BUSINESS PROFILE
OVERVIEW OF THE BUSINESS

Ownership and Control

Sunway City was established by the Industrial Development Corporation of Zimbabwe Limited (IDCZ) in 1996. The company is owned 99.86% by the Industrial Development Corporation of Zimbabwe Limited (IDCZ) and 0.14% is owned by Pembinaan Objektif (M) SDN BHD of Malaysia. IDCZ is a parastatal under the Ministry of Industry, Commerce and Enterprise Development. Sunway City’s mandate is to develop eco-friendly world class integrated industrial, commercial, residential, institutional and recreational parks so as to provide relevant infrastructural development to facilitate industrialization and economic growth of Zimbabwe as well as regional integration and trade.

Strategy and Business Model

The development of the Sunway City Integrated Park in Harare envisages the creation of modern all-inclusive business, commercial, industrial, residential and theme parks built and managed to world class standards incorporating the use of cutting edge technologies and management systems. This development is guided by Local Development Plan 33 (LDP33) which is a statutory document approved by the City of Harare.

The current business model has been servicing of land with roads, sewer and water reticulation for sale to corporates and individuals. However, this model will change given the fact that Government has designated the project as a Special Economic Zone (SEZ). This entails that in addition to servicing of the land; the company will construct superstructures and lease these to investors in the SEZ. The company will also either directly or indirectly be involved in the running and management of the SEZ.

Customers and customer relationship

Below are the customers served by Sunway City;

- Corporate Companies for industrial/commercial land and residential stands for their employees
- Building Societies – such as NBS, FBC, CABS, CBZ and ZB.
- Pension Funds – such as NSSA, Communications and Allied Industries Pension Fund, Local Authorities Pension Fund and Construction Industry Pension Fund.
- Diplomatic Missions – Continuous engagement with Ambassadors of countries that have shown willingness in engaging Zimbabwe in reviving the economy. Some of these countries are China, India, South Africa, Germany, Brazil, Russia, Japan, etc.
- Non-Governmental Organizations – approach National Association of Non-Governmental Organizations for NGOs contact details.
- Professionals e.g. Lawyers and Doctors
- Retail Chains to take up space in the regional shopping centre
- Real Estate Agents
- Regional Development Banks – such as DBSA, AfDB, PTA, etc
- Foreign investors
- Mining firms to purchase industrial land and residential stands for their employees.
- Church Organisations
- Schools
- Individual clients – local and diaspora

**Products and services**

Sunway City (Pvt) Ltd offers the following products;
- Industrial stands
- Commercial stands
- Residential stands
- Recreational stands
- Institutional stands
- Factory shells

**Market segments**

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<th>Business customers</th>
<th>Individual Clients</th>
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<td><strong>Corporates</strong></td>
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<td>Manufacturing firms (industrial land and residential stands for employees)</td>
<td>Diaspora individuals</td>
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<tr>
<td>Local and Foreign investors</td>
<td>Local individuals</td>
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<td>Building Societies</td>
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<td>Pension Funds</td>
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<td>Retail chains</td>
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<td>Mining firms</td>
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**Competitive overview**

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<th>Developer</th>
<th>Product /Offerings</th>
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<th>Product/Offerings</th>
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<tr>
<td>Exodus and Company</td>
<td>Mabvazuva: High/medium density stands and industrial stands</td>
<td>Arlington</td>
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<td>Low density stands</td>
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<td>High/medium density stands</td>
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<td>Shelter Zimbabwe</td>
<td>Rockview: Low density stands Commercial stands</td>
<td>West Properties</td>
<td>Gunhill Rise: Low density stands</td>
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<td>Commercial properties :</td>
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<td>Mbudzi People’s Market</td>
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<td>Equity Properties</td>
<td>Golden CT Heights: Low Density Stands Commercial Stands</td>
<td>Ruwa Country Club</td>
<td>Ruwa Country Club Estate: Low Density Stands Commercial Stands</td>
</tr>
</tbody>
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Sales and communication

Sales strategies include direct sales, adverts in print, online and electronic media as well as through Agents. Promotions are done through trade fairs.

Industry trends

Porter's 5 forces model used in the industry analysis;

- **Threat of substitutes**

  There is an increase in substitutes due to the low barriers to entry. Some new developments have emerged in the market. These will be competitors in the long run, although our product is unique given the pending SEZ status and its integrated nature.

- **Threat of new entrants**

  There are no barriers to entry in the industry as evidenced by the sprouting of several land developers, legal or illegal. This will affect the operations of Sunway City as competition increases and there will be more substitutes on the market. Examples of new entrants are Arlington Estate and Exodus & Company which develop both residential and industrial stands. Many other developers may enter the property development market in the near future.

- **Bargaining Power of Suppliers**

  There is a threat of forward integration involving the suppliers. For example, contractors for land servicing integrate with land developers resulting in mergers. The impact of this is that the cost of servicing for such land developers will be reduced therefore their product will be cheaper. However, as a developer, Sunway City has power to choose from a vast number of contractors which makes suppliers’ power limited.

  In the property development sector, there are a number of companies that are suppliers for example contractors. Because of the economic hardships in the past few months, contractors scrambled for business in the form of tenders to service land thereby having minimal power.

- **Bargaining Power of Buyers**

  In the Zimbabwean real estate sector, the bargaining power of buyers is fairly high. Therefore there is need to tailor-make products to customer specifications. There is also need to tailor-make our product offering as there are many suppliers and clients have many options. The company should therefore find new ways of packaging the product in terms of competitive pricing and payment terms.

  As Clients’ bargaining power in the property development sector is fairly high, clients are able to influence pricing, quality and type of product. All developers want to grab a share of the market available due to the liquidity crisis. If a developer is not
customer-centric the clients will move to a developer who meets their tastes and preferences. However, switching costs after buying a stand are very high.

- **Industry Rivalry**

There is competition in the property development market as there are some competitors offering stands and properties. The aim therefore is to highly differentiate our offering to be unique and create a unique selling proposition and excellent customer experience.

The rivalry among property developers have an impact on how Sunway City is positioned in the mind of consumers. The low barriers to entry create threat of substitutes and increase the bargaining power of buyers in the market.

**Management and employees**

Sunway City has a total of 38 employees and below are the profiles of key management;
Fungisai has twenty-one years work experience. She has worked for a number of organizations in various capacities including teaching, district and national development planning, research work (parliamentary related research, industrial research, market research and competitiveness studies), economic and financial analyses, strategic planning and business intelligence work. She has worked for the then National Economic Planning Commission, Parliament of Zimbabwe, Zimpost, Potraz and the Industrial Development Corporation of Zimbabwe.

She holds a Bsc. Economics (Hons) degree from University of Zimbabwe, a Msc. in Strategic Management from Chinhoyi University of Technology, Marketing Management Diploma (IMM, South Africa), Project Management Diploma (CCOSA), International Leadership Training on Local and Regional Development (GIZ, Germany). She also has done various on the job training courses on trade, Public Private Partnerships (PPPs) and project management. She is a Christian, married and has two sons.

Giles is the Chief Finance Officer and Company Secretary for Sunway City. He is responsible for project evaluations, structuring funding for projects, company secretarial work, accounting and financial management. He has wide experience in finance and management spanning over 30 years in the public and private sectors in Zimbabwe. As General Manager, he spearheaded the turnaround programme of G& W Industrial Minerals focusing on plant utilization improvement and new farmer agricultural lime use promotion. He holds a Bachelor of Accountancy (B.ACC) degree from University of Zimbabwe as well as a Master of Business Leadership degree (MBL) from University of South Africa. He is an Associate Member of the Chartered Institute of Management Accountants (CIMA) and Registered Public Accountant. He is married with 4 children.
Sanangurai Chakwakwama
General Manager Construction & Development

Sanangurai started working as an Assistant Quantity Surveyor with Country Building Contractors in Mutare in 1992. He undertook various civil and building projects in various capacities including Quantity Surveyor (Omega Construction, Grinaker Construction), Managing Quantity Surveyor, Procurement & Estimates Manager, and Commercial Manager (Kuchi Construction) up to July 2005. He joined Sunway City in August 2005 as the General Manager Construction and Development. He holds a BSc. Honours Degree in Rural & Urban Planning from the University of Zimbabwe, Diploma in Surveying from the College of Estate Management, UK and an MBA from the Zimbabwe Open University. He has just completed his studies in the MSc Degree in Real Estate with the University of Reading, UK.

He is a Registered Quantity Surveyor with the Quantity Surveyors Council of Zimbabwe, Member of the Zimbabwe Institution of Quantity Surveyors (ZIQS) and Student Member of the Royal Institute of Chartered Surveyors (RICS). He is a former Board Member, Honorary Secretary and Registrar of ZIQS and Quantity Surveyors Council of Zimbabwe. He is a catholic, happily married with three children.
Takesure is the Marketing Executive for Sunway City (Pvt) Ltd responsible for growing the business through aggressive market penetration and expansion initiatives. Takesure has vast experience in the Sales and Marketing field having worked for blue chip companies – Delta Operations, Air Zimbabwe and Mashco. He was instrumental in the setting up and subsequent growth of Pelhams in Gweru in 1996 to out compete six other competitors in the City. At Air Zimbabwe, Takesure was part of the team that successfully launched the MA60 Aircraft into Zimbabwe and Africa.

Takesure Chimenya
Marketing Executive

Takesure is 45 years old. He holds a Bsc Economics Honours Degree from the University of Zimbabwe and is currently studying for a Master's in Business Leadership (MBL) degree programme. He attended various In-House Marketing and Management Courses with Mandel Training Centre. In April and October 2017, Takesure attended special training on Special Economic Zones in China facilitated by the ICC-NDRC of China with field visits in Beijing, Shenzhen, Zhuhai, Guangzhou, Nantong, Wuxi, Suzhou and Shanghai. He is a member of the Marketers Association of Zimbabwe and is married with three children.
Operations and business processes

- Getting Council Permits and Approvals
- Getting approved surveys
- Environmental Impact Assessments (EIAs)
- Getting EIA certificates from EMA
- Appointing consulting engineers to do designs of roads, sewer and water reticulation and getting these approved by the local authority
- Doing architectural designs and getting these approved by the local authority
- Servicing of the land in accordance with approved designs and getting local authority approvals of the servicing
- Construction of superstructures and getting relevant approvals
- Leasing of superstructures to investors in the SEZ
- Service provision in the SEZ and managing the investors.

Facilities and premises

The company operates in the Sunway City Integrated Park, Ventersburg, Harare

Vendors and suppliers

Contractors are invited through tenders. Selection is based on competitive or selective bidding. For general purchases, direct procurement is done through sourcing of at least three quotations.

Information systems

Pastel is used for accounting information. Windows, Microsoft and power point, etc are also used by the other departments.

Proprietary Technology and Intellectual Property

The main intellectual and proprietary rights of the company are the Local Development Plan Number 33 (LDP33) as well as town planning and surveys done for the various projects in the Sunway City Integrated Park.

Legal, Regulatory and Environmental

The LDP 33 guides development within the Park. The overall Governing Law is the Regional Town & Country Planning Act (Chapter 29:12)

Financial Performance

Attached Separately