

HK AGRO INDUSTRIAL MANUFACTURING TANZANIA LIMITED

BUSINESS PLAN

Commercial Livestock Production, Dairy Processing & Agro-Industrial Development

Submitted to: Tanzania Investment Centre (TIC) – Application for Certificate of Incentives
Country: United Republic of Tanzania

1. COMPANY DETAILS

Company Name: HK Agro Industrial Manufacturing Tanzania Limited
Certificate of Incorporation Number: 200001974
Date of Incorporation: February Two Thousand and Twenty-Six
Company Type: Private Company Limited by Shares
Country of Registration: United Republic of Tanzania
Sector: Agriculture / Agro-Industrial Manufacturing

HK Agro Industrial Manufacturing Tanzania Limited is a duly incorporated company established to undertake commercial livestock production, dairy development, value-added processing, and future agro-industrial manufacturing in Tanzania.

2. EXECUTIVE SUMMARY

HK Agro Industrial Manufacturing Tanzania Limited intends to establish a modern, scalable livestock and agro-industrial enterprise beginning with commercial cattle finishing and expanding into dairy farming and milk processing.

The project is structured in phases to ensure financial stability, operational control, and sustainable growth.

The total committed investment is **USD 750,000**, fully financed through shareholder equity. This investment exceeds the minimum threshold required for foreign investment registration under the Tanzania Investment Act and qualifies the Company for a Certificate of Incentives from the Tanzania Investment Centre (TIC).

The project aligns with Tanzania's national priorities on:

- Food security
- Livestock commercialization
- Agro-industrialization
- Employment creation

- Import substitution

3. SHAREHOLDING STRUCTURE

The Company is 100% foreign-owned with equal equity participation as follows:

Shareholder Name	Number of Shares	Percentage
Sherrri Francine Houmadi	5,000	50%
Lawrence Abdul Rahim Khalil	5,000	50%
Total Issued Shares	10,000	100%

Share Capital

- Authorized Share Capital: 10,000 Ordinary Shares
- Issued Share Capital: 10,000 Ordinary Shares
- Total Equity Investment: USD 750,000

4. PROJECT DESCRIPTION

The project will be implemented in structured phases:

Phase I – Cattle Finishing (Year 1)

- 30 acres (leased or acquired)
- Purchase of feeder cattle (~200kg)
- 120-day finishing cycle
- Target sale weight: 350kg
- Rotational grazing with supplementation
- Designed capacity: 40 head per cycle

Phase II – Beef Expansion (Years 2–3)

- Increase herd capacity
- Improve feed storage systems
- Strengthen buyer contracts
- Expand grazing area

Phase III – Dairy Farming (Year 3)

- Introduction of dairy cows
- Installation of milk chilling system
- Direct milk supply to distributors

Phase IV – Dairy Processing (Years 4–5)

- Pasteurization equipment
- Packaging and branding

- Cold chain distribution

Phase V – Agro-Industrial Diversification (Year 5+)

- Feasibility study for hygiene consumables manufacturing
- Separate industrial processing unit

5. PROJECT LOCATION

The proposed project will be located in Northern Tanzania (Arusha corridor), selected due to:

- Favorable livestock climate
- Access to grazing land
- Proximity to livestock markets
- Access to veterinary services
- Strong hospitality and institutional demand

6. MARKET ANALYSIS

Market Overview

Tanzania’s growing population and expanding hospitality industry continue to drive demand for:

- Quality beef
- Fresh milk
- Processed dairy products

Target Customers

- Livestock traders
- Abattoirs
- Butcher networks
- Hotels and safari lodges
- Supermarkets
- Institutional buyers

The introduction of dairy processing will further strengthen revenue diversification.

7. COMPETITIVE ADVANTAGE

- Structured rotational grazing system
- Performance monitoring (weight tracking)
- Diversified revenue streams
- Phased investment approach
- Strong capital base
- Vertical integration strategy

8. REGULATORY & COMPLIANCE

The Company shall comply with:

- Tanzania Investment Act
- Environmental Management Act
- Livestock and Animal Health Regulations
- OSHA requirements
- BRELA
- TRA
- NSSF

An Environmental Impact Assessment (EIA) will be conducted where required.

9. INVESTMENT STRUCTURE

Total Project Investment: USD 750,000

Investment Component	USD
Land Acquisition & Development	150,000
Livestock Infrastructure	120,000
Dairy Infrastructure	140,000
Processing Equipment	160,000
Vehicles & Logistics	60,000
Working Capital	120,000
Pre-operational & Compliance	50,000
Total Investment	750,000

The project is financed entirely through shareholder equity contribution.

10. EMPLOYMENT PLAN

Initial Phase (Year 1)

- Ranch Manager – 1
- Herdsmen – 2
- Contract Veterinary Services

Expansion Phase

- Dairy Technicians
- Processing Plant Operators
- Administrative Staff
- Logistics Personnel

Over 90% of employees will be Tanzanian nationals.

11. OPERATIONS STRATEGY

Key Performance Indicators

- Average Daily Gain (ADG)
- Cost per kg gain
- Mortality rate
- Operating margin
- Cash flow performance

Risk Mitigation

- Feed reserves for dry season
- Veterinary oversight
- Diversified buyers
- Controlled expansion

12. FIVE-YEAR FINANCIAL PROJECTIONS (USD)

Projected Income Statement

	YR 1	YR 2	YR 3	YR 4	YR 5
Sales Revenue	420,000	680,000	980,000	1,350,000	1,750,000
Cost of Sales	270,000	410,000	580,000	790,000	1,020,000
Gross Profit	150,000	270,000	400,000	560,000	730,000
Operating Expenses	120,000	150,000	210,000	280,000	330,000
Operating Profit	30,000	120,000	190,000	280,000	400,000
Profit After Tax	(30,000)	42,000	87,500	147,000	227,500

Financial Highlights

- Break-even achieved in Year 2
- Strong profitability from Year 3
- Positive operating cash flow
- No long-term debt

13. SOCIAL & ECONOMIC IMPACT

- Increased domestic beef supply
- Strengthened dairy value chain
- Employment creation
- Technology transfer
- Increased tax revenue
- Rural economic stimulation

14. CONCLUSION & REQUEST FOR TIC INCENTIVES

HK Agro Industrial Manufacturing Tanzania Limited represents a structured, capitalized and scalable agro-industrial investment in Tanzania.

With a committed capital of USD 750,000, clear expansion roadmap, employment creation plan, and positive financial projections, the project satisfies the requirements under the Tanzania Investment Act.

The Company respectfully requests the Tanzania Investment Centre (TIC) to grant a Certificate of Incentives to facilitate implementation and long-term expansion of this investment.