

RHINO MARITIME LIMITED

BUSINESS PLAN 2025-2030



Adopted from a report

CARGO TRANSPORT ALONG THE 5 PORTS OF MWANZA, PORTBELL, JINJA AND KISUMU, BUKOBA

Submitted by;

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EXECUTIVE SUMMARY

i) Back ground Information

Rhino Maritime Ltd (RML) is a company limited by shares that was incorporated in the Tanzania Republic on 28th day of June 2024, the company has two shareholders, Abubakar Mohamed Salim and Rhino international limited as detailed below;

Table 1: Shareholding and Shareholding %age of Rhino Maritime Ltd (RML) is as described below;

Shareholders	No. of shares	Shareholding %
Abubakar Mohamed Salim	2500	25%
Rhino International Limited	7500	75%
	10,000	100%

The company has two sister companies that have been operating in Uganda and Kenya since 1992 and 2007 respectively .These companies are;

- Rhino International Limited
- White Horse Carriers Limited

➤ **ii) About Rhino International Ltd**

Rhino International Limited (RIL) is a company limited by shares, registered and established on 19th May 1992 in Uganda under the laws of Uganda (Company’s Act chapter 110 of 2010).

The company has been in the transport and logistics business for the last 30 years and the experience attained has seen it as the most preferred service provider for many business in the region hence the market share estimate at 20 % of the total logistics business in the region.

As the majority shareholder (75%) of Rhino Maritime Ltd, Rhino International Ltd brings 30 years practical solutions into water cargo business with the knowledge and clear understanding of the business demands in the region.

The flagship business offering clearing and forwarding as well as supply chain solutions, RIL has worked with many businesses and offered solutions to logistics and transport solutions.

As a result of its long history in the logistics sector, as well as its reputation for operational excellence, the company has won several contracts to offer the transport and logistics services.

For the last 30 years, the company has made substantial investments in transport and logistics infrastructure for the company that it will be easy to mobilize for the upcoming investment of the water cargo business along the 5 ports of Bukoba, Kisumu, Mwanza, Jinja and Port bell.

Ownership and Management of Rhino International Limited

RIL is owned by 2 Shareholders namely; Abubakar Mohammed and Salim Mohammed. The ownership of the company is as shown in the table below;

Table 2: Shareholding and share %age of RIL

Shareholders	No. of shares	Shareholding %
Abubakar Mohammed	5000	50%
Salim Mohammed	5000	50%
	10,000	100%

Table 3: PAST PERFORMANCE OF RIL UGX ‘000’

Year	2021	2022	2023
Sales/turnover	21,489,469	16,093,963	10,671,670
Gross profit	8,349,957	8,059,553	6,743,618
Operating profit /loss	829,820	665,705	924,561

➤ **iii) About White Horse Carriers Ltd (WHCL)**

White Horse Carriers Ltd (WHCL) is a company limited by shares, registered and established on 24th January 2007 in Kenya under the laws of Kenya (Companies Act cap.486 laws of Kenya).

The company has been in the transport and logistics business for the last 17 years and the experience attained has seen it as the most preferred service provider for much business in the region with flexible engagement terms and wide range of fleet vehicles.

The flagship business offering clearing and forwarding, warehousing, distribution of merchandise goods, distribution of petroleum goods as well as supply chain solutions, WHCL has worked with many businesses and offered solutions to logistics and transport solutions.

As a result of its long history in the logistics sector, as well as its reputation for operational excellence, the company has won several contracts to offer the transport and logistics services among the several destinations originating from Kenya.

For the last 17 years, the company has made substantial investments in transport and logistics infrastructure for the company that its management will come in handy to support and guide the sister company baby steps to success.

Ownership and Management of White Horse Carriers Ltd (WHCL)

WHCL is owned by 3 Shareholders/Directors and 2 directors without shares. The shareholders are Mohamed Salim Bawazir Abdusamad, Rhino International Ltd, Kawkab Ali Hassan. The directors without shares are Abubakar Mohamed Salim and Lloyd Mwenda Njega. The ownership of the company is as shown in the table below;

Table 4: Shareholding and share %age of WHCL

Shareholders	Description	No. of shares	Shareholding %
Mohamed Salim Bawazir Abdusamad	Shareholder/Director	250	25%
Rhino International Ltd	Shareholder	500	50%
Kawkab Ali Hassan	Shareholder/Director	250	25%
Abubakar Mohamed Salim	Director		
Lloyd Mwenda Njega	Company Secretary		
Total		1,000	100%

iv) Table 5: PAST PERFORMANCE WHCL KSHs

Year	2021	2022	2023
Sales	503,893,120	568,127,043	880,503,118
Net profit	10,860,041	11,844,404	18,952,288

The sister companies have vibrant Board of Directors Teams that oversee the strategic decisions and future plans of the companies. It comprises of seasoned businessmen and technical personalities that include; an accountant, Engineer and lawyer.

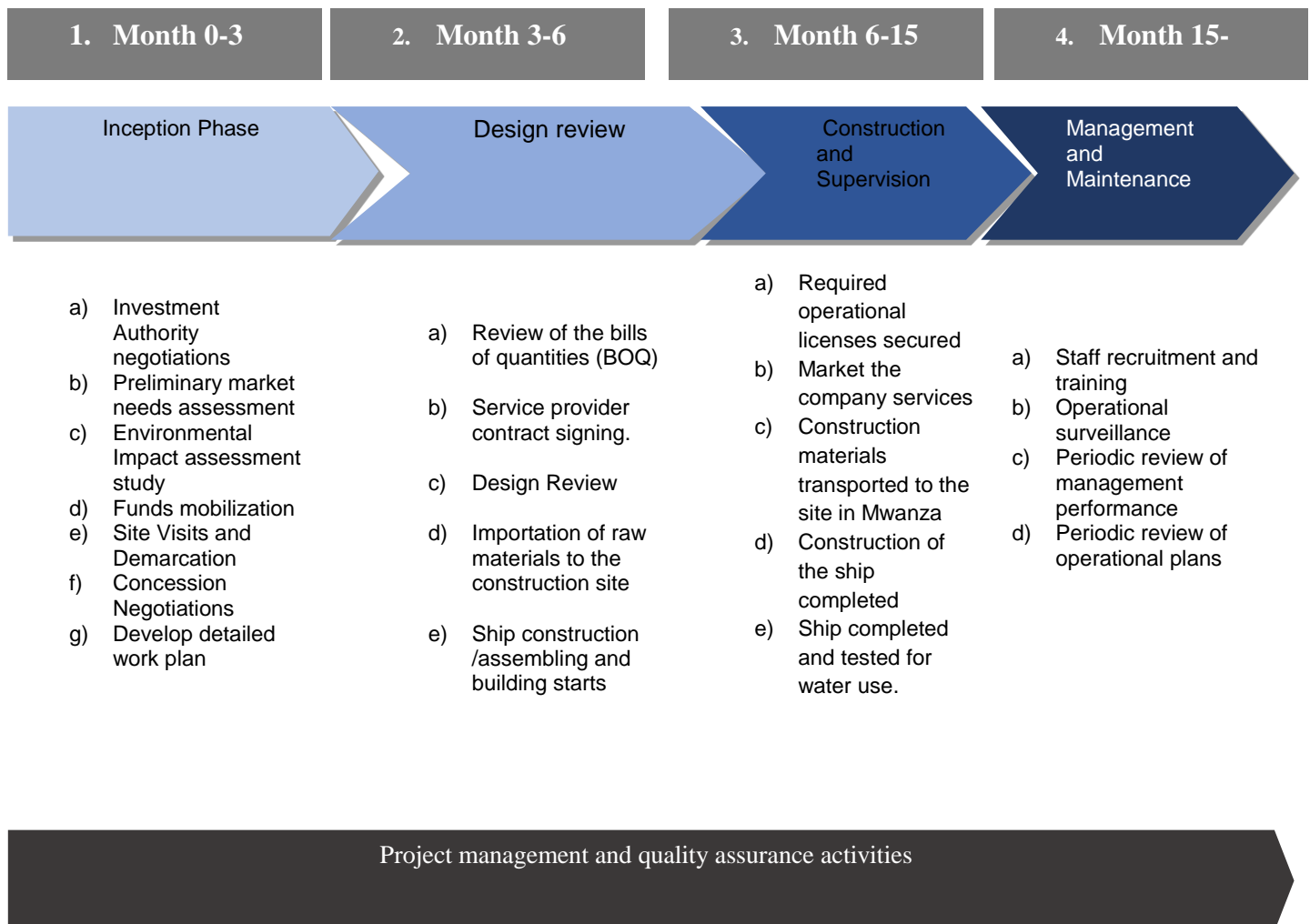
v) **MANAGEMENT STRUCTURE RHINO MARITIME LTD**

The management is headed by a team of seasoned businessmen and other professionals at the Board level. This Team oversees the strategic planning of the company headed by Abubakar Mohamed Salim. The day today running of the company will be managed by a team of professionals, headed by a Managing Director, Directors, Technicians, support staff.

vi) **SUMMARIZED ORGANIZATION STRUCTURE**



vii) PROPOSED IMPLEMENTATION SCHEDULE FOR BUILDING AND OPERATIONALIZATION OF THE CARGO SHIP BY RHINO MARITIME LTD



viii) THE PROPOSAL

RML proposal is to operate a competitive cargo business along the four main ports of Mwanza, Bukoba, Kisumu, Jinja and Port bell for the benefit of the East Africa Community countries. .

and two boat engines. The ship will operate and carry cargo within the countries sharing Lake Victoria connecting Port bell, Jinja Port, Kisumu Port, Bukoba port and Port Mwanza.

1.3 PROJECT OBJECTIVES

The project aims at easing transportation of goods and persons on Lake Victoria and will reduce the burden on road transport in East Africa. This project also well aligned to the achievement of the country’s development priorities included in the NDP III (2021/22-2025/26); Competitiveness and productivity in all sectors, strengthening the industrial economy as basis for export-driven growth; Strengthening Tanzania’s regional position as hub for production, trade, supply and transportation, inclusive economic growth, integrate regional and global agreements into national development. Compared to the Nairobi Port, the Port bell-Mwanza route cuts the transit time by more than 50 percent and remains attractive to neighboring countries such as DRC, Rwanda, Burundi and South Sudan.

The Standard Gauge Railway (SGR) is a planned railway system linking the country to the neighboring countries of Kenya, Rwanda, Democratic Republic of the Congo and South Sudan, as part of the East African Railway Master. When this is completed up to Mwanza, RML will be able to transport all cargo to respective destinations.

2.0 INVESTMENT COSTS AND SOURCES OF FINANCES

Cargo ship will cost \$2.050 million Dollars to be ready and operational in 12 months on the Lake Victoria. The source of investment funds is Rhino International Limited and White Horse Carriers Limited and the shareholders of the company.

2.1 INVESTMENT FUNDS EXPENDITURE BREAKDOWN

Table 6: Proposed fixed assets investment requirement

ITEM	BUDGET \$ USD
Cost of raw materials	1,574,474
Contract fee for ship building and other costs	475,526
VAT 18% for the cargo ship building	-
Initial Investment required	\$2,050,000

2.2 Sources of Supply of Inputs

The Company will source all the materials required from China (iron plates, angle lines and others) and two (2) engines from Asia.

2.3 Job Creation

Create about 30 highly skilled jobs directly and over 600 casual jobs across the Lake Victoria ports of operation and the trickledown effect on the truck drivers to other destination will be increased with the increased cargo flow.

3.0 MARKETING PLAN

The marketing plan is the game plan that will be followed to ensure competitiveness in the market, to create a big customer base and capture a market share for cargo transportation and other services in line with actual demand.

3.1 Target Market

The cargo movement along the Lake Victoria towns, institutions, banks, government projects, international organisations and NGOs will be targeted.

3.2.1 Marketing Mix

3.2.2 Price

The pricing will be appropriate with the market prices for other similar businesses. And emphasis will be made on value of service appropriate to pricing.

3.3 Promotion

During the planned period the main promotions done through advertisement on websites and social media.

3.4 Place

The service route shall be clearly stated and scheduled arrival and departure times at all the ports on the Lake Victoria.

3.5 Product

The products or services will be of high quality and secure.

3.6 Market Penetration Strategy

The project will emphasize high standards with a proper customer complaints handling procedure and professional management service among others. It will adopt competitive pricing strategies against value, sales promotions, but further contracts with the maritime management company outsourced written with incentives to increasing income or controlling costs will encourage retention of existing clients. This will enable the project achieve expected performance.

3.7 Market Development Strategies

The project will work on retention of existing clients and market aggressively to fill up any gaps to achieve a sufficient capacity utilization.

3.8 Distribution

The Proposed cargo vessel intends to distribute the services across the ports on Lake Victoria.

4.1 Sales strategy

Will use her website and agents to sell its services in East Africa. Emphasis shall be placed on effective and efficient service delivery on a scheduled program.

4.2 Customer Handling and Service delivery strategy

The Business will integrate customer care as a key value in its marketing operations. The company will thus strive to promote the culture of good customer care. A complaints handling procedure shall be in place and shall be supervised by the Management.

4.3 Public and Media Relations

The business will create a good relationship with the public and media. The objective will be to keep the various publics informed of the activities and developments taking place. It will do this by:

- Maintaining good media relations;
- Publicizing the project activities;
- Sharing information on industry;

5.0 DETAILED IMPLEMENTATION SCHEDULE

The implementation schedule starting the cargo transport operations will include the following steps;

5.1 Construction of a Vessel

A ship will be built by Songoro Marine Transport limited a leading shipyard serving the East African Market from Tanzania to construct 700 tonnes cargo ship in Mwanza with imported materials like steel plates, channels, angle lines and two boat engines to transport dry, unpackaged or containerized cargo in large quantities in bulk carriers.

5.2 The legal requirements needed to begin operations

Rhino Maritime Ltd will compile and provide documents meeting legal requirements needed to begin operations. The necessary certifications shall be obtained from any one of the international classification societies and then register the vessel with a flag state in Tanzania.

5.3 Preliminary survey

The applicable classification have been conducted and the preliminary survey confirm the vessel business is profitable.

5.4 Comply with IMO regulations

As to vessel registrations with a flag state, this process typically entails working with the flag state's maritime administrative authorities to provide them with all the necessary documents they require to comply with IMO regulations. These documents may include an original notarized bill of sale, which confirms that the owner owns the vessel and that the vessel is free and clear of all

mortgages, encumbrances, and liens; an international tonnage certificate; a Minimum Safe Manning Certificate. IMO number for both the vessel itself and the ship-owning company; and radio frequency and call sign certificates to be issued by the flag state based on the radio equipment aboard the vessel.

5.5 Temporary provisional certificate or a full permanent certificate

Assuming all necessary certifications and documents are provided to the flagged state, it then issues either a temporary provisional certificate or a full permanent certificate, depending on the flag state’s regulations. At that point, the ship registration process is finally complete.

5.6 Hiring the Crew and day-to-day operations management

The first and most important is a ship management company assists in hiring the crew and then manages the day-to-day operations of the vessel. The ship management company also assists and advises the ship-owner on securing the required maritime insurance as well as engaging with the various ship agencies hired by the ship-owner to assist the vessel and its crew at every port of call.

Years						
Tasks	0	1	2	3	4	5
Construction of the cargo vessel						
Legal requirements						
Preliminary survey						
Comply with IMO regulations						
Temporally provisional certificate						
Hiring the crew and management contract						
Securing maritime insurance						
Securing the operational licenses on the lake Victoria						
Milestones	-Vessel construction is completed -Meeting all legal requirements -Comply with IMO regulations	-Certificate issued -Crew hired -Management company contracted -Insurance acquired -Operational licenses acquired				

6.0 FINANCIAL PROJECTION FOR 5 YEARS. FINANCIAL PROJECTIONS

The total cost of the project is **USD\$ 2,050,000** is needed to finance construction of the cargo vessel and to make it ready for operation. The initial investment (outlay) will be from internal funding with shareholders and sister companies funding the initial investment up to 100% financial requirement.

Investment Requirements

The required funds **USD\$ 2,050,000** to put up a in the investment as in Table 4 below.

Key Assumptions;

- The Cargo Vessel will generate its own working capital in year 1
- The Cargo Vessel once complete will generate enough cash flow balances to payback investment.
- Shareholders will raise the initial required investment

Table 7: Proposed investment requirement

Item	Budget
Preliminaries	0
Ship Building Materials	1,574,474
Ship Building Contract fees	475,526
Initial Investment required	2,050,000

Sales forecast

6.1 Sales revenue five year forecast

The forecasted sales revenue will increase by 5% annually from **USD \$ 864,000** in year1 to **USD \$ 1,050,197** in the fifth year of operation (**Table 7**). The 15% increase is projected based on the assumption that the management learning curve will be positive and thus will have improved in reducing costs and also improve other business skills including customer care management. Further to that, more people will be aware of the project in the area over that period hence continued operation at over 70% of its capacity.

Key Assumptions

- Sales will increase by 5% annually due to quality of service will be of high standard and experience.
- The cargo ship income will be USD \$ 72,000= per month and a total of USD \$ 864,000= in the first year
- There will be no significant reduction in demand over the projected period
- The Vessel will make three trips in a week across all the ports of Jinja & portBell in Uganda, Mwanza and Bukoba in Tanzania and Kisumu in Kenya.

Table 8: Five year projected sales revenue

Year	1	2	3	4	5
Cargo Transport	6,240,000	6,552,000	6,879,600	7,223,580	7,584,759
Total Sales	6,240,000	6,552,000	6,879,600	7,223,580	7,584,759

6.2 Income and expenditure Five year plan

The Proposed Cargo vessel project at the end of the first year of operation will make a gross profit of **USD \$ 5,616,300** and will progressively increase to **USD \$ 5,897,115** in the five year of operation **table 9**. This projects a fair performance which could even be higher since the projections were based on pessimistic cargo capacity utilisation.

Key Assumptions

- The cost of maintenance and administrative costs do not go up by 10%
- Sales revenues will grow by 5% per year.
- The Income tax on income at 30% of profit

Table 9: Five year projected sales revenue

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Cargo ship transport and logistics	864,000	907,200	952,560	1,000,188	1,050,197
Total Sales	864,000	907,200	952,560	1,000,188	1,050,197

6.3 Income and Expenditure Five Year Plan

The Proposed Cargo vessel project at the end of the first year of operation will make a gross profit of **USD \$ 514,000** and will progressively increase to **USD \$ 537,762** in the five year of operation **table 11**. This projects a fair performance which could even be higher since the projections were based on pessimistic cargo capacity utilisation.

Key Assumptions

- The cost of maintenance and administrative costs do not go up by 10%
- Sales revenues will grow by 5% per year.
- The Income tax on income at 30% of profit

Table 11: Five Year Income and Expenditure forecast

Annual Revenue/Year	Year 1	Year 2	Year 3	Year 4	Year5
Cargo Transport and Logistics	864,000	907,200	952,560	1,000,188	1,050,197
Total Sales Revenue	864,000	907,200	952,560	1,000,188	1,050,197
Annual Costs					
Maintenance	50,000	55,000	60,500	66,550	73,205
Administrative costs	300,000	330,000	363,000	399,300	439,230
Total Annual Operational costs	350,000	385,000	423,500	465,850	512,435
Annual Profit	514,000	522,200	529,060	534,338	537,762

6.4 Cash Flow Projections

The projected cash flow statement shows that banks balances will increase from **USD \$ 864,000** in year 1 to **USD \$ 3,149,795** in fifth year of operation (**Table 11**). The cash flow projection indicates that the Project will have sufficient bank balances for day to day running of business.

Table 11: Projected five year cash flow

	Year	Year	Year	Year	year	Year
	0	1	2	3	4	5
Cash Available	2,050,000	-	514,000	1,036,200	1,565,260	2,099,598
Revenue	-	864,000	907,200	952,560	1,000,188	1,050,197
Total Cash	2,050,000	864,000	1,421,200	1,988,760	2,565,448	3,149,795
EXPENSES						
Equipment/ parts	1,574,474	-	-	-	-	-
Labour contract by Songoro	475,526	-	-	-	-	-
Maintenance	-	50,000	55,000	60,500	66,550	73,205
Administrative costs	-	300,000	330,000	363,000	399,300	439,230
Total Expenses	2,050,000	350,000	385,000	423,500	465,850	512,435
Balance	-	514,000	1,036,200	1,565,260	2,099,598	2,637,360

Table 12: Five Year Income and Expenditure forecast

Annual Revenue/Year	1	2	3	4	5
Transport of Cargo	6,240,000	6,552,000	6,879,600	7,223,580	7,584,759
Total sales Revenue	6,240,000	6,552,000	6,879,600	7,223,580	7,584,759
Expenses					
Administrative costs	300,000	330,000	363,000	399,300	439,230
Maintenance	150,000	165,000	181,500	199,650	219,615
Recurring Cost Total	450,000	495,000	544,500	598,950	658,845
Profit before tax	5,790,000	6,681,000	7,707,900	8,891,310	9,305,928
Income tax	173,700	200,430	231,237	266,739	279,178
Profit after tax	5,616,300	6,480,570	7,476,663	8,624,571	9,026,750

6.5 Cost Benefit Analysis (NPV)

The DCF of 8% was based on the industry which is stable with low business risk. The net present value (NPV) of the business was positive over period of five years confirming that the Cargo Ship business is viable with potential to create more wealth and 600 jobs for the communities (Table 13)

Table 13: Investment Analysis of project

year	Cash Flows	DCF 8%	PV
0	-2,050,000	1	(2,050,000)
1	864,000.00	0.93	800,000
2	907,200.00	0.86	777,778
3	952,560.00	0.79	756,173
4	1,000,188.00	0.74	735,168
5	1,050,197.40	0.68	714,747
		NPV	1,733,865

7.1 Waste management

The operator will hire the services of providers to ensure that the vessel's waste is managed in accordance with NEMA regulations and MARPOL 88 regulations of the IMO.

We are very conversant with management and disposal of waste management in accordance with established legal and regulatory framework and compliance with best practice standards. Our experience is derived from our previous operating of the heavy trucks and our management and operation of our businesses including but not limited to repair workshops, commercial and residential properties. Therefore, we shall ensure strict compliance with the requirement.

7.2 Loading and Off Loading

Based on our previous performance in logistics sector loading and offloading the cargo will be handled with at most attention as per the set standards.

7.3 Security

The operator will use services of security firms vetted by Government Security Organs.

7.4 Insurance

The operator will secure the services of a reputable insurance company (Licensed Insurance Regulatory Authority of Tanzania to provide marine hull insurance) and meet the insurance costs for the ship. The policy shall cover hull and machinery, Passenger's and. Crew and third party liability.

As one of the leading logistics company in the region, we appreciate the role of insurance at every stage of investment especially the accident and third party cover. All our equipment, machinery and properties including all workers are covered at all times by appropriate insurance policies from reputable Insurance businesses registered and regulated by the relevant authorities.

8.0 OPERATOR CAPABILITIES

8.1 THE COMPANY

The company has been in operation for the last 30 years specifically logistics and real estate sector, Marine business is a well thought through venture for diversification and with the truck record of success business by the lead sponsor (Abubakar Mohamed- Managing Director), the proposed business will stand the test of the times.

8.2 SHORE- BASED MANPOWER

The operator shall mobilize a team of qualified personnel with relevant qualifications and expertise comprising of the following,

- a) Team Leader / manager
- b) Marketing Officers
- c) Customer relations officers
- d) Marine specialist
- e) Revenue collectors
- f) Casual laborers for loading and offloading

No	Position	Qualifications	Experience and competencies	Language proficiency	Status of Compliance / Non-Compliance to Qualifications and experience
1	Team leader/ Manager	Minimum of a University Degree from a recognized institution	Relevant experience in Business Management or, accounting or marketing of not less than 5 years	Fluent in the English language and Swahili	
2	Marketing officers	Minimum of a Diploma in business Administration	Minimum of 3 years' experience in marketing	Fluent in the English language and Swahili	Comply
3	Customer relations officer	Minimum of a Diploma in business and humanities	Relevant experience in customer care, health and safety practices of not less than 2 years	Fluent in the English language and Swahili	Comply

4	Marine specialist	Minimum of Honors' Degree IN Marine engineering or post graduate diploma in transport with specialization in water transport	Minimum of 5 years' experience in vessel operations	Fluent in the English language	Comply
5	Revenue collectors	Minimum of a certificate in Business Administration or accounts	3 years of experience in revenue collection or a busy cash transaction environment	Fluent in luganda or Swahili or English	Comply
6	Casual laborers	No formal training required	No experience	Fluent in luganda or Swahili or English	Comply

9.0 Enterprise Viability

9.1 Critical Risks and Mitigation

Rhino International Ltd recognizes that there are critical risks that could seriously hurt the business. Various assumptions have been made in the feasibility study, which if they prove invalid, would jeopardize the business to a big extent.

In addition to the normal risks that are common to many different businesses, there are some especially critical risks for the company that bears mentioning.

The sales may fall short of those projected due to competition arising out of too much supply as competition increases. Existing brands have tested the market and gained a reasonable level of acceptance. A new product offering similar features may take baby steps to gain acceptance and preference.

A big risk is that of incidence of fire and burglary at the lake. To mitigate against these, it is important to engage a reputable insurance company and secure a comprehensive insurance policy against fire and burglary, as well as workers' compensation policy.

9.2 Economic and Social Benefits

The country and communities around the outlets will derive economic and social benefits. Some will be direct while others will be indirect. The table below lists and categorises those expected to benefit.

9.2.1 Economic Benefits

DIRECTLY DERIVED	INDIRECTLY DERIVED
1. Household incomes derived by both permanent and casual employees at the outlets.	1. Incomes also lead to improvement in health, education, etc. for employees
2. The company is projected to pay corporation tax on profits made. Government will benefit directly from the taxes paid.	6. The general transformation of the lives of people working with the business is envisaged due to multiplier effects of the business.

9.2.2 Social Benefits

DIRECTLY DERIVED	INDIRECTLY DERIVED
1. At least 100 permanent job positions and over 600 casual jobs will be created by the proposed investment. Increased employment is likely to reduce crime rate and will act as a catalyst to increase household incomes.	1. Other plays will work towards health competition hence better service delivery to the east Africa community.

9.3 Long term Plans

As a growing enterprise, Rhino Maritime Ltd. has to work out long range plans for future sustainability and growth of the enterprise. A long range plan provides benchmarks against which progress can be measured periodically.

10 Recommendation.

Having observed the need to increase quality and cheaper cargo transport in the east Africa region, growing local and regional demand and having analysed the project with regards to the Technical aspects, management capacity, the potential markets, the financial requirements and the environmental needs, we therefore strongly recommend this project for investment support.

10.1. Conclusion

RML management is confident that based on its past experience in business in Uganda and Kenya, the company's existing infrastructure, marketing infrastructure, and human resources, the company will be able to operate profitably. The management is sure that the positive project financial indicators are attainable. The company will be able to successfully expand.

The project has a development effect in the region and will create additional direct and indirect employment.

The proposed cargo transport business among the five main ports on Lake Victoria is financially viable and environmentally friendly.

ANNEX 1: ATTACHMENTS –COMPANY DOCUMENTS

- Certificate of incorporation
 - Rhino maritime ltd
 - Rhino international ltd
 - white horse carriers ltd

- Memats (Memorandum and Articles of Association)
 - Rhino maritime ltd
 - Rhino international ltd
 - white horse carriers ltd

- Bank Statements (recent 12 months)
 - Rhino international
 - white Horse carriers

- BOQs for ship construction and design