

**MINOCK GROUP LIMITED,
P. O BOX 70241,
DAR ES SALAAM, TANZANIA.**

PRE-FEASIBILITY STUDY REPORT ON:

**INVESTMENT IN COMMERCIAL BUILDING –
WAREHOUSES/INDUSTRIAL PARK**

Presented To:

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**MINOCK GROUP LIMITED
Strategic Pre-feasibility Report**

**MINOCK GROUP LIMITED,
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MINOCK GROUP LIMITED

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1. Executive Summary

Company & Project concept

MINOCK GROUP LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 19th December 2018, and bears Certificate of Incorporation # 138432327. Company implements project which is under Farming and Processing of poultry.

MINOCK GROUP LIMITED will be located at Plot 91&912 Block A, Mkuza Ward, Kibaha Town Council District in Pwani Region.

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.

Company Goals and Objectives:

In Summary MINOCK GROUP LIMITED aims to;

- Build Warehouses and space for other economic uses such as Truck yard and other commercial business that tenants shall want to pursue.
- Manage MINOCK GROUP LIMITED by human resource policies which encourage and reward individual and unified effort and achievement, provide training and personal development opportunities and create a working environment in which staff can feel a real sense of job involve
- Build relationships with investors in many sectors,
- Achieve levels of profit sufficient to provide for reinvestment and suitable returns to shareholders and investors
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements.
- Adopt best commercial practice and ethical standards in dealing with clientele, suppliers of goods and services and other contacts

Purpose of Business Plan

This document is prepared to the serve the purpose as a Pre-feasibility study report for MINOCK GROUP LIMITED for investment in Commercial Building – Warehouses/Industrial

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Park in Pwani Region. But also, the Pre-feasibility study report shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will compromise the following activities: -

- Construction of a warehouse building which will accommodate tenants who wish to establish manufacturing industries.
- Procurements Machineries and Equipment's for this project.
- Equipping the project will all necessary modern furniture and facilities

The project promoter, the project will be managed and operated by MINOCK GROUP LIMITED is owned by a Chinese citizens from China with the following share distribution.

| NAME OF SHAREHOLDERS | NATIONALITY | SHARES% |
|----------------------|-------------|---------|
| Yu Qi | Chinese | 25% |
| Shengju Wang | Chinese | 55% |

Company Legality, the legal certificates and documents such as Memorandum and Articles of Association, Certificate Of Incorporation, Tax Identification Number. Justify that MINOCK GROUP LIMITED is operating within the ambit of the law of the Land

Project Organization Structure, the management of MINOCK GROUP LIMITED constituted by the following organization set up: - Board of Directors, General Manager who is responsible on the supervision on the entire operations of the Company, a company accountant, a Production Manager who will be directly responsible for all matters pertaining Commercial Building - Warehouses/Industrial Park.

Investment Structure, the project is estimated to cost \$500,000, the money covers building structures but also allocated fund include investment in, building structure, Machineries and Equipment, furniture and fittings, pre-expenses and working Capital. The equity contributed by the shareholders is \$500,000 equivalent to 100%. However, a financial policy of the Company state that the profits generated will be re-invested

Forecasted financial Information, Financial information of MINOCK GROUP LIMITED is projected within five years. The company projected profit and Loss, account show a respectable turnover (for refence you shall see on the last page)

2. Statement of Purpose

This Profile is drawn for the purpose of seeking CERTIFICATE OF INCENTIVES from the TANZANIA INVESTMENT CENTRE and pre-feasibility study report for Commercial Building - Warehouses/Industrial Park.

2.1 Purpose of Investment

This document is prepared to serve the purpose as a feasibility study for MINOCK GROUP LIMITED for establishment of Commercial Building - Warehouses/Industrial Park in Pwani. The implementation of the project will comprise of the following: -

- Landscaping the land for proposed area for building the warehouses.
- Construction of a warehouse building which will accommodate tenants for this project.
- Procurements Machineries and Equipment for this project.
- Equipping the project with all necessary modern furniture and facilities
- Procurement semi-processed raw materials
- Employing more than 50 people.

2.2. Investment financing plan

The company expects to invest \$500,000 from shareholders' funds. Profits generated from business operation will be re-invested. Table below shows the assumptions how the investment financing plan will look like.

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**TABLE 1
FINANCING**

| <i>Financing</i> | \$ |
|------------------------------|----------------|
| Long-term liabilities | |
| Long-term Equity | 200,000 |
| | |
| Owner's equity | |
| Cash | 200,000 |
| | |
| Contributed asset value | 100,000 |
| | |
| Total | 500,000 |

**TABLE 2
INVESTMENT COST PLAN**

| <i>COST INVESTMENT STRUCTURE</i> | \$ |
|----------------------------------|-------------------|
| Current assets | |
| Working capital | 50,000 |
| Opening inventory | 50,000 |
| Other | 10,000 |
| | |
| Property and equipment | |
| Land | 182,000 |
| Building | 25,000 |
| Equipment | 20,000 |
| Furniture and fixtures | 3,000 |
| Leasehold improvements | 2,000 |
| Plant/Machines | 50,000 |
| Motor Vehicles | 58,000 |
| Other _____ | 50,000 |
| | |
| | |
| Total assets | 500,000.00 |

2.3 Summary of the Expected Results

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

- Provide an opportunity for availability of warehouses and land for leasing.
- Import modern machine in warehouses to accommodate tenants and bring new technology in Tanzania
- Increase 100 direct employment opportunities.
- Direct Domestic investment of more than \$1M within 2024 -2029.
- Increase tax contributed to the government
- Generate foreign currency.

3. BUSINESS DESCRIPTION

MINOCK GROUP LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated December 2018, and bears Certificate of Incorporate # 138432327. Company implements project which is under Agriculture sector.

The Company will be responsible among others activities, operating and managing farming activities.

3.1.1. Legal Status

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, business license, Tax Identification Number, and value added Tax certificates Justify that MINOCK GROUP LIMITED is operating within the ambit of the law of the Land.

3.1.2. Mission and Vision

The company vision is to be one of the leading companies in Agriculture sector.

The current mission of the company is to penetrate the markets within Agriculture sector in Tanzania. The company can achieve this through

- Commercial Building - Warehouses/Industrial Park
- Establishing sustainable business relationship all business sectors in Tanzania
- Proper and reasonable remuneration of the personnel
- Continuing networking with our esteemed clients.

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3.1.3. Project Promoters

The project promoter, the project will be managed and operated by MINOCK GROUP LIMITED. The Company is owned by Chinese citizens. Current shareholding status is hereby shown below.

| NAME OF SHAREHOLDERS | NATIONALITY | SHARES% |
|----------------------|-------------|---------|
| Yu Qi | Chinese | 25% |
| Shengju Wang | Chinese | 55% |

3.1.4. Operations

The project will be managed and operated by MINOCK GROUP LIMITED. The Company is finalizing acquisition of operation permits and Tax exemption clearance for machineries and equipment to start the implementation of the project. Management will establish sound operating guidelines to conduct the day-to-day operations of this project.

3.1.5. Project Location

The project shall be implemented at constructed warehouses, administration block which will be very spacious to accommodate project of this nature. The project shall be located at Plot 91&92 Block A, Mkuza Ward, Kibaha Town Council in Pwani Region

3.1.6. Postal Address

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4. Core Activities of the company

MINOCK GROUP LIMITED will be dealing with establishing and operating the following facilities;

4.1.1. Landscaping of the Area for Investment

In the first phase of the implementation of this project, the Company shall landscape the land as a preparation for building the warehouses for leasing and other industrial park purposes.

4.1.2. Construction Of Warehouses

In this stage the company shall construct warehouses for commercial/ industrial park purposes.

4.2. Technical requirements of the project

The project implementation shall require some of technical facilities among others include: -

- Machines to be installed in warehouses
- Caterpillar for moving for landscaping and moving heavy cargo and equipment.
- Trucks
- Excavator

5. REAL ESTATE INDUSTRY

5.1 REAL ESTATE SECTOR IN TANZANIA

Tanzania has experienced growth in its real estate sector in recent years, driven by factors such as urbanization, population growth, and economic development. Some key points about the real estate industry in Tanzania include:

1. **Urbanization and Population Growth:** Tanzania's population has been steadily increasing, leading to a growing demand for housing and infrastructure. Rapid urbanization has contributed to the expansion of the real estate sector, particularly in major cities like Dar es Salaam, Arusha, and Dodoma
2. **Government Initiatives:** The Tanzanian government has been implementing various initiatives to support the real estate sector and address the housing deficit. This includes efforts to streamline the land registration process and provide incentives for real estate developers.
3. **Foreign Investment:** Tanzania has attracted foreign investors interested in real estate development. This has led to the construction of commercial and residential properties, as well as hospitality and tourism-related projects.
4. **Infrastructure Development:** Ongoing infrastructure projects, such as roads and transportation networks, play a crucial role in shaping the real estate landscape. Improved infrastructure can enhance property values and accessibility.
5. **Challenges:** Despite the growth, the real estate sector in Tanzania faces challenges such as inadequate financing options, land tenure issues, and a need for more affordable housing solutions. These challenges may impact the industry's ability to meet the rising demand for housing.
6. **Regulatory Environment:** Understanding and navigating the regulatory environment is essential for real estate developers. Changes in policies and regulations can impact the industry, and investors need to stay informed about the legal framework

5:2 IMPORTANCE OF REAL ESTATE SECTOR IN TANZANIA

1. **Economic Growth:** Real estate development contributes significantly to economic growth by creating job opportunities, stimulating construction-related industries, and attracting investment. The sector's expansion can have positive ripple effects on various other industries, fostering a more robust and diversified economy.
2. **Infrastructure Development:** Real estate projects often involve the development of essential infrastructure such as roads, utilities, and public spaces. This contributes to improved living standards, connectivity, and overall urban development.
3. **Housing Solutions:** The demand for housing in Tanzania, particularly in urban areas, is on the rise due to population growth and urbanization. Real estate development, including affordable housing projects, addresses this need, providing better living conditions for the population.
4. **Foreign Direct Investment (FDI):** A thriving real estate sector attracts foreign investors, leading to increased FDI. Foreign investment can bring in capital, technology, and expertise, contributing to the overall development of the industry and the economy as a whole.
5. **Wealth Creation:** Real estate is a significant avenue for wealth creation for individuals and businesses. Property ownership and appreciation can serve as a form of long-term investment, providing financial security and stability for individuals and families.
6. **Government Revenue:** The real estate sector contributes to government revenue through property taxes, development fees, and other levies. This revenue can be reinvested in public services, infrastructure, and community development.
7. **Urban Planning and Land Use:** Properly managed real estate development contributes to effective urban planning and land use. It allows for the organized expansion of urban areas, preventing issues such as informal settlements and promoting sustainable growth.
8. **Financial Sector Growth:** Real estate activities, including mortgage financing, contribute to the growth of the financial sector. The availability of mortgage loans makes homeownership more accessible, further driving real estate demand.
9. **Social Impact:** Real estate projects, especially those focused on affordable housing, have a positive social impact by addressing housing shortages and improving the overall quality of life for residents.

-
10. **Tourism Development:** The real estate sector, particularly in coastal areas and tourist destinations, plays a role in developing infrastructure to support tourism. This can lead to increased tourism revenue, further contributing to economic growth.

5.3 REAL ESTATE CORPORATIONS IN TANZANIA

Currently there are a number of companies who are mining and 'processing minerals in Tanzania, which are as follows:

1. **NHC (National Housing Corporation):** NHC is a government-owned corporation in Tanzania that plays a significant role in providing affordable housing solutions. They are involved in the development of residential and commercial properties.
2. **Tanzania Houses Ltd:** This is a private real estate company that focuses on developing residential properties. They aim to provide modern and quality housing solutions in various locations.
3. **Ratex Group:** Ratex Group is involved in real estate development, construction, and property management. They have been active in both residential and commercial projects.
4. **Shelter Afrique:** Shelter Afrique is a pan-African finance institution that collaborates with various stakeholders to address the housing shortage in Africa. They work on projects in Tanzania and other African countries.
5. **Prime Minister's Office - Regional Administration and Local Government (PMO-RALG):** This government office is involved in urban planning and development, including real estate initiatives at the regional and local government levels.
6. **Uhuru Heights Limited:** Uhuru Heights is a real estate development company in Tanzania, focusing on creating modern and sustainable living spaces. They are involved in residential and commercial projects.
7. **Azam Real Estate:** Azam Real Estate is part of the Azam Group, a diversified conglomerate. They are involved in real estate development, including residential, commercial, and hospitality projects.
8. **Jubilee Real Estate Investment Company Limited:** This company is involved in real estate development and investment in Tanzania. They focus on creating quality residential and commercial spaces.

These companies and organizations collectively contribute to the growth and development of the Real Estate sector in Tanzania. They play a crucial role in increasing Real Estate productivity and supporting the livelihoods. Additionally, they help Tanzania tap into its agricultural potential and participate in international markets by exporting various agricultural products.

5.4 PROJECT JUSTIFICATION

The proposed project is under management of MINOCK GROUP LIMITED is in line with Tanzania Government efforts in accordance to support more the Agriculture sector. This has also been noted of recent drive of attracting investors in Tanzania in order to maximize annual earnings from investment and also compete effectively with regional competitors. This also has been complemented by following measures

- i. The government is making a critical review of all existing laws and regulations, taxation and policies with ultimate aim of improving and creating conducive environment for private sector Investment, tourism sector is inclusive.
- ii. The Government reviewed the existing Industry and trade Policy, taking into consideration the social economic base and the dynamism of Agriculture industry in Tanzania.
- iii. In depth studies have been carried out in the following area
 - SMEs development study
 - Trade Integration Strategy, 2009-2013

Regarding the initiative undertaken by MINOCK GROUP LIMITED sponsors, is justified by the following facts.

- The sponsors have a special invested interest in Commercial Building - Warehouses/Industrial Park and they have several years of experience.

Therefore, the establishment and operations for the Poultry farm and processing facility will boost and at the same time strength Agriculture sector in Tanzania. The Company's marketing strategy and intention is to have a wide products base which focuses both to Ordinary consumers and national use.

5:5 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

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

- Improve and increase of Real Estate practises in Tanzania
- Increased competitiveness among Commercial Buildings in Tanzania
- The project will provide employment for more than 50 people
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

6. OPPORTUNITY DRIVERS

6.1 Increased demand of Real Estate in Tanzania and all over the world

Tanzania now is witnessing the tremendous developments of technology advancement. Real Estate is among the leading sector that are in demand all over the world.

6.2 Uniqueness location of the project

MINOCK GROUP LIMITED.'s project will be one of the Real Estate Companies in Tanzania. And location of the Project shall be in plot No 91&92 Block A, Mkuza Ward, Kibaha Town Council in Pwani Region. The location of this project provides an opportunity to MINOCK GROUP LIMITED to capture easily the market around Dar Es Salaam, Pwani, Morogoro.

6.3 Government Policy

The Government of Tanzania has made the policy that intends to improve and promote Agriculture Industry. This sector employs many people and it is a key driver towards transforming and developing the national economy.

6.4 Government Incentives package

The Tanzanian government has implemented various incentive packages and policies to support and promote the growth of agriculture companies in the country. These incentives are designed to stimulate investment, increase agricultural productivity, and contribute to the development of the agriculture sector. Some of the key incentives and support measures include:

1. **Tax Incentives:**

- **Tax Holidays:** The government may grant tax holidays to new agricultural companies, exempting them from income tax for a specified period.
- **Duty-Free Imports:** Agricultural machinery and equipment, as well as specific inputs like seeds and fertilizers, may be eligible for duty-free imports to reduce production costs.

2. **Agricultural Finance:**

- **Agricultural Loans:** The government often collaborates with financial institutions to provide agricultural loans with favourable terms and lower interest rates to support agribusinesses.
- **Agricultural Credit Guarantee Scheme:** The government may establish credit guarantee schemes to reduce the risk for banks and other financial institutions lending to agriculture companies.

3. **Research and Development:**

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- **Research Grants:** The government supports agricultural research and development by providing grants and funding opportunities for research institutions and agricultural companies.
- **Technology Transfer:** Initiatives are in place to facilitate the transfer of innovative agricultural technologies and practices to agribusinesses.

7. Analysis of Strengths, Weaknesses, Opportunity and Threats

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

| | |
|--|---|
| Strengths <ul style="list-style-type: none">▪ It has a strong equity financing▪ Strong management and well-paid personnel▪ Has a will to expand▪ Access to reliable high technology | Weaknesses <ul style="list-style-type: none">▪ Not yet emphasize on the marketing |
| Opportunities <ul style="list-style-type: none">▪ Good government suitable facilitative policy▪ Raising investments real estate sector▪ Government development power supply project in Tanzania | Threats <ul style="list-style-type: none">▪ Unawareness of the new entrants in the Industry in the same location▪ Increment of inflation▪ Presence of fake suppliers of the same products. |

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

1. In future if needs arise the Company may seek more funds from bank to finishing phase of this project.
2. The company will employ expatriates for marketing of its products/services and develop marketing plan.

8. Marketing Information

8.1. Marketing Strategy

8.1.1. Overview

The success of MINOCK GROUP LIMITED will be achieved by providing high tech products, providing friendly service and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just products and service to make a MINOCK GROUP LIMITED successful. MINOCK GROUP LIMITED will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

Management will endeavour to create and maintain a positive, appealing image for the customers. This image will be consistently portrayed throughout all marketing channels and sales promotions. The following exemplifies some of the tactics we will use to drive more sales.

8.1.2. Customer Database

MINOCK GROUP 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 birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special software MINOCK GROUP LIMITED will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' signup book with promotional signage; menu insert promotion; etc

8.1.3. Advertising

MINOCK GROUP LIMITED will adopt an aggressive advertising strategy. Outdoor signage for MINOCK GROUP LIMITED will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure.

MINOCK GROUP LIMITED will utilize both traditional non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy MINOCK GROUP LIMITED will adopt towards the use of traditional advertising such as radio, newspaper, billboards or television.

8.1.4. Costing and Pricing

The costing and pricing is done by the management of MINOCK GROUP 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.

8.1.5. Customers

MINOCK GROUP LIMITED is targeting to all regions in Tanzania and outside of Tanzania specifically targeting the following customers: Wholesale and retail suppliers.

8.1.6. Products

As it has been explained in preamble chapters, MINOCK GROUP LIMITED will set project which will be indulging in Commercial Building - Warehouses/Industrial Park in Tanzania

8.2 Marketing Plan

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

The short-term marketing plan includes:

- Participating in business show case exhibitions
- Building sustainable long-term relationship with consumers.
- Training of sales staff sales and Marketing.

Long Term Plans includes:

- Join to the network of Real Estate companies to market and exploit more business opportunities
- Investing Market Research and Development

9. Management & Administration

9.1. Management

The management team of MINOCK GROUP LIMITED planned to be constituted by the following management team: -

9.1.1. Board of Directors

MINOCK GROUP LIMITED be managed by the board of Directors which is the apex body for strategic decision making of the project. Directors of the Company are the ones who having shares in MINOCK GROUP LIMITED, The Company which shall manage this project.

9.1.2. General Manager

Immediate after Board of Director the shall be a General Manager who will be responsible to take care of mater pertaining operation and managing daily activities of the project as well as other staffs welfares and report them to the board of directors.

9.1.3. Production Manager

Production Manager will be employed who expected to have an extensive background in the Poultry processing industry. As the production Manager will be directly responsible for all processing functions including processing of poultry and related products.

Under production manager there shall be reasonable number of technical staffs who will be involved in daily processing within this project.

9.1.4. Accountant/cash

An accountant will be employed who expected to have good experience in accounting system as well as he will be responsible in managing cash of MINOCK GROUP LIMITED but also keeping books of accounts properly.

9.1.5. Management Agreements

Management Agreements will be executed between MINOCK GROUP 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.

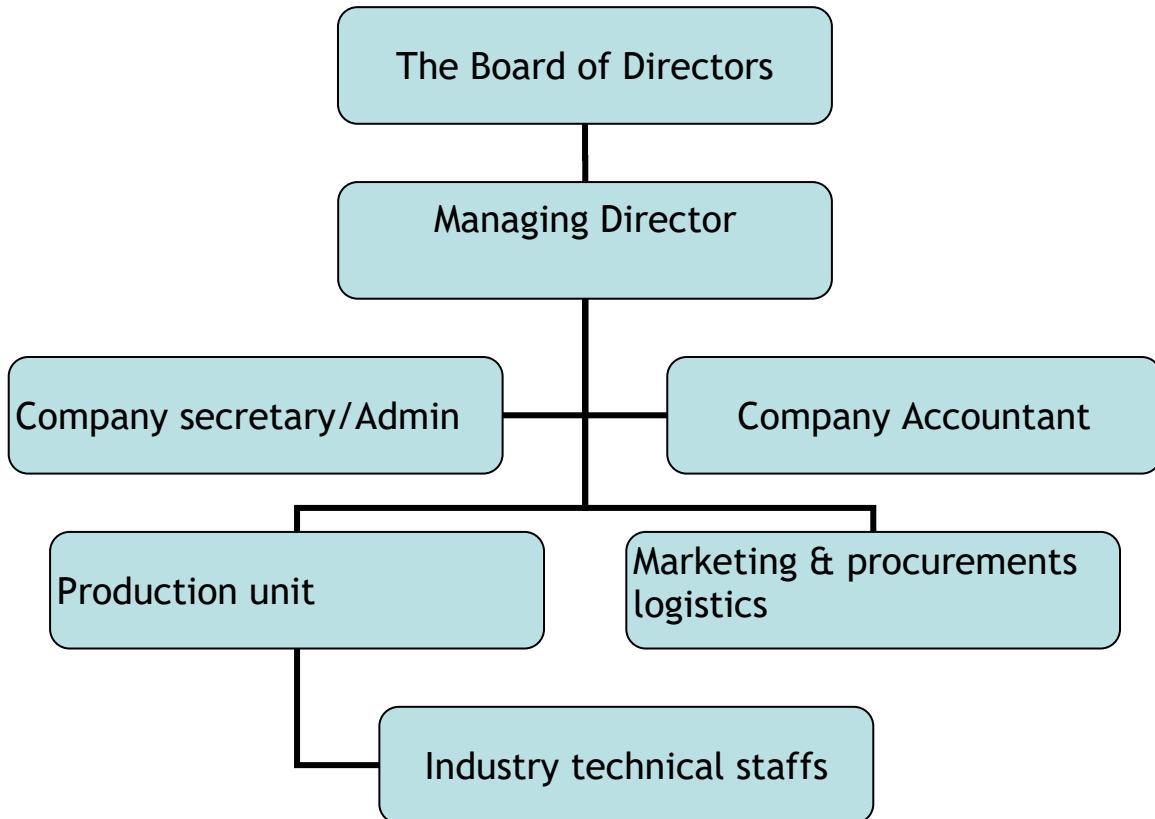
9.1.6. Confidentiality Agreements

MINOCK GROUP LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our products, 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.

9.1.7 Organization Structure

The management of MINOCK GROUP LIMITED is planning to have the following organization structure.



10. Conclusion

- Revenue will be contributed to the Government through various taxes.
- The project will offer continuous direct employment to almost 50 people and create other indirect employment to other people.
- The company looks technically feasible and financially viable. It is therefore recommended that the project be supported.

MINOCK GROUP LIMITED

CASH FLOWS PROJECTION FOR FIVE YEARS FROM 2024 TO 2028

| | Pre-Startup EST | ,2024 | 2025 | 2026 | 2027 | 2028 | Total |
|---|-----------------|--------------|--------------|--------------|----------------|----------------|-----------------|
| Cash on Hand (beginning of month) | \$ - | \$ 500,000 | \$ 500,000 | \$ 1,900,000 | \$ 3,340,000 | \$ 4,924,000 | \$ 11,164,000 |
| CASH RECEIPTS | | | | | | | |
| Cash Sales | | | \$ 1,000,000 | \$ 1,000,000 | \$ 1,100,000 | \$ 1,210,000 | \$ 4,310,000 |
| Collections fm CR accounts | | \$ - | \$ 400,000 | \$ 440,000 | \$ 484,000 | \$ 532,400 | \$ 1,856,400 |
| Estimated Capital for startup Loan | \$ 500,000 | | \$ - | \$ - | \$ - | \$ - | \$ 500,000 |
| TOTAL CASH RECEIPTS | \$ 500,000 | \$ - | \$ 1,400,000 | \$ 1,440,000 | \$ 1,584,000 | \$ 1,742,400 | \$ 6,666,400 |
| Total Cash Available (before cash out) | \$ 500,000 | \$ 500,000 | \$ 1,900,000 | \$ 3,340,000 | \$ 4,924,000 | \$ 6,666,400 | \$ 17,830,400 |
| CASH PAID OUT | | | | | | | |
| Purchases other fixed assets | | \$ - | \$ 7,200 | \$ 7,920 | \$ 8,712 | \$ 9,583 | \$ 33,415 |
| Purchases vehicles | | \$ 80,000 | \$ - | \$ 41,000 | \$ - | \$ - | \$ 121,000 |
| Gross wages (exact withdrawal) | | \$ 15,000 | \$ 60,000 | \$ 60,000 | \$ 60,000 | \$ 60,000 | \$ 255,000 |
| Payroll expenses (taxes, etc.) | | \$ 4,500 | \$ 20,400 | \$ 20,400 | \$ 20,400 | \$ 20,400 | \$ 86,100 |
| Supplies (office & oper.) | | \$ 1,000 | \$ 1,100 | \$ 1,210 | \$ 1,331 | \$ 1,464 | \$ 6,105 |
| Repairs & maintenance | | \$ 1,250 | \$ 1,375 | \$ 1,513 | \$ 1,664 | \$ 1,830 | \$ 7,631 |
| Advertising | | \$ 150 | \$ 165 | \$ 182 | \$ 200 | \$ 220 | \$ 916 |
| Car, delivery & travel | | \$ 1,800 | \$ 1,980 | \$ 2,178 | \$ 2,396 | \$ 2,635 | \$ 10,989 |
| Accounting & legal | | \$ 4,500 | \$ 4,950 | \$ 5,445 | \$ 5,990 | \$ 6,588 | \$ 27,473 |
| Rent | | \$ 36,000 | \$ 36,000 | \$ 36,000 | \$ 36,000 | \$ 36,000 | \$ 180,000 |
| Telephone & internet | | \$ 120 | \$ 132 | \$ 145 | \$ 160 | \$ 176 | \$ 733 |
| Utilities | | \$ 150 | \$ 165 | \$ 182 | \$ 200 | \$ 220 | \$ 916 |
| Insurance | | \$ 21,200 | \$ 21,412 | \$ 21,626 | \$ 21,842 | \$ 22,061 | \$ 108,141 |
| Taxes (real estate, etc.) | | \$ 240 | \$ 240 | \$ 240 | \$ 240 | \$ 240 | \$ 1,200 |
| Interest | | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 375,000 |
| Miscellaneous | | \$ 200 | \$ 220 | \$ 242 | \$ 266 | \$ 293 | \$ 1,221 |
| SUBTOTAL | \$ - | \$ 241,110 | \$ 230,339 | \$ 273,282 | \$ 234,400 | \$ 236,710 | \$ 1,215,840 |
| Loan principal payment | | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 2,431,681 |
| Capital purchase (land) | | \$ 100,000 | | | | | \$ 4,829,946 |
| Capital purchase (excavators) | | \$ - | \$ 1,000,000 | \$ 100,000 | \$ - | \$ - | \$ 9,538,892 |
| Owners' Withdrawal | | | \$ - | \$ - | \$ 10,000,000 | \$ 12,500,000 | \$ 18,736,684 |
| TOTAL CASH PAID OUT | \$ - | \$ 1,091,110 | \$ 1,980,339 | \$ 1,123,282 | \$ 10,984,400 | \$ 13,486,710 | \$ 36,753,042 |
| Cash Position (end of month) | \$ 500,000 | \$ (591,110) | \$ (80,339) | \$ 2,216,718 | \$ (6,060,400) | \$ (6,820,310) | \$ (18,922,642) |