

TH VIETNAM TANZANIA LIMITED BUSINESS PLAN

INVESTMENT IN THE INTEGRATED CASHEWNUT FARMING, PROCESSING, AND EXPORT: BUSINESS STRATEGY & DEVELOPMENT PLAN

1. Primary Aim

TH VIETNAM TANZANIA is a company focusing mainly on agriculture by farming, processing, and exporting cashew nuts from Tanzania to different parts of the world.

The company is duly incorporated under the laws of the United Republic of Tanzania, having been awarded the certificate of incorporation bearing incorporation number 201255031.

2. Investment Goals and Objectives:

In summary, TH Vietnam Tanzania Limited aims to: -

- (i) To develop an integrated system for cashew nut farming, processing, and exporting to improve income and access international markets.
- (ii) To invest in increasing cashew nut production through improved farming practices and proper farm management
- (iii) To establish a processing unit for cleaning, shelling, grading, and packaging cashew nuts
- (iv) To improve the quality of cashew nuts to meet international export standards
- (v) To increase farmers' income through value addition and better market prices, and to promote sustainable agricultural practices
- (vi) To create employment opportunities for local communities in farming and processing activities.

3. Strategic Objectives

Our strategy at TH Vietnam Tanzania as a business is to develop a competitive cashew nut value chain from farming to export to increase productivity and profitability. This could also be connected to strengthening the production, processing, and international export of high-quality cashew nuts

Our buyers all over the world must receive the best output, and that meets or exceeds their expectations. To achieve this, we have a number of metrics that we use to measure our success. Below are some of the metrics;

- a. **Buyer's satisfaction:** A happy buyer is the most important aspect of our investment, as they will dictate the survival of our business. Apart from the primary objective of knowing how well we are serving our buyers, this metric and its trend over time help in identifying the functions or cashew nuts that need the most attention, hence helping us improve and become better.

- b. **Employee Satisfaction:** An unhappy workforce will ultimately cause a number of issues in trying to meet the investment goals. The measure of the mood of our workers will help provide guidance on how best to improve performance by focusing on areas that matter most to our staff.

- c. **Service:** As a company, we want to measure our success based on our strategic goal and determine the following;
 - (i) Order handling and communication
This includes prompt responses to buyer inquiries, clear orders and confirmations, and updates
 - (ii) Packaging and delivery
This includes proper packing to maintain quality during shipping and timely delivery according to the buyer's schedule
 - (iii) After-sales support
 - (iv) Customization and Value-Added Services
 - (v) Information and documentation
 - Export documents, certificates, and quality reports
 - Compliance with International regulations

- d. **Prices:** Based on our analysis of our potential buyers, we set our prices in a way that we can manage our brand and provide the profit margins we need.

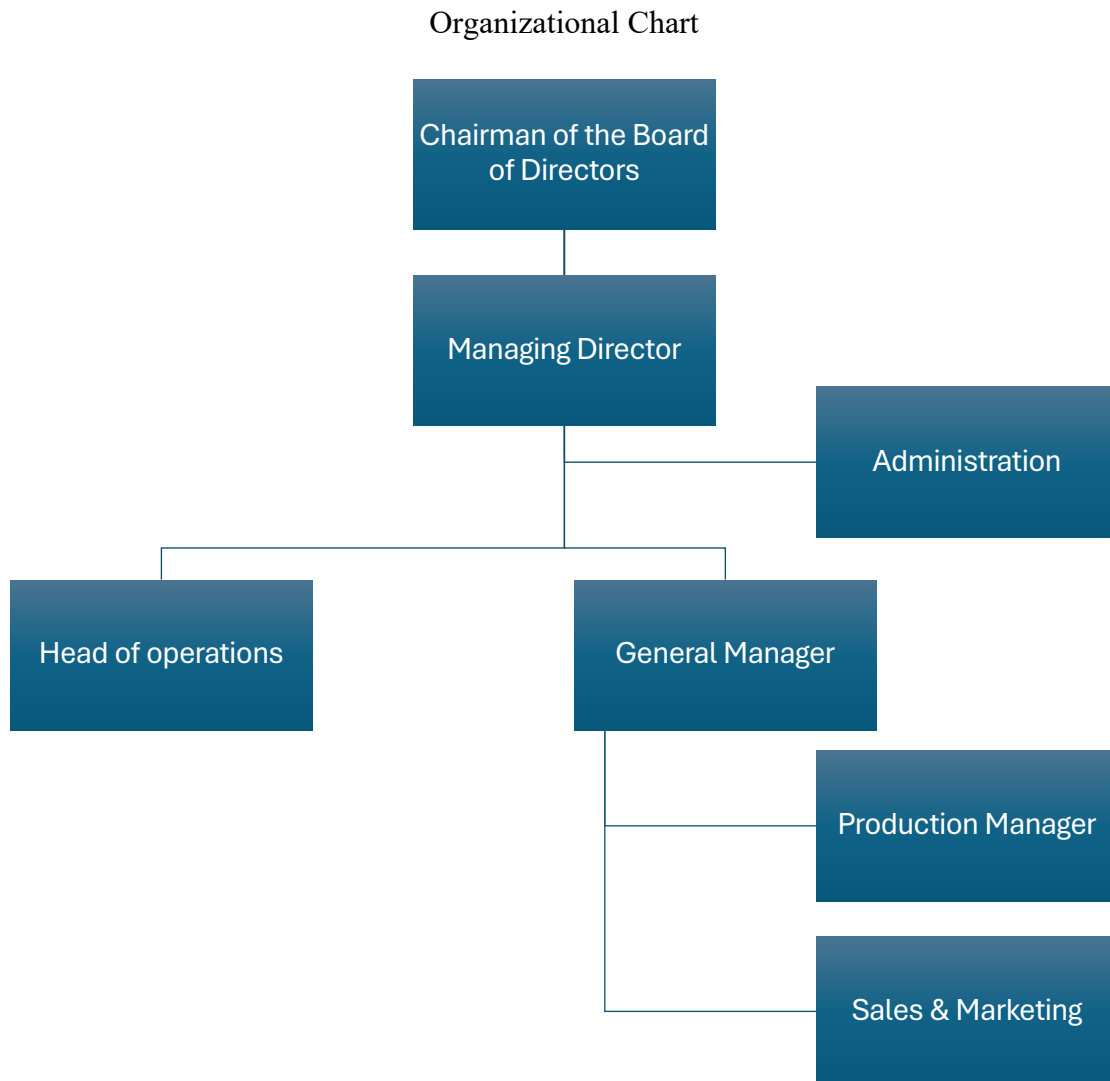
- e. **Cash flow:** As the lifeblood of any business, ensuring that we have a good cash flow statement is very important, to ensure that we have enough cash to run the business – pay wages, pay supplies, etc. As part of the business, knowing which buyers to extend credit lines to and for how long will be essential.

- f. **Gross margins:** This is like the mother of all investment business metrics and the best indicator of an investment's health, at least in our view. The higher the gross margin, the more the indication that we are on the right track in every operational aspect. We do not have to wait for the quarterly or annual financial results to determine profitability, productivity, and buyer satisfaction. Managing and monitoring gross margin on a regular basis goes a long way in reducing unpleasant surprises in the long run and also in deciding critical strategic initiatives for pricing, investments, and sales efforts.
- g. **Customer loyalty:** Personal relationships between individual service providers and clients are critical to our success. We aim to add loyalty programs, referral bonuses, product freebies, and other promotions aimed at existing customers to create repeat business.

Apart from the list of key metrics described above, other metrics that we use are as follows:

- Referrals from current clients
- Payment failures
- Growth
- Progress
- Client preference changes
- Repeat clients

4. Organization Strategy



The Different roles and departments will help the business grow and manage it to run smoothly, efficiently, and ultimately meet our overall objectives. Some of the different roles are as follows:

- Enable the clear identification of the required human resources and specialties
- Ease the management of responsibilities and activities
- Reduce room for errors by assigning tasks to qualified staff
- Easy to set strategic goals for particular functions or areas in the company

5. Management Strategy

By having the right attitude and clear communication between the management and staff, and having regular performance appraisals, monitoring and reviews, standards and performance indicators, and having set evaluation methods, we believe we will be able to capture problems and opportunities as they arise and ultimately deal with them or adjust our strategies appropriately to take advantage of the opportunities.

Risks affecting our business, the level of impact, and the steps that we will take to reduce them.

Risks	Description	Level	How to reduce Risks
Strategic	<ul style="list-style-type: none"> • Change in buyer's preferences 	Low	<ul style="list-style-type: none"> • Have regular contact with customers and have appropriate feedback tools to stay informed
Compliance	<ul style="list-style-type: none"> • Change in legislation, rules and regulation • Additional checks and compliance issues to abide with to continue doing business. 	Medium	<ul style="list-style-type: none"> • Stay informed on regulations and certification requirements • Assign a person to specifically deal with compliance issues
Financial	<ul style="list-style-type: none"> • Cash flow issues • Loan management • For international business, taking account of foreign exchange rates • Taxes 	High	<ul style="list-style-type: none"> • Get financial advice from a certified Financial adviser / Accountant • Employ Accountant
Operational	<ul style="list-style-type: none"> • Transportation breakdown, failure of suppliers to deliver production ingredients 	Medium	
Reputation	<ul style="list-style-type: none"> • Product failure • Copy cats with lower standard product • Negative publicity 	Medium	

6. People Strategy

Our business aims to ensure employees are happy and motivated to fulfill their responsibilities by implementing the following techniques:

- a. **Communication:** Open communication is most employees' number one priority. We aim to find out what interests them and what doesn't. Communicating with an employee frequently shows that we care about them in more ways than simply wanting them to keep up with productivity.
- b. **Ensure Employees understand the investment goals/vision:** Having employees harness self-direction in pursuit of common goals rather than forcing people to meet goals they don't understand or share.
- c. **Creating a positive working environment:** Since most of the workers will be spending most of their hours in a working environment, we will ensure to create a workplace that will encourage information and knowledge with team leaders and managers.
- d. **Recognition and Rewards:** We aim to have a built-in reward program for our employees, either by having an employee of the week, or month, and giving them rewards in front of his/her colleagues to remind employees that they are appreciated and help them meet their long-term goals
- e. **Keeping employees informed:** We will strive to always keep our employees informed on what the project is being handled by the company staff and the direction it's taking.
- f. *Provide training:* create an ongoing training program that can help fill the gap between lack of skills and better productivity after training needs are assessed.

7. Marketing

Our targeted customers are international entities, and our long-term goal is to cater to different international companies. This will increase the distribution and sales of our vehicles.

1. Customer retention strategies

- a. Never get complacent with the first export, and strive to get the buyer to return for more and more product. '*Sell and then sell again.*'
- b. **Frequent communication:** To avoid losing buyers by building relationships and keep in touch by sending seasonal greeting cards, calendars, t-shirts, SMS, or informing them of special offers

- c. By providing impeccable customer service to have our buyers pass on the experience to others.
- d. Ensure Product and service integrity: To ensure we produce products that meet/ exceed our customers' expectations in terms of taste, package innovation and creativity, quality, reliability, and serviceability.
- e. Create a system to capture customer feedback
- f. Provide Questionnaires and Surveys

2. Customer Attraction Strategies

- a. By identifying our ideal customer
- b. Using repeat buyers as ambassadors to testify on the quality and effectiveness of our products.
- c. Advertise
- d. Approach and provide free samples of our products at trade fairs or festivals.

Our Competitors

With the Tanzanian government's goal to support and transform the country to a more industrial-based economy, more and more people are venturing into entrepreneurship, with the majority of them focusing on agriculture and post-agricultural businesses.

Our Product

We are centred in farming, processing, and exporting cashew nuts, which is essential to our investment, and we export the same to different parts of the world.

Sales strategies

To ensure that we can increase sales to our current and future buyers, we have come up with a number of strategies that we think, if applied, can make a great impact in increasing sales.

- Defining the right way of processing our cashew nuts so that our buyers can have access to them easily.
- Being creative and innovative in our molding process of the tools.
- Advertising through social international media, websites, TVs, radios, and all platforms that can easily reach our customers.
- Partner with other companies to create a distribution of motor vehicle sector.

8. Finance and Resource Management

Revenue will come from the sale of raw cashew nuts to local buyers, value-added processed cashew products, and export to international markets. Processed products will have a higher margin due to added value.

8.1 What are our funding sources?

Since TH Vietnam Tanzania Limited is a business, it is basically run by the savings of the founding directors.

9. TOTAL INVESTMENT COST

The project developer estimates that the project will be as follows:-

TH VIETNAM TANZANIA LIMITED COST STRUCTURE

PARTICULARS	USD
Processing Plant	145,000
Farm Infrastructure	130,000
Operating Expenses	298,700
Land Acquisition and Lease	80,000
Pre Expenses	353,900
Others	25700
WORKING CAPITAL	323,000
TOTAL	1356300

10. FINANCIAL ASPECTS FOR THE PROJECT

10.1 PROJECTED PROFIT AND LOSS STATEMENT

The Income and expenditure statement shows the projected income for the 5 years. The position depicted is that the project earns profit throughout its life. Accumulated after-tax profits shall grow from 100,000,000/= TZS in the first year to 1,000,000,000 TZS in the fifth year.

	1.	2.	3	4	5
Revenue	99,190.0 0	109,109.0 0	120,109.0 0	168,027.8 6	235,239.0 0
Operating Expenses	51,578.8 0	56,736.68	62,410.35	58,809.75	82,333.65
Profit before depreciation interest	47,611.2 0	52,372.32	57,609.55	109,218.1 1	152,905.3 5
Depreciation	70,550.0 0	70,550.00	70,550.00	70,550.00	70,550.00

Net profit	22,938.80	18,177.68	12,940.45	38,668.11	82,355.35
Tax (30%)				11,600.43	24,706.61
Profit after Tax	22,938.80	18,177.68	12,940.45	27,067.68	57,648.75
Accumulated profit	25,914.00	44,091.68	57,032.13	29,964.45	57,684.30

10.2 PROJECTED CASH FLOW

This is shown in the financial statements. The project has a positive end-of-year cash flow from year, i.e., USD 1670000 of operations in the 5th year, i.e., USD 4,000,000/=

BUSINESS PROJECTED CASH FLOW TSHS (PROJECT PAYBACK PERIOD)

		1	2	3	4	5
SOURCES						
Profit before interest and depreciation	-	47,611	78,372	57,609	109,218	152,905
Equity	824,000	-	-	-	-	-
Total sources	891,000	23,611	56,372	89,609	109,218	152,905
Applications:						
Capital expenditure	638,000	-	-	-	-	-
Working capital & others	35,000	35,000	35,000	35,000	35,000	35,000
Cash	-	12,611	17,372	22,609	62,618	93,199
Tax	-	-	-	-	11,600.43	24,706.61

Sub total	673,000	47,611	52,372	57,609	109,218	152,905
Total applications	673,000	47,611	52,372	57,609	109,218	152,905
Accumulated cash		12,611	29,983	52,592	115,210	208,409
Necessary working capital	41,000	41,000	41,000	41,000	41,000	41,000

11. PROJECT IMPLEMENTATION SCHEDULE

It is expected that the project will take 5 months to implement, as shown below:-

	ACTIVITY	PERIOD
1.	Processing the business license	May 2026
2.	Fund Mobilization	March- September 2026
3.	Arrival of raw materials and machines.	April- 2026
4.	Trial operations	May 2026
5.	Commercial operations	December 2026

12. ECONOMIC ASPECTS OF THE PROJECTS

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country

(i) Employment Opportunities

Employment and poverty reduction are among the major concern of the central and local government authorities. It is gratifying to note that TH Vietnam Tanzania Limited is going to employ people. This is a significant contribution coming from investors.

The jobs shall be created based on the skills and the labor market analysis, while the local citizens are expected to be given priority. The following table illustrates the forecasted job creation throughout the coming five years.

Job Title /Year	2026	2027	2028	2029	2030	Total
Finance Manager	1	0	0	0	0	1

Office Manager	1	0	0	0	0	1
Marketing Manager	1	0	0	0	0	1
Operations Manager	1	0	0	0	0	1
Processing Equipment's Operators	10	5	5	5	5	30
Content strategists	5	0	1	1	1	5
Grand Total	17	5	6	6	6	40

(ii) Revenue to the Government

The project is expected to pay a substantial annual amount in the form of corporate tax, other taxes, and levies.

13. CONCLUSION AND RECOMMENDATION

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implemented and be given all the support required by all the concerned Government ministries and agencies, including the Tanzania Revenue Authority, etc. The project deserves this support because of its viability, since it is technically feasible, economically viable, and socially acceptable.