

2025

Business Plan

AFRIWORLD OIL BLENDING &
LUBRICANTS PLANT

DAR ES SALAAM-ILALA-KARIAKOO

Presented by

AFRIWORLD TRADE GROUP LIMITED

Petroleum Product Importer



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Executive Summary

VISION

To be the leading provider of high-quality, locally blended lubricants in Tanzania and the region, driving industrial growth, sustainability, and energy efficiency

MISSION

To manufacture and supply premium-grade lubricants by utilizing advanced blending technology, ensuring product excellence, affordability, and environmental sustainability while creating employment and fostering industrial development in Tanzania

PROJECT OVERVIEW

Afriworld Trade Group Limited is expanding its petroleum business by establishing a modern oil blending and lubricants plant in Tanzania. The facility will specialize in blending high-quality lubricants, engine oils, and industrial oils by mixing base oils with advanced additives to meet international and local industry standards. This project aims to reduce Tanzania's reliance on imported lubricants, enhance industrial competitiveness, and provide cost-effective, high-performance lubrication solutions for the automotive, industrial, mining, and marine sectors.

MARKET OPPORTUNITY & DEMAND

Tanzania's growing automotive, industrial, and mining sectors have an increasing demand for lubricants and specialty oils. Currently, a significant portion of lubricants is imported, leading to higher costs and supply chain risks. Establishing a local blending plant will provide cost-effective, high-quality alternatives, ensuring a consistent supply and contributing to economic growth.

PROJECT OBJECTIVES

1. Establish a state-of-the-art oil blending facility for lubricant production.
2. Reduce import dependency and enhance local manufacturing capacity.
3. Support Tanzania's transport, construction, and industrial sectors with high-quality lubricants.
4. Create employment opportunities and facilitate skills transfer to the local workforce.
5. Comply with international lubricant standards (API, SAE, ISO)

EMPLOYMENT & ECONOMIC IMPACT

Skills transfer programs to train workers in modern oil blending techniques, quality control, and safety standards.

50+ DIRECT JOB

in operations, logistics, sales, and administration.

40% FEMALE EMPLOYEES

in management to supportive services as human resource , accounting and marketing roles

100+ INDIRECT JOBS

in the supply chain and distribution.

95% + TANZANIANS

only 3-5 employees will not be tanznians in the organisation

PROJECT PRODUCTION CAPACITY

The Afriworld Oil Blending Plant is designed to **produce 100 million** liters of lubricants per month, ensuring a steady supply to meet the growing demand in Tanzania and neighboring countries.

CAPACITY	LITER
Monthly Capacity	1,000,000
Annual Capacity	12,000,000

KEY PRODUCTION FEATURES

- 1.State-of-the-Art Blending Technology – Ensures precision and quality.
2. Automated Packaging Lines – Supports various container sizes (1L, 5L, 20L, 200L drums).
3. Quality Control Measures – Lab testing for viscosity, thermal stability, and performance.
4. Scalability – Production can be increased based on market demand.

TECHNOLOGY & SKILLS TRANSFER

- 1.Training programs for local technicians.
- 2.Knowledge transfer from international lubricant experts.
- 3.Use of modern blending techniques to optimize product performance.

PRODUCT BREAKDOWN

TYPE OF OIL	OUTPUT- LITRES (MILLIONS)	PERCENTAGE
Engine Oils	4.8	40%
Gear Oils	2.4	20%
Transmission Fluids	1.8	15%
Industrial Oils	3	25%
TOTAL	12	100%

Company Summary

COMPLIANCE WITH TANZANIAN LAWS

Afriworld Trade Group Limited was incorporated on April 2020 as a Limited Liability Company (LLC) under Tanzanian law. The company is fully compliant with Tanzanian regulations, including:

- The Companies Act, 2002 (as amended), which governs the registration, management, and dissolution of companies in Tanzania.
- The Tanzania Revenue Authority (TRA) regulations for tax registration, ensuring timely tax filing and compliance with VAT, corporate tax, and other applicable taxes.
- The Energy and Water Utilities Regulatory Authority (EWURA) for licensing and ensuring compliance with regulatory standards specific to the energy sector, including importation, storage, and distribution of crude oil and petroleum products.
- Environmental and Occupational Health & Safety Regulations under the National Environmental Management Council (NEMC) and the Occupational Health and Safety Authority (OSHA) to ensure the safety of workers and minimize environmental impact.

The company has also obtained all necessary permits for crude oil importation, storage, and distribution, as well as lubricant blending operations, ensuring compliance with Tanzanian laws at all stages of business operation.

COMPANY SHAREHOLDING STRUCTURE

NAME	CITIZENSHIP	NUMBER F SHARES OWNED
SEYED HAMED SEYED JAVAD REZAEI	IRANIAN	25
REYHANEH GHORBANALI ROUHOLLAHZADEHKORDL	IRANIAN	25
FARZANEH MOHAMMAD PILEHVARAN	IRANIAN	25
HOSSEIN REZA NIKKAH	IRANIAN	25
SEYED JAVAD REZAEI	IRANIAN	10



CURRENT DAILY ACTIVITIES OF AFRIWORLD TRADE GROUP LIMITED

Afriworld Trade Group Limited is actively engaged in the following key business activities:

1. Importing and Exporting Petroleum Products

Afriworld Trade Group Limited is involved in the importation and exportation of petroleum products. The company imports crude oil and refined petroleum products from international suppliers to Tanzania and subsequently exports these products to neighboring countries including Zambia, Malawi, and the Democratic Republic of Congo (DRC). The company ensures a consistent and reliable supply of petroleum products for various industrial and consumer needs in these regions.

2. Transportation of Petroleum Products and Derivatives

Afriworld Trade Group Limited provides logistics services for the transportation of petroleum products and their derivatives. The company operates a fleet of specialized tankers to transport crude oil, refined fuels, lubricants, and other petroleum derivatives to various distribution points within Tanzania and across regional markets. This ensures efficient delivery and availability of petroleum products to meet both local demand and regional export commitments.

Products & Services

At Afriworld Trade Group Limited, we offer a range of high-quality petroleum-based products and lubricant solutions to meet the diverse needs of our clients. Our products are designed for automotive, industrial, and machinery applications, ensuring optimal performance, protection, and efficiency.

OUR PRODUCTS

GEAR OIL

We offer GL-4 and GL-5 gear oils designed for manual transmissions and differentials, ensuring smooth operation and protection under high pressure

ENGINE OIL

Our range of engine oils includes:

- 15W-40: Ideal for general-purpose use in various vehicles.
- 20W-50: Best for high-temperature and heavy-duty conditions.
- 5W-30: Designed for fuel efficiency and modern engines.

TRANSMISSION FLUIDS

We supply transmission fluids for both manual and automatic systems, ensuring smooth shifting, protection, and heat resistance.

INDUSTRIAL OILS

Our industrial oils are formulated for machinery lubrication, hydraulic systems, and compressors, offering corrosion protection and reducing friction.

OUR SERVICES

IMPORTATION & DISTRIBUTION

We import and distribute crude oil, refined fuels, and lubricants to Tanzania and neighboring countries such as Zambia, Malawi, and the DRC.

OIL BLENDING & LUBRICANT MANUFACTURING

Afriworld operates a local oil blending plant to produce engine oils, gear oils, and industrial oils, reducing reliance on imports.

OIL BLENDING & LUBRICANT MANUFACTURING

Our fleet ensures the safe and timely delivery of petroleum products and lubricants to customers within Tanzania and the wider region.

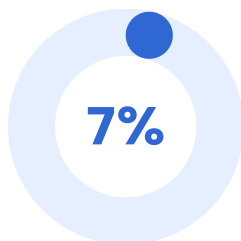
STORAGE & DISTRIBUTION

We offer safe storage and efficient distribution of petroleum products, meeting international safety standards.

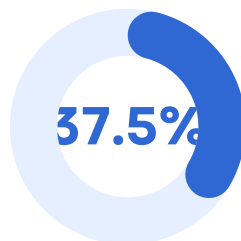
Our focus is on providing high-performance products and reliable services that meet the needs of our clients.

Industry Background

The petroleum and lubricant industry plays a crucial role in the economic development of many countries, including Tanzania. As the demand for energy and efficient machinery operation continues to rise, the need for high-quality petroleum products and lubricants is expanding in various sectors such as automotive, industrial machinery, manufacturing, and transportation.



FUEL CONSUMPTION
GROETH RATE



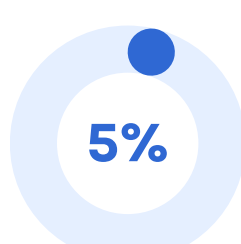
PETROL STATIONS
INCREASE RATE FROM
OCTOBER 2022 TO MARCH
2022



ENERGY SECTOR
INITIATIVES



MANUFACTURING GDP
CONTRIBUTION



ENERGY DEMAND TO GDP

1.5 times

ENERGY DEMAND
INCREASE BY 2040

CHALLENGES

ENERGY SUPPLY ISSUES

The electricity sector faces challenges like low energy security, unreliable supplies, and high electricity losses (21-23%).

DEPENDENCE ON HYDROPOWER

Heavy reliance on hydropower makes the sector vulnerable to droughts, affecting energy production during dry periods

Market Analysis

TARGET MARKET

Afriworld Trade Group's oil blending project will primarily serve Tanzania and its neighboring countries, including:

- Zambia
- Malawi
- Democratic Republic of Congo (DRC)
- Kenya
- Uganda
- Burundi
- Rwanda

These countries have growing economies, increasing vehicle ownership, expanding industrial sectors, and rising demand for high-quality lubricants.

DEMAND ANALYSIS

The East African lubricant market is experiencing steady growth due to increased industrialization, infrastructure development, and vehicle usage.

TANZANIA	ZAMBIA
<ul style="list-style-type: none">• Market Size: Over 3 million registered vehicles require regular lubricant use.• Annual Lubricant Consumption: Over 80 million liters per year.• Growth Rate: Estimated at 5–7% per year, driven by increased vehicle imports and industrial growth.• Key Consumers: Transport sector, industrial machinery, construction equipment, mining, and agriculture	<ul style="list-style-type: none">• Market Growth Rate: 5% per year, driven by the mining and transportation sectors.• Demand for Heavy-Duty Lubricants: Mining companies require high-performance industrial oils.

MALAWI	DEMOCRATIC REPUBLIC OF CONGO (DRC)
<ul style="list-style-type: none"> • Annual Consumption: Over 30 million liters. • Market Growth: 4–5% per year, mainly in the agriculture and transport sectors. 	<ul style="list-style-type: none"> • One of the largest potential markets due to the expanding mining industry. • High demand for industrial lubricants for heavy machinery. • Estimated market growth: 6% annually.
KENYA & UGANDA	BURUNDI & RWANDA
<ul style="list-style-type: none"> • Both markets are growing at 4–6% annually. • Large transport and logistics sectors increasing demand for engine oils and transmission fluids. 	<ul style="list-style-type: none"> • Smaller markets but growing rapidly at 4% annually. • Increased demand for synthetic lubricants due to stricter environmental regulations.

KEY MARKET DRIVERS

- **Rising Vehicle Ownership:** Increasing imports of used and new vehicles.
- **Industrial Expansion:** Growth in construction, mining, and manufacturing sectors.
- **Agricultural Mechanization:** Increased use of machinery in farming operations.
- **Need for High-Quality Lubricants:** Demand for synthetic and long-lasting lubricants is increasing.

MARKET OPPORTUNITIES

1. **Local Manufacturing Advantage** – Reduced dependency on imports.
2. **Export Potential** – Expanding into regional markets with high demand.
3. **Growing Adoption of Synthetic Lubricants** – Consumers shifting towards fuel-efficient, high-performance oils.

Marketing Plan

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PRODUCT

Afriworld specializes in high-quality lubricants, including:

- Engine Oils: 15W-40, 5W-30, 10W-40, etc.
- Gear Oils: 80W-90, 85W-140, etc.
- Transmission Fluids: ATF Dexron III, ATF T-IV, etc.
- Industrial Oils: Hydraulic oils, compressor oils, and cutting fluids.

Our products are designed for automotive, industrial, mining, agricultural, and marine applications, ensuring high performance, efficiency, and longevity.



PRICE

Our pricing strategy is competitive and value-driven, considering:

- Bulk pricing for distributors to encourage large orders.
- Flexible payment terms for trusted partners.
- Volume-based discounts to reward loyal customers.
- Competitive positioning against leading brands while offering premium quality.



PROMOTION

To strengthen our market presence, we will focus on:

- Distributor Support: Training, promotional materials, and incentives.
- Brand Awareness Campaigns: Social media, industry events, and trade fairs.
- Referral & Loyalty Programs: Encouraging long-term partnerships.
- Strategic Partnerships: Collaborating with auto shops, fleet operators, and industrial companies.
- Digital Marketing: SEO, targeted ads, and business networking platforms.



PLACE

We primarily work with distributors who supply products across Tanzania and neighboring countries.

- Key Distribution Centers: Dar es Salaam, Mwanza, Arusha, Mbeya, and Dodoma.
- Export Markets: Zambia, Malawi, DRC, Kenya, Uganda, Burundi, and Rwanda.
- Retail Outlets & Service Centers: Partnering with fuel stations, auto shops, and hardware stores.
- Direct Supply to Key Industries: Mining, transport, and manufacturing companies.

Financial Plan

SOURCE OF FUNDING

The project will be financed through a direct investment of equity amounting \$500,000 from Afriworld Trade Group, which will be deposited into the company's bank account for project execution.

CAPITAL REQUIREMENTS

The funds will be allocated as follows:

PHASE 1

fFrom 100% equity

ALLOCATION	AMOUNTS (USD)
Facility Rental	\$50,000
Machinery & Equipment	\$185,000
Working Capital (Raw Materials, Operations)	\$265,000
TOTAL INVESTMENT	\$500,000

PROFIT & LOSS STATEMENT (5 YEARS)

US \$	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Revenue Revenue	9,000,000	12,600,000	14,400,000	15,300,000	16,200,000
COGS	5,400,000	7,560,000	8,640,000	9,180,000	9,720,000
Profit	3,600,000	5,040,000	5,760,000	6,120,000	6,480,000
Operating Expenses	1,800,000	2,520,000	2,880,000	3,060,000	3,240,000
Net Profit	1,260,000	1,764,000	2,016,000	2,142,000	2,268,000

BALANCE SHEET (YEAR 5)

US \$	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ASSETS					
Current Assets	2,450,000	4,670,000	7,080,000	9,393,000	12,774,000
Fixed Assets	186,667	173,333	160,000	146,667	133,333
Total Assets	2,636,667	4,883,333	7,240,000	9,539,667	12,907,333
LIABILITIES & EQUITY					
Liabilities	-	-	-	-	-
Retained Earnings	2,136,667	4,383,333	6,740,000	9,039,667	12,407,333
capital	500,000	500,000	500,000	500,000	500,000

5-YEAR PROJECTED CASH FLOW STATEMENT

US \$	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Operating Cash Flow					
Net Profit (From P&L)	1,260,000	1,764,000	2,016,000	2,142,000	2,268,000
Depreciation (Non-Cash)	13,333	13,333	13,333	13,333	13,333
Change in inventory	(450,000)	(180,000)	(90,000)	(45,000)	(45,000)
Change in receivables	(900,000)	360,000	180,000	90,000	90,000
Operating CF	76,667	1,237,333	1,759,333	2,020,333	2,146,333
investment	(200,000)				

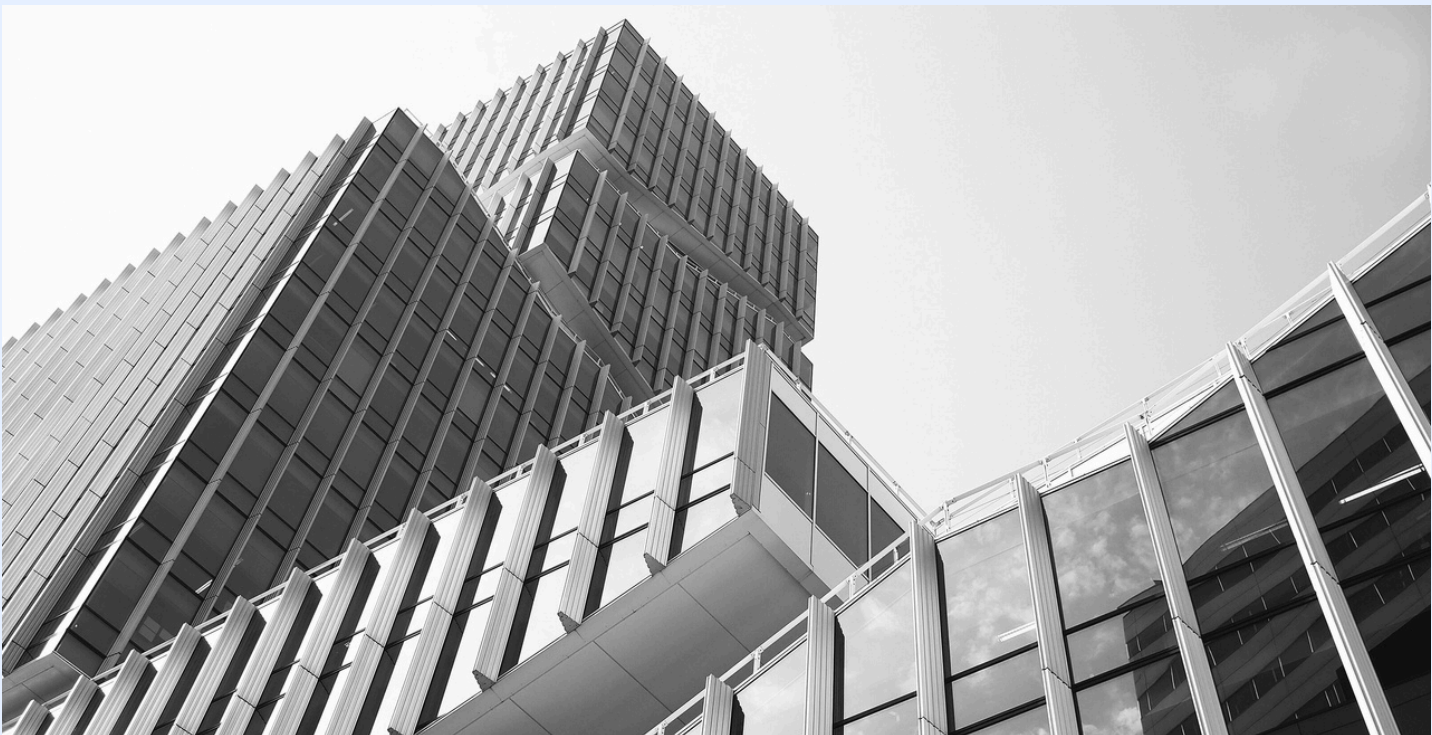
US \$	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
financing	500,000				
Net Cashflow	376,666	1237333	1759333	2020333	2146333
opening balance	0	376,666	1613999	3373332	5393665
closing balance	376,666	16139999	3373332	5393665	7539998

Future Plans & Milestones

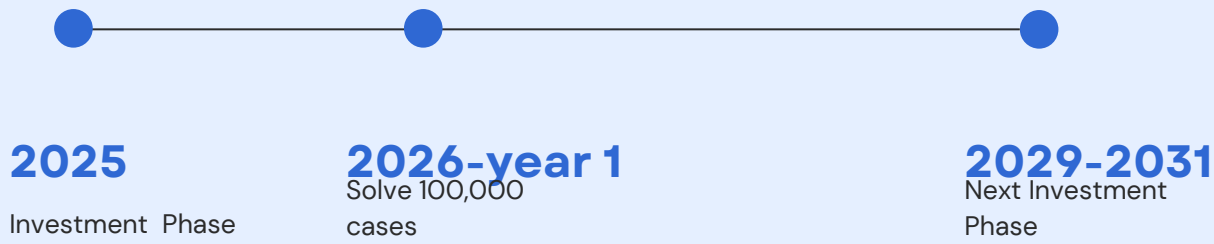
This project serves as an entry project for Afriworld Trade Group. It is designed to be implemented within a few months, allowing the company to test product quality, pricing strategies, market demand, and overall positioning in the industry.

By Year 4 to Year 6, based on the insights gained from this initial phase, the company plans to scale up operations by investing in a larger crude oil processing and blending facility. This expansion will require an estimated \$10 million in capital injection.

The TIC investment framework will provide strategic advantages, enabling cost competitiveness, increased production efficiency, and access to government incentives. This will allow the company to expand into export markets, strengthening its position across Tanzania and neighboring countries. The expanded project will also enhance market penetration, increase brand recognition, and create more employment opportunities.



MILESTONES



CONCLUSION

Following the successful implementation of this entry project, Afriworld Trade Group aims to expand its operations significantly between Year 4 and Year 6. The next phase will involve a large-scale crude oil blending and processing facility, requiring an estimated \$10 million in capital injection.

ALLOCATION	AMOUNTS (USD)
Facility Construction	\$200,000
Machinery & Equipment	\$3,250,000
working Capital	\$6,000,000
TOTAL INVESTMENT	\$9,950,000