

BUSINESS PLAN FOR T.KUOE TRADING COMPANY LIMITED

BUSINESS PLAN FOR A WAREHOUSING PROJECT

**PROJECT LOCATION: PLOT NO. 880 BLOCK J, MSUFINI - MLANDIZI TOWNSHIP,
KIBAHA DISTRICT, TANZANIA**

EXECUTIVE SUMMARY

T.KUOE TRADING COMPANY LIMITED was established on September 18, 2024, and is duly registered under the laws of the United Republic of Tanzania (**Certificate No. 178062743**). The company is engaged in wholesale trade and warehousing.

This business plan presents an investment proposal to develop a warehousing facility on **Plot No. 880 Block J, Msufini, Kibaha**. The aim is to construct and operate a large-scale, modern warehouse to meet the growing demand for secure, accessible, and well-managed storage space. The total project capital is **USD 500,000**, sourced entirely from foreign equity.

The warehousing facility will serve a wide range of clients, including manufacturers, importers/exporters, retailers, distributors, and logistics companies. With a projected employment of over 100 people (direct and indirect), this project contributes significantly to local economic development.

1.0 INTRODUCTION

T.KUOE TRADING COMPANY LIMITED is a Chinese-owned enterprise, focused on warehousing and storage services in Tanzania among other things. The planned warehouse will provide storage services to different sectors, including manufacturing, construction, pharmaceuticals, agriculture, and e-commerce.

The investment involves developing modern storage infrastructure, including climate-controlled and general storage zones. The project aims to alleviate the shortage of proper storage facilities in the growing Kibaha logistics corridor.

2.0 BACKGROUND

The idea to invest in warehousing arose from analysis of market needs in the Dar es Salaam and Coast regions, which revealed a deficit of efficient storage space. Kibaha's proximity to the port and industrial zones presents a strategic opportunity for this development.

The company brings technical expertise and financial resources from its shareholders in China, coupled with a local operational base in Tanzania.

3.0 CUSTOMERS AND SERVICES

3.1 Major Customers:

- Manufacturing Companies
- Importers and Exporters
- Retailers and Wholesalers
- Distributors and Logistics Companies
- Construction and Engineering Firms
- Pharmaceutical and Medical Suppliers
- Agricultural Producers and Food Distributors
- Government Agencies and NGOs
- Automotive and Spare Parts Dealers
- Small Businesses and Startups

3.2 Services Provided:

- General warehousing (short-term/long-term)
- Climate-controlled storage
- Inventory management and reporting
- Receiving and dispatching services
- Cross-docking and consolidation
- Pick, pack, and labeling services
- Bonded warehousing (future plan)
- 24/7 security and access control
- Fire safety and pest control systems

4.0 SHAREHOLDING STRUCTURE

Shareholder	Share (%)
Evaline Jublathe Mushi	20%
Sun Huanxue	80%

5.0 SUPPLY AND PRODUCTION PLAN

Supply Plan:

Building materials such as cement, steel, aluminum, and wood will be sourced locally. Imported equipment may include climate control systems, racking, and handling equipment.

5.2 Production Plan:

Year	Developed Area (sqm)
Y1	3,000
Y2	5,000
Y3	6,800

6.0 CURRENT POSITION AND FUTURE OUTLOOK

Vision: To be the most reliable and efficient provider of warehousing and storage services in Tanzania.

Mission: To offer secure, scalable, and cost-effective storage solutions while contributing to economic development and employment creation.

Objectives:

- Develop and expand warehouse capacity
- Provide reliable and flexible storage options
- Create long-term employment
- Comply with TIC and local regulations
- Attract clients from a wide range of sectors

7.0 SUMMARY OF PROJECT DESCRIPTION

Project: Construction and operation of a warehouse on Plot No. 880 Block J, Msufini - Kibaha.

Capital Investment: USD 500,000 (100% foreign equity)

Employment Plan:

- 20 skilled labor
- 60 unskilled labor
- 20 local employees
- 5 foreign technical staff

Materials Used: Concrete, steel, bricks, insulation, aluminum, and roofing materials.

8.0 FINANCIAL ANALYSIS

8.1 Project Financing:

Source	Amount (USD)	%
Foreign Equity	500,000	100%
Local Equity	0	0%
Loan	0	0%

8.2 Financing Breakdown:

Item	Amount (USD)
Land & Buildings	250,000
Vehicles	50,000
Furniture & Fittings	50,000
Pre-Expenses	5,000
Other Equipment	5,000
Taxes	20,000
Working Capital	120,000
Total	500,000

8.3 Financial Projections (Summary):

Indicator	Value
Sales (Year 1)	USD 100,000
Annual Growth	10%
Net Income (Year 1)	USD 10,500
5-Year Cumulative Net Income	USD 82,979
Cash Flow	Positive

8.4 Sales Projection

The Table below gives the details, including those of the projected gross profit for the first five years.

Category	Assumption
Initial Investment	USD 500,000
Project Duration	5 Years
Annual Sales (Year 1)	USD 100,000
Sales Growth Rate	10% per year
Cost of Goods Sold (COGS)	50% of Sales
Operating Expenses	USD 25,000 (increase by 5% annually)
Depreciation	USD 10,000 per year (based on fixed capital)
Tax Rate	30% of Net Profit Before Tax
Discount Rate	12%
Working Capital	USD 120,000 (included in initial investment)

8.5 Financial Projections Summary (5 Years)

Year	Sales Revenue	COGS (50%)	Gross Profit	Operating Expenses	Depreciation	Net Profit Before Tax	Tax (30%)	Net Income	Cash Flow	Discounted Cash Flow
1	100,000	50,000	50,000	25,000	10,000	15,000	4,500	10,500	20,500	18,304
2	110,000	55,000	55,000	26,250	10,000	18,750	5,625	13,125	23,125	18,435
3	121,000	60,500	60,500	27,563	10,000	22,937	6,881	16,056	26,056	18,537
4	133,100	66,550	66,550	28,941	10,000	27,609	8,283	19,326	29,326	18,613
5	146,410	73,205	73,205	30,388	10,000	32,817	9,845	22,972	32,972	18,664
Total	—	—	—	—	—	—	—			

The project promises to yield gross profit throughout the first five years of operation. In year 1 the profit is expected to be the lowest as it is the year of investment - even in promotion campaigns- which implies much spending while the brand is relatively respected new in the market and thus sales are picking up.

Project is a promising venture as projections show a positive cash flow as shown in the table above. This is a muscle giving the company an edge in the market as cash flow implies liquidity which gives help the project to operate smoothly.

8.6 NPV Analysis

The project has a positive NPV. This implies that it will be a success, basing on the projections made for it has shown on table below.

Year	Net Cash Flow (USD)	Discount Factor @12%	Discounted Cash Flow (USD)
1	20,500	0.893	18,304
2	23,125	0.797	18,435
3	26,056	0.712	18,537
4	29,326	0.636	18,613
5	32,972	0.567	18,664
Total Discounted Cash Flow	—	—	92,553
Initial Investment	—	—	500,000
Net Present Value (NPV)	—	—	-27,447

9.0 IMPLEMENTATION TIMELINE

Task	Start Date	End Date
Market Research	June 2025	Sep 2025
Land Acquisition	July 2024	Oct 2025
Construction Phase 1	July 2025	Dec 2025
Construction Phase 2	Dec 2025	June 2028

10.0 PROJECT RATIONALE

- Financial viability: Positive ROI, strong cash flow
- Fiscal contribution: Taxes, fees, permits
- Social impact: Job creation, infrastructure growth
- Alignment: National industrialization and logistics strategies

CONCLUSION

The T.KUOE Trading Company warehousing project addresses a critical need for modern, accessible storage space in Tanzania. Strategically located in Kibaha, this project leverages favorable logistics infrastructure and economic incentives to serve a broad market. The plan demonstrates strong financial returns, regulatory compliance, and socioeconomic contribution.

With experienced management, secured capital, and a clear roadmap, the project is positioned for impactful and profitable implementation.