

Revised Business Plan

This application to the Tanzania Investment Centre (TIC) entails project investment **plan/cost** amendment of the previous CoI No...061482..Issued on...18th November 2022..also attached hereunder.

1. Project description

The proposed CRJE Business Park/industry park covers 31.819 hectares located at Buguruni area, Ilala region, lying between Nelson Mandela Road and Kawawa Road. Currently, the plot is a bare land with some coconut trees and vegetable farms from the surrounding resident.

The revised business plan is submitted to TIC where CRJE becomes the park developer to the new proposed development of the plot that includes sub-division of the entire plot to individual industrial/business plots, construction of access roads, connection of the plots with water points, electricity point to the land and other basic utilities. These utilities will make the land more accessible and easily developable by industrial park operators

2. New Investment breakdown

The investment breakdown is as follows:

	Total (USD)
Land and Buildings	9,000,000
Plant and machinery	750,000
Vehicles/Aircrafts	100,000
Furniture	0
Office equipment	0
Insurance Cover	0
Pre-operational expenses	150,000
Working sub-total capital	0
GRAND TOTAL	10,000,000.00

3. Financial projection

the total investment for the 1st phase will be USD 10,000,000, and the investment schedule and source of fund is as follows:

S/N	time	Capital injected(USD)	Source of fund
1	2024	2,000,000	revenue from construction, and loan from the shareholders
2	2025	2,000,000	revenue from construction, and loan from the shareholders
3	2026	2,000,000	revenue from construction, and loan from the shareholders
4	2027	2,000,000	revenue from construction, and loan from the shareholders

5	2028	2,000,000	revenue from construction, and loan from the shareholders
		10,000,000	

4. Project Financing

	Amount (USD)	Source Country
Local Equity		
Local Loans		
Foreign Equity		
Foreign Loans	10,000,000 (Loans and ploughing back revenue from operation)	China
Total Investment	10,000,000	

5. Operating/developing plan

The project covers 31.819 hectares, and we will construct the access road, have the electricity, water, drainage point to the plot.

Investors with land demand will be encouraged to build their warehouse, factory, commercial buildings, offices in this plot. Once the investors submitted their business plan, we will transfer or lease the land to the investors for their development after the TIC's permit granted. With more and more investors running business in this plot, the land will become Business Park/industry park.

6. Capacity

The proposed business park can accommodate the following facilities after all investors settled in and finished their investment/construction.

(1) Warehouses

The warehouse area will not less than 50,000 square meters and the warehouse will be used to keep the products for the surrounding factory and containers.

(2) Factories

The factories area will not less than 100,000 square meters and they will be light industry, manufacturing spare parts, agriculture products etc.

(3) Commercial and offices

The offices and commercial buildings will accommodate some offices and shops which deal with logistics and building materials.

(4) Management office

(5) Parking area

(6) Landscape

(7) Security guard house

(8) Recreation area

During the construction of the business park, it will benefit the country for many ways. 1. A large number of workers, skilled and unskilled, will be employed. They will get well paid and well trained. Hundreds of job opportunity will be created. 2. Considerable building material will be consumed, which will benefit the supplier and transportation industry. 3. VAT and withholding tax will be produced and contributed to TRA. 4. Numerous companies will start their business in the park after the infrastructure area ready.

7. Marketing plan

There are many industry parks in the surrounding places. We have conduct comparison and SWOT analysis.

4.1 comparison

-Mbagala Industrial Park

The land around Mbagala Industrial Park is cheap, but it's a little far from Port and city center compared the proposed CRJE Business park/industry park. The land size is also small.

-Mandela Road Industrial Cluster

This area is close to the main road, but all lands are small, dispersed and fragmented.

-Mikocheni Light Industrial Zone

the Mikocheni Light Industrial Zone is located in the bridgehead area of the city's development to the north, and has obvious advantages in terms of future development potential.

-Industrial Cluster along Pugu Road

The land around Mbagala Industrial Park is cheap, but it's a little far from Port and city center compared the proposed CRJE Business park/industry park.

4.2 SWOT analysis

-Advantages of the land: the land is large and it is the only piece of commercial/industrial land in the city with such large area. It is close to the main road.

-Disadvantages: condition of the access road is poor, and the land is close to the river with low elevation and prone to flooding.

-Opportunity: Tanzania is currently encouraging foreign investment and the business environment is improving.

-Threats: the land has been idle for a long time and the economic cost is getting higher; neighboring residents farm on the land and removing vegetables during the development phase may be a challenge

4.3 market strategy

Since we have clear picture of our competitors and land condition, our market strategy will focus on two things, the first one is the improving the land condition, such as construct the access road, provide utilities for the land. The second thing is carrying our online and offline

advertising for the park, and the logistic company, factory and manufacturing companies are our key target.



THE UNITED REPUBLIC OF TANZANIA

0222563

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 061482

This is to certify that

CRJE (EAST AFRICA) LIMITED

of address **P.O.BOX 77198**

DAR-ES-SALAAM

has been granted a Certificate of Incentives to invest in a new investment project. This Certificate replaces the previous one No. 061482 issued on 09/02/2016 due to amendment on Section 2

PROJECT NAME - BUSINESS PARK/INDUSTRIAL PARK FOR RENT AND SALE

Which is located at **PLOT NO. 1010/2 BUGURUNI AREA**

ILALA-DAR-ES-SALAAM

Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf

Ag. Executive Director

**Tanzania Investment Centre
P.O.Box 938 , Dar-es-salaam**



Dated: **18 November, 2022**

This Certificate is issued in accordance with the provision of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:-

1	Shareholders	Nationality	Shareholding (%)
	<i>China Railway Construction Engineering Group</i>	<i>China</i>	<i>95</i>
	<i>Shenzhen Investment Company</i>	<i>China</i>	<i>5</i>
2	Proposed Activities: <i>To Establish Industrial and Business Park with Serviced Plots for Rent and Sale</i>		
3	Sector Commercial Building/Construction	Sub Sector Business Park/Industrial Park	
4	Investment Cost	Foreign (M\$) 51.698	Local (M\$) 0 Total (M\$) 51.698
5	Project Financing	Equity (M\$) 20	Loan (M\$) 31.698 Total (M\$) 51.698
6	Source, terms and conditions of loan	None	
7	Assets to be Invested	Foreign (M\$)	Local (M\$) Total (M\$)
	Capital items:	51.698	0 51.698
8	Technology Agreement	None	
9	Date of TIC Registration	2 May, 2016	
10	Implementation period	2 May, 2016 - 1 May, 2019	
11	Operative date	1 May, 2019	
12	Investment Incentive Grade : As defined in part III Section 19(1), (2) and Section 20 of the Tanzania Investment Act, 1997		
	(i) Applicable Import Duty	EAC Customs Management Act, 2004 and VAT Act, 2014	
	(ii) Applicable with-holding Tax	As per Income Tax Act, 2004 (as amended)	
	(iii) Eligibility of Capital Allowances	As per Income Tax Act, 2004 (as amended)	
13	Protection of Investment , Arbitration and Transfer of Foreign Currency as defined in part III Section 21, 22 and 23 of the Act.		
14	Conditions attached to this Certificate of Incentives		
	(i)	Date of Commencement of investment has to be notified to the Centre	
	(ii)	Certificate not to be transferred , assigned or amended	
	(iii)	Failure to commence implementation within two years invalidates Certificate	
	(iv)	Failure to operate investment must be notified to the Centre	
	(v)	Changes in shareholding, project activities and level of invested capital must be notified to the Centre	
15	Additional conditions attached to Certificate		
	None		

Signed

Ag. Executive Director