

**JINLING INVESTMENT TANZANIA
COMPANY LIMITED**

Business Plan 2025 – 2029



**BUSINESS PLAN OF
CONCRETE
PRODUCTION PROJECT**

**JINLING INVESTMENT
TANZANIA COMPANY
LIMITED**

**DAR ES SALAAM,
TANZANIA**

June, 2025

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LIST OF ABBREVIATIONS

BOT	Bank of Tanzania
BRELA	Business Registration and Licensing Authority
CAGR	Compounded Annual Growth Rate
GDP	Gross Domestic Product
LTD	Limited
TIN	Tax Identification Number
TRA	Tanzania Revenue Authority
TSHS	Tanzanian Shillings
US	United States
USD	United States Dollars
VAT	Value Added Tax

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1 INTRODUCTION

1.1 Introduction

This is the Business Plan for a manufacturing industry by Jinling Investment Tanzania Company Limited for the period 2025-2029. It outlines the mission, vision and objectives as well as the strategic direction the organization intends to embark on in order to achieve its primary business objectives.

This business plan aims to achieve the following:

- Assist in transforming the company's strategic direction into specific and measurable goals and targets;
- Identify market opportunities and highlight strategies to assist the organization in capturing its target market; and
- Provide a road map on the key actions required by the company to achieve its objectives.

1.2 Sources of information

Sources of information for the development of this business plan include the following:

- Promoters' knowledge of the Industry;
- Review and analysis of regional industry information, industry publications, and press information; and
- Specific information from various players in the market.

1.3 Contents of the report

To facilitate the reading of this report, the document is organized as follows:

Section 1: Introduction

This section provides an introduction, sources of information, and contents of the report.

Section 2: Executive Summary

This section provides an overview of the entire business plan, highlighting the key points.

Section 3: Promoters, Project background, concept, and location

This section provides a brief overview of the promoters, project and location

Section 4: Tanzania Economic Overview

This section provides analysis of macro environment in Tanzania

Section 5: Real Estate Sector Review

This section will examine the Real Estate sector with the focus outlining the unexploited opportunities in the industry.

Section 6: Financial Projections

This section provides financial projections for the company. It includes key assumptions and highlights of the profit and loss account, balance sheet, and cash-flow projections for the next five years.

Section 8: Conclusion and Implementation Plan

In this section, an overall conclusion and implementation plan for the project are provided.

2 EXECUTIVE SUMMARY

2.1 Project Background

JINLING INVESTMENT TANZANIA COMPANY LIMITED would be involved in This business plan sets forth the establishment of a modern concrete production facility dedicated to the manufacture of high-quality ready-mix concrete and a range of concrete products tailored to meet the demands of the construction industry in Dar es Salaam, Tanzania. The proposed facility is intended to address the growing market needs driven by rapid urban development, infrastructure expansion, and increasing commercial and residential construction projects within the region.

The venture aims to provide consistent, reliable, and competitively priced concrete solutions to contractors, real estate developers, and public sector infrastructure projects. Emphasis will be placed on maintaining stringent quality control standards, ensuring timely delivery, and delivering superior customer service. Through operational efficiency and adherence to industry best practices, the business aspires to position itself as a leading and dependable supplier within Tanzania's construction sector.

Results of this financial analysis indicate that this cattle project will be a profitable financial investment. The results of this financial feasibility indicate that the project is capable of generating the following results

Summary of financial analysis

- ❖ *Internal Rate of Return: 16.282%*
- ❖ *Return On Investment: 64.23%*
- ❖ *Annualized ROI: 10.43%*
- ❖ *Payback Period: 3.706 years*
- ❖ *Discounted Payback period (18%): 5.230 years*
- ❖ *Cash Flow Return Rate: 16.282%*
- ❖ *Investment gain in 5 years: USD 521,255/=*

Following are the key assumptions/considerations for the investment which were used in this business plan and which form basis of projected returns from the project

- ❖ Total project outlay is estimated at USD 811,600 /= (including fixed cost and working capital requirements), financed by shareholders and financial institutions
- ❖ In the year 1, the projected concrete production will be 2500 tons which is expected to increase to 6000 tons in the fifth year of operation

2.2 Conclusion

Jinling Investment Tanzania Company Limited has identified an ideal opportunity, which lends favor to the natural growth and progression of the company. Through the clear vision and drive of the shareholders, the development and effective operation of the company can be assured. Additionally, given the continuously increasing demand for office premises, Jinling Investment Tanzania Company Limited is well-positioned to be a profitable industry pioneer in the long term.

3 PROJECT BACKGROUND

3.1 Legal status

Jinling Investment Tanzania Company Limited is a Tanzanian company incorporated in Tanzania and provided with a certificate of incorporation under the provisions of section 15 of the Companies Act 2002 and has been issued a certificate of Incorporation by BRELA under number 180370722. The company's establishment objectives are to carry out the establishment of a concrete production facility aimed at producing high-quality ready-mix concrete and concrete products for the construction market in Dar es Salaam, Tanzania, and to facility will meet growing demand driven by real estate development, infrastructure projects, and commercial construction

The company has a plan for aggressive expansion in Tanzania in the field of construction and real estate activities. This expansion will comply with the Tanzanian laws and regulations.

3.2 Company Ownership

The company's issued share capital is Tanzanian Shillings 1,000,000,000. The issued capital is 1,000,000,000, divided into 100,000 shares with a nominal value of 10,000 Tanzanian Shillings per share.

Table 4: List of Shareholders

<i>S</i>	<i>Name</i>	<i>Number of Shares</i>	<i>%</i>
<i>1</i>	<i>YANG SHOUCHEG</i>	<i>1200</i>	<i>60</i>
<i>2</i>	<i>CHEN MIN</i>	<i>800</i>	<i>40</i>
<i>Total</i>		<i>2000</i>	<i>100</i>

3.3 Profile of the Shareholders

The majority shareholder of the company has company namely JINLING INVESTMENT (HONGKONG)COMPANY LIMITED Certificate no 78185296-000-05-25-7 main activities is producing high-quality ready-mix concrete and concrete products for the construction market based in China is one of the oldest & most successful industrial and trading business groups across the China

3.4 Investment

The project requires an initial investment of USD 811,600 /= The investment is for purchasing real estate property. The company plans to purchase various industrial sites within the jurisdiction of Tanzania.

3.5 Project Financing

The investment costs of USD 811,600 /= will be financed through equity. The company shareholders will inject an equity of USD 811,600 /=



Figure 1

4 PROJECT LOCATION

Plant Location

The proposed ideal location for the plant is the Dar Es Salaam region, in East Coast of Tanzania. The area is one of the important area for industrialization in the country and well established with a supply of power, water, and other important infrastructures.

a) Abundance of Hydroelectric Power.

Dar Es Salaam Region is supplied with electric power from the National GRID. The region has enough power supply to run the plant. Dar Es Salaam is well supplied in the country, about

63 percent of people use electricity. Generally, Tanzania's electricity use per capita is 102.57 kWh. Completion of the ongoing Mwalimu Nyerere HydroPower Project will increase the amount of power generated in the country

b) Availability of Water.

Dar Es Salaam is well connected with a piped water system that will be used for some plant operations. Although the average total domestic water use per person per day (10 litres) in Dar Es Salaam is below the minimum requirement, the water available will be enough for the plant.

c) Central Business Area

Dar es Salaam is the most industrialized region and the largest commercial center in the country. Most of the residents are employed in the industrial or commercial activities. It is endowed with economic potentials in industrial production and business transactions. It is also the gateway to and from the country which makes it easier and less costly to do business all over Tanzania.

5 PROJECT OBJECTIVES

The JINLING INVESTMENT TANZANIA COMPANY LIMITED plans to undertake concrete project manufacturing in Dar Es Salaam, Tanzania. The objectives of this project are as follows;

- a) To establish a sustainable and profitable concrete production facility within Dar es Salaam Region, Tanzania.
- b) To produce and supply high-quality, reliable concrete products to local and regional construction markets.
- c) To build strong relationships with contractors, developers, and government institutions.

- d) Expansion of concrete production market in various areas: The company plans to expand the concrete production market to reach underserved people especially in the business segments where cooling is mostly needed
- e) Human resource development. The company's plan is to help employees develop their abilities, skills, and knowledge. This is to ensure the effectiveness and advancement of individual employees, collective departments, and the company itself.
- f) Corporate Social Responsibility. The company will carry out various social responsibility programs in the community in the project areas. This will include engaging in charity work, reducing the carbon foot print, purchasing fair trade products, improving labour policies, investing in environmentally friendly businesses and getting involved in volunteer works
- g) Job creation. The company will employ a broad set of workers and talented individuals from plant operators, technicians, marketers to casual labors.

6 INDUSTRY ANALYSIS

6.1 Real Estate Industry Analysis

The construction and building materials industry in Tanzania has experienced steady growth over the past decade, primarily driven by increased public and private sector investments in infrastructure, housing, and commercial real estate. The government's ongoing commitment to major infrastructure projects including roads, bridges, airports, ports, and housing developments has created a significant and sustained demand for high-quality construction materials, with concrete being one of the most essential components.

Dar es Salaam, as the country's commercial hub, continues to attract large-scale developments in both the residential and commercial sectors. The city's rapid urbanization and population growth have further accelerated the need for reliable and efficient suppliers of construction materials, particularly ready-mix concrete and precast concrete products.

The concrete production sector in Tanzania remains fragmented, with a mix of large industrial producers and smaller, localized operators. However, challenges such as inconsistent product quality, unreliable supply chains, and project delays have opened opportunities for well-organized, quality-focused businesses to gain market share.

This business intends to position itself strategically within this growing market by offering premium-quality ready-mix concrete and concrete products, supported by modern production technology, experienced personnel, and efficient delivery systems. By addressing prevailing industry gaps, particularly in terms of product reliability, timely supply, and customer service, the venture aims to become a preferred partner for construction firms and infrastructure projects in Dar es Salaam region.



Figure 2

As a direct beneficiary of the government’s current economic strategy, which focuses on major infrastructure, housing, and energy investment, and a key player in the ongoing shift of government functions from Dar es Salaam to Dodoma, the construction industry is undergoing significant expansion in both absolute and relative terms. The pace of growth has been fast, with the overall sector valuation jumping from Tshs 2.4 Trillion in 2013 to Tshs 3.2 Trillion by 2017, but its contribution to GDP declined from 3.3% in 2013 to 2.7% in 2017 on mainland Tanzania, and increased from 5.7% to 8.2% on the Zanzibar archipelago. The government is betting that short-term struggles caused by rooting out corruption will pay dividends over the long term by providing a more predictable operating environment in which domestic builders can thrive. Tanzania has a relatively young real estate sector, with large-scale commercial development only taking off in the 1990s. While public sector actors historically handled the largest projects in the country, private sector players are now playing an increasingly important role in developing residential, office and commercial space. However, the industry in mainland Tanzania is growing more slowly than the economy overall, with its contribution to GDP declining steadily in the past 10 years, from 6.1% in 2006 to 3.2% in 2015. Cost sensitivity remains a significant concern, not only directly in terms of house sales, but also indirectly in terms of demand for formal retail and commercial space, since approximately three-quarters of the population live on \$2 or less per day. As a result, the country will most likely have to depend on government intervention and innovative financing to help address demand at the

lower end of the real estate market, while higher-end residential and commercial spaces are left in the hands of private sector developers.

6.2 General Overview of the Property Market in Dar es Salaam

Property market in Dar es Salaam incorporates office, residential, industrial and retail. The prime office market in Tanzania continues to be focused in Dar es Salaam and it is centred in the traditional CBD, the Gardens area to the east of the city and increasingly moving north of Salendar Bridge on Ali Hassan Mwinyi Road, Bagamoyo Road and Msasani Peninsula. Dar-es-salaam’s residential market is comprised of a number of tiers, with the higher end of the scale concentrated north of Salendar bridge, across the entire Msasani Peninsula and extending northwards to Mbezi and, to a limited extent, beyond. The industrial sector is principally located along Nyerere Road, leading from the CBD to the airport, and along Nelson Mandela Road, leading from the port, via the TAZARA railway station, around the city. There are two further industrial areas in Mikocheni and Chang’ombe. These industrial units are typically vast plots of some 20,000 to 150,000 m², with old dilapidated warehouses, offices, canteens, and other facilities that are no longer relevant to today’s market

6.3 General Overview of retail Market in Dar es Salaam

The retail market still principally revolves around small downtown specialist shops in National Housing Corporation buildings run, in the main, by the Indian Community and other retail outlets are in containers. This sector competes with on-street sales in ad hoc temporary pavement “outlets”, known locally as “Wamachinga”, sometimes on a massive scale such as in areas like Kariakoo and Manzese. Unconfirmed estimates put the percentage of clothing and shoes sold in shops at 20% against those sold from outside formal retail outlets at 80%. A large majority of goods sold “off pavement” are second hand, imported directly from Europe, Far East and the United States. The city council has somehow managed to reduce the number informal retail outlets within the last three years.

7 MARKET ANALYSIS

Globally, the construction industry in Dare es Salaam, Tanzania is experiencing rapid growth, creating increasing demand for quality, timely, and affordable concrete products.

7.1 Marketing & Sales Strategy

- a) Develop partnerships with major contractors and construction firms
- b) Use digital marketing and social media platforms
- c) Offer introductory discounts and loyalty programs for bulk orders
- d) Participate in local trade fairs and construction expos

7.2 Target Markets

The company will target businesses involved in property developers, civil contractors, government infrastructure projects, and commercial real estate companies. Any other establishments that require concrete production to fulfill every customer's needs. The company will also focus on real estate activities and any other construction activities.

7.3 Operation Plan

The company initially determined its capacity as per day, 30 cubic meters per day. Key equipment includes a Concrete batching plant, Concrete mixers, Delivery Trucks, and Molds for precast products. The company will also focus on the workforce, such as Plant Manager, Technicians, Machine Operators, Sales & Marketing Officer, and Support staff



8 PROJECT DESCRIPTION

8.1 Project Overview

The proposed project is about concrete production for industrial and commercial purposes. The company will produce concrete. The company will target industries and businesses in chains of real estate activities, construction materials, and any other areas to meet every customer's needs

The proposed ideal location for the plant is the Dar Es Salaam region, on East Coast of Tanzania. The area is one of the important area for industrialization in the country and well established with supply of power, water and other important infrastructures. Dar Es Salaam also is target market for the company's product as it is the central city for businesses in the country.

8.2 Annual Production

The company will primarily produce concrete for commercial purposes. The company will also produce concrete as per client requirements. The company's annual production of concrete is projected to be 2500 tons in the first year of production. The company will continue increasing its production to reach 6000 tons in the fifth year of operation.

8.3 Employment Creation

One of the core objectives of the company is to create employment to the locals. The company policy is to employ locals with an emphasis on gender equality in employment opportunities. It is expected that the company in its first year of operation is going to employ 30 direct employees and 200 workers indirectly.

8.4 Technology and Skills Transfer

The company policy is to make sure skills and technology used in the operations are transferred among employees. The company will make sure all the operations are run by locals, and by doing so, the company will enable the local employees to learn the skills and technology used in the company and be able to manage and run operations after 5 years of operations.

8.5 SWOT Analysis

<p>STRENGTH</p> <p>1: Abundant water resources in the country. The business area has abundant water that will be used to make concrete.</p> <p>2: Using local technical experts. The making of concrete will use Tanzanian experts. This will reduce the cost of hiring foreign experts.</p> <p>3: Position of the business. The plant will be located in Dar Es Salaam. The area has abundant water that will be used to make concrete, and it is the company’s target market</p>	<p>WEAKNESS</p> <p>1: Inadequate local concrete-making technology. The company will need to import technologies for concrete making</p> <p>2: Newness in industry. The company has no experience in concrete manufacturing and marketing, so it might take some time for the company to attract big-time customers. The company will put efforts into promotions and advertising to make sure the product stands out in the market.</p>
<p>OPPORTUNITY</p> <p>1: High growth of investment in the construction of buildings and materials</p> <p>2: Increase in real estate activities. This indicates that the high demand for producing concrete</p> <p>3. Raising of the price of concrete. Although of concrete manufacturing companies is low profit margin but prices of concrete in Tanzania are higher compared to other countries; therefore, the company can benefit from high profit margins.</p>	<p>THREAT</p> <p>1. With the improvement of electricity in Tanzania, this may promote the use of refrigeration systems in other activities.</p> <p>2. Safety regulations, changes of government regulations, and permit issuance may be a threat to the company</p> <p>3. Over competition. Although the company plans to produce large quantity through a high technological machine that consumes low energy so as to lower production and compete both by quality and price, the company is threatened by other competition from other companies.</p>

9 FINANCIAL PROJECTIONS

9.1 Introduction

In this section, we outline the financial projections developed as part of this business plan.

The assumptions used to derive the financial projections and the projected financial statements are presented in the following sub-sections.

9.2 Project Costing

The project costs will involve office and administration and factory building costs, land cost; vehicle costs, Furniture, Fittings and equipment costs; machinery and other working costs as stipulated below;

9.3 Total Project Investment Costs

Project Fixed Costs			
PARTICULARS	QUANTITY	AMOUNT (USD)	Total in USD
Land		100,000	100,000
Factory Building		25,000	25,000
Power installation		3,000	3,000
Mechanical, Civil and electrical work		6,000	6,000
Machinery		250,000	250,000
Miscellaneous Fixed Assets:			
Vehicles	2	40,000	80,000
Trucks	1	120,000	120,000
Furniture, fitting and Equipment	Lump sum	12,000	12,000
Project Working cost			215,600
TOTAL INVESTMENT COST			811,600

9.4 Project Financing Plan

The project will be financed 96.6% in terms of loans that will be obtained from Banks and 3.4 % of total investment will be financed by company's shareholders

S/N	Source of Fund	Amount (USD)	Date of disbursement	Remarks
01	Shareholders Contributions	11,600	August 2025	-
02.	Bank loans	800,000	August 2025	-
03	Others	-	-	-
	TOTAL	811,600		

9.5 Implementation Plan

S/N	ACTIVITIES	Time
1	Company registration, establishment, a n d Feasibility Study the development of the project proposal and Processing permit, licenses, and other compliances	December–April 2025
2.	Obtaining Fund	July 2025
3.	Construction of a factory building	August- October 2025
4	Purchase of machinery	November 2025
5	Installation of machinery and other works	December2025
6.	Other Purchases	January 2025
7.	Hiring of employees	February 2025
8	Preparation Start operation	March- June 2025
9	Start of operation	July 2025

9.6 Summary of Cost presentation and financial analysis

Fixed Cost	USD 596,000
Working Capital	USD 215,600
Total Investment	USD 811,600
Internal Rate of Return (IRR)	16.282%
Return On Investment	64.23%
Annualized ROI	10.43%
Payback Period	3.706 years
Discounted Payback period at 18%	5.230 years
Cash Flow Return Rate	16.282%
Investment gain in 5 years	USD 521,255

9.7 Financials

9.7.1 Projected Income Statement (Currency in USD)

Description	year 1	year 2	year 3	year 4	Year 5
Income					
Sales	192,307.69	240,384.62	300,481	375,600.96	469,501
Other Services	0	0	0	0	0
Total	192,307.69	240,384.62	300,480.77	375,600.96	469,501.20
Expenses					
Cost of Production					
Water cost	15,000.00	18,750.00	23,437.50	29,296.88	36,621.09
Payroll	67,800.00	68,000.00	69,000.00	70,000.00	75,000.00
Delivery Costs	82,800.00	86,750.00	92,437.50	99,296.88	111,621.09
Gross profit	109,507.69	153,634.62	208,043.27	276,304.09	357,880.11
Gross margin %	57%	64%	69%	74%	76%

Overhead expenses					
Other Cost of Production					
Electricity	15,000.00	25,000.00	25,000.00	30,000.00	30,000.00
Insurance	10,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Marketing	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Transport	10,000.00	15,000.00	20,000.00	25,000.00	30,000.00
Miscellaneous	5,000.00	7,500.00	11,250.00	16,875.00	25,312.50
Total	45,000.00	67,500.00	76,250.00	91,875.00	105,312.50
Administrative expenses					
Administrative expenses	5,000.00	5,000.00	5,500.00	6,000.00	7,000.00
Total	5,000.00	5,000.00	5,500.00	6,000.00	7,000.00
Total overhead cost	50,000.00	72,500.00	81,750.00	97,875.00	112,312.50
Operating Income	59,508	140,000	158,000	189,750	217,625
Taxes (30%)	17,852.31	42,000.00	47,400.00	56,925.00	65,287.50
Net income	41,655.38	98,000.00	110,600.00	132,825.00	152,337.50

9.7.2 Projected Cash Flow for 5 years (Currency in USD)

Projected Cash Flow Statement	Currency: USD						
	Description	year 0	year 1	year 2	year 3	year 4	year 5
Cash at beginning		11,600	215,600	192,308	186,692	220,548	299,680
Cash inflow	Sales	0	192,307.69	240,384.62	300,481	375,600.96	469,501
	Loan proceeds	800,000					
Total Cash available		811,600	407,908	432,692	487,173	596,149	769,181
Cash outflow	Water cost		15000	18750	23437.5	29296.875	36621.09375
	Payroll		67800	68000	69000	70000	75000
	Delivery cost		82800	86750	92437.5	99296.875	111621.0938
	Electricity		15000	25000	25000	30000	30000
	Insurance		10000	15000	15000	15000	15000
	Marketing		5000	5000	5000	5000	5000
	Transport		10000	15000	20000	25000	30000
	Miscellaneous		5000	7500	11250	16875	25312.5
	Administrative expenses		5000	5000	5500	6000	7000
	Total	0	215600	246000	266625	296468.75	335554.6875
Net Cash flow		811,600	192,308	186,692	220,548	299,680	433,627

	capital purchases	596000	0	0	0	0	0
Cash available at the end		215,600	192,308	186,692	220,548	299,680	433,627

9.7.3 Total Working Capital (Currency in USD)

Cost description	Year 1	Year 2	Year 3	Year 4	Year 5
Water cost	15000	18750	23437.5	29296.88	36621.09
Payroll	67800	68000	69000	70000	75000
Delivery cost	82800	86750	92437.5	99296.88	111621.1
Electricity	15000	25000	25000	30000	30000
Insurance	10000	15000	15000	15000	15000
Marketing	5000	5000	5000	5000	5000
Transport	10000	15000	20000	25000	30000
Miscellaneous	5000	7500	11250	16875	25312.5
Administrative expenses	5000	5000	5500	6000	7000
TOTAL	215600	246000	266625	296468.8	335554.7