

AFRICA RISE INVESTMENT COMPANY LIMITED

BUSINESS PLAN

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BUSINESS PLAN FOR AFRICA RISE INVESTMENT COMPANY LIMITED

Business Profile

A. Executive Summary

1. Company & Project concept

AFRICA RISE INVESTMENT COMPANY is a limited liability Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated on 31ST MAY 2023 and bears a Certificate of Incorporation number **165910435**. The Company focused on implementing a go down project within the country. The project aims to provide reliable and efficient storage facilities for goods and materials, contributing to the growth and development of Tanzania's logistics sector.

AFRICA RISE INVESTMENT COMPANY LIMITED's project will be located at Kisarawe, Coastal Region, Tanzania.

The outreach Office is located at Dar es Salaam, Kinondoni, Mikocheni along Coca Cola Road, Plot Number 16, Block A, House Number 16

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable, and ethical company, building relationships with customers, suppliers, and investors. **AFRICA RISE INVESTMENT COMPANY LIMITED** aims to become a leading player in the go down industry, contributing to the efficient storage and management of goods and materials.

Company Goals and Objectives:

In Summary **AFRICA RISE INVESTMENT COMPANY LIMITED** aims to: -

- To Conduct go down activities in Tanzania and other parts of Africa, providing reliable and efficient storage solutions.
- Develop and implement human resource policies that foster individual and collective growth, offering training and personal development opportunities for our staff while cultivating a sense of job involvement.
- Foster strong relationships with investors in the manufacturing sector to support our expansion and growth.
- Achieve profitable operations that enable reinvestment in the business and provide suitable returns to our shareholders and investors.
- Comply with all relevant statutory legislation and external authorities, while maintaining flexibility to adapt to local requirements.
- Uphold the highest commercial and ethical standards in our interactions with clients, suppliers, and other stakeholders, ensuring best practices are followed.

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2. Purpose of Business Plan

This document is prepared to serve the purpose of the application for a certificate of incentive with Tanzania Investment Centre to enable AFRICA **RISE INVESTMENT COMPANY LIMITED** to proceed with the project of establishing a go down (warehouse) **facility** in the United Republic of Tanzania.

This document is prepared to serve the purpose of the application for a Certificate of Incentive with Zanzibar Investment Promotion Authority to enable TRAVCO Zanzibar Limited to proceed with the project of Tourism and temporary accommodation in the United Republic of Tanzania (Zanzibar).

3. The project promoter

The project will be managed and operated by AFRICA RISE INVESTMENT COMPANY LIMITED which is owned by private individuals with the following shareholders percentages distribution is listed below.

NAME OF SHAREHOLDERS	NATIONALITY	NUMBER OF SHARES
WENG, HUOHUA	CHINESE	5100
LINLIN WENG	CHINESE	4900

4. Intended investment Amount:

The investment amount is USD 500,000.

5. Company Legality

The legal certificates, and documents such as Memorandum and Article of Association, Certificate of Incorporation and Tax Identification Number, justify that **AFRICA RISE INVESTMENT COMPANY LIMITED** is operating within the ambit of the law of Tanzania.

6. Project Organization Structure

The management of **AFRICA RISE INVESTMENT COMPANY LIMITED** is constituted by the following organization set up, the Board of Directors who are responsible on the supervision on the entire operations of the Company and the company's operational team which implement the project goals and vision.

7. Investment Structure

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The project is estimated to cost a total approximation of United States Dollars 500,000 which will increase from time to time. The money will cover working Capital, material importation and other company expenses. However, a financial policy of the Company state that the profits generated will be re-invested.

B. Statement of Purpose

This Profile is drawn for the purpose of commencement of the business and application for the certificate of Incentives from the Tanzania Investment Centre (TIC).

C. Purpose of Investment

This document is prepared to serve the purpose of establishing a go down investment for **AFRICA RISE INVESTMENT COMPANY LIMITED** in the United Republic of Tanzania the go down investment will provide storage and logistics solutions for the company's operations in the region.

D. Summary of the Expected Results

At the end, the project is expected to achieve the following: -

- Establish go down facilities for storage and distribution purposes, enhancing supply chain efficiency.
- Create direct employment opportunities, contributing to local job growth.
- Attract domestic investment of over USD 500,000 within 2023-2028, stimulating economic development.
- Increase tax contribution to the government through project operations and income generation.
- Generate foreign currency by facilitating trade and import/export activities.

In summary, the go down investment project aims to establish storage facilities, create jobs, attract domestic investment, increase tax revenue, and generate foreign currency. These outcomes will support supply chain efficiency, economic growth, and the development of the storage and logistics sector.

E. Mission and Vision

Our mission is to become one of the leading companies in establishing and operating go down facilities in Tanzania, providing top-notch storage and distribution solutions for various industries.

Our vision is to be a key player in the go down industry, recognized for our reliable and efficient storage infrastructure, contributing to the growth and development of trade and commerce in Tanzania and beyond.

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By focusing on the establishment and management of go down facilities, we aim to meet the storage needs of businesses, enhance supply chain efficiency, and support economic growth in the region.

F. Operations

The project will be managed and operated by **AFRICA RISE INVESTMENT COMPANY LIMITED**. The Company is finalizing the acquisition of operation permits to start the implementation of Management which will establish sound operating guidelines to conduct the day-to-day operations of this project.

G. Project Location

- The project shall be located at Kisarawe area, COASTAL REGION Tanzania.

H. Postal Address

AFRICA RISE INVESTMENT COMPANY LIMITED ,

P.O. Box 77128,

Dar es Salaam, Tanzania

BUSINESS PLAN FOR AFRICA RISE INVESTMENT COMPANY LIMITED

I. Go down activities in Tanzania.

a. Go down in Tanzania.

Go down activities in Tanzania refer to the operations and functions carried out in a warehouse or storage facility. These activities encompass the storage, handling, and distribution of goods and materials. The system represents a form of trade where commodities are stored in licensed go downs. The owner receives the commodities along with a certification of deposited commodities, specifying their ownership value, type, quantity, and quality. The go down serves as a storage facility for future trade and access to credit, without necessitating the physical movement of the commodities from the licensed go down. A go down receipt, issued by the operator in both hard and soft copies, lists the certified commodities held in the go down.

The go downs are responsible for loading and unloading goods from vehicles, a process that requires careful handling to prevent damage and ensure a safe transfer between the go down and transportation vehicles. Additionally, these activities involve maintaining records of incoming and outgoing goods, monitoring stock levels, and conducting regular stock audits.

b. Project Justification

The proposed project is under management of **AFRICA RISE INVESTMENT COMPANY LIMITED** and is in line with Tanzania Government efforts in attempt to develop Storage and Management of Inventory sector. This also has been complemented by the fact that the government is making a critical effort in improving the good storage of materials, by implementing go down activities with the aim of improving business environment for Logistics Companies.

Regarding the initiative undertaken by **AFRICA RISE INVESTMENT COMPANY LIMITED**, is justified by the following facts: -

- The Company has a special invested interest in the storage and management of the inventory sector therefore, decided to seek for additional of the go down project in their company.
- The involvement of the company in this project will boost and at the same time strengthen the maintenance and security of stored goods in Tanzania. The Company's marketing strategy and intention is to have a wide customer base both locally and internationally which focuses on solving private and public.

c. Social and Economic Impact of the Project

The proposed project will result into the following social and economic impacts:

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- Improve and increase the employment sector through hiring managers and supervisors, inventory controllers within the United Republic of Tanzania.
- Increase of efficient logistics and distribution of networks are vital for economic development among local and export markets in Tanzania.
- The project will provide market stability by serving buffers against supply and demand fluctuations in Tanzania and training the employees to further improve their knowledge.
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

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d. Industry Analysis

a. Sales Literature, Sourcing and Technology

i. Sales Literature

The company shall use different materials and trainings about their services to customers.

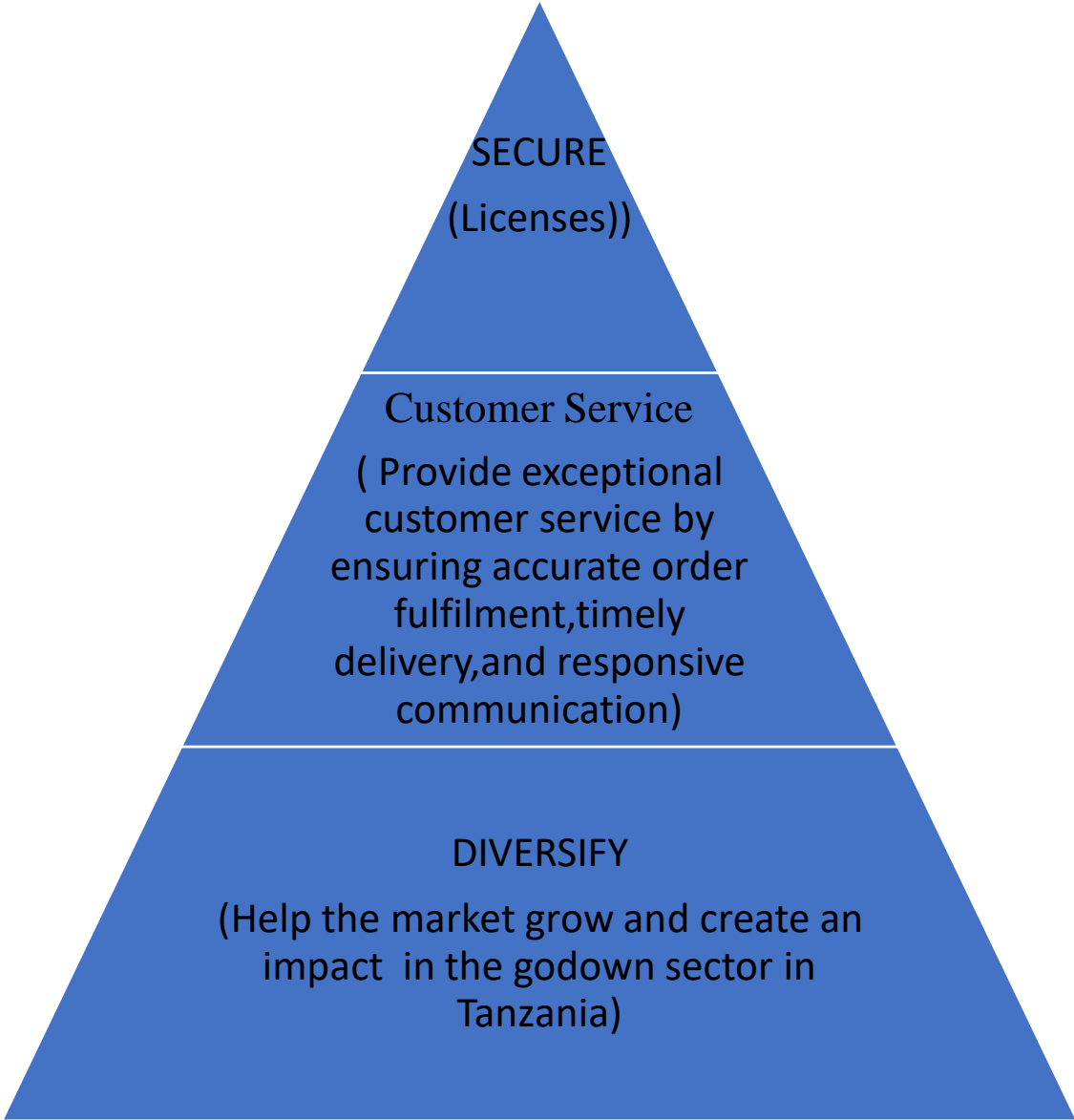
ii. Technology

The company aims to use various equipment to facilitate the movement of storage of goods. This equipment may help to speed up operations and ensure handling of goods advanced machinery for loading of goods, storage and maintenance and inventory purposes.

iii. Future Services

The company aims at broadening its business by engaging in other future services such as transportation and logistics. These services will be provided in Tanzania and will target customers in neighboring countries including Kenya, Uganda, and throughout Africa

Strategy Pyramid



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b. Competitive Edge

The Company will enjoy a significant competitive advantage over its rivals for the following reasons:

- The company's go-down activities will be supported by advanced machinery and technology, surpassing the capabilities and capacity of its competitors.
- Unlike other companies offering go down projects at exorbitant prices, our company will provide services at more affordable rates, making us a preferred choice in the market.
- The recent opening of Tanzania to international investment has generated a substantial demand for go down projects. This favorable market condition ensures a quick return on investment for our company within a short period of time.

e. Opportunities

a. Increased demand for storage and maintenance of goods activities

Tanzania now is witnessing the increase in demand in go down sector.

b. Uniqueness location of the project

AFRICA RISE INVESTMENT COMPANY LIMITED's project will be one of the godown activities, which is located at Kisarawe, Tanzania. The location of this project provides an opportunity to **AFRICA RISE INVESTMENT COMPANY LIMITED** to easily capture the market around Kisarawe Region together with Dar es Salaam Region and even extending its borders to the new road that connects to Morogoro and other central regions of other parts of Tanzania.

c. Government Policy

The Government of Tanzania has made the policy that intends to improve and promote the godown sector locally and across borders.

d. Government Incentives package

The Government has enacted laws that offer reasonable incentives example removal of taxes on some importations and deferment.

d. Analysis of Strengths, Weaknesses, Opportunity, and Threats

Table below present the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

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Strengths <ul style="list-style-type: none">• Availability of Markets• Connection to stakeholders	Weaknesses <ul style="list-style-type: none">• Capital Injection
Opportunities <ul style="list-style-type: none">• Good government suitable facilitative policy.• Government development of the sector and huge demand of the services.	Threats <ul style="list-style-type: none">• Increment of inflation• Climent changes and pandemics, which can disrupt supply chains, logistics, and overall operations. Climate changes also pose risks to go down structures and storage conditions.

The company has prepared for the action plans by doing the following: -

e. Marketing Information

The company will employ qualified people to conduct the marketing of the maintenance and storage of goods products.

g. Marketing Strategy

i. Overview

The success of **AFRICA RISE INVESTMENT COMPANY LIMITED** will be achieved by providing high quality services, providing friendly service, and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just go down services to make **AFRICA RISE INVESTMENT COMPANY LIMITED** successful. **AFRICA RISE INVESTMENT COMPANY LIMITED** will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts. Management will endeavor to create and maintain a positive, appealing image for the customers. This image will be consistently portrayed throughout all

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marketing channels and sales promotions. The following exemplifies some of the tactics we will use to drive more sales and distribution.

ii. Customer Database

AFRICA RISE INVESTMENT COMPANY LIMITED will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as their anniversary cards; email notification of upcoming specials; discounts; etc. The database will be gathered and maintained in the system. **AFRICA RISE INVESTMENT COMPANY LIMITED** will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' signup book with promotional signage; promotion; etc.

iii. Advertising

AFRICA RISE INVESTMENT COMPANY LIMITED will adopt an aggressive advertising strategy. **AFRICA RISE INVESTMENT COMPANY LIMITED** will process outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure. **AFRICA RISE INVESTMENT COMPANY LIMITED** will utilize both traditional and non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy **AFRICA RISE INVESTMENT COMPANY LIMITED** will adopt towards the use of traditional advertising such as radio, newspaper, billboards, or television.

iv. Costing and Pricing

The costing and pricing are done by the management of **AFRICA RISE INVESTMENT COMPANY LIMITED**. The costing takes into consideration various aspects depending on the cost which has already been incurred, inflation factor and Operating costs. The project promoters of the company are in business for long time i.e., they are business-oriented personnel and thus they are competent to ensure the project is implemented with maintainable costs and attractive profits.

v. Customers

AFRICA RISE INVESTMENT COMPANY LIMITED is targeting to all regions in Tanzania and whole of East Africa specifically targeting the companies, businesses, and individual customers.

As it has been explained in preamble chapters, **AFRICA RISE INVESTMENT COMPANY LIMITED** will set project which will be indulging in godown business.

vi. Marketing Plan

The company has both short term and long-term marketing plan:

The short-term marketing plan includes:

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- Building sustainable long-term relationships with customers, suppliers, and investors.
- Training of staffs store keepers, and Marketing.

Long Term Plans includes:

- Join to the network of manufacturing companies to market to exploit more business opportunities.
- Investing in Market Research and Development

f. Management & Administration

a. Management

The management team of **AFRICA RISE INVESTMENT COMPANY LIMITED** planned to be constituted by the following management team: -

i. Board of Directors

AFRICA RISE INVESTMENT COMPANY LIMITED will be managed by the board of Directors which is the apex body for strategic decision making of the project in line with the resolutions from the shareholders.

ii. Accountant

An internal accountant will be employed to work with the existing external accountant who is expected to have good experience in accounting system as well as he will be responsible in managing cash of **AFRICA RISE INVESTMENT COMPANY LIMITED** but also keeping books of accounts properly.

iii. Management Agreements

Management Agreements will be executed between **AFRICA RISE INVESTMENT COMPANY LIMITED** and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

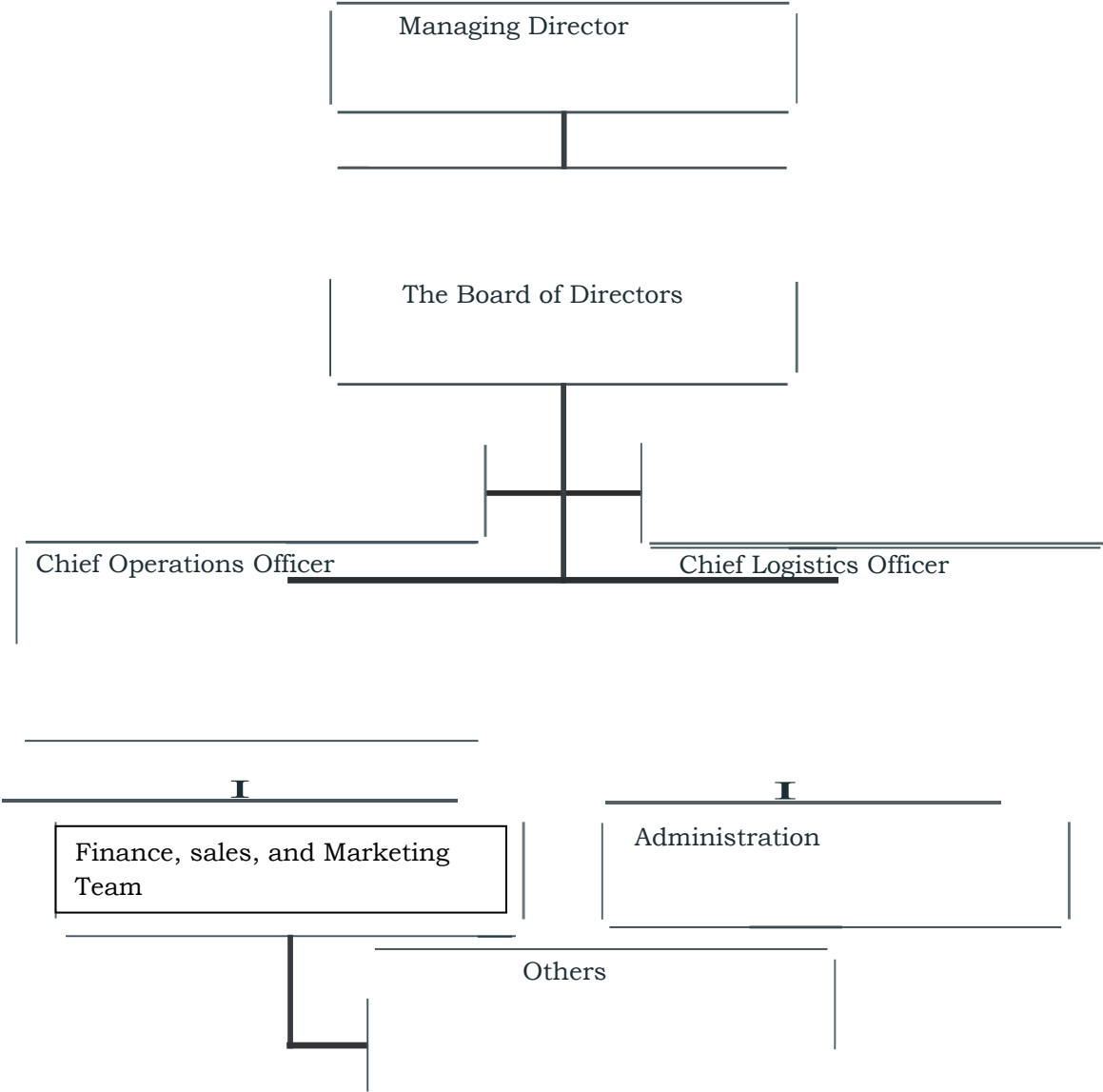
iv. Confidentiality Agreements

AFRICA RISE INVESTMENT COMPANY LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our agricultural business, operating systems, policies, and procedures. Having a confidentiality agreement in place is essential to protect the company's trade secrets and show our employees that we take our business seriously.

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v. Organization Structure

The management of **AFRICA RISE INVESTMENT COMPANY LIMITED** is planning to have the following organization structure.



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vi. Job creation

The following table illustrates the forecasted job creation throughout the coming five years.

Job Title /Year	2023	2024	2025	2026	2027	Total
Country Manager	1	0	0	0	0	1
Finance Manager	1	0	0	0	0	1
Office Manager	1	0	0	0	0	1
Sales Manager	1	0	0	0	0	1
Operations Manager	1	0	0	0	0	1
Agricultural Equipments Operators	10	5	5	5	5	30
Agricultural Technician	2	0	1	1	1	5
Grand Total	17	5	6	6	6	40

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Appendix I

**AFRICA RISE INVESTMENT COMPANY LIMITED PROJECTED INCOME & EXPENDITURE
STATEMENT (US\$)**

	1	2	3	4	5	6
Revenue	1,415,232.00	1,429,384.32	1,443,678.16	1,458,114.94	1,472,696.09	1,487,423.06
Operating Expenses:	1,202,947.20	1,214,976.67	1,227,126.44	1,239,397.70	1,251,791.68	1,264,309.60
Profit before Depreciation & Interest	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.46
Interest	18,000	14,400	10,800	7,200	3,600	-
Depreciation	14,025.00	14,025.00	14,025.00	14,025.00	14,025.00	14,025.00
Net Profit	180,259.80	185,982.65	191,726.72	197,492.24	203,279.41	209,088.46
Tax (30%)	54,077.94	55,794.79	57,518.02	59,247.67	60,983.82	62,726.54
Profit After Tax	126,181.86	130,187.85	134,208.71	138,244.57	142,295.59	146,361.92
Accumulated Profit	126,181.00	256,368.85	390,577.56	528,822.13	671,117.72	817,479.64

AFRICA RISE INVESTMENT COMPANY LIMITED PROJECTED CASH FLOW US\$

	0	1	2	3	4	5	6
SOURCES:							
Profit before interest and depreciation	0	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.00
Equity	200,000.00						
Loan	300,000.00	-	-	-	-	-	
Total Sources	500,000.00	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.00
Applications:							
Capital expenditure	375,000.00	-	-	-	-	-	
working Capital &Others	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00
Cash	0	87284	89,407.00	91,551.00	93,717.00	95,904.00	98,114.00
Tax	-	54,077.94	55,794.79	57,518.02	59,247.67	60,983.82	62,726.50
Sub total	500,000.00	212,284.00	214,407.00	216,551.00	218,717.00	220,904.00	223,114.00
Total applications	500,000.00	212,284.00	214,407.00	216,551.00	218,717.00	220,904.00	223,114.00
Accumulated cash		87,284.00	176,691.00	268,242.00	361,959.00	457,863.00	555,977.00

Appendix III

**FINANCING PLAN FOR AFRICA RISE INVESTMENT COMPANY LIMITED FOR NEXT 5
YEAR TERM**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
N Number of Trucks	10	5	5	5	5	30
Revenue (USD)	500,000	700,000	900,000	1,100,000	1,300,000	4,500,000
Debt (USD)	400,000	200,000	200,000	200,000	200,000	1,200,000
Self- Financing (USD)	600,000	300,000	300,000	300,000	300,000	1,800,000