

BUSINESS PLAN

PEGASUS HOLDINGS LIMITED

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PEGASUS HOLDINGS LIMITED

Business Plan – Real Estate

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PEGASUS HOLDINGS LIMITED

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Executive Summary

PEGASUS HOLDINGS LIMITED is a private real estate facility registered in Tanzania, aiming to provide high-quality, affordable, and accessible real estate services to the Tanzanian population. The Real Estate will be located in Dar es Salaam, Tanzania, and will offer a wide range of housing services, The Real Estate will be equipped with state-of-the-art housing and staffed by highly qualified professionals.

The real estate sector in Tanzania is growing due to increasing population, urbanization, and a rising middle class. PEGASUS HOLDINGS LIMITED aims to tap into this growing demand by providing world-class real estate services at competitive prices. The Real Estate will also contribute to the Tanzanian economy by creating employment opportunities and generating government revenue through taxes.

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Business Plan – Real Estate

1. INTRODUCTION

This business plan has been drawn up regarding the Real Estate Service in United Republic of Tanzania. This business plan has been drawn up for an operation that would help the company and the Government of Tanzania and neighboring countries to boost the economic growth through provision of high quality and affordable Real Estate Service

1.1 Background

Tanzania's real estate sector is undergoing significant transformation, driven by population growth, urbanization, and increasing demand for quality real estate services. The government has been actively encouraging private sector participation in real estate to complement public real estate services. PEGASUS HOLDINGS LIMITED aims to fill this gap by providing affordable and high-quality real estate services to the Tanzanian population.

The Real Estate will be registered under the Tanzanian Companies Act, with all necessary licenses and permits to operate as a real estate facility. The Real Estate will comply with all Tanzanian real estate regulations and standards.

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1.2 Vision, Mission, Values and Objectives of the Business.

Mission

To become the leading provider of affordable and high-quality real estate services in Tanzania

Vision

To provide accessible, affordable, and high-quality real estate services to all Tanzanians, ensuring patient satisfaction and well-being.

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Core Values

- Patient-Centered Care: Putting clients at the heart of everything we do.
- Excellence: Striving for the highest standards in hostility care.
- Integrity: Upholding ethical standards in all our operations.
- Teamwork: Collaborating to achieve the best outcomes for our client.

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Project Objectives

- To provide high-quality real estate services to both local and international patients.
- To create employment opportunities for Tanzanian real estate professionals.
- To contribute to the Tanzanian economy through tax revenues and real estate investments.
- To establish a reputation as a leading real estate provider in Tanzania

1.3 Products and Services

- **REAL ESTATE SERVICES AND PRODUCTS**
- Pegasus Holdings Limited offers a comprehensive suite of services and property solutions tailored to Tanzania’s growing market demands.
- **A. Residential Properties**
- **Affordable Housing**
- Starter homes for first-time buyers.
- Government-partnered subsidized housing projects.
- **Luxury Developments**
- High-end apartments and villas in prime locations (e.g., Dar es Salaam, Zanzibar).
- Gated communities with amenities (pools, gyms, 24/7 security).
- **Rental Units**
- Short-term and long-term leases for expatriates and professionals.

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1.4 RATIONALE AND DESCRIPTION OF THE BUSINESS

Our Tanzania's real estate sector is growing rapidly, driven by a population of over 61 million people and increasing urbanization. The country's middle class is expanding, leading to higher demand for quality real estate services. PEGASUS HOLDINGS LIMITED aims to meet this demand by providing affordable and high-quality real estate services.

The Real Estate will be strategically located in Dar es Salaam, Tanzania's largest city, ensuring easy access for patients. The Real Estate will partner with reputable manufacturers to ensure the highest standards of care.

1.5 Operational plan

- **Location:** The Real Estate will be located in Dar es Salaam, with easy access to major roads and public transportation.
- **Facilities:** The Real Estate will have over 20 buildings and plots.
- **Staffing:** The Real Estate will employ highly qualified professionals, including engineers and support staff.
- **Supply Chain:** The Real Estate will establish partnerships with reputable suppliers to ensure a steady and safe environment .

- Marketing:

The Real Estate will implement a comprehensive marketing strategy to attract clients, including digital marketing, community outreach, and partnerships with insurance companies.

2. Ownership and Management of the Project

PEGASUS HOLDINGS LIMITED will be owned by three shareholders, each with significant experience in real estate and business management.

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3.2 Shareholding Structure

The company shareholding structure is depicted below:

- | HERTFORD TRADING COMPANY LIMITED 99999 shares taken
- | DAVID CHARLES DOBIE 27001 shares taken
- | LARA XENIA MINA MARIE DOBIE 10000 shares taken

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3.2.1. Funding

Funds for financing the business was contributed the Directors of PEGASUS HOLDINGS LIMITED Also the company explored other financing window such as supplier credits and short term financing from financial institutions.

a. Equity

The company shareholders contributed the equity which were used to acquire the equipment and machinery, as well as initial working capital.

b. Directors financing

The directors also extended the financing in terms of advance from directors to facilitates the company growth and ensure the company operations are running smoothly

1. ECONOMIC ASPECTS

1.1 Investment Priority

The project investment is in line with government policy and development goals to ensure easy real estate services.

1.2 Employment opportunity

The project will creates employment to people who otherwise could not have secured employment and indirectly will create more opportunities. It also develops skills to the employees on a continuous basis that will have a multiplier effect and associated demand for support services.

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1.3 Government revenue

The government is expected to earn greater amount of income in form of taxes such as corporate tax, Value Added Tax, Excise duty, Employment taxes such as pay as you earn and skills and development levy. Also other government fees such as licenses and permits.

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1.4 ANNUAL SALES AND PURCHASES PROJECTIONS

The following is the projected purchases of equipment for the next 12 months.

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Period of Cash Flow Projections year	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total
Inflows:													
Cash and Debtors Collections	0	0	206,177,400	201,595,680	180,977,940	190,141,380	160,360,200	158,069,340	148,905,900	180,977,940	160,360,200	183,268,800	1,770,834,780
Capital Injections	200,000,000												200,000,000
Directors current account		30,000,000	0										30,000,000
Total inflows	200,000,000	30,000,000	206,177,400	201,595,680	180,977,940	190,141,380	160,360,200	158,069,340	148,905,900	180,977,940	160,360,200	183,268,800	2,000,834,780
Out Flows:													
FIXED & VARIABLE EXPENSES													
Commissions and fees	-	-	4,123,548	4,031,914	3,619,559	3,802,828	3,207,204	3,161,387	2,978,118	3,619,559	3,207,204	3,665,376	35,416,698
Sales and marketing	-	-	12,100,000	12,100,000	12,100,000	12,100,000	12,100,000	12,100,000	12,100,000	12,100,000	12,100,000	12,100,000	121,000,000
Interest expense	6,556,333	6,415,464	6,272,598	6,127,709	5,980,767	5,831,743	5,680,608	5,527,332	5,371,885	5,214,236	5,054,353	4,892,205	68,925,234
Purchases of Raw materials	-	-	145,878,700	85,811,000	85,811,000	171,622,000	85,811,000	85,811,000	163,040,900	85,811,000	85,811,000	180,203,100	1,175,610,700
Salary and wages - Experts	-	-	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	82,500,000
Salaries/ wages - Other Staffs	-	-	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	58,500,000
Workers Compensation Fund (WCF)	-	-	29,250	29,250	29,250	29,250	29,250	29,250	29,250	29,250	29,250	29,250	292,500
Social Security Contributions	-	-	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	17,950,000
Skills and Development Levy (SDL)	-	-	718,000	718,000	718,000	718,000	718,000	718,000	718,000	718,000	718,000	718,000	7,180,000
Repairs and maintenance	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	1,073,333	12,880,000
Water & Electricity	514,800	514,800	514,800	514,800	514,800	514,800	514,800	514,800	514,800	514,800	514,800	514,800	6,177,600
Auditing Fee	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,000,000
Telephone, postage and Internet	176,000	176,000	176,000	176,000	176,000	176,000	176,000	176,000	176,000	176,000	176,000	176,000	2,112,000
Tax Consultations	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	4,800,000
Oil and Lubricants	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	2,083,333	25,000,000
Road Toll	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	6,414,408	76,972,896
Weight and Measures	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	13,200,000
Permits and other costs	-	-	440,000	440,000	440,000	440,000	440,000	440,000	440,000	440,000	440,000	440,000	4,400,000
Bank Charges	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,000,000
Loan Processing fees	-	-	-	-	-	-	-	-	-	-	-	-	-
City service levy	-	-	618,532	604,787	542,934	570,424	481,081	474,208	446,718	542,934	481,081	549,806	5,312,500
Rent	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	1,388,400	16,680,800
Demurrage and handling charges	1,157,000	1,619,800	1,619,800	1,619,800	1,619,800	1,619,800	1,619,800	1,619,800	1,619,800	1,619,800	1,619,800	1,619,800	18,974,800
Insurance	1,458,333	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	23,916,667
Courier Services	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000
Business Licence	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	400,000
Security Expenses & Accessories	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,000,000
Parking and Gate pass Expenses	76,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	1,000,000
Plant and machinery													
Taxes paid	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,000,000
Trucks repayments	175,000,000												175,000,000
Total Outflows	198,781,275	24,694,538	204,354,703	144,036,734	143,415,584	229,288,320	142,641,216	142,435,252	219,298,946	142,649,053	142,014,966	236,771,812	1,970,382,396
Net flow	1,218,725	5,305,462	1,822,697	57,558,946	37,562,356	-39,146,940	17,718,982	15,634,088	-70,393,046	38,328,887	18,345,234	-53,503,012	30,452,384
Opening Cash Balance	-	1,218,725.33	6,524,187.11	8,346,884.12	65,905,830.05	103,468,185.95	64,321,246.38	82,040,228.74	97,674,316.77	27,281,271.21	65,610,158.19	83,955,396.01	

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Net flow	1,218,725.33	5,305,461.78	1,822,697.01	57,558,945.93	37,562,355.91	(38,146,939.59)	17,718,982.37	15,634,088.03	(70,393,045.59)	38,328,886.96	18,345,237.82	(53,503,012.14)	
Accumulated cash flow	1,218,725.33	6,524,187.11	8,346,884.12	65,905,830.05	103,468,185.95	64,321,246.36	82,040,228.74	97,674,316.77	27,281,271.21	65,610,158.19	83,955,396.01	30,452,383.86	

2. MARKET ASSESSMENT

5.0 Industry Analysis

For PEGASUS HOLDINGS LIMITED to have the Centre running the Key Success Factors include use of advanced technology for real estate services, Procured quality care which ensure the return on investment, Good management, networking abilities, timely delivery, lowest product sourcing cost, accessible location and other factors deem to be important..

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 Business Plan – REAL ESTATE DEVELOPMENT

Table 5.1: Rival Analysis

Key Success Factor	Industry1	Industry2	Industry3	Competitor 4	Competitor 5	Competitor 6	Competitor 7	PEGASUS HOLDINGS LIMITED
Reputation and Image	High	High	Moderate	Moderate	Moderate	High	Moderate	High
Good services	High	High	Moderate	Moderate	Moderate	High	Moderate	High
Supply Chain management	High	High	Moderate	Moderate	Moderate	Moderate	Moderate	High
Reliability of the machines	Moderate	Moderate	Low	Low	Low	Moderate	Moderate	High
Affordability	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate	High
Timely delivery	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate	High
Price Stability	High	High	Moderate	Moderate	High	High	High	High

From Table 5.1 above, the company is focusing on quality and affordable real estate services , Stable prices, after sale services, and protecting the brand.

5.2 Strengths, Weaknesses, Opportunities and Challenges (SWOC)

The analysis of key strengths and weaknesses that emanate from the internal environment and opportunities and challenges emanating the project from external environment is depicted in Table 5.2 below

Table 5.2: SWOT Analysis for PEGASUS HOLDINGS LIMITED

STRENGTH	WEAKNESSES
<ul style="list-style-type: none"> • Bulk Sourcing • Steady supply and good supply chain • Focus on affordability's 	<ul style="list-style-type: none"> • After sales services is expensive due to wide coverage of the country
OPPORTUNITIES	THREATS/CHALLENGES
<ul style="list-style-type: none"> • There are more than 61 million peoples in Tanzania. • The increase in middle class fuels the consumptions of high quality health service. 	<ul style="list-style-type: none"> • Technology is evolving faster but we got this sorted

5.3 Strategic issues-Priority Areas for the Project Plan

Through situational analysis and discussion with the members of management, the followings were established as the priority issues to be addressed in the next three years of this Business Plan:

- Focus on marketing strategies by doubling the annual rate of customers.
- Foster the relationship with supplier financing institutions,
- Ensuring the company provide high quality products at the reasonable cost, strength and care about customer needs.
- Maintaining effective and close communication with both customers and employees.
- Ensuring on timely services to patients
- Heavily focusing on after sales services to our customers to ensure the products are offering the intended satisfactions

5.4 CONCLUSION

The demand and market for quality Real Estate Service in Tanzania is still not utilized in fully and there is a potential of doing good business by playing part to ensure the quality services are provided for exportation purposes.

This makes the project, relevant in the country like Tanzania and neighboring countries in Africa when there is rapid growth of population which triggered by improvement of internet infrastructure, water sector and construction industry and mostly. Good real estate. The company will fuel the development through the creations of employments and contributing to the country through paying taxes.

The financial returns from the project are therefore expected to be adequate to reflect the conservative approach to revenues and associated cost projections as well as long term view by the shareholders.

PROJECTION ON THE NEXT 5 YEARS

5-YEAR FINANCIAL PROJECTION REPORT

For a Real Estate Development Company

Based on USD 4.65 Billion Budget

Period: July 2025 to June 2030

1. KEY ASSUMPTIONS

- - Initial investment: USD 4.65 billion
- - Revenue streams: High-end residential sales, commercial property leasing, serviced apartments, and asset management
- - Average revenue growth: 15% annually
- - Operating costs: ~45% of revenue
- - Staff, admin, and finance costs: Estimated percentages of revenue
- - Depreciation: Straight-line over 20 years
- - Corporate tax rate: 30%

2. STATEMENT OF COMPREHENSIVE INCOME (USD '000)

Item	2026	2027	2028	2029	2030
Revenue	800,000	920,000	1,058,000	1,216,700	1,398,205
Operating Costs	360,000	414,000	476,100	547,515	629,192
Gross Profit	440,000	506,000	581,900	669,185	769,013
Admin Costs (4%)	32,000	36,800	42,320	48,668	55,928
Staff Costs (6%)	48,000	55,200	63,480	72,894	83,892
Finance Costs (3%)	24,000	27,600	31,740	36,501	41,946
Depreciation	232,500	232,500	232,500	232,500	232,500
Profit Before Tax	103,500	153,900	211,860	278,622	355,747
Tax (30%)	31,050	46,170	63,558	83,587	106,724
Net Profit	72,450	107,730	148,302	195,035	249,023

3. CAPITAL EXPENDITURE & ASSETS (USD '000)

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Investment	4,650,000	-	-	-	-
Annual Depreciation	232,500	232,500	232,500	232,500	232,500
Net Book Value (EoY)	4,417,500	4,185,000	3,952,500	3,720,000	3,487,500

4. CASH FLOW SUMMARY (USD '000)

Item	2026	2027	2028	2029	2030
Net Profit	72,450	107,730	148,302	195,035	249,023

Add Back Depreciation	232,500	232,500	232,500	232,500	232,500
Net Cash from Operations	304,950	340,230	380,802	427,535	481,523
Capital Expenditure (CapEx)	(4,650,000)	-	-	-	-
Net Cash Flow	(4,345,050)	340,230	380,802	427,535	481,523

5. EQUITY & RETURNS (USD '000)

Item	2026	2027	2028	2029	2030
Cumulative Net Profit	72,450	180,180	328,482	523,517	772,540
Return on Investment	1.6%	3.9%	7.1%	11.3%	16.6%

