

QIANG BIAO COMPANY LIMITED

LOCATION:

MLANDIZI

COAST REGION

Tel: +255686241184

BUSINESS PLAN FOR WASTE RECYCLING FACTORY (TIRES, HYDRAULIC OIL, ENGINE OIL)

2024/2029

PREPARED BY:

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1.0. EXECUTIVE SUMMARY

QIANG BIAO COMPANY LIMITED is a private company incorporated on 16th April 2024 under the Companies Act 2002 of the United Republic of Tanzania with certificate number **173910819** issued by BRELA. The company is 100 percent owned by Chinese shareholders. Currently, QIANG BIAO COMPANY LIMITED intends to establish a waste recycling factory basing on tires, oils and plastic at its premises located at Mlandizi Village, Coast Region.

The proposed project involves processing of waste tires to produce heavy mechanical diesel fuel. Furthermore, the company will process waste Lubricant oils, engine oils, heavy oils to a refined product. The company will buy scrap tires and waste oils from local dealers (scrap tires collectors). Scrap tires and oils will be processed at the factory through pyrolysis process to produce heavy diesel Fuel oil. Tire oil that will be produced from the factory has properties similar to diesel fuel and therefore will be sold to various customers found in the country including road contractors and industries, mostly those operating combustion furnaces such as steel and cement manufacturing industries.

Moreover, tire oil production process is associated with generation of other by-products including carbon black (char) and steel wires. Carbon black is a common pigment in ink and toners for printers; therefore, it will be sold to ink and toner manufacturers. However, carbon black has various applications, including reinforcement in rubber products, manufacturing of tires and as filler in plastics and coatings. Additionally, steel wires will be sold to steel recycling industries.

QIANG BIAO COMPANY LIMITED has prospect to raise about USD 2,900,000/= for the first year of which Sales revenue will be USD 900,000/= and Shareholders Fund USD 2,000,000 for initiating the project.

The shareholders of QIANG BIAO COMPANY LIMITED, the shareholders of this newly formed company are LIN CHENGJIN and LIU LIWEI both are Chinese with vast experience in waste recycling industries.

Table of ownership for the QIANG BIAO COMPANY LIMITED

Name	% of Shares	Nationality
LIN CHENGJIN	80%	Chinese
LIU LIWEI	20%	Chinese

2.0. DESCRIPTIONS OF THE COMPANY

2.1. Our Vision

Prompt and professionally high-quality service delivery to customers, aimed at ensuring that they realize the highest value for money, thereby increasing the market share and seizure of every available opportunity for the company's growth.

2.2 Our Mission

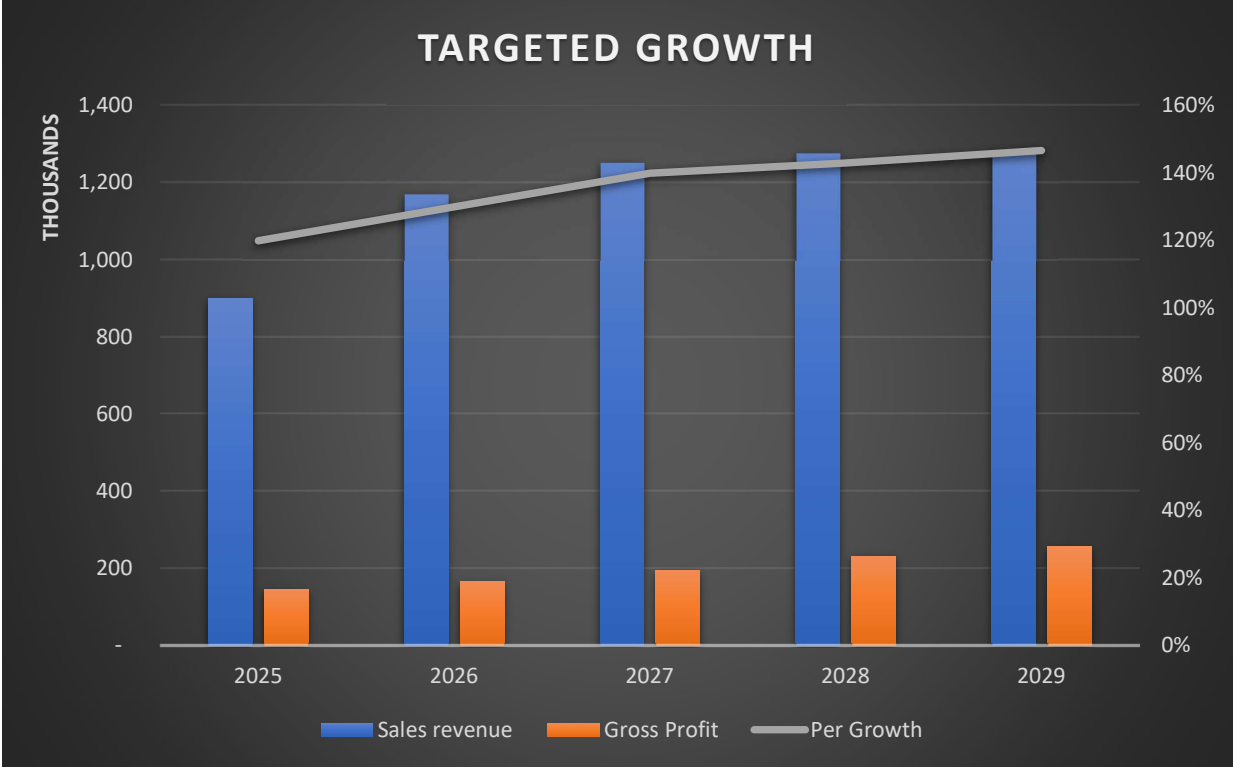
Is to inspire a positive, lasting impact. We owe everything to the efforts of each team member, our families and our clients. We exist to create harmony between property and prosperity.

2.3. Our Core Values

- I. Trusting our Gut: We believe in the power of intuition and innovation. We trust our instincts to drive creativity and problem-solving, enabling us to deliver unparalleled solutions that resonate with both customers and partners.
- II. Giving People Chances: We embrace diversity and inclusivity. We believe in empowering individuals with opportunities that foster growth and progress, both within our company and in the communities, we serve.
- III. Peace and Happiness: We are committed to creating an atmosphere of tranquility and contentment for our customers and team members alike. Our aim is to simplify and enhance their experiences, promoting happiness through hassle-free solutions.
- IV. Innovation and Personal Development: We thrive on innovation, continuously challenging the status quo. We view personal development as an ongoing journey, equipping our team members with the tools they need to thrive in a rapidly evolving technological

2.4 Business target

Our main target is to create gross revenue of **USD 145,940** by 2024/2025. And ensure the revenues grow by **130%** for the second and **140%** third year while in 4th year **143%**.



Graph: Projection of Targeted Growth of QIANG BIAO CO LTD

3.0 COMPANY SUMMARY

3.1 The Company Location

QIANG BIAO COMPANY LIMITED is located in a strategic location and a strong background with small and large clients at Mlandizi and the all surrounding areas in Coast region as well as in Dar es Salaam.

3.2 Product / Services

The Company is specialized in waste recycling of tires, lubricant oil, engine oils and plastic to get crude oil for different uses.

3.3 Company Management

The daily management operations of the Company are vested under the Managing Director/Founder and director. Who are assisted by professional teams.

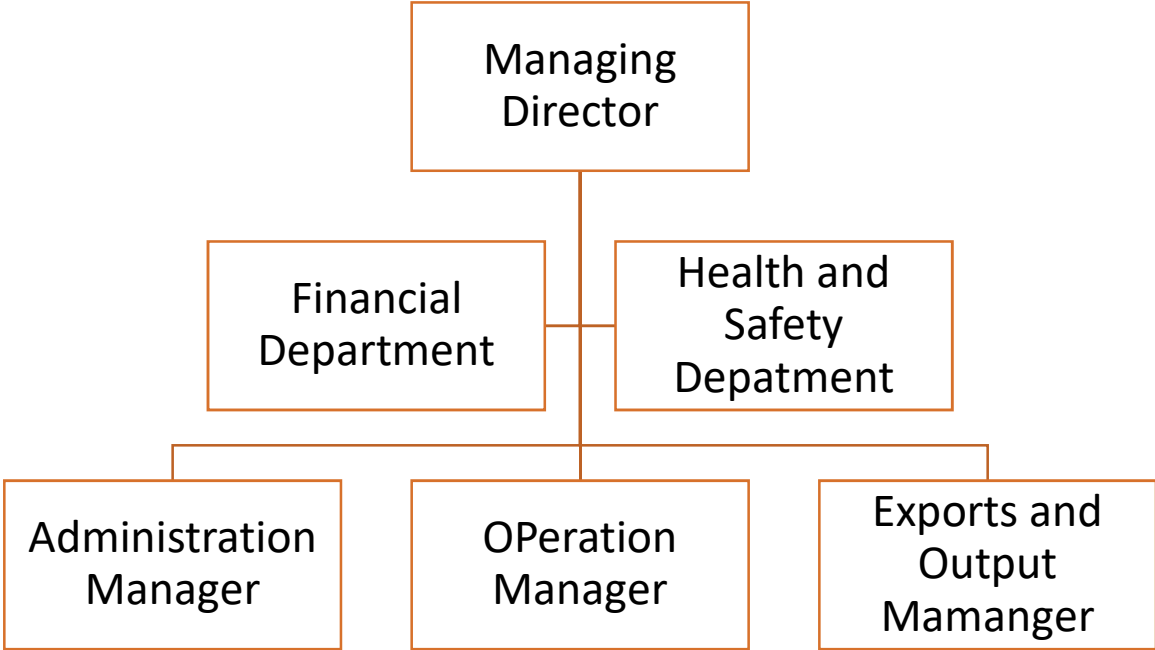


Chart 1: Organization Chart of GIANG BIAO

3.4. Past Performance

Our Company managed to be registered by Brela and Acquired tax identification number **173-910-819** from Tanzania Revenue Authority our initiative of Manufacturing crude oil by waste tires and other oil recycling with aim to become the cornerstone of modern and Quality Providers of these products.

3.5 Investment Cost and Financing Investment Cost

The Company management has planned to establish the Company with costs Analysis as shown below:

NOTE 1: COST OF GOODS SOLD

	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	USD	USD	USD	USD	USD
Opening Stock of Raw Materials	0	200,000	180,000	150,000	170,000
Add: Purchases of Raw materials	400,000	420,000	450,000	470,000	500,000
Cost of Raw Materials Available for sales	400,000	620,000	630,000	620,000	670,000
Less: Closing Stock of Raw Materials	200,000	180,000	150,000	170,000	250,000
Cost of Materials Sold	200,000	440,000	480,000	450,000	420,000

NOTE 2: COSTS OF STRUCTURE

Details	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	USD	USD	USD	USD	USD
Land and Buildings	600,000	-	-	-	-
Machinery & Equipment	350,000	-	-	-	-
Company Motor Vehicles	120,000	-	-	-	-
Furniture & Fittings	50,000	0	0	0	0
Pre Expenses	50,000	0	-	-	-
Others	30,000	0	0	0	0
Working Capital	800,000	800,000	800,000	800,000	800,000
Total	2,000,000	800,000	800,000	800,000	800,000

NOTE 3: OPERATING EXPENSES

Details	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	USD	USD	USD	USD	USD
Bill Payments(Water & Electricity)	8,571	9,571	10,571	11,571	12,571
Insurance cover	80,000	80,000	80,000	80,000	80,000
Consultation and Compliance Cost	7,143	7,143	7,143	7,143	7,143
Finance Costs	1,429	1,529	1,629	1,729	1,829
Local transport for Management team	7,143	7,143	7,143	7,143	7,143
Dues and subscription (eg. Municipal levies	2,143	2,143	2,143	2,143	2,143
Telephone	1,071	1,071	1,071	1,071	1,071
Miscellaneous	10,000	10,000	10,000	10,000	10,000
Total Operating Expenses	117,500	118,600	119,700	120,800	121,900

**NOTE 4:
ADMINISTRATION
EXPENSES**

Details	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	USD	USD	USD	USD	USD
Salaries & Wages Local and Experts	325,714	325,714	325,714	325,714	325,714
Payroll taxes (Paye,Sdl,Nssf,wcf)	47,229	47,229	47,229	47,229	47,229
Printing & Stationery	357	357	357	357	357
Office cleaning	714	714	714	714	714
Total Administration Expenses	374,014	374,014	374,014	374,014	374,014

4. FINANCING & REVENUE GENERATION

From the projected financial plan, we have analyzed two sources of finance of which for the first year will be having Sales revenue and fund injected by Directors as per table below;

NOTE 5: SOURCES OF REVENUE

Details	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	USD	USD	USD	USD	USD
Sales revenue	900,000	1,170,000	1,251,000	1,275,300	1,282,590
Shareholders Fund	2,000,000	0	0	0	0
	2,900,000	1,170,000	1,251,000	1,275,300	1,282,590

5.0 SWOT Analysis

In a dynamic Waste recycling market and competitive industry like this with extensive history of having giant companies in the industry market, it's crucial to have a comprehensive understanding of both direct and indirect competitors. Here's a detailed analysis of our competition, highlighting their strengths and weaknesses, and how QIANG BIAO COMPANY LIMITED distinguishes itself and see the strength and

Opportunities; Direct Competitor:

1. SANFU INDUSTRIAL COMPANY LIMITED
2. RECYCLER CO. LTD

QIANG BIAO COMPANY LIMITED stands out in this competitive landscape through several key differentiators:

1. End-to-End Solution
2. Provide buyers with a wide range of options that cater to their specific needs.
3. Market-Specific Expertise: Our deep understanding of these markets allows us to cater to local nuances and requirements, ensuring our solutions are not just relevant but highly effective.
4. The Extensive selection ensures that customers can find quality and affordable product that precisely match their needs.

6.0 MARKET AND MARKETING STRATEGY

Our marketing and sales strategy is a multi-faceted approach designed to attract and retain customers Here's a deeper look into our strategies:

- I. Pricing Strategy:
- II. We believe in fair and transparent pricing that benefits both Company and user. Our competitive commission rate of 4% per agent and other outsourced person in marketing.
- III. Advertising and Promotion:
- IV. Customer Loyalty Programs:
- V. Partnerships and Collaborations
- VI. Building a strong brand image through targeted advertising and public relations activities.
- VII. Developing a network of distributors and retailers across the country to ensure wide product availability.
- VIII. Participating in industry trade shows and exhibitions to showcase products and establish business connections.
- IX. Implementing digital marketing campaigns through social media, online advertising, and reach a wider audience.

7.0 FINANCIAL PROJECTIONS

7.1 Important Assumption

The financial projections of the company are forecast on the basis of the following assumptions. These assumptions are quite conservative and are expected to show deviation but to a limited level such that the company's major financial strategy will not be affected

- I. Tax rate is 30%
- II. Sales Revenue Growth Revenue are expected to grow by **130%** from first and second year and **140%** third year and **143%** forth year
- III. Interest rate is 18%

PROJECTED FINANCIAL STATEMENT'S

QIANG BIAO COMPANY LIMITED

PROJECTED STATEMENT OF FINANCILA POSITION AS AT 31ST DECEMBER 2024/2029

	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>	<u>2027/2028</u>	<u>2028/2029</u>
<u>ASSETS</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<u>Non-current assets</u>					
Property, plant and equipment	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000
Depreciation of PPE	(140,000)	(140,000)	(140,000)	(140,000)	(140,000)
Total Non-Current Assets	980,000	980,000	980,000	980,000	980,000
<u>Current assets</u>					
Cash and Cash Equivalents	176,000	290,000	440,000	594,000	920,000
Trade receivables and Other Receivables	157,972	198,326	294,396	397,697	825,104
Inventory	200,000	180,000	150,000	170,000	250,000
Working Capital	800,000	800,000	800,000	800,000	800,000
Total Current Asset	1,333,972	1,468,326	1,684,396	1,961,697	2,795,104
Total assets	2,313,972	2,448,326	2,664,396	2,941,697	3,775,104
<u>EQUITY AND LIABILITIES</u>					
Equity					
Share capital	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

Retained earnings	145,940	312,110	506,211	737,551	1,475,102
	2,145,940	2,312,110	2,506,211	2,737,551	3,475,102
<u>Non-current liabilities</u>					
Other payables	55,000	40,000	45,000	60,000	100,000
Total Non-Current Liability	55,000	40,000	45,000	60,000	100,000
<u>Current liabilities</u>					
Trade payables	50,486	25,000	30,000	45,000	90,000
Taxation	62,546	71,216	83,186	99,146	110,003
Total Current Liability	113,032	96,216	113,186	144,146	200,003
Total equity and liabilities	2,313,972	2,448,326	2,664,396	2,941,697	3,775,104

NOTES AND OTHER EXPLANATORY NOTES

QIANG BIAO COMPANY LIMITED						
PROJECTED INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 2024 TO 2029						
Details		2024/25	2025/26	2026/27	2027/28	2028/29
	NOTE	USD	USD	USD	USD	USD
Sales Revenue	6	900,000	1,170,000	1,251,000	1,275,300	1,282,590
Growth Percentage		-	130	130	142	143
Interest Revenue		0	0	0	0	0
Total Revenue		900,000	1,170,000	1,251,000	1,275,300	1,282,590
Less: Cost Of Goods Sold	1	200,000	440,000	480,000	450,000	420,000
Gross Profit		700,000	730,000	771,000	825,300	862,590
Less :						
Operating Expenses	3	117,500	118,600	119,700	120,800	121,900
Administration Expenses	4	374,014	374,014	374,014	374,014	374,014
Profit Before Tax (PBT)		208,486	237,386	277,286	330,486	366,676
Taxation (30%)		62,546	71,216	83,186	99,146	110,003
Profit for the year		145,940	166,170	194,100	231,340	256,673
Retained Profit b/d		-	145,940	312,110	506,211	737,551
Retained Profit c/d		145,940	312,110	506,211	737,551	1,475,102