

NANYANG CABLE ENGINEERING CO,LIMITED

PRE-FEASIBILITY STUDY REPORT ON:

INVESTMENT IN MANUFACTURING OF ELECTRICAL EQUIPMENTS & ELECTRICAL CABLES



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DAR ES SALAAM, TANZANIA

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NANYANG CABLE ENGINEERING CO,. LIMITED

Strategic Pre-feasibility Report

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This profile is strictly for information only and projections in the pre - feasibility study report have been compiled by the consultant with close cooperation of the Promoters of the Business NANYANG CABLE ENGINEERING CO,. LIMITED and Sector Experts for illustrative purposes and do not constitute actual forecasts.

NANYANG CABLE ENGINEERING CO, LIMITED

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1. Executive Summary

Company & Project concept

NANYANG CABLE ENGINEERING CO, LIMITED is a limited company incorporated in Tanzania under the Company Act of 2002. The company was incorporated on 23rd June 2025, and bears Certificate of Incorporation # **186173074**. The company implements a project which is in the manufacturing sector.

NANYANG CABLE ENGINEERING CO, LIMITED Ltd will be located at **Mukuranga** Coast Region. The outreach office will be located at Dar es Salaam.

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 **NANYANG CABLE ENGINEERING CO, LIMITED** aims to;

- **Manufacturing of electrical plastic equipments like conduct pipes, junction boxes and other related plastics products for electricity uses.**
- Manage **NANYANG CABLE ENGINEERING CO, 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 involvement.
- Build relationships with investors in the construction sector,
- 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 serve the purpose as a Pre-feasibility study report for **NANYANG CABLE ENGINEERING CO, LIMITED** for investment in manufacturing of **electrical equipments** like conduct pipes, junction boxes and other related plastics products for electricity uses as well as electrical cables. 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 comprise the following activities:-

- Construction of a warehouse building which will accommodate installation of machines and equipment for this project.

- 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 Everwell Cable and Engineering Company Ltd is owned by Chinese entrepreneur and a mother Company from China with the following share distribution.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
LI TUTU	Chinese	40
RUAN BENQIANG	Chinese	20
KUANQIN ZHENG	Chinese	12
WENG QIFENG	Chinese	28

Company Legality, the legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, Tax Identification Number, and value added Tax certificates Justify that NANYANG CABLE ENGINEERING CO,. LIMITED is operating within the ambit of the law of the Land

Project Organization Structure, the management of NANYANG CABLE ENGINEERING CO,. LIMITED constituted by the following organization set up:- Board of Directors, General Manger 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 manufacturing of the products.

Investment Structure, the project is estimated to cost 5,000,000\$ the money covers building structures but also allocated fund include investment in, Building structure, Machineries and Equipments, furniture and fittings, pre expenses and working Capital. The equity contributed by the shareholders is 2,500,000\$ equivalent to 50. %.The remaining part of 50% of investment financing will be done through borrowing from banks. However a financial policy of the Company state that the profits generated will be re-invested

Forecasted financial Information, Financial information of NANYANG CABLE ENGINEERING CO.,. LIMITED is projected within five years. The company projected profit and Loss, account show a respectable turnover of more than 91,570\$ in the second year. The profits gained on fifth year are projected to be 112,455 \$. The projected balance sheet, shows the net worth increase of more than 126,878\$ in the fifth year of operation and more than 742,103 \$ in the 3rd year of the usefully lifetime of the implementation during which the business will be evaluated again. The financial documents show that the business has a positive net cash flow.

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 new Manufacturing of electrical equipments like conduct pipes, junction boxes and other related plastics products and varieties of wire cables for electricity uses.

2.1 Purpose of Investment

This document is prepared to the serve the purpose as a feasibility study for NANYANG CABLE ENGINEERING CO., LIMITED for establishment of Manufacturing of electrical Equipment like conduct pipes, junction boxes, varieties of cable wires and other related plastics products for electricity uses. The implementation of this project will compromise the following activities:-

- Construction of a warehouse building which will accommodate Installation of Machines and Equipments for this project.
- Procurements Machineries and Equipments for this project.
- Installation of transformer
- Equipping the project will all necessary modern furniture and facilities
- Procurements semi-processed raw materials ➤ Employing more than 82 people.

2.2. Investment financing plan

The company expect to invest 5,000,000 million USD from shareholders' funds and Loan from the Banks. Profits generated from business operation will be re-invested. There shall be a loan from commercial banks as the investor has set aside 50% of USD 2.5 Million USD for the investment in phase one up to phase 3 and the rest 50% shall be finance by Project promoters' equity. Table below show the assumptions how the investment financing plan will look like.

TABLE 1
FINANCING

Financing	\$
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Long-term liabilities	
Long-term loan	2,500,000
Owner's equity	
Cash	1,500,000
Contributed asset value	1,000,000
Total	5,000,000

TABLE 2
INVESTMENT COST PLAN

COST INVESTMENT STRUCTURE	\$
Current assets	
Working capital	300,000
Opening inventory	200,000
Other	
	500,000
Property and equipment	
Land	400,000
Building	500,000
Equipment	225,000

Furniture and fixtures	150,000
Leasehold improvements	10,000
Plant	2,640,000
Motor Vehicles	390,000
Other_____	185,000
	4,500,000
Total assets	5,000,000

2.3 Summary of the Expected Results

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

- Provide an opportunity for availability of electrical Equipments and wire cables ▪ Increase 82 direct employment opportunities.
- Direct Domestic investment of more than 5 Million USD within 2016 -2020. ▪ Increase tax contributed to the government ▪ Generate foreign currency.

3. BUSINESS DESCRIPTION

NANYANG CABLE ENGINEERING CO., LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated in this 2025

The Company will be responsible among others activities, operating and managing manufacturing of electrical equipments and wire cables.

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 NANYANG CABLE ENGINEERING CO., 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 producing high quality electrical Equipment in Tanzania for local markets and export purpose.

The current mission of the company is to penetrate the markets within electrical plastic manufacturer industry in Tanzania.

The company can achieve this through

- Manufacturing of electricity Equipment like conduct pipes, junction boxes and wire cables other related plastics products for electricity uses
- Establishing sustainable business relationship with contractors, Hardware suppliers
- Proper and reasonable remuneration of the personnel
- Continuing networking with our esteemed clients.

3.1.3. Project Promoters

The project promoter, the project will be managed and operated by NANYANG CABLE ENGINEERING CO,. LIMITED. The Company is owned by Local Tanzanian entrepreneurs with diverse business in China and a mother Company which operate large plant of electrical cables manufacturing. Current shareholding status is hereby shown below.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
RUAN BENQIANG	Chinese	2000
KUANQIN ZHENG	Chinese	1200
LI TUTU	Chinese	4000
WENG QIFENG	Chinese	2800

3.1.4. Operations

The project will be managed and operated by NANYANG CABLE ENGINEERING CO,. 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 three warehouses which has 2000 square meters each which are very spacious to accommodate project of this nature. The project shall be located at Mkuranga

3.1.6. Postal Address

NANYANG CABLE ENGINEERING CO,LIMITED
P.O.Box 12750
Mkuranga, Pwani
Tanzania

4. Core Activities of the company

NANYANG CABLE ENGINEERING CO,LIMITED will be dealing with establishing and operating the following facilities;

4.1.1. Construction of warehouse facilities

In the first phase of the implementation of this project, the Company shall construct warehouse which shall be used to accommodate installation of Machineries and Equipments.

4.1.2. Electrical plastics Equipments manufacturing plant

This consist installation of machineries and equipment and Fixtures and fittings.

4.2. Technical requirements of the project

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

- High voltage cables manufacturing machines
- Aluminium Conductor Steel Reinforced machines
- Plastics extruder machines and Equipments
- PVC Insulating machines
- PVC Electrical Conduit Extrusion Production Line
- UPVC Electrical Conduit Pipe Extruder Machine
- plastic extruder heater
- PVC Electrical Fittings machines.
- PVC pipe socket making machine □ Etc.

The company has the following investment structure unto this project

5. MANUFACTURING INDUSTRY

5.1 MANUFACTURING SECTOR IN TANZANIA

In the last 10 years, manufacturing activities in Tanzania have taken a steady growth, registering average annual growth of over 4 percent, with 10% contribution to GDP. Most activities concentrate on manufacture of simple consumer goods such as food, beverages, tobacco, textiles, furniture and wood allied products. After economic liberalisation in the mid-1980s, many erstwhile public enterprises could not withstand free market competition. Some died and others underwent privatisation. These measures helped enhance competitiveness of local industries and readied them for venturing into export markets. On the other hand, the sector is not a big employer (145,000 employees), compared to agriculture for example, but it is the most reliable source of government revenue in form of import, sales, corporate and income taxes, accounting for over half of government annual revenue collection. Manufacturing earns the country a fifth of total foreign exchange earnings, thus ranking third after agriculture and tourism. Most production is however concentrated in the Dar es Salaam region.

Great prospects are pinned on development of a robust SME sector, whose promotion, as government has already realized, still lacks appropriate policy backing. A strong and productive industrial structure can only be achieved where SMEs and large enterprises not only coexist but also function in a symbiotic relationship. In this regard, successful promotion of agrobusinesses can be considered in the SME development context.

Among the comparative advantages of Tanzania's manufacturing sector are the availability of a potentially large domestic market and Tanzania's adhesion to the EAC and the SADC organization, as they are potentially important market destinations. But Kenya is proving to be competing better in the region.

5.2 IMPORTANCE OF MANUFACTURING SECTOR IN TANZANIA

The reason why Tanzania needs a vibrant manufacturing sector today is to ensure economic independence in the long run. This can be achieved because of different advantages attached to the manufacturing sector, which include: Firstly, it helps to diversify the economy away from primary sector towards manufacturing and hence reduce risks and vulnerability to the longterm deteriorating commodity terms of trade and the associated loss in the real income. Secondly, the sector has substantial forward and backward linkages with other sectors of the economy, especially agriculture. Thirdly, with proper choice of technology, the sector can create significant employment. Fourthly, large manufacturing sector can enable export diversification that is necessary to reduce Tanzania's vulnerability to external shocks. Fifthly, the sector provides opportunity to transfer and adapt and create new technology. Sixthly, a large manufacturing sector can enable income smoothing at the household level through the creation of non-farm jobs that are more stable and fetch higher incomes. On average, the monthly income from a manufacturing job is Tshs. 103,407 compared to 76,277 in mining, 49,693 in construction, 31,301 in trade and only 15,234 in agriculture, presently the largest source of livelihood for Tanzanians.

5.3 MANUFACTURERS OF ELECTRICAL PLASTICS PRODUCTS TANZANIA

Currently there are few manufacturers of electrical products in Tanzania, some of them include;

Tanalec being the giant producer of electrical transmission equipment's located in Arusha manufacturing electrical equipments such as Transformers and related products,

Kilmanjaro Cables (T) Ltd base in Dar es Salaam, they do both manufacturing and supplying various types of wires and cables since 2002.

Metro Plastic Industries Limited is one of the leading manufacturers of high-quality plastic products in Tanzania. Based in Dar-es-Salaam, the company has been primarily serving the Tanzanian market since being established in the Year 1999, and is currently exporting to neighboring countries as well.

Metro Plastic Industries Limited is currently manufacturing Electrical Conduit Pipe, HDPE Pipe, PVC Water Pipe, PVC Drainage Pipe, Garden Hose Pipe, and Rain Gutter with Profile, PVC Fittings, and HDPE Compression Fittings.

Multi Cable Limited has fast become an established Tanzanian based company, offering extensive range of products in Tanzania and neighboring countries. Based in Dar Es Salaam, the capital city of Tanzania, the company manufactures quality products for the Electrical industry such as industrial and domestic cables, PVC compound and PVC pipe.

East African Cables is a premier cable manufacturer, with a footprint that spreads across East and Central Africa. The company has four manufacturing facilities; two in Dar es Salaam, Tanzania, one in Dar es Salaam Tanzania and one in Eastern DRC. In addition, EAC is present in Uganda, Rwanda, Burundi, Southern Sudan and Ethiopia, through a distribution network.

As of now, there are few companies which manufacture electrical plastics related products in Tanzania which does not match with demand of these products in local market (Tanzania) which is highly consumed in Construction and Real estate sector.

Most of electrical plastics related products are imported from abroad to mitigate the supply gap in Local the market

5.4 PROJECT JUSTIFICATION

The proposed project is under management of NANYANG CABLE ENGINEERING CO., LIMITED is in line with Tanzania Government efforts in attempt to revamp the Manufacturing sector. This has also been noted of recent drive of attracting investors in Tanzania in

order to maximize her 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. In 2007/2008 the Government reviewed the existing Industry and trade Policy, taking into consideration the social economic base and the dynamism of Manufacturing 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 NANYANG CABLE ENGINEERING CO, LIMITED sponsors, is justified by the following facts.

- The sponsors have a special invested interest in manufacturing of electrical plastics products and have been supplying electrical Equipments and related products for several years now.

Therefore, the establishment and operation of electrical plastics Equipment manufacturing facility will boost and at the same time strength manufacturing sector in the Tanzania. The Company is marketing strategy and intention is to have a wide products base which focuses both to Ordinary consumers and Industrial 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 production of electrical plastics related products in Tanzania
- Increased competitiveness among manufacturer of electrical plastics related products in Tanzania
- The project will provide employment for more than 82 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 electrical plastics products in Tanzania

Tanzania now is witnessing the tremendous developments of real estate sector which is great consumer of electrical products. But also existence of unmitigated supply gap of these products in Tanzania.

6.2 Uniqueness location of the project

NANYANG CABLE ENGINEERING CO,LIMITED.'s project will be one of the electricity equipment's manufacturing related products, located in Mkuranga Tanzania. The location of this project provides an opportunity to_NANYANG CABLE ENGINEERING CO, LIMITED to capture easily the market around Arusha, Kilimanjaro, Tanga, Manyara and Singida.

6.3 Government Policy

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

6.4 Government Incentives package

In 1997 Tanzania Government enacted Investment law that offers and guaranteed reasonable incentives to both local and foreign investors.

7. Analysis of Strengths, Weaknesses, Opportunity and Threats

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

<p>Strengths</p> <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 	<p>Weaknesses</p> <ul style="list-style-type: none"> ▪ Not yet emphasize on the marketing
<p>Opportunities</p> <ul style="list-style-type: none"> ▪ Good government suitable facilitative policy ▪ Raising investments real estate sector ▪ Government development power supply project in Tanzania 	<p>Threats</p> <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 arises 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 NANYANG CABLE ENGINEERING CO, 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 NANYANG CABLE ENGINEERING CO, LIMITED will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

Management will endeavor 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

NANYANG CABLE ENGINEERING CO, 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 NANYANG CABLE ENGINEERING CO,. 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

NANYANG CABLE ENGINEERING CO, LIMITED will adopt an aggressive advertising strategy. Outdoor signage for NANYANG CABLE ENGINEERING CO, 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.

NANYANG CABLE ENGINEERING CO,LIMITED will utilize both traditional non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy NANYANG CABLE ENGINEERING CO, 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 NANYANG CABLE ENGINEERING CO, 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

NANYANG CABLE ENGINEERING CO,. LIMITED is targeting to all regions in Tanzania specifically targeting the following customers: Wholesale and retail hardware suppliers, Electrical equipment's suppliers and Contractors and Real estate developers

8.1.6. Products

As it has been explained in preamble chapters, **NANYANG CABLE ENGINEERING CO, LIMITED** will set project which will be indulging in production of electrical plastics related Equipment, specifically include: Electrical cable wires and related products, Electrical Fittings (PVC Conduit Pipe, PVC, Conduit Slip Type Bend, PVC Casing Caping, Cable Trunking System, Deep Junction Box, Convertible Gang Box, Extension Boards, Bulb Holder, Round Sheet, Fan Sheet, Plastic Wall Plug, Plug Top, Square Box, Colored) ,PVC Pipe ,PVC Extrusion Dies, PVC Profile Dies, Injection Molding Dies, Custom Made Mould Base.

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 contractors and real estate developers.
- Training of sales staff sales and Marketing.

Long Term Plans includes:

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

9. Management & Administration

9.1. Management

The management team of NANYANG CABLE ENGINEERING CO, LIMITED planned to be constituted by the following management team:-

9.1.1. Board of Directors

NANYANG CABLE ENGINEERING CO, 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 NANYANG CABLE ENGINEERING CO, 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 electricity manufacturing industry. As the production Manager will be directly responsible for all production functions including manufacturing all types of electricity plastics related products, maintenance of quality standards of the products; training of employees in methods of producing these products, etc.

Under production manager there shall be reasonable number of technical staffs who will be involved in daily production 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 NANYANG CABLE ENGINEERING CO, LIMITED but also keeping books of accounts properly.

9.1.5. Management Agreements

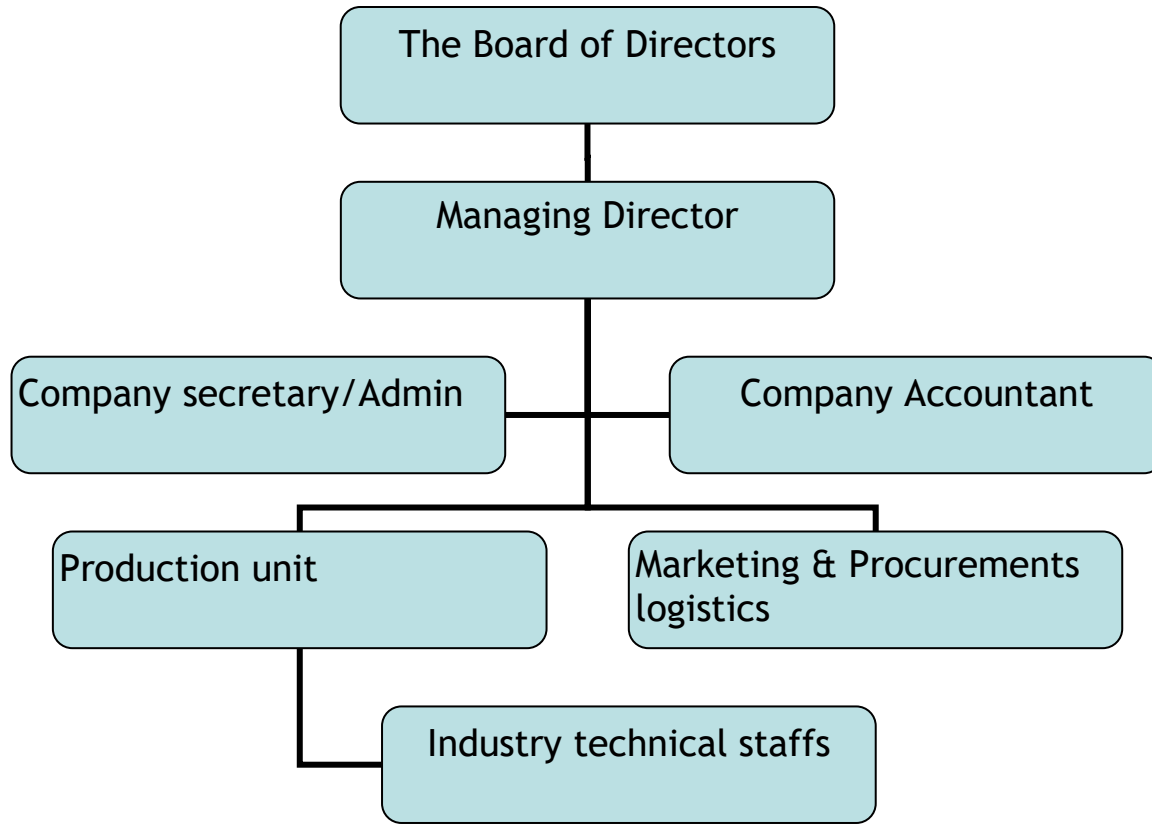
Management Agreements will be executed between NANYANG CABLE ENGINEERING CO. LIMITED and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

9.1.6. Confidentiality Agreements

NANYANG CABLE ENGINEERING CO,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 NANYANG CABLE ENGINEERING CO,LIMITED is planning to have the following organization structure.



NANYANG CABLE ENGINEERING CO. LIMITED

CASH FLOWS PROJECTION FOR FIVE YEARS FROM 2025 TO 2029

	Pre-Startup EST	,2025	2026	2027	2028	2029	Total
Cash on Hand (beginning of month)	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 12,000,000	\$ 19,500,000	\$ 27,750,000	\$ 69,250,000
CASH RECEIPTS							
Cash Sales			\$ 2,000,000	\$ 2,000,000	\$ 2,200,000	\$ 2,420,000	\$ 8,620,000
Collections fm CR accounts		\$ -	\$ 5,000,000	\$ 5,500,000	\$ 6,050,000	\$ 6,655,000	\$ 23,205,000
Estimated Capital for startup	\$ 5,000,000		\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
Loan							\$ -
TOTAL CASH RECEIPTS	\$ 5,000,000	\$ -	\$ 7,000,000	\$ 7,500,000	\$ 8,250,000	\$ 9,075,000	\$ 36,825,000
Total Cash Available (before cash out)	\$ 5,000,000	\$ 5,000,000	\$ 12,000,000	\$ 19,500,000	\$ 27,750,000	\$ 36,825,000	\$ 106,075,000
CASH PAID OUT							
Purchases other fixed assets		\$ -	\$ 7,200	\$ 7,920	\$ 8,712	\$ 9,583	\$ 33,415
Purchases vehicles		\$ 8,000	\$ -	\$ 41,000	\$ -	\$ -	\$ 49,000
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	\$ -	\$ 169,110	\$ 230,339	\$ 273,282	\$ 234,400	\$ 236,710	\$ 1,143,840
Loan principal payment		\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 2,287,681
Capital purchase (land)		\$ 100,000					\$ 4,541,946
Capital purchase (excavators)		\$ -	\$ 1,000,000	\$ 100,000	\$ -	\$ -	\$ 9,034,892
Owners' Withdrawal			\$ -	\$ -	\$ 10,000,000	\$ 12,500,000	\$ 17,728,684
TOTAL CASH PAID OUT	\$ -	\$ 1,019,110	\$ 1,980,339	\$ 1,123,282	\$ 10,984,400	\$ 13,486,710	\$ 34,737,042
Cash Position (end of month)	\$ 5,000,000	\$ 3,980,890	\$ 10,019,661	\$ 18,376,718	\$ 16,765,600	\$ 23,338,290	\$ 71,337,958

3 Conclusion

- Revenue will be contributed to the Government through various taxes.
- The project will offer continuous direct employment to 27 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.