

Sino Dar Industrial Park Tanzania limited Business Plan

Location: Kwala, Coast Region, Tanzania

Area: 625 Acres

Date: 2025 Year

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Chapter 1: Executive Summary

Sino Dar Industrial Park is a strategically located 625-acre industrialization and investment platform in Kwala, Coast Region, Tanzania. Strategically located close to the Port of Dar es Salaam, the Central Railway, and the national highway network, it serves as a vital hub connecting to landlocked countries such as Uganda, Rwanda, Burundi, the Democratic Republic of the Congo, and Zambia. The park aims to become a core engine for manufacturing, logistics, and the export-oriented economy in East Africa.

During its first five years, the Sino Dar Industrial Park is expected to attract approximately US\$600 million in investment and establish 60 factories across sectors such as textiles and apparel, agricultural product processing, building materials manufacturing, plastic packaging, renewable energy equipment, and logistics. The park will not only create over 25,000 direct jobs but also drive the development of upstream and downstream industries such as transportation, retail, catering, and housing, creating approximately 50,000 to 70,000 indirect jobs, significantly boosting the local economy.

The park's diversified business model encompasses long-term land leases, standard factory rentals, utility (water, electricity, and telecommunications) supply, warehousing and logistics services, and investor support services, creating a stable and sustainable revenue stream. It is expected to achieve break-even within 5-6 years and provide investors with a long-term return of 12-15%. The Sino Dar Industrial Park is not only an infrastructure project but also a comprehensive platform for aligning Tanzania's national

industrialization strategy (Tanzania Development Vision 2025) with the African Continental Free Trade Area (ACFTA). The project's implementation will significantly enhance Tanzania's position in the regional industrial chain, promote foreign investment, foster skills transfer, and foster the development of small and medium-sized enterprises, ultimately achieving economic diversification and sustainable growth.

Chapter 2 Company Overview

Company Name: Sino Dar Industrial Park Co., Ltd.

Registered Address: Block B, Plot Nos. 2/2 & 2/4, Kwala District, Coast Region, Tanzania

Business Nature: Industrial Park Development, Operation, and Management

Led by a Sino-Tanzania joint venture, the Sino Dar Industrial Park adopts a "market-oriented operation + government support" model, offering the flexibility of a private enterprise with the security of policies and regulations. Overseen by the Tanzania Investment and Special Economic Zones Authority (TISEZA), the park enjoys tax exemptions, import duty exemptions, and VAT refunds, providing a favorable business environment for investors. The company's corporate governance structure, comprised of a Board of Directors and a professional management team, ensures transparent and efficient strategic planning, financial management, and operational execution. The management team has experience in international industrial park development and works closely with Tanzanian government departments (Ministry of Industry and Trade, Ministry of Energy and Water Resources) to ensure the park's construction and operations align with national development strategies and international standards.

Vision and Mission:

Vision: To build East Africa's most competitive industrial and logistics hub and become a model of sustainable industrialization.

Mission: To provide world-class industrial infrastructure and comprehensive services, attract global investors, promote technology transfer and job creation, and contribute to Tanzania's economic restructuring.

Core Values:

- Innovation: Promote industrial upgrading and green development.
- Integrity: Uphold a transparent and compliant business philosophy.
- Collaboration: Forge win-win relationships with the government, investors, and the community.
- Sustainability: Emphasize environmental protection and social responsibility.
- Excellence: Build park operations and services to international standards.

Through its clear governance structure and values, Sino Dar Industrial Park will provide a reliable development platform for resident companies, fostering their growth in East Africa and the global market.

Chapter 3 Project Description

The Sino Dar Industrial Park is a newly developed green industrial project located in the Kwala region, boasting vast land reserves and excellent transportation connectivity. The project is strategically planned and implemented in three phases, ensuring the synchronized use of funds and industrial development.

Phase I (1-2 years): Complete land leveling, road, water supply, power supply, and other infrastructure construction; establish an administrative center, the first 10-15 standard factory buildings and storage facilities; and attract initial investors. The goal is to attract core enterprises in the textile and agricultural product processing industries, creating a demonstration effect for the industry.

Phase II (3-4 years): Expand factory buildings and logistics facilities, build cold chain warehousing and a bonded area, and upgrade power and communications networks. The focus is on attracting enterprises in building materials, packaging, plastics, and light industrial manufacturing. A 50MW solar and wind power generation project will also be introduced to provide clean energy for the park.

Phase III (5 years and beyond): Fully operationalize the park, attracting 60 factories and establishing industrial clusters in renewable energy, agricultural product processing, textiles, and building materials. By then, the industrial park will have become a self-sufficient, export-oriented, modern industrial system with deep integration into the ACFTA market.

The park's key industries include:

- Textiles and Apparel: Leveraging Tanzania's abundant cotton resources to build a complete textile industry chain.
 - Agricultural Product Processing: Processing grains, oil seeds, fruits, and aquatic products to increase agricultural value-added.
 - Building Materials Manufacturing: Producing cement, steel, ceramics, and other products to meet local and regional construction needs.
 - Packaging and Plastics: Providing support for the rapidly growing consumer goods and export markets.
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- **Renewable Energy Equipment:** Promoting the local production of solar panels, inverters, and other equipment.
- **Logistics and Supply Chain:** Providing integrated services including bonded warehousing, cold chain, customs clearance, and transportation.

Through this layout, the Sino Dar Industrial Park will not only meet the needs of the local Tanzanian market but also, with an export-oriented focus, establish itself as a manufacturing and logistics hub in East Africa.

Chapter 4: Industry and Market Analysis

Tanzania is at a critical stage of economic transformation. The government's National Development Vision 2025 and its Third Five-Year Development Plan (TFYDP III) explicitly call for accelerating industrialization, increasing industry's contribution to GDP from the current 8-9% to 15%. This ambitious goal provides strong policy support and market potential for the development of the Sino Dar Industrial Park.

From an industrial perspective, Tanzania boasts abundant cotton, agricultural products, and mineral resources, but has long focused on exporting primary products and lacked deep processing capabilities. The Sino Dar Industrial Park is designed to address this shortcoming by developing industrial chains within the park, including textiles, agricultural product processing, and building materials production, to enhance value and upgrade local industries.

From a market perspective, Tanzania has a population of over 65 million, with an average annual population growth rate exceeding 3%. Rapidly increasing consumer demand and housing construction are driving significant demand for products such as food, clothing, and building materials. Furthermore, Tanzania with its advantages geographical location, serves as a key gateway to the East African Community (EAC) and the African Continental Free Trade Area (ACFTA), offering unimpeded access to a massive market of over 1.4 billion people.

Regional competition: Kenya and Ethiopia have already established some industrial parks, but these are plagued by relatively high labor costs, low administrative efficiency, and high investment costs. In contrast, the Sino Dar Industrial Park not only boasts ample land, favorable policies, and a distinct locational advantage, but also offers comprehensive, integrated management from infrastructure to customs clearance and logistics. This will be its core competitive advantage in the East African market.

In summary, the Sino Dar Industrial Park not only meets the rapid demand of the domestic market, but also leverages the Free Trade Zone policy to expand regional export markets. It possesses unique competitive advantages and boasts a promising market prospect.

Chapter 5: Strategic Goals and Vision

The Sino Dar Industrial Park's development strategy is closely aligned with Tanzania's dual goals of national industrialization and regional integration, encompassing both short-term goals (five years) and a long-term vision (10-20 years). Near-term Goals (within 5 years):

1. Attract a total of US\$600 million in investment, ensuring diversified funding sources covering key sectors such as manufacturing, logistics, and new energy.
2. Complete the construction and operation of 60 factories, covering textiles, agricultural product processing, building materials, packaging, plastics, and new energy equipment.
3. Create 25,000 direct jobs and 50,000-70,000 indirect jobs, with 70% of these jobs coming from Tanzania, with a focus on supporting youth and women.
4. Complete all infrastructure development within the 625-acre area, providing access to roads, electricity, water, telecommunications, and sewage treatment.
5. Achieve financial break-even and enter a period of stable profitability in the fifth to sixth year of operation.

Long-term Vision (10-20 years):

1. Expand the park to accommodate 150-200 factories, forming an industrial cluster.
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2. Establish four specialized industrial sectors: textiles and apparel, agricultural product processing, renewable energy, and logistics, to enhance export competitiveness.
3. Become a model park for manufacturing and exports in East Africa, leveraging the ACFTA platform to sell products to African, European, and American markets.
4. Establish a technology innovation and R&D center to promote local industrial upgrading and skills transfer.
5. Guided by green development, the park aims to achieve carbon neutrality by 2035, becoming a benchmark for sustainable industrialization in the region.

The Sino Dar Industrial Park's strategy encompasses more than just digital investment and output goals; it also encompasses a development blueprint deeply aligned with Tanzania's national strategy. Through its efficient park services, low-cost operations, and diversified industrial ecosystem, it aims to establish itself as East Africa's preferred industrial investment destination in the face of regional competition.

Chapter 6: Business Model and Revenue Sources

The Sino Dar Industrial Park's business model utilizes a comprehensive "developer + operator + service provider" model, achieving long-term stable cash flow and sustainable development through a diversified revenue structure.

1. Land Lease and Factory Rental

The park offers long-term industrial land leases (33-99 years) and builds standardized factories and warehouses, enabling businesses to rent and

operate immediately, lowering the investment barrier. Land leases and factory rentals are expected to account for 45-55% of total revenue and are the most stable source of income.

2. Utilities and Infrastructure Services

The park centrally manages its electricity, water, communications, and sewage treatment systems. In addition to the TANESCO power connection, a 50MW solar and wind hybrid power plant has been introduced to ensure a clean energy supply. Related charges are collected through separate meters to ensure long-term cash flow for the park, accounting for 20-25% of total revenue.

3. Logistics and Value-Added Services

The park will establish bonded warehousing, cold chain facilities, and a container yard to provide customs clearance, transportation, and cargo distribution services. With the growth of export business, this revenue share is expected to gradually increase to 15-20%.

4. Investor Support and Support Services

The park has a one-stop service center that provides support to businesses, including business registration, customs declaration, legal and financial consulting, and employee training. This revenue share accounts for approximately 5-10% of the park's total revenue. While not significant, it plays a crucial role in supporting the park's overall investment attraction and service quality.

5. Cost and Profit Model

Initial capital expenditures (CAPEX) are primarily for land development, roads, power, and plant construction, totaling approximately US\$300 million. Operating expenses (OPEX), including personnel, maintenance, security, and marketing, are approximately US\$15-20 million annually.

Through phased investment and a diversified revenue mix, the park is expected to break even and enter a profitable cycle in years 5-6.

Leveraging this diversified business model, the Sino Dar Industrial Park not only provides investors with stable financial returns but also ensures sustainable development for resident businesses in a low-cost, high-efficiency environment.

Chapter 7: Implementation and Development Phase

The Sino Dar Industrial Park will be implemented in a phased approach to mitigate investment risk, ensure efficient capital utilization, and simultaneously attract investors. The entire project is scheduled for completion within five years and is divided into three major phases.

Phase 1 (Years 1-2): Groundbreaking and Start-up

During the first two years of the project, the focus will be on completing land clearing, road construction, and water and drainage systems to ensure the park is ready for basic operations. Simultaneously, an administrative center, an investor service center, and the first 10-15 standardized factory buildings and warehousing facilities will be constructed. This phase will focus on attracting labor-intensive enterprises, such as textiles and agricultural product processing, to form the foundation of the park's industrial chain. This phase is expected to attract approximately US\$100 million in investment and create 5,000 direct jobs.

Phase Two (Years 3-4): Expansion and Diversification

As infrastructure gradually improves, the park will further expand, adding 20-25 new factory buildings, building cold chain warehousing, a bonded area, and a logistics hub, strengthening connectivity with the Port of Dar es Salaam and the railway. A 50MW solar and wind power generation system will also be introduced to provide clean energy for the park. This phase will focus on attracting companies in building materials, packaging, plastics, and light manufacturing, with cumulative investment expected to reach US\$250 million and create over 15,000 jobs.

Phase 3 (Year 5 and Beyond): Full Operation and Maturity

In the final phase, the park will achieve full production, completing development of all 625 acres and forming an industrial cluster of 60 factories. Simultaneously, a renewable energy sector, a training and R&D center, employee dormitories, and supporting facilities will be established to further enhance the park's overall competitiveness. The total investment is expected to exceed US\$600 million, creating 25,000 direct jobs and establishing Sino Dar as a benchmark industrial park in East Africa.

Through the orderly progress of these three phases, Sino Dar Industrial Park will not only gradually improve its infrastructure and industrial layout, but also provide investors with a stable, low-risk entry point.

Chapter 8: Financial Planning and Forecasting

Sino Dar Industrial Park's financial planning focuses on robustness and sustainability, addressing both the pressure of large-scale initial capital expenditures and ensuring long-term cash flow stability and return on investment.

Capital Expenditure (CAPEX)

Over the first five years, the total investment is expected to be approximately US\$300 million. Of this, infrastructure construction (roads, electricity, water networks, and sewage systems) is approximately US\$80 million; standardized factory buildings and storage facilities are approximately US\$100 million; administrative offices and logistics hubs are approximately US\$60 million. Renewable energy and environmental protection facilities account for approximately \$20 million; the remainder is for communications, security, and other supporting facilities.

Operating Expenses (OPEX)

Once the project is operational, annual operating expenses are expected to be between \$15 million and \$20 million, covering employee salaries, facility maintenance, marketing, and safety management. Unit costs will gradually decrease as more companies join.

INVESTMENT BREAKDOWN

Category	Amount (USD)
LAND & BUILDING	80,000,000
PLANT	100,000,000
VEHICLES	1,000,000
FURNITURE & FITTINGS	60,000,000
PRE-EXPENSES	4,000,000
OTHERS	40,000,000
WORKING CAPITAL	15,000,000
TOTAL (CAPEX)	300,000,000

	PROJECT FINANCING	PER CENT
Foreign Equity	90,000,000	30%
Foreign Loan	150,000,000	50%
Local Loan	60,000,000	20%
TOTAL	300,000,000	100%

Revenue Sources and Forecasts

- Land and factory rentals: Expected to account for 45-55% of revenue.
- Utilities (water and electricity): 20-25%.
- Logistics and warehousing services: 15-20%.
- Investor support services: 5-10%.

Financial Forecast (first five years):

- Year 1: Revenue of \$3 million, net loss of \$5 million.
- Year 2: Revenue of \$8 million, net loss of \$2 million. • Year 3: Revenue of \$12 million, net profit of \$1 million.
- Year 4: Revenue of \$16 million, net profit of \$4 million.
- Year 5: Revenue of \$22 million, net profit of \$6 million.

The park is projected to break even in years 5-6, with an internal rate of return (IRR) estimated to be between 12% and 15%. This rate of return is expected to increase further as the park matures and expands.

Chapter 9: Human Resources and Employment Plan

One of the core values of the Sino Dar Industrial Park is job creation and workforce development. Through systematic human resources planning, the park aims to provide large-scale employment and skills development to the local community within five years.

Employment Target

Create 25,000 direct jobs and 50,000-70,000 indirect jobs in the first five years. Direct jobs include factory workers, logistics personnel, technicians, administrative staff, and service support personnel. Indirect jobs come from transportation, catering, housing, retail, and supply chain services. Labor Distribution

- Manufacturing Workers: Approximately 60%, primarily employed in textiles, agricultural product processing, and building materials production.
 - Logistics and Warehousing Workers: Approximately 15%, covering transportation, cold chain operations, customs clearance, and other aspects.
 - Technical and Public Utilities Workers: Approximately 10%, responsible for electricity, water treatment, ICT, and renewable energy management.
 - Management and Administrative Workers: Approximately 10%, including finance, human resources, legal, and investment services.
 - Security and Logistics Workers: Approximately 5%.
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DETAILED JOBS DISTRIBUTION

Position Category	QTY	Local Citizens		Foreign Nationals	
		Male	Female	Male	Female
Manufacturing Workers	15,000	8,800	5,950	200	50
Logistics & Warehouse	3,750	3,100	525	100	25
Technical & Utilities	2,500	2,050	300	100	50
Management & Admin	2,500	2,000	350	100	50
Security & Support	1,250	1,075	100	50	25
Grand Total	25,000	17,025	7,225	550	200

Skills Development and Training

The park will collaborate with the Tanzania Vocational Education and Training Authority (VETA), universities, and international organizations to provide skills training and certification to ensure workers acquire modern production and management skills. The park will also establish a training academy offering specialized courses in textiles, welding, logistics, and ICT to promote employment for young people and women.

Labor Policies and Employee Benefits

The park strictly adheres to Tanzanian labor laws and International Labor Organization (ILO) standards, providing fair wages and occupational safety and health protections. The park also plans to provide employees with medical, transportation, and housing subsidies to ensure workforce stability and productivity.

Through these measures, the Sino Dar Industrial Park will not only provide investors with a stable labor pool but will also become a key

platform for promoting human resource development and socioeconomic development in Tanzania.

Chapter 10: Risk Analysis and Countermeasures

As a large-scale industrial park project with a total investment exceeding US\$600 million, the Sino Dar Industrial Park will inevitably face various risks during its construction and operation. To ensure the long-term and stable operation of the project, the company has established a systematic risk identification and response mechanism.

1. Policy and Regulatory Risks

Risk: Adjustments to tax incentives or special economic zone policies may affect investment attractiveness.

Countermeasures: Maintain long-term cooperation with the Tanzanian government and sign stable policy agreements; diversify policy dependence through multinational investors.

2. Financing and Exchange Rate Risks

Risk: High upfront investment, global interest rate fluctuations, and currency depreciation may increase financing costs.

Countermeasures: Adopt a financing model that combines equity, loans, and public-private partnerships (PPP); prioritize contracts denominated in US dollars or euros to mitigate the impact of exchange rate fluctuations.

3. Infrastructure and Utility Risks

Risk: Insufficient power and water supplies may impact business operations.

Countermeasures: Build a 50MW renewable energy power plant with backup generators and water treatment facilities to ensure the park's self-sufficiency.

4. Market and Investment Risks

Risk: Failure to attract a sufficient number and quality of businesses will impact profitability.

Countermeasures: Conduct global investment promotion, prioritizing leading textile and agricultural product processing companies to foster industrial clusters and enhance the park's attractiveness to small and medium-sized enterprises.

5. Social and Environmental Risks

Risk: Improper handling of industrial emissions, land use, or community relations may trigger social conflicts.

Countermeasures: Implement international environmental standards (ISO14001) and strengthen environmental protection controls; establish community engagement mechanisms; and invest in education, healthcare, and employment programs to enhance social acceptance.

6. Regional Political and Security Risks

Risk: Regional unrest or public security issues may impact park operations and investor confidence.

Countermeasures: Strengthen security cooperation with local governments, establish a park security system, and diversify market presence to mitigate external risks. Through these multi-layered measures, the Sino Dar Industrial Park maintains flexibility and resilience in an uncertain environment, ensuring the long-term sustainability of the project.

Chapter 11: Sustainable Development and Social Responsibility (CSR)

The Sino Dar Industrial Park's development not only pursues economic benefits but also prioritizes environmental protection and social responsibility, striving to become a model of green and sustainable industrialization in Tanzania and the East African region.

1. Environmental Sustainability

The park will utilize a green energy system, constructing a 50MW solar and wind hybrid power plant to gradually increase the proportion of clean energy. The wastewater treatment system will meet international standards, and rainwater collection and recycling technologies will significantly reduce water waste. Furthermore, the park will establish solid waste recycling and hazardous waste treatment centers to minimize environmental impact.

2. Social Responsibility and Community Development

The park pledges to prioritize local employees for at least 70% of its positions, particularly young people and women. Furthermore, vocational training programs will be established to enhance workers' skills and strengthen their long-term employ ability. The park will also improve the quality of life of the local community through investments in basic education, healthcare facilities, and drinking water projects.

3. SME Integration and Industrial Driving

The park will not only serve multinational investors but also support Tanzanian SME in integrating into the supply chain and providing supporting products and services. This will not only help foster local industrial clusters but also promote inclusive economic development.

4. Governance and Transparency

The Sino Dar Industrial Park will publish an annual sustainability and CSR report in compliance with the Global Reporting Initiative (GRI) standards, subject to scrutiny by the government, investors, and society. It will also establish a workers' rights complaint mechanism and an anti-corruption compliance system to ensure a fair, equitable, and transparent operating environment.

5. Long-Term Goals

The park plans to achieve carbon neutrality by 2035, develop a green industrial cluster, and focus on developing environmentally friendly packaging, renewable energy equipment, and circular economy industries, aiming to become East Africa's first "zero-carbon industrial park."

Through these measures, the Sino Dar Industrial Park will not only enhance its economic competitiveness but also set a new benchmark in environmental governance and social responsibility.

Chapter 12: Conclusion and Call to Action

The Sino Dar Industrial Park is not only an infrastructure investment but also a key engine for promoting industrialization, job growth, and trade integration in Tanzania and the East African region. It boasts significant competitive advantages in terms of locational advantages, policy support, industrial layout, and sustainable development.

Project Outcomes:

- Attract US\$600 million in investment within five years, building and commissioning 60 factories.
- Create 25,000 direct jobs and over 50,000 indirect jobs.
- Become a regional manufacturing and export hub, deeply integrating with the AfCFTA and global supply chains.

- Build a green and low-carbon industrial park, achieving carbon neutrality by 2035.

Call for Action:

- Investors: Seize policy and market opportunities, invest in the Sino Dar Industrial Park, and establish a presence in East Africa's emerging markets.
- Financial institutions and development funds: Participate in infrastructure and industrial financing, and share in the park's long-term, stable returns.
- Governments and development partners: Strengthen coordination on policies, talent training, and environmental protection, and jointly promote industrialization and social development.
- Local businesses and communities: Actively integrate into the park's industrial chain and enjoy the direct benefits of employment and industrial prosperity. The Sino Dar Industrial Park will not only transform Tanzania's industrial landscape but also set a new model for sustainable industrialization in the region. It is more than just an investment opportunity; it is a shared endeavor that will drive the future development of the national and regional economies.

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