

**BUSSINESS PLAN
FOR
INVESTMENT OF
MANUFACTURING OF
BUILDING MATERIALS.**



**HOYU WALL PANELS COMPANY
LIMITED**

EXECUTIVE SUMMARY

Company & Project concept

HOYU WALL PANELS COMPANY LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 22, January 2025, and bears Certificate of Incorporation #181459026. Company implements project which is under investment of industrial park of leasing

HOYU WALL PANELS COMPANY LIMITED will be located at Dar Es Salaam Region. The outreach Office will be located at **VISIGA MADAFU – KIBAHA TOWN COUNCIL PWANI REGION** opposite TANZANTA MADAFU SINOMA INDUSTRY PARK

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.

The implementation period of the project is estimated to be 10 to 20 years depending on the progress, development and permits to facilitate.

Company Goals and Objectives:

In Summary **HOYU WALL PANELS COMPANY LIMITED** aims to;

- Manufacture of Building Materials and to bring China's good decoration wall panels to the Tanzanian people through local production, so that the Tanzanian people can have a better life and living space.
- To Lease factory buildings, and carry out construction and renovation for installation of equipment and storage of source materials required for equipment.
- To Purchase machinery and equipment required for production.
- To Purchase source materials required for the project. For example, import PVC from China.
- Manage **HOYU WALL PANELS COMPANY 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 involve
- Build relationships with investors for manufacturing Purpose

- 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
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The project will be managed and operated by **HOYU WALL PANELS COMPANY LIMITED** which is owned by Chinese citizens from China with the following share distribution;

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
WENKE WENG	Chinese	59.9
LUKAS JONES MRINDOKO	Tanzanian	0.1
YU HAIBIN	Australian	40

PURPOSE OF BUSINESS PLAN

This document is prepared to serve the purpose as a Pre-feasibility study report for **HOYU WALL PANELS COMPANY LIMITED** for investment industrial park. In addition, 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, office and production buildings, which will accommodate Installation of Machines and Equipment, administration and storage for this project.

- Procurements Machineries and Equipment's for this project.
- Equipping the project will all necessary modern furniture and facilities

The products of the company will be conducted from sustainable sources, ensuring environmental sustainability and social responsibility. The company will target both domestic and international markets.

INDUSTRY OVERVIEW:

HOYU WALL PANELS COMPANY LIMITED will be dealing with establishing and operating the following facilities;

In the first phase of the implementation of this project, the Company shall construct warehouse, administration buildings that shall be used to accommodate installation of Machineries and Equipment's, administration offices and accommodation.

This consists of the Apartment Building, Commercial offices and Factories, which will be allocated at **VISIGA MADAFU – KIBAHA TOWN COUNCIL PWANI REGION opposite TANZANTA MADAFU SINOMA INDUSTRY PARK**

for the usage of General and Special industry purposes in the name of HOYU WALL PANELS COMPANY LIMITED administration and residence blocks as well.

Alternative building materials are being explored as a way to deliver these houses on a rapid scale, according to the Centre for Affordable Housing Finance in Africa (CAHF). The Tanzanian housing demand has been boosted by easier access to mortgages, with the number of mortgage lenders in the market increasing from 3 in 2009 to 21 in 2015. The average mortgage interest rate in Tanzania fell from 22% to 16% during the same period.

Tanzania Housing Properties Rentals Property rentals in Tanzania are higher than those founding Kenya's capital, Nairobi for example where a one-bedroom apartment in the city center could be rent at around USD 444.5 a month while in Dar es Salaam it is at an average of USD 775.3a month. Out of the Dar es Salaam city center, to rent a one-bedroom apartment can cost up to USD 514.34 a month. Tanzania Housing Properties Price Housing price per square meter averages USD 1,200.

MARKET ANALYSIS:

Providing high tech products, providing friendly service and employing an aggressive marketing plan to build customer traffic, will achieve the success of. **HOYU WALL PANELS COMPANY LIMITED** y's market requires more than just products and service to make **HOYU WALL PANELS COMPANY LIMITED** successful. **HOYU WALL PANELS COMPANY LIMITED** will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

The kind of commercial buildings we have can be used for Commercial and industrial lease for office building, Apartment and many other sectors of investment. With the advancement of science and technology, the development of the national economy and the improvement of people's living standards.

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.

INVESTMENT OBJECTIVE:

The primary investment objective of the business is to import and sale of manufacturing of Building Materials in Dar es Salaam, Tanzania with a mission of establishing world-class manufacturing of constructional of building materials

that will make a wide range availability from top manufacturing brands at affordable prices. The structural of manufacturing of furniture's account for more than 42.3 percent of sales, its types include glue-lam, laminated veneer, floor and roof trusses, connectors, joist hangers, tie-downs and framed wall panels.

PRODUCTS:

The proposed business will establish the following Manufacturing of Building Materials Sector:

The manufacturing industries are **industries transforming goods**, that is, mainly manufacturing industries in their own right, but they also concern the repair and installation of industrial equipment and subcontracting operations for third parties

1. Contact material suppliers or companies that can provide you with the building materials

Construction materials and equipment are sourced from the company's manufacturing them. If you have finally decided to get into **the building material business**, shortlist different companies such as iron-making companies, cement producing companies, **brick manufacturing** companies, and others. Crusher is the best place to source materials like sand, bamboo around poles, etc.

It is best to list down all your material requirements and their quantity. Next, start contacting the suppliers and companies and place an order for all the materials. If need be, you may source some information from your competitors about how much material to buy, where to buy, etc. It will make things a little easier for you. However, there are several **unique business ideas** out there, but only a few of them are as promising as a **building material business**.

2. Select the right location for your building material business

To run a **Building material supplier business**, you'll require a large area. Therefore, it is best to choose where large vehicles like big tractors and trucks can easily move around. These vehicles transport the materials from one place to another.

You can start the business on your land (if you have any) or consider taking up space on lease or rent. If you are still wondering **how to start building a material supplier business**, you can help some experienced people in the market for guidance.

3. Arrange Transport for the Business

Hire a truck or tractor for arranging the transfer of materials from one place to another. You may either contact a reliable transport business company in your area or decide for a rental vehicle, a more economical option in **the construction supply business**. Also, you'll get tremendous import and export opportunities in this business.

Whether you are an established building material supplier or starting, be sure you know the trade's know-how. Then, you can easily create a perfect **building material business plan** with the right set of information. Then, try **new business ideas** to grow your business far and wide

Investment Costs and Sources of Finances:

The total investment required for the project is estimated around \$3 million. The funding will be an equity financing from shareholders.

JOB CREATION:

The proposed business of import and sale of manufacturing of furniture plant is expected to create over 150 direct jobs and an additional 300 indirect jobs in the supply chain and related industries. The business will employ skilled and experienced personnel, including engineers, technicians, economist, production staff and local people to ensure smooth operations and adherence to quality standards. Additionally, indirect employment opportunities will be created in the supply chain, including transportation, raw material suppliers, and other support services.

Investment Funds Expenditure Breakdown:

The funds raised from the equity will be utilized as follows (USD):

Land/Building:	\$200,000.00
Plant:	\$200,000.00.
Vehicles:	\$200,000.00
Furniture & Fittings:	\$100,000.00
Pre-expenses:	\$100,000.00
Others:	\$100,000.00
Working capital:	\$ 100,000.00
TOTAL;	1,000,000.00

OPERATIONS PLAN:

Location: HOYU WALL PANELS COMPANY LIMITED will be headquartered in a strategic urban location that offers easy access to construction sites and client meetings.

Premises: Our office space will be designed with sustainability in mind, incorporating energy-efficient features and eco-friendly materials.

Equipment: We will invest in state-of-the-art construction equipment to ensure efficient project execution and maintain high standards of quality.

Staffing: Our team will consist of experienced architects, engineers, project managers and skilled laborers who share our passion for innovation and sustainability.

MARKETING PLAN:

The marketing plan for the import and sale of manufacturing of furniture will focus on the following strategies:

Use word of mouth marketing: This marketing strategy is quite common and simple however; besides the influencers, customers also depend on hear-say when making their decisions on where to purchase materials, therefore, it is essential to control what is said by other customers, employees and even the influencers thus market share will definitely decrease. One effective way of controlling word of mouth is by maintaining close follow up with the customers.

Impress the Influencers: Influencers include architects, contractors and builders while the consumers are your actual customers having the influencers at your corner. This is because most of the time, actual customers depend on the influencers to decide on their behalf or advise them on which materials to use therefore, demonstrating the quality and affordability of the Real estate.

Building a business name: This is the most significant bit of marketing, as far as manufacturing of furniture are concerned. While customers depend hugely on influencers and word of mouth, it is also essential to build a reputable name so that it can speak for itself because of the good quality and reasonable pricing.

Utilize online marketing: The internet has become the core of everything, under the construction industry it has no exception. Building material retailers are also adapting to these changes. In order to keep up, we are active in social media platforms like Facebook, Twitter, Instagram, LinkedIn, Email and YouTube.

IMPLEMENTATION SCHEDULE:

The implementation schedule for the Real estate is estimated to be 15 months, as follows:

Pre-construction phase: 2 months. This will involve site selection, land acquisition, and obtaining necessary permits and approvals.

Design and engineering phase: 2 months. This phase will involve the design and engineering of the materials, including the layout, equipment and machinery selection, and other technical aspects.

Construction phase: 10 months. This phase will involve the construction of the materials and installation of equipment and machinery.

Testing and commissioning phase: 1 months. This phase will involve testing and commissioning of the material and equipment to ensure proper functioning before the start of production

FINANCIAL PROJECTION:

TABLE 1 FINANCING

<i>Financing</i>	\$
Owner's equity	
Cash	500,000
Contributed asset value	500,000
Total	1,000,000

**TABLE 2
INVESTMENT COST PLAN**

<i>COST INVESTMENT STRUCTURE</i>	\$
Current assets	
Working capital	200,000
Opening inventory	100,000
Other	38,000
Property and equipment	
Land	200,000
Building	300,000
Equipment	150,000
Furniture and fixtures	100,000

Leasehold improvements	50,000
Plant	100,000
Motor Vehicles	50,000
Installation	50,000
Total assets	1,380,000

The financial projections for the Furnitures manufacturing primary input are as follows:

As shown in the cash flow statement, we expect to have a steady inflow of cash from sales in the next three years. Our outflow will mainly consist of inventory costs, employee salaries, rent and utilities and marketing and advertising expenses. The net cash flow and cumulative net cash flow are expected to increase annually due to the growth in sales and efficient operation of the business. We aim to achieve profitability within the first five years of operations and this projected cash flow statement shows that we are on track to achieving

These projections assume that the company will gradually increase production capacity and expand its customer base over the years. It also assumes that the cost of raw materials and operating expenses might have slightly variation.

It is important to note that these projections are only estimates and are subject to change based on market conditions, operating costs, and other factors.

CAPACITY OF THE PROJECT:

The proposed investment industrial park for leasing will have a production capacity of 60000 tons per annul. This will be achieved through the installation of modern machinery and equipment, utilizing the latest technology in the investment industrial park for leasing the plant will operate 24 hours a day, seven days a week, ensuring efficient building processes and meeting the growing demand for Real Estate in Tanzania and the East African region.

CONCLUSION:

Sustainable manufacturing of furniture's is those which are produced or sourced locally, these materials are containing recycled & industrial waste materials and by-products, sustainable materials have a lower impact on the environment & are thermally efficient. The production of these manufacturing of furniture requires considerably less amount of energy in production when compared to modern or traditional construction materials. The advantages in the selection of sustainable manufacturing of furniture lie in the fact that they are not only economically viable but also reduce toxic emissions thereby reducing overall environmental impact.

Sustainable construction should be considered as an important component in creating a sustainable development to the country. Therefore, a need to make a proper selection of construction materials, which have minimum environmental burdens, is of great significance in order to boost a building environmental performance. One important consideration is to integrate building design and manufacturing of furniture from the design process stage.

As the business grows, we intend to hire knowledgeable and experienced staff that can provide exceptional customer service and technical advice. We will offer competitive hourly wages and benefits that include health and dental insurance, paid time off and retirement plans. Our employees will be an integral part of our business operations, working together to provide a seamless shopping experience for our customers.

Interest		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 375,000
Miscellaneous		\$ 200	\$ 220	\$ 242	\$ 266	\$ 293	\$ 1,221
SUBTOTAL	\$ -	\$ 241,110	\$ 230,339	\$ 273,282	\$ 234,400	\$ 236,710	\$ 1,215,840
Loan principal payment		\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 2,431,681
Capital purchase (land)		\$ 100,000					\$ 4,829,946
Capital purchase (excavators)		\$ -	\$ 1,000,000	\$ 100,000	\$ -	\$ -	\$ 9,538,892
Owners' Withdrawal			\$ -	\$ -	\$ 10,000,000	\$ 12,500,000	\$ 18,736,684
TOTAL CASH PAID OUT	\$ -	\$ 1,091,110	\$ 1,980,339	\$ 1,123,282	\$ 10,984,400	\$ 13,486,710	\$ 36,753,042
Cash Position (end of month)	\$ 1,380,000	\$ (91,110)	\$ 419,661	\$ 2,716,718	\$ (5,560,400)	\$ (6,320,310)	\$ (15,922,642)