

KINGSTONE CONSTRUCTION (TZ) COMPANY LIMITED BUSINESS PLAN

WEALTH IN CONSTRUCTION OF BUILDINGS BUSINESS: BUSINESS STRATEGY & DEVELOPMENT PLAN

1. Primary Aim

KINGSTONE CONSTRUCTION (TZ) COMPANY LIMITED is the company focusing mainly on construction of buildings. We are striving to provide unique service that will meet international standards in and out of Tanzania.

2. Investment Goals and Objectives:

In Summary KINGSTONE CONSTRUCTION (TZ) COMPANY LIMITED aims to: -

- (a) To construct commercial buildings for commercial purposes in the form of commercial complex.
- (b) To build commercial facilities for tenants that will help in the usage of electricity, water, natural gas and other related facilities for tenant
- (c) To create quality commercial properties in Tanzania that meet our customers' diverse needs.
- (d) To make our customers happy by delivering exceptional construction solutions and excellent service.
- (e) To grow responsibly, innovate, and use eco-friendly practices in our projects.
- (f) To foster a motivating and inclusive work environment where our employees can excel and take pride in their work.
- (g) To build strong relationships with investors and provide satisfactory returns on their investments.

3. Strategic Objectives

Our strategy at blue tree as a business is to always ensure that our Clients receive the best service and that meets or exceed their expectations. To achieve this we have a number of metric that we use to measure our success, below are some of the metrics;

- a. **Client satisfaction:** A happy Client is the most important aspect of our business, as they will dictate the survival of our business. Apart from the primary objective of knowing how well we are serving our Clients, this metric and its trending over time helps in identifying the functions or services that need the most attention, hence helping us improve and becoming better.
- b. **Employee Satisfaction:** An unhappy workforce will ultimately cause a number of issues in trying to meet the business goals. The measure of the mood of our workers will help provide guidance on how best to improve performance by focusing on areas that matter most to our staff.
- c. **Service:** As a company we want to measure our success based on our

strategic goal and determine

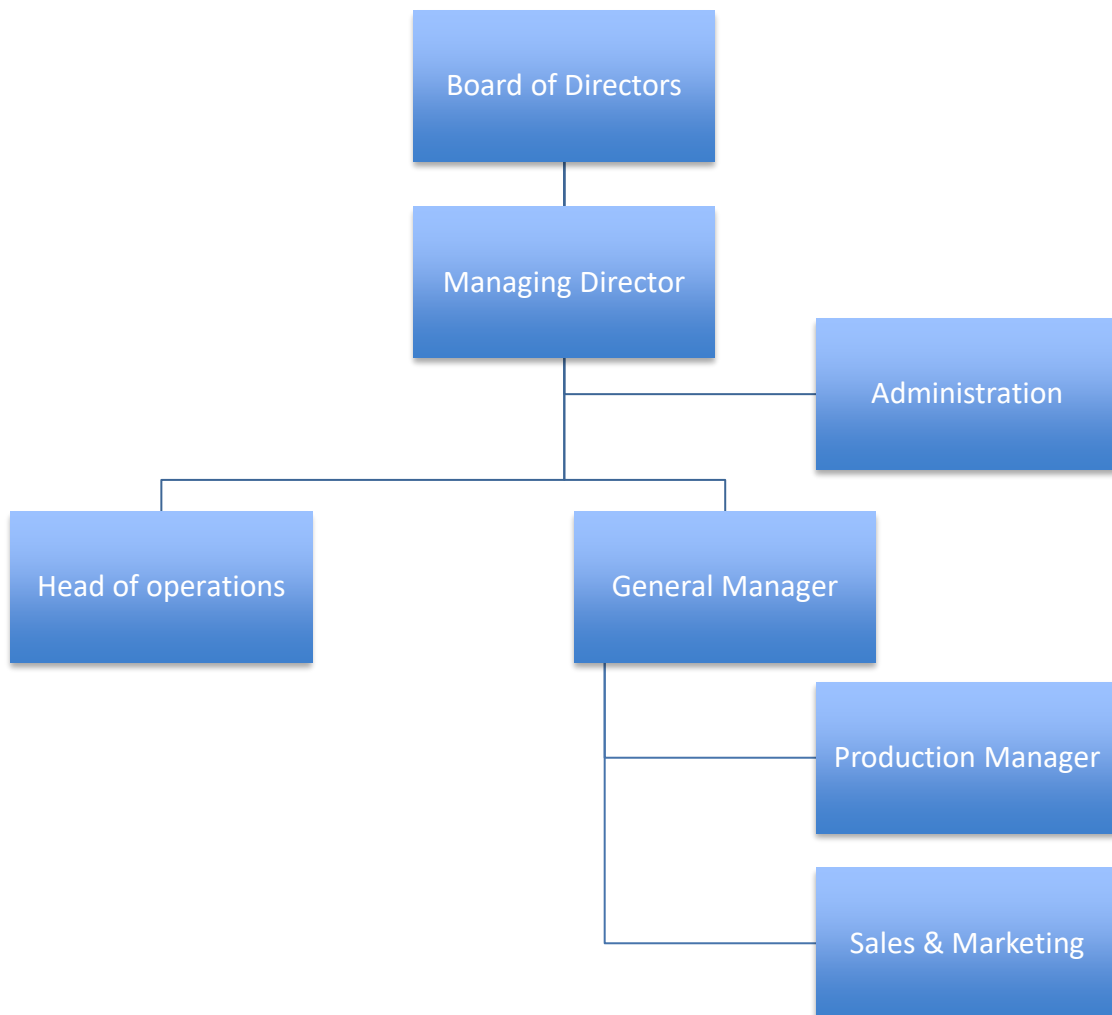
- d. **Prices:** Based on our analysis of our potential Clients, we set our prices in a way that we can manage our brand and provide the profit margins we need.
- e. **Cash flow:** As a life blood of any business, ensuring that we have a good cash flow statement is very important, to ensure that we have enough cash to run the business – pay wages, pay supplies etc. As part of the business knowing what clients to extend credit lines and for how long will be very essential.
- f. **Gross margins:** This is like the mother of all business metrics and the best indicator of a business's health at least in our view. The higher the gross margin, the more the indication that we are on the right track in every operational aspect. We do not have to wait for the quarterly or annual financial results to determine profitability, productivity and Client satisfaction. Managing and monitoring gross margin on a regular basis goes a long way in reducing unpleasant surprises in the long run and also in deciding critical strategic initiatives for pricing, investments and sales efforts.
- g. **Client loyalty:** Personal relationships between individual service providers and clients are critical to our success. We aim to add loyalty programs, referral bonuses, service freebies, and other promotions aimed at existing Clients to create repeat business.
- h. **Advertising and promotion:** we intend to use demographics of our desired Client, such as age, geographic area or marital and parental status, to choose the right radio, TV, newspaper, magazine and website advertising vehicles. Create a website that lists your services and testimonials from clients. Don't talk only about your business -- provide personal beauty tips to make you a trusted partner and increase visits to your online pages. Maintain a current mailing list and use direct mail and email blasts to announce specials.

Apart from the list of key metrics described above, other metrics that we use are as follows:

- Referrals from current clients
- Payment failures
- Growth
- Progress
- Client preference changes
- Repeat clients

4. Organization Strategy

Organizational Chart



The Different roles and departments will help the business grow and manage it to run smoothly, efficiency and ultimately meet our overall objectives. Some of the different roles are as follows:

- Enable the clear identification of the required human resources, and specialties
- Ease management of responsibilities and activities
- Reduce room for errors by assigning tasks to qualified staff

- Easy to set strategic goals for particular functions or areas in the company

5. Management Strategy

What will your management checklist comprise of?

By having the right attitude and clear communication between the management and staff, and having regular performance appraisals, monitoring and reviews, standards and performance indicators, and have set evaluation methods, we believe we will be able to capture problems and opportunities as they arise and ultimately deal with them or adjust our strategies appropriately to take advantage of the opportunities.

Risks affecting our business, the level of impact, and steps that we will take to reduce them.

Risks	Description	Level	How to reduce Risks
Strategic	<ul style="list-style-type: none"> • Change in Consumer preferences 	Low	<ul style="list-style-type: none"> • Have close relationship with Clients and have appropriate feedback tools to stay informed
Compliance	<ul style="list-style-type: none"> • Change in legislation, rules and regulation • Additional checks and compliance issues to abide with to continue doing business. 	Medium	<ul style="list-style-type: none"> • Stay informed on regulations and certification requirements • Assign a person to specifically deal with compliance issues
Financial	<ul style="list-style-type: none"> • Cash flow issues • Loan management • For international business, taking account of foreign exchange rates • Taxes 	High	<ul style="list-style-type: none"> • Get financial advice from a certified Financial adviser / Accountant • Employ Accountant
Operational	<ul style="list-style-type: none"> • Transportation breakdown, failure of suppliers to deliver production ingredients 	Medium	
Reputation	<ul style="list-style-type: none"> • Service failure • Copycats with lower standard service • Negative publicity 	Medium	

6. Marketing Plan

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

The short-term marketing plan will focus on establishing a strong online presence through social media marketing, and email campaigns.

We will also participate in local construction events and collaborate with real estate agents to expand our network.

Long Term Plans includes:

The long-term marketing plan will involve strategic partnerships with developers, real estate agents, and property management firms to increase our property listings. We will invest in market research and development to identify emerging trends and opportunities in the civil engineering market.

Our competitors

With the Tanzanian government goal to support and transform the country to a more industrial based economy, more and more people are venturing into civil engineering, with the majority of them focusing on constructions and business related to constructions.

Our Service

We have different services which are essential to our field and we import our expertise from China and Turkey.

Sales strategies

To ensure that we can increase sales to our current and future costumers we have come up with a number of strategies that we think if applied, can make a great impact in increasing sales.

- Defining the right way of assembling our services so that our Clients will get by can have access to them easily.
- Being creative and innovative in our molding process of the tools.
- Advertising through social Medias, websites, TVs, radios and all platforms that can easily reach our clients.

7. System Strategy

Hard and software systems that will be put in place to increase business efficiency

8. Finance and Resource Management

Our expected monthly cash flow for the first year is between 480,000 USD to 1,000,000 USD per month, with a breakeven point of 30,000 USD per month. For the next three years we project that our Income will start to increase, especially in the second and third year as we gradually reduce the distribution and equipment costs. The first year and first quarter of the second year we plan to reinvest most of our profits into expanding our business (buying equipment and paying for a permanent working space) and searching for markets.

What are your funding sources?

Since KINGSTONE CONSTRUCTION (TZ) COMPANY LIMITED is a business, it is basically run by savings of the founding directors and its mother company KINGSTONE CONSTRUCTION COMPANY LIMITED registered in Kenya.

9. TOTAL INVESTMENT COST

The project developer estimates that the project sources of funds shall be from the mother company incorporated in the Republic of Kenya , Kingstone Construction Company Limited and breakdown of the cost shall be as follows;

KINGSTONE CONSTRUCTION (TZ) COMPANY LIMITED COST STRUCTURE

PARTICULARS	USD
FACILITY COSTS	188,640
MACHINES	300,516
BUILDINGS	13,483
PRE EXP	123,000
OTHERS	18500
WORKING CAPITAL	1,500,000
TOTAL	2,144,139

10. FINANCIAL ASPECTS FOR THE PROJECT

10.1 PROJECTED PROFIT AND LOSS STATEMENT

The Income and expenditure statement shows the projected income for the 5 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits shall grow from TSHS 100,000,000/= in the first year to TSHS 1,000,000,000 TSHS in the fifth year.

11. PROJECT IMPLEMENTATION SCHEDULE

It is expected that the project will take 16 months to implement as shown below:-

	ACTIVITY	PERIOD
1.	Processing Tin number and business license	August 2024
2.	Fund Mobilization	August - November 2024
3.	Arrival of machinery and other relevant parts	September 2025
4.	Trial operations	October - 2026
5.	Commercial operations	November-2026

12. ECONOMIC ASPECTS OF THE PROJECTS

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country

(i) **Employment Opportunities (Job Creation)**

Employment and poverty reduction are among the major concern of the central and local government authorities. It is gratifying to note that KINGSTONE CONSTRUCTION (TZ) COMPANY LIMITED is going to provide employment to people. This is a significant contribution coming from investors.

Job creation

The jobs shall be created basing on the skills, and the labor market analysis while the local citizens are expected to be given a priority The following table illustrates the forecasted job creation throughout the coming five years.

Job Title /Year	2024	2025	2026	2027	2028	Total
Country	1	0	0	0	0	1

Manager						
Finance Manager	1	0	0	0	0	1
Office Manager	1	0	0	0	0	1
Marketing Manager	1	0	0	0	0	1
Operations Manager	1	0	0	0	0	1
Construction Equipment's Operators	10	5	5	5	5	30
Engineers	2	0	1	1	1	5
Grand Total	17	5	6	6	6	40

(ii) Revenue to the Government

The project is expected to pay a substantial annual amount in the form of corporate tax and other taxes and levies.

13. CONCLUSION AND RECOMMENDATION

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implement and be given all the support required by all the concerned Government ministries and agencies, including, Tanzania Revenue Authority etc. The project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.