

# **PROJECT FEASIBILITY PROPOSAL**

*Submitted to the Director General*

**Tanzania Investment and Special Economic Zones Authority  
(TISEZA)**

## **PROJECT KWALA GATEWAY**

**FEASIBILITY STUDY FOR PHASED DEVELOPMENT  
OF THE KWALA SEZ**

(PHASE 1 FOCUS: SME INDUSTRIAL HUB)

**SUBMITTED BY:**

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# Chapter 1

## Executive Summary

### 1.1 Introduction

Eon Holdings Ltd respectfully submits this comprehensive proposal to the Tanzania Investment and Special Economic Zones Authority (TISEZA) regarding the strategic development of allocated land within the Kwala Special Economic Zone (SEZ).

Our proposal is not merely a construction plan; it is a blueprint for an economic engine. We recognize that the Kwala SEZ represents the future of Tanzania's logistics and industrial capabilities, linking the port of Dar es Salaam with the hinterland via the Standard Gauge Railway (SGR). To realize this vision, we propose a pragmatic, phased development strategy, commencing immediately with a **10-Acre Phase 1** deployment. This phase aims to establish a vibrant SME (Small and Medium Enterprise) industrial hub within an estimated timeframe of **12 months**.

### 1.2 The Strategic Value Proposition

The core strength of this proposal lies in Eon Holdings' unique positioning as a commercial bridge between East Africa and the Indian Subcontinent. While many developers focus solely on bricks and mortar, Eon Holdings focuses on the tenant pipeline.

We maintain a deep-rooted ecosystem of relationships with medium-scale industrial enterprises across India—specifically in hubs like Mumbai, Gujarat, and Punjab. These investors are actively seeking diversification but often view African markets as high-risk due to a lack of "soft infrastructure." We propose to leverage our relationships to channel a diverse range of these investors—from agro-processors to light engineers—into the Kwala SEZ, thereby creating a thriving industrial ecosystem rather than a standalone property development.

### 1.3 Phase 1 Project Snapshot

To demonstrate our commitment and capability, Eon Holdings has ring-fenced resources for an immediate start:

- **Target Sector:** Industrial Real Estate, Logistics, and Light Manufacturing.
- **Initial Investment Estimate:** Approximately **USD 1,000,000** dedicated to site activation, civil works, and initial superstructure development.
- **Development Timeline:** A fast-tracked 12-month schedule to achieve operational status for Phase 1.
- **Socio-Economic Impact:** The creation of an estimated 100+ jobs during the construction phase, expanding significantly as tenant industries commence operations.

### 1.4 Objective of Submission

We seek to formalize a strategic cooperation with TISEZA. Our objective is twofold: first, to secure the necessary approvals to commence physical development; and second, to establish a collaborative framework where Eon acts as a sanctioned investment facilitator. This validation is critical for giving our international tenant pipeline the confidence to commit capital to the Kwala SEZ.

## Chapter 2

# Corporate Profile & Expertise

### 2.1 Who We Are

Eon Holdings Ltd is a premier Tanzanian conglomerate with a diversified portfolio and a reputation for excellence. Over the years, we have evolved from a general trading entity into a specialized developer capable of executing complex infrastructure projects. Our deep expertise spans the entire real estate spectrum:

**Commercial Real Estate:** We have a track record of developing high-value office and retail environments that serve as hubs for business activity. Our projects are known for modern aesthetics and functional efficiency.

**Residential Real Estate:** We create modern living spaces that drive community growth, understanding the nuances of urban planning and utility management.

**Industrial Real Estate:** Our core competency lies in delivering compliant, heavy-duty industrial infrastructure. We understand that a factory is not just a building; it is a machine for production. Our designs incorporate high load-bearing floors, optimized vertical space, and industrial-grade power solutions.

**Integrated Logistics:** Beyond construction, we manage complex supply chains and warehousing solutions, giving us unique insight into the operational needs of our future tenants.

### 2.2 Our “Investor Conduit” Strategy

Our value to TISEZA extends far beyond construction. Eon Holdings serves as a vital commercial conduit between Tanzania and the Indian Subcontinent.

We do not merely wait for tenants to arrive; we actively cultivate them. We maintain an active pipeline of medium-scale businesses in India looking for African expansion. These are not massive conglomerates that can negotiate their own treaties; they are high-growth SMEs that need a partner. They are specifically seeking a “Soft Landing”—a partner who understands both the local Tanzanian regulatory context and their specific operational needs in manufacturing and logistics. Eon Holdings bridges this gap, translating Tanzanian opportunity into a language that international investors understand.

## Chapter 3

# Investment Objectives, Sector & Products

### 3.1 Statement of Investment Objectives

The Eon Kwala Gateway project is driven by three primary strategic objectives:

**1. Infrastructure Development:** To transform raw land into a fully serviced, legally compliant industrial park. Our goal is to eliminate the "infrastructure deficit" that often delays industrial projects. By providing ready-made roads, power, and water, we allow investors to focus on installation and production rather than civil engineering.

**2. FDI Facilitation:** To serve as a physical landing pad for medium-scale foreign investors (SMEs), particularly from India. By lowering their entry barriers—both physical and regulatory—we aim to increase the volume of Foreign Direct Investment flowing into the Coast Region.

**3. Economic Integration:** To create meaningful backward linkages. We do not want an island of foreign activity; we aim to connect international manufacturers with local Tanzanian supply chains, ensuring that raw materials (cashew, sesame, cotton) are processed locally before export.

### 3.2 Sector Focus

The project falls primarily under the **Industrial Infrastructure Development** and **Logistics Services** sectors. Within the park, we are targeting tenants from diverse SEZ-compliant sectors, including but not limited to:

- **Agro-Processing:** Value addition facilities for local crops.
- **Light Engineering:** Assembly plants for automotive components and machinery.
- **Pharmaceuticals:** Formulation and packaging units for medical devices and drugs.
- **General Manufacturing:** Packaging, plastics, and consumer goods.

### 3.3 Products & Services

Eon Holdings will provide a comprehensive suite of products to its tenants:

- **Standard Factory Buildings (SFBs):** Modular, ready-to-occupy industrial shells designed for immediate equipment installation.
- **Warehousing Units:** High-eave storage facilities optimized for vertical racking and logistics handling.
- **Open Yard Storage:** Hard-standing areas for container stacking and bulk cargo handling, essential for SGR integration.
- **Integrated Services:** A full-service management package including on-site security, utilities management, waste disposal, and administrative support.

## Chapter 4

# Capacity of the Project

### 4.1 Phase 1 Capacity (10 Acres)

The initial phase focuses on activating 10 Acres (approx. 40,500 SQM) of the total allocation. We have sized this phase to balance speed of execution with capital efficiency.

Parameter	Specification
<b>Total Phase 1 Area</b>	10 Acres (40,500 Square Meters)
<b>Development Coverage</b>	Initial development is planned to cover 25% to 30% of the land area (approx. 10,000 - 12,000 SQM of active site). This density allows for ample maneuvering space for heavy trucks.
<b>Built-Up Area</b>	Approx. 3,000 - 3,500 SQM of initial factory sheds.
<b>Unit Sizing</b>	Flexible configurations starting from <b>300 SQM</b> upwards. Our modular design allows walls to be removed or added, enabling tenants to scale their space from a small pilot unit to a large factory floor without relocating.
<b>Infrastructure Capacity</b>	<b>Roads:</b> Reinforced concrete internal roads designed for heavy commercial vehicles and reach stackers. <b>Power:</b> Industrial-grade transformers capable of supporting manufacturing loads.

### 4.2 Design Philosophy

Our technical design prioritizes functionality and sustainability. The facilities will feature high eaves (minimum 7 meters) to maximize vertical storage, natural ventilation systems to reduce energy costs, and skylights to minimize daytime lighting requirements. The layout is optimized for the circular flow of traffic, ensuring that loading and unloading operations do not bottleneck the park.

## Chapter 5

# Implementation Schedule

### 5.1 Phase 1 Timeline (12 Months)

Eon Holdings proposes an accelerated timeline to ensure rapid site activation. We utilize critical path method (CPM) scheduling to ensure parallel execution of tasks where possible.

<b>Period</b>	<b>Detailed Activity Breakdown</b>
<b>Months 1-3</b>	<b>Mobilization &amp; Site Preparation</b> <ul style="list-style-type: none"> <li>- Conducting detailed topographical surveys and geotechnical soil investigations.</li> <li>- Mobilization of heavy earthmoving equipment.</li> <li>- Bush clearing, grading, and leveling of the 10-acre block.</li> <li>- Installation of secure perimeter fencing and site security office.</li> </ul>
<b>Months 4-6</b>	<b>Civil Infrastructure Development</b> <ul style="list-style-type: none"> <li>- Excavation and laying of sub-base for internal access roads.</li> <li>- Construction of storm-water drainage systems to prevent flooding.</li> <li>- Extension of main power lines and water reticulation systems to the plot boundary.</li> </ul>
<b>Months 7-10</b>	<b>Superstructure Development</b> <ul style="list-style-type: none"> <li>- Fabrication and erection of structural steel for the initial modular sheds.</li> <li>- Casting of reinforced concrete floors with high load-bearing capacity.</li> <li>- Installation of roofing sheets and wall cladding.</li> </ul>
<b>Months 11-12</b>	<b>Finishing, Testing &amp; Handover</b> <ul style="list-style-type: none"> <li>- Installation of industrial doors, windows, and electrical fittings.</li> <li>- Final landscaping and hardscaping.</li> <li>- Testing and commissioning of all utility systems.</li> <li>- Formal handover to initial tenants for fit-out.</li> </ul>

## Chapter 6

# Marketing Plan

### 6.1 Strategy: The “Investor Conduit”

Our marketing strategy leverages Eon Holdings’ unique position as a trusted partner for Indian businesses. We do not rely solely on passive advertising; we employ a proactive, network-driven approach.

### 6.2 Key Marketing Activities

**1. Targeted International Roadshows:** We intend to conduct focused investment seminars in key Indian industrial hubs such as Mumbai, Gujarat, and Punjab. These events will not be general gatherings but curated roundtables with manufacturing associations, showcasing the Kwala opportunity directly to decision-makers who are ready to expand.

**2. Strategic Partnership Leverage:** We will utilize the proposed strategic cooperation with TISEZA to validate the project. Having government backing visible in our marketing materials gives foreign investors the necessary confidence that their investment is safe and supported by the host nation.

**3. Sector-Agnostic Approach:** Our marketing will highlight the flexibility of the park. Whether a tenant is in agro-processing, pharmaceuticals, or auto-components, we will demonstrate how our modular units can be adapted to their specific needs. We emphasize the “Soft Landing” benefits—handling the regulatory headaches so they can focus on business.

**4. Competitive Entry Pricing:** To secure anchor tenants quickly during the construction phase, we will offer competitive “early-bird” lease rates. This strategy ensures occupancy momentum and provides immediate cash flow upon project completion.

### 6.3 Digital & Direct Sales Execution

In addition to traditional roadshows, Eon Holdings will implement a sophisticated Digital and Direct Sales strategy to ensure a steady stream of qualified leads.

**The Digital Ecosystem:** We will launch a dedicated, high-performance investor portal for the Kwala Gateway. This platform will go beyond a standard brochure site; it will feature interactive master plans, 3D virtual tours of the proposed sheds, and a live "Unit Availability" dashboard. Targeted LinkedIn B2B campaigns will utilize granular data to reach C-Level executives in specific Indian manufacturing sectors (e.g., Textile Exporters in Gujarat, Auto-Component Manufacturers in Pune), driving traffic directly to our portal.

**The "India Desk" Direct Sales Team:** We will establish a dedicated "India Desk" sales team, potentially based in Mumbai or operating via a representative agency. This team will act as the first point of contact for potential investors, speaking their language and understanding their specific concerns regarding cross-border expansion. They will be equipped with a CRM system to meticulously track leads from initial interest through to the signing of the lease, ensuring no opportunity is lost due to lack of follow-up. This proactive, boots-on-the-ground approach ensures we are not just waiting for the phone to ring, but actively hunting for the best tenants for the Kwala SEZ.

## Chapter 7

# Inputs and Socio-Economic Impact

### 7.1 Source of Supply of Inputs

Eon Holdings is committed to the "Local Content" philosophy. We believe that the construction of this park should benefit the local economy even before the first factory opens.

- **Construction Materials:**

- *Local Sourcing:* We aim to source 100% of our cement, aggregates, masonry blocks, and sand from local Tanzanian suppliers. This injects capital directly into the domestic construction supply chain.
- *Imported Sourcing:* Specialized materials such as high-grade structural steel or specific roofing insulation may be sourced internationally only if local supply cannot meet the required technical specifications or delivery timelines.

- **Operational Utilities:** Power will be sourced directly from the national grid (TANESCO). Industrial water needs will be met via DAWASCO connections, supplemented by sustainable on-site boreholes and rainwater harvesting systems.

- **Labor Force:** We prioritize the recruitment of unskilled and semi-skilled labor from the surrounding Coast Region communities, providing income and skills development to the local population.

## 7.2 Job Creation Estimates

The project serves as a significant engine for employment, driving economic activity across multiple phases of development.

**1. Construction Phase Employment:** We estimate the creation of **50-70 direct jobs** during the 12-month construction period. This workforce will include a diverse mix of trades: skilled masons, certified welders for steel erection, heavy machine operators for grading, site engineers for technical oversight, and general support staff for site logistics and security. Eon Holdings is committed to ensuring fair wages and safe working conditions for all construction personnel.

**2. Operational Phase (Direct Park Management):** Once the park is operational, the management of the facility itself will require a permanent staff of approximately **30-50 professionals**. This team will ensure the smooth day-to-day running of the estate and will include 24/7 security personnel, facility managers to oversee maintenance, administrative staff to handle tenant relations, and logistics coordinators to manage traffic flow within the park.

**3. Operational Phase (Indirect / Tenant Employment):** The most profound impact lies in the indirect employment generated by our tenants. As factories and warehouses occupy the facility, we project the creation of over **100+ permanent manufacturing and logistics jobs** within the first 2 years of operation. These are high-value jobs involving processing, assembly, and packaging—roles that facilitate skills transfer and contribute directly to the industrialization agenda of the nation.

## Chapter 8

# Investment Costs & Financing

### 8.1 Investment Funds Expenditure Breakdown

We have prepared a lean, efficient budget for the Phase 1 development. The estimated capital allocation for the **USD 1 Million** investment is detailed below:

<b>Item</b>	<b>Description</b>	<b>Est. Amount (USD)</b>
<b>Land Development</b>	Comprehensive site clearing, heavy grading, perimeter fencing, and installation of security gates.	150,000
<b>Civil Works</b>	Construction of reinforced concrete internal roads, storm-water drainage, and hard-scaping.	200,000
<b>Utilities</b>	Installation of power transformers, electrical reticulation, and water supply network.	50,000
<b>Superstructures</b>	Fabrication and erection of modular factory sheds (Foundations, Structural Steel, Roofing).	500,000
<b>Soft Costs</b>	Architectural design, engineering fees, permits, legal fees, and initial marketing expenses.	100,000
<b>TOTAL</b>		<b>1,000,000</b>

## 8.2 Sources of Finance

The project is financially secured through a prudent mix of funding sources to ensure stability and continuity:

- **Equity (Internal Accruals):** Eon Holdings intends to deploy its own internal capital reserves to fund the critical early stages, including mobilization, land development, and civil works. This demonstrates our "skin in the game."
- **Debt Financing:** As the project progresses to the superstructure phase, we may utilize project-based financing facilities from regional development banks to leverage our equity.
- **Tenant Advances:** Our marketing strategy targets pre-lease agreements with anchor tenants. The advances from these agreements will provide supplementary working capital and validate the market demand.

## Chapter 9

# Financial Projection (5 Years)

### 9.1 Projected Cash Flow Outlook

The following projections demonstrate the financial sustainability of the project. We assume a conservative occupancy ramp-up, starting with the commissioning of Phase 1 in Year 2. *Note: Figures are indicative estimates based on current market rates.*

<b>Item</b>	<b>Year 1</b> <i>(Dev)</i>	<b>Year 2</b> <i>(Ops)</i>	<b>Year 3</b> <i>(Exp)</i>	<b>Year 4</b> <i>(Growth)</i>	<b>Year 5</b> <i>(Stable)</i>
<b>Est. Occupancy</b>	<b>0%</b>	<b>40%</b>	<b>65%</b>	<b>80%</b>	<b>95%</b>
<b>Projected Revenue</b>					
Rental Income	0	144,000	280,000	400,000	520,000
Service Charges	0	28,000	56,000	80,000	104,000
<i>Total Revenue</i>	<b>0</b>	<b>172,000</b>	<b>336,000</b>	<b>480,000</b>	<b>624,000</b>
<b>Est. Expenses</b>					
Ops & Maint.	(20,000)	(50,000)	(80,000)	(100,000)	(120,000)
Reinvestment Fund	0	(50,000)	(100,000)	(150,000)	(200,000)
<i>Total Outflow</i>	<b>(20,000)</b>	<b>(100,000)</b>	<b>(180,000)</b>	<b>(250,000)</b>	<b>(320,000)</b>
<b>Net Outlook</b>	<b>(20,000)</b>	<b>72,000</b>	<b>156,000</b>	<b>230,000</b>	<b>304,000</b>

Table 9.1: Indicative Financial Outlook

### 9.2 Financial Viability

Even with conservative occupancy assumptions, the project shows positive cash flow from Year 2 onwards. The "Reinvestment Fund" line item indicates our commitment to using early profits to fund the subsequent phases of development (expanding beyond the initial 10 acres), reducing reliance on external debt for future growth.

## Chapter 10

# Conclusion

Eon Holdings Ltd presents this proposal as a tangible commitment to the industrial future of Tanzania. By combining our technical development expertise with our robust, active network of international investors, we aim to create a successful, replicable model for SEZ development at Kwala.

We are ready to mobilize. We respectfully request TISEZA's support in establishing a strategic cooperation to realize this vision, bringing infrastructure, investment, and jobs to the Kwala Special Economic Zone.

**SUBMITTED BY:**



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