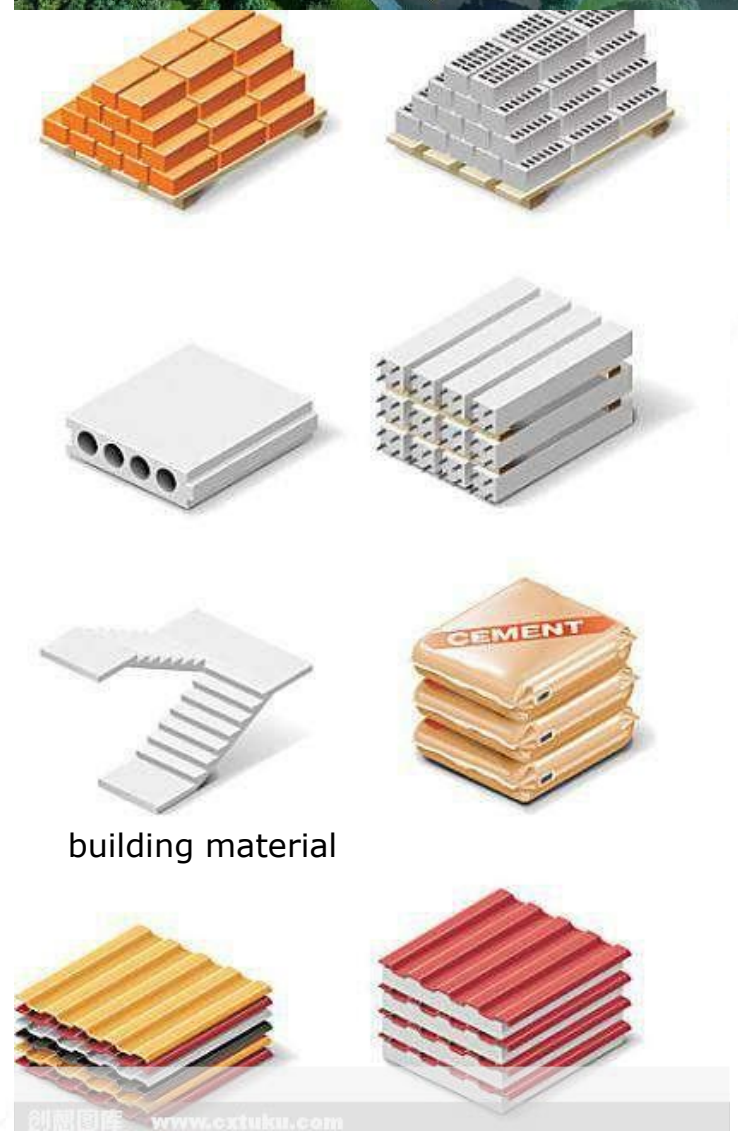
Building Material Manufacturing Base



Building Material



Hardware



building material



hardware

Industrial Development Guidance



Mobile phone Monitor Centre



Electronic manufacturing Industrial Park



Mobile phone Factory

Industrial Development Guidance



Agricultural Machinery Factory

Industrial Development Guidance



饮料生产厂房



Beverage factory



Industrial Development Guidance



Daily chemical plant



workshop

Best Detergent Powders in India

This advertisement features a collection of detergent powder packages from various brands. The top row includes Rin, Tide, Ariel (with a '2kg + 1kg FREE' offer), a brand with Hindi text, and Fabrika. The bottom row includes Herbol Wash, Henko, Surf Excel, Mr. White (with a '3kg + 2kg FREE' offer), and Washmate. The background is a vibrant green.

Industrial Development Guidance



Pharmaceutical factory

Industrial Development Guidance



Shoes and clothing factory

Industrial Development Guidance



Export processing Industrial Park



Industrial Development Guidance



Smart Industrial Park

- Chapter 5: Market Analysis
- **Economic Analysis**
- Although Dar es Salaam is not the 'official' capital of Tanzania, it is the economic capital and, like many rapidly developing African cities, has been undergoing great changes in all its property sectors, specifically in the aspect of location, design, availability and pricing. The land values have traditionally been extremely high, significantly greater than Nairobi, Kampala, Kigali and Bujumbura, the other East African Capital cities and a substantial readjustment is taking place.
- The industrial sector in Dar es Salaam is principally located along Nyerere Road, ranging from the CBD to the airport, and along Nelson Mandela Road, ranging from the port, via the TAZARA railway station to areas around the city. There are two industrial districts in Mikocheni and Chang'ombe. Typically, the industrial units cover a vast area of plots, with old dilapidated warehouses, offices, canteens and other facilities that are no longer relevant to today's market. A large percentage of these units are either vacant or occupied by owners or tenants who would rather locate their offices to a relatively smaller and more efficient place. This problem is alleviated slightly by better industrial sites within the Millennium Business Park and the planned redevelopment of some of the older large industrial sites. But still, Occupier demand remains strong for good quality premises, of which there is a limited supply.
- The government policy is to create and maintain healthy and strong partnership with the private sector in order to accelerate economic growth. In line with this strategy, President encourage more and more foreign investors to come to Tanzania. Thus, more and more anchor tenants will come for investing, thus requiring a dramatically increasing demand of land accordingly.

- Chapter 6: Financial Analysis

- **6.1 Cost Analysis**

ITEM	WORK DESCRIPTION	ESTIMATE COST(US\$)
1	PRELIMINARY COST	5,000,000
2	FENCE	2,000,000
3	CONCRETE ROAD ,DRAINAGE SYSTEM ANDLANDSCAPING,PARKING AREA WITH LIGHTING SYSTEM	30,000,000
4	INFRASTRUCTURE(PETROL STATION,SEWAGE TREATMENT,TRANSFORMER SUBSTATION etc)	30,000,000
5	INTERIOR WATER AND ELECTRICALSYSTEM	20,000,000
6	COMMERCIAL&OFFICE &RESIDENTIALBUILDING	53,000,000
7	OTHERS(CONTINGENCY)	10,000,000
	TOTAL AMOUNT	150,000,000

- **6.2 Planed Income**

Period	2024	2025	2026	After 2026	TOTAL
Ratio	30%	40%	30%		100%
Aare(m2)	750,000	1,000,000	750,000		2,500,000
PRICE For Sale (USD/m2)	80	85	90	90	
PRICE For Lease(USD/m2)	0.8	0.9	0.95	0.95	
Sales Revenue(USD)	24,000,000	34,000,000	27,000,000	Various	85,000,000
Rent Revenue(USD)		5,000,000	10,000,000	Continued Income	

Chapter 7: SWOT Analysis

7.1 Strength

- Enough space, for multiple developers to share industrial facilities.
- Rapid growth of industrial sector in Tanzania
- Well implemented laws and policies in industrialization process in Tanzania
- The industrial park will have direct employment of around 50,000 people, indirect employment of more than 100,000 people.

7.2 Weaknesses

The plot is far from the Dar es Salaam City, and no gas pipeline passes through.

7.3 Opportunities

The Park is close to the Dry port and railway is easily connecting to park, that's the advantage for the transport cost and time cost.

7.4 Threats

The exchange rate is unsteady.

8. Chapter 8: The Marketing Proposal

8.1 Time Frame

The development is expected to take Two (2) years from commence to completion of the development.

8.2 The marketing proposal

The marketing strategies that shall be put in place for the proposed park will aim at attaining maximum exposure and onward sales at the optimal price so as to maximize on the return on investment. The marketing shall commence right from the conceptual stage of the development. The approach is hereunder broken down into twomain parts, Pre and Post Design Marketing.

8.3 Pre-design marketing:

Marketing of a development should commence even before the conceptual design of the park is agreed upon,so as to impact upon what is needed within the design and smoothing the marketing process that you provide what the market requires in the first place.

Identification of the Target Market

Identifying and listing the target market, followed by onward design to cater for the identified group.

Achieving high aesthetic value in the design of the park

Achieving a high aesthetic value in the design of the park is a key factor in attracting prospective clients to abuilding. The proposed industrial park shall be a modern and attractive concept.

(iv) Putting in place competitive rental pricing and other sales terms

The results of the comparative analysis shall be embodied in the sale prices to ensure that the sale prices offered to the prospective buyers are competitive in view of the units they shall be acquiring.

(v) E-Marketing

Various forms of Print media and visual imagery will be used to create awareness of the industrial park to the prospective tenants. The advertising will call for public attention through paid messages in newspapers, magazines, billboards, signboards and display areas. Wide exposure of the development is expected and this will serve to create awareness and interest in the development.

Display Advertising in select media as well as direct mailing to target markets shall also be employed.

(vi) Marketing in china

Except to sales in Tanzania, the promotion to Chinese investors is our sales focus, including: promotion to local Chinese businessmen through endorsement from Chinese Government, and personal presentation and demonstration of development projects to customers, which we believe many investors will be interested to invest in Tanzania.

Chapter 9: Submission

- We believe that the project is feasible and the proposed marketing strategy will achieve maximum exposure and provide best service in running the park. Our considerations for the project are as follows:
- The planned land is close to the port and railway, and it is planned to enjoy the most favorable tax policies, which will attract more and more anchor customers.
- With the continuous development of infrastructure, more and more investors will come to Tanzania, especially in the industrial sector.

**APPENDIX 1
Project
Cashflow in
USD**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Con.....
Cash in flow	120,000,000	0	24,000,000	34,000,000	34,000,000	22,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	15,000,000
Equity	120,000,000											
Revenue	0	0	24,000,000	34,000,000	34,000,000	22,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total cash in flow	120,000,000	0	24,000,000	34,000,000	34,000,000	22,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Depreciation	0	0										
Total Cash out flow	30,000,000	40,000,000	30,000,000	20,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Net Cash flow	5,000,000	40,000,000	6,000,000	14,000,000	29,000,000	17,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
CumDeficit/ Excess	5,000,000	35,000,000	41,000,000	27,000,000	2,000,000	19,000,000	24,000,000	29,000,000	34,000,000	39,000,000	44,000,000	49,000,000

**APPENDIX 2
Project Income
Statement**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Con.....
Revenue	0	24,000,000	34,000,000	34,000,000	22,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Raw Material Costs	20,000,000	28,000,000	20,000,000	12,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Production Costs											
Administrative Costs	5,900,000	6,100,000	6,100,000	6,100,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Equipment Costs	4,100,000	5,900,000	3,900,000	1,900,000							
Profit Before tax	30,000,000	16,000,000	4,000,000	14,000,000	17,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Taxation			1,200,000	4,200,000	5,100,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Profit after tax			2,800,000	9,800,000	11,900,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Accumulated Earning			2,800,000	12,600,000	24,500,000	28,000,000	31,500,000	35,000,000	38,500,000	42,000,000	45,500,000