

Business Plan for Integrated Industrial Park in Tanzania

I. COMPANY PROFILE

Hongwang Holding Group (HWHG) is a leading enterprise in the new materials sector, specializing in the production of **cold-rolled stainless steel, electrical steel, titanium alloys, and related finishing products**. As a comprehensive group integrating **R&D, design, production, and sales**, HWHG has built a strong industrial foundation with 12 subsidiaries across China and overseas.

With an **annual production capacity exceeding 6 million tons** and an annual output value of **more than US\$8 billion**, HWHG is recognized as one of the most competitive companies in the global steel and new materials industry. **The Group was ranked No. 280 in Fortune China's Top 500 Enterprises and No. 212 in China's Top 500 Manufacturing Enterprises (2025)**.

HWHG has established HWTZ INDUSTRIAL PARK MANAGEMENT LIMITED in Tanzania, a local subsidiary that will implement the industrial park project and act as the developer and operator of the industrial park.

II. PROJECT OVERVIEW & MASTER PLAN

The HWTZ Integrated Industrial Park covers more than 700 acres. It is conceived as a benchmark for sustainable and responsible industrialization in Tanzania, and creates a integrated industrial ecosystem that balances core industrial operations with comprehensive investment promotion and community development in full compliance with international ESG (Environmental, Social, and Governance) principles, ensuring its long-term success and positive impact.

The total investment will be USD 8 million and developed in two comprehensive phases. The master plan includes a diverse mix of functional zones, including heavy industry, light industry, trade & service, and living & community support, as well as independent power substations, a dedicated water plant, and a full suite of supporting facilities..

1. Functional Zones:

- (1) Steel Smelting & Rolling Zone
- (2) Cement Plant Zone

- (3) Power Generation Zone
- (4) Upstream & Downstream Processing Zone
- (5) Equipment Manufacturing & Maintenance Zone
- (6) Inspection & Testing Center
- (7) Trade and Service (one-stop service center, customs, dry port)
- (8) Living & Community Support Zone (commercial center, hospital, school, banks, police station, fire station, gas station, places of worship, etc)

2. Comprehensive Park Services

To ensure the success and smooth operation of our tenants, HWTZ will provide a full suite of professional services, creating a conducive and efficient business environment.

(1) Business Establishment & Advisory

- Investment advisory and facilitation.
- One-stop service center for all government-related permits and approvals.
- Facilitation on land use rights and unit titles.

(2) Operational & Logistics Support

- Comprehensive customs clearance and commodity inspection services.
- Integrated logistics, warehousing, and transportation solutions.
- Industrial sheds sales and leasing service.

(3) Community & Quality of Life

- Residential and commercial facilities.
- Hotel Services.
- Religious facilities.

(4) Utilities & Environmental Management

- Stable power supply from dedicated and self-owned generation facilities.
- Reliable water supply for both production and domestic use.
- Centralized sewage treatment plant.

(5) Security & Maintenance

- Services provided by a professional security company
- Ongoing property management and maintenance

III. Construction Details

1. Construction Phase I

(1) Construction period: 2 years with 5 million investment.

(2) Objective: Establish the park's foundational ecosystem with self-sufficient utilities and core production capabilities to ensure operational launch:

a) Land & Site Development

- Complete land acquisition, site preparation, and zoning.

- Implement comprehensive site leveling across the developed area.

b) Core Infrastructure Construction:

- Build main internal access roads and connect to national highways.
- Construct dedicated water supply pipelines and drainage systems.
- Establish power substations.
- Install communication networks and natural gas pipelines.

c) Production Facilities:

- Construct workshops for steel smelting and rolling facilities, and cement production plant.
- Develop metal product fabrication plants.
- Establish equipment manufacturing and repair base.
- Build standardized factory buildings for lease to upstream and downstream industries.

d) Support Facilities:

- Build warehouse for core logistics hub.
- Construct building for inspection and testing center.
- Erect basic administrative offices, and basic staff accommodations.
- Implement property management and security services.

e) Environmental Infrastructure

- Build centralized sewage treatment plant.
- Implement waste management facilities.

2. Construction Phase II

- (1) Construction period: 1 year with 3 million of investment.
- (2) Objective: Expand into upstream and downstream manufacturing and complete the supporting social and commercial ecosystem.

a) Logistics & Export Infrastructure:

- Construct Dry Port facility with bonded warehouses to facilitate the export to neighbouring countries via Malawi lake.
- Expand container yards and logistics center.
- Build dedicated customs clearance area.

b) Community & Service Facilities

- Construct comprehensive Living & Community Support Zone including: Residential apartments and staff dormitories, medical facility, school, commercial center and religious facilities.
- Build One-Stop Service Center housing government services (customs, immigration, business registration).
- Establish fire station, police station, and enhanced security systems.

3. Investment Funds Expenditure Breakdown (Phase I & II)

The detailed allocation of the total investment of USD 8 million is as follows:

Item	Amount (USD)
Land Acquisition	106,666.67
Plant / Building	4,266,666.67
Vehicles	53,333.33
Furniture	16,000.00
Pre-expenses	64,000.00
Others	1,066,666.67
Working Capital	2,426,666.67
Total	8,000,000.00

The total project investment cost is to be fully financed through foreign equity investment from China provided by Hongwang Holding Group. This equity financing ensures strong financial backing and facilitates smooth implementation without reliance on local debt.

IV. Marketing Plan

The company will establish a dedicated Investment Promotion Team and a Property Management Team to drive tenant acquisition and ensure seamless operations.

Primary Focus: Targeting Chinese enterprises, especially those in the metal processing upstream and downstream industries, to create a clustered industrial chain.

Occupancy Timeline:

- 2026: Attract mineral processing plants, steel mills, and cement plants.
- 2027: Secure a power generation plant operator.
- 2028: Attract supporting downstream finishing and processing manufacturers.

Key Target: Achieve over 75% park occupancy within the first three years through investment promotion.

V. 5-Year Financial Projection

	2026 Annual Revenue (USD)	2027 Annual Revenue (USD)	2028 Annual Revenue (USD)	2029 Annual Revenue (USD)	2030 Annual Revenue (USD)
Annual Revenue	-	-	-	2,304,455.94	2,304,455.94
Depreciation	-	-	-	800,000.00	800,000.00
Gross Profit	-	-	-	1,504,455.94	1,504,455.94
Gross Profit Rate	-	-	-	65.28%	65.28%
Land Cost	320,000.00	-	-		
Plant/ Buliding Construction Cost	4,266,666.67	4,266,666.66	4,266,666.66		
	1,200,000.00	1,200,000.00	1,200,000.00		

Other Construction Cost					
Security Charge				100,000.00	100,000.00
Human Cost	2,426,666.67	2,426,666.67	2,426,666.67	240,000.00	240,000.00
Other Operation Cost				176,831.97	176,831.97
Earnings Before Interest And Taxes	-8,213,333.34	-7,893,333.33	-7,893,333.33	987,623.98	987,623.98
Income Tax	-	-	-	296,287.19	296,287.19
Net Profit	-8,213,333.34	-7,893,333.33	-7,893,333.33	691,336.78	691,336.78
Net Profit Rate				30%	30%

VI. Project Significance

1. Economic Growth & Industrial Catalyst:

- The project, with a total investment of US\$8 million, will serve as a powerful catalyst for the regional economy.
- It will directly stimulate the development of a wide range of supporting industries, including trade, machinery processing, logistics, and professional services.
- The establishment of a complete industrial ecosystem is projected to indirectly attract massive follow-on investments in related upstream and downstream sectors.
- The integrated Dry Port and logistics hub will transform the park into a major export platform, significantly boosting Tanzania's export volumes to regional and international markets.

2. Industrial Upgrading & Diversification:

- The project will drive a significant upgrade of Tanzania's industrial structure by introducing advanced manufacturing and processing technologies.
- It will foster a diversified industrial base, moving beyond raw material extraction to high-value-added production, thereby enhancing the nation's economic resilience and global competitiveness.

3. Job Creation & Skills Development:

- The park is expected to directly generate 200 employment opportunities.
- Beyond direct employment, it will catalyze a large-scale skills development program, training a new generation of local engineers, technicians, and skilled industrial workers through attracting the related industrial chain, which will strengthen Tanzania's human capital foundation for long-term industrial growth.

4. Technology Transfer & Sustainable Development:

- The project is committed to integrating energy-efficient equipment and low-carbon production technologies across all its operations.
- This focus on advanced technology and sustainable practices will not only minimize environmental impact but also establish a new benchmark for modern, responsible industrialization in Tanzania, facilitating a meaningful transfer of technical knowledge and expertise.