

M/S STUMACORT COMPANY LIMITED

**BUSINESS PLAN
FOR
CRDB INVESTMENT FINANCING
(Dealers in Fabrication of Building
Materials)**

**SPONSOR:
M/S STUMARCOT COMPANY LIMITED
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M/S STUMACORT COMPANY LIMITED
DEALERS IN FABRICATION OF BUILDING
MATERIALS

BUSINESS PLAN

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M/S STUMACORT COMPANY LIMITED
DEALERS IN FABRICATION OF BUILDING
MATERIALS

BUSINESS PLAN

1.0 BUSINESS BACKGROUND:

1.1 The Company:

M/S STUMACORT COMPANY LIMITED is a private company incorporated in Tanzania by BRELA under the companies Act, 2002 in September, 2010 vide Certificate of Incorporation **No.78368**. The authorized share capital of the company is **Tshs 65,000,000** divided into 100,000 Shares of Tshs. 650/= each. It is owned by two Tanzania shareholders namely; Stuart Eliakimu Kimaro (70%) and Mary Stuart Kimaro (20%). The company is officially registered with the Tanzania Revenue Authority and has valid business license and TIN Number.

1.2 Business Description:

The company is in the business of fabricating various building materials which include; cement blocks, floor tiles, paving's, capstones, culverts and rolling gates based at Usagara in Misungwi District. The materials are all fabricated using local raw materials which include; cement, iron bars and angles sand, aggregates, paints and other such materials.

1.3 Business Proposal:

The company proposes to mobilize new credit facility of **USD 159,000 (Tshs. 365.7 Million)** for purpose of part financing the investment cost for new Automatic Block Production Line at the existing factory premises at Usagara in Misungwi District. The machinery which is of higher capacity and modern technology is to replace the existing production line due to ageing and experienced frequent breakdowns. The total investment costs for the complete production line as per attached quotation from the supplier is **USD 228,000 (Tshs. 524 Million)**. The company has already paid down payment of **USD 69,000** to the supplier and is therefore in need of **USD 159,000** to cover for the balance in procurement costs for the machinery. The new loan by CRDB Bank is proposed to be repaid over **5 years with interest at 18% per annum**. The company is a client of CRDB Bank which has been supporting its business with financial credits to date. As at present, the company has an outstanding term loan of **Tshs 53.2 Million** and OD facility outstanding at **Tshs. 86.389 Million** which are all being serviced quite on schedule.

1.4 Need for the proposed Credit facility:

The proposed credit facility is aimed at achieving the following business objectives;

- To increase and improve the production capacity of existing plant to match with growing markets demand for products fabricated at the factory.
- To reduce machinery maintenance costs currently being experienced due frequent breakdowns due to ageing of the machinery.
- To respond to growing market demand for goods traded and increase the business volume hence more returns.

1.5 Past Business Performance:

The company has been doing good business in fabrication of building materials since its establishment as is seen from the summary of financial performance for the past three years given under;

	Tshs. '000'		
Year	2019	2018	2017
Contract Receipt	1,995,357	1,043,670	855,175
Cost of Sales	1,617,286	700,415	549,500
Gross Profit	378,070	343,255	305,675
Operating Expenses	87,960	92,088	100,509
Net Profit Before Tax	290,110	251,167	205,165
Net Profit After Tax	237,931	203,000	168,047

2.0 TECHNICAL ASPECTS:

2.1 Business Location:

The business premises are located on **Plot Nos.68 Block "S"** Usagara in Misungwi District. The location is quite ideal since it is on the highway leading to Geita, Bukoba, Kigoma, and Ngara and as far as Uganda and Rwanda / Burundi. It is well served with all basic economic infrastructures which include; electricity from the National Grid System, water and telecommunication services.

2.2 Proposed New Plant and Equipment:

The company proposes to invest in complete replacement the existing production line for production of existing products which include; cement blocks and bricks, floor tiles, paving's, capstones, culverts and rolling gates. The new plant is of higher capacity and of modern technology to be imported from China. The machineries are in fact of German Technology made in China. The total costs for the machinery and equipment is **USD 228,000** as per attached Proforma Invoice. The investment is proposed to be financed through CRDB **Term Loan of USD 159,000** and equity contribution by the company of **USD 69,000**.

2.3 Procurement and Delivery:

The new plant is to produce same products. The raw materials for goods fabricated are procured from Distributors in Mwanza City. All the fabrication works are carried out by the company from its own site at Usagara. Procurement of the materials and the entire chain of transactions and delivery are organized through proper business channels under the supervision of the Managing Director.

2.4 Purchases & Sales Plan:

The purchases involve procurement of cement and other materials and hardware from dealers and transportation of same to the fabrication centre at Usagara. The total purchase volume is projected at Tshs 892 Million as per details given in schedule V of this report. The sales volume has been projected based on current market prices as indicated in schedule IV. The sales are projected to grow to Tshs 2.020 Billion by the end of the first year increasing to Tshs. 2.227 Billion by the second year and to Tshs. 2.455 Billion by the 5th year as compared to sales turnover of Tshs.1.995Billion realized during the year ended December 31st 2019.

2.5 Product Pricing:

The selling prices for goods produced are based on cost plus method taking into account the market forces of supply and demand for goods traded with reasonable profit margins ranging from 20 – 30%.

2.6 Job Creation:

The business in building materials fabrication involve engagement of various skills and labor hence providing employment opportunities to a number of skilled and unskilled workers from within and outside the area.

3.0 MARKETS AND MARKETING AND COMPETITION:

3.1 The Markets:

The market for fabricated goods other building materials has been growing rapidly due to continued growth of the construction sector in general. The major customers for the company include;

- Construction companies
- Government Departments and Institutions
- Private companies
- Individual Customers.
- The company has also been earmarked to supply all pavings and other material for construction of the recently launched Kingongo - Busisi Bridge.

3.2 Competition and Marketing:

Competition from other dealers does exist. However, the company has been running this business for over 10 years and as such it has managed to establish itself and create a name in this line of business. The company will thus continue to strengthen its presence in the market place by producing quality products at competitive pricing.

4.0 SWOT ANALYSIS:

4.1 Strengths:

The major strengths of the business include;

- Growing market demand for building materials given continuous growth of the construction sector.
- Technical competence in fabrication of quality cements blocks and other materials to customer specification.

4.2 Weaknesses:

The major weakness facing the business is the experienced frequent breakdowns of the existing machinery and equipment due to ageing. This proposal is therefore aimed at addressing the weakness through proposed replacement of machinery.

4.3 Opportunities and Threats:

The business has big opportunities for further growth if supported with adequate working capital since demand for building materials traded is big and continues to grow with increasing investments in the construction sector especially for construction of residential and commercial houses. Threats from other dealers and possible new entrants into the business are not considered to be serious problem to the company business.

5.0 BUSINESS MANAGEMENT:

5.1 Management:

The business is under the overall supervision of the Managing Director Mr. Stuart Eliakimu Kimaro supported by his Business Manager located at Factory site at Usagara. No complicated management structure is required in this case since the business is mainly involved in pure fabrication and trading with very few management activities to be overseen.

5.2 Profile of the Managing Director:

Brief Profiles of the MD is as given under:

POSITION:	Managing Director
NAME:	Stuart Eliakimu Kimaro
NATIONALITY:	Tanzanian
GENDER	Male
RESIDENCE:	Mwanza City
EDUCATION:	Secondary Level
OCCUPATION:	Businessman
BUSINESS HISTORY:	He has over 10 years experience in self employment managing various businesses which include; cosmetics trading, mobile phones and building materials fabrications. Through his guidance and supervision, the company has experienced good growth in sales turnover of over Tshs. 1 Billion at present as compared to sales turnover for previous years.

5.3 Manpower:

The business has total manpower of about 10 permanent employees who include; the Business Manager, workshop technicians, supervisor, and security guards. It also employs over 10 casual laborers.

6.0 FINANCIAL EVALUATION:

6.1 Assumptions & Considerations:

The following assumptions and considerations have been used in the financial evaluation of this proposal;

- 6.1.1 The business is a going concern. It has therefore been assumed therefore that it will continue running as a going concern.
- 6.1.2 All revenue and costs have been taken at constant prices with 2020 as base year. Any increase in costs has been assumed to be compensated for by similar increase in revenue.
- 6.1.3 The investment costs for machinery replacement amount to Tshs. 524.4 Million has been assumed to be financed through CRDB Bank term loan of USD 159,000 (Tshs. 365.7 Million) and equity by the company of USD 69,000 (Tshs. 158.7 Million). The loan is to be repaid over 5 years with interest at 18% per annum.
- 6.1.4 Operating costs of the business have been worked out based on past financial performance for the year ended December 31st 2019.

6.2 Projected Income Statement:

Based on assumptions and considerations used in this evaluation, the business is projected to make Net Profit after tax of Tshs. 256.2 Million for the first year increasing to Tshs.291.4 Million by the second year and to Tshs. 327.1 Million by the 3rd year as compared to Net Profit after Tax of Tshs. 237.9 Million for the year ended December 31st 2019. Detailed workings are as given in schedule VII to this report.

6.3 Projected Cash Flow:

The projected monthly cash flow indicates a sound cash movement throughout the 5 years projected period. The cash flow for first year closes with positive cash balance of Tshs 268.2 Million increasing to Tshs. 291 Million by the second year and to Tshs 343.2 Million by the 3rd year as per details given in schedules IXA – IX E of this report.

6.4 Projected Balance Sheet:

These projections indicate that, the business liabilities would be adequately covered by net assets throughout the period under review. Similarly, the business net worth is projected to grow to Tshs 931.7 Million by the end of the first year increasing to Tshs. 2.317 Billion by the 5th year per details given in schedule X of this report.

6.5 Financial rate of Return (IRR):

The Internal Rate of Return (IRR), after tax works out to over 50% as shown in schedule XI. The project proposal is therefore technically feasible and commercially viable.

7.0 SECURITY COVER:

The credit facility of Tshs. 365.7 Million is to be secured by legal mortgage over landed properties of the company that are already lodged with CRDDB Bank.

8.0 RISK ANALYSIS:

The only major risk factor considered is the possible outbreak of fire. The company however takes fire policy insurance to cover for such risk.

9.0 CONCLUSION & RECOMMENDATION:

9.1 CONCLUSIONS:

Based on assumptions and considerations used in evaluation of this proposal, it is concluded that the proposal by the company to mobilize new credit facility of USD 159,000 (Tshs. 365.7 Million) with CRDB Bank PLC is technically feasible and financially sound.

9.2 RECOMMENDATION:

In view of the above conclusion, it is recommended for CRDB Bank to consider and the company **M/S Stumarcot Company Limited** with new term loan of **USD 159,000** equivalents in Tshs. To be repaid over 5 years with interest at 18% per annum. The facility is to part finance the investment costs in new machinery and equipment as given in the proforma Invoice attached hereto.

**STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
PROJECT INVESTMENT COSTS**

**SCHEDULE I
Tshs.000**

S/No.	Machinery and Equipment	Nos / Sets	Unit Costs USD	Total Costs USD	Total Costs Tshs Equiv.
A	Investment Items				
1	Batcher for Main Material	1	16,000	16,000	36,800,000
2	Miver for Main Material	1	13,000	13,000	29,900,000
3	Cement Weighing System	1	4,000	4,000	9,200,000
4	Blet Conveyor	1	2,800	2,800	6,440,000
5	QT6 Automatic Block Making Machine	1	57,000	57,000	131,100,000
6	Stacker	1	8,000	8,000	18,400,000
7	Pneumatic System	1	2,500	2,500	5,750,000
8	Control System	1	7,000	7,000	16,100,000
9	Mould (12 Sets)	11	3,000	33,000	75,900,000
10	Mixer for facemix	1	2,500	2,500	5,750,000
11	Belt Conveyor for facemix	1	2,800	2,800	6,440,000
12	Facemix Device	1	9,500	9,500	21,850,000
13	PVC Pallets	1	21,000	21,000	48,300,000
14	Silo 50 T	1	13,000	13,000	29,900,000
15	Silo Accessories	1	4,000	4,000	9,200,000
16	Screw Conveyor	1	3,500	3,500	8,050,000
17	Installation Costs	1	9,000	9,000	20,700,000
18	Sub Total			208,600	479,780,000
19	Toal FOB Price			214,000	492,200,000
20	Total CIF Price			228,000	524,400,000
B	Investment Financing Plan (USD)		Equity USD	CRDB Loan USD	Total USD
1	Machinery and Equipment		69,000	159,000	228,000
2	TOTAL		69,000	159,000	228,000
C	Investment Financing Plan (Tshs)		Equity Tshs	CRDB Loan Tshs	Total Tshs
1	Machinery and Equipment		158,700,000	365,700,000	524,400,000
2	TOTAL		158,700,000	365,700,000	524,400,000
3	Exchange Rate Used : USD 1 = Tshs 2,300				

STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
INVESTMENT AND FINANCING PLAN

SCHEDULE II
Tshs.000

S/No.	Non Current Assets	Existing		Additions	TOTAL	New Structure		TOTAL
		Existing	Equity			Equity	Loans	
1	Land and Buildings	446,617		-	446,617	393,399	53,218	446,617
2	Furniture & Fittings	4,169		-	4,169	4,169	0	4,169
3	Block Machines	40,415		524,400	564,815	199,115	365,700	564,815
4	Motor Vehicles	78,852		-	78,852	78,852	0	78,852
5	Sub Total	570,053		524,400	1,094,453	675,535	418,918	1,094,453
	Current Assets							
6	Cash and Cash Equivalent	71,590		-	71,590	71,590	0	71,590
7	Trade & Other Receivables	165,202		-	165,202	165,202	0	165,202
8	Stock and Store	327,165		-	327,165	327,165	0	327,165
9	Sub Total	563,957		-	563,957	563,957	-	563,957
10	Working Capital	200,000		-	200,000	0	200,000	400,000
11	TOTAL FINANCING	1,280,792		53,218	1,334,010	1,239,492	618,918	2,058,410
12	Financing Gearing %		96%	4%	100%	60%	30%	90%

FINANCING PLAN:

S/No/	investments	Existing Structure		Loans	TOTAL	New Structure		TOTAL
		Existing	Equity			Equity	Loans	
1	Land and Buildings	393,399		53,218	446,617	393,399	53,218	446,617
2	Furniture & Fittings	4,169		-	4,169	4,169	0	4,169
3	Block Machines	40,415		-	40,415	199,115	365,700	564,815
4	Motor Vehicles	78,852		-	78,852	78,852	0	78,852
5	Sub Total	516,835		53,218	570,053	675,535	418,918	1,094,453
	Current Assets:							
6	Cash and Cash Equivalent	71,590		0	71,590	71,590	0	71,590
7	Trade Receivables	165,202		0	165,202	165,202	0	165,202
8	Stock and Store	327,165		0	327,165	327,165	0	327,165
9	Sub Total	563,957		-	563,957	563,957	-	563,957
10	Working Capital	200,000		-	200,000	0	200,000	400,000
11	TOTAL FINANCING	1,280,792		53,218	1,334,010	1,239,492	618,918	2,058,410
12	Financing Gearing %		96%	4%	100%	60%	30%	90%

STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
LOAN REPAYMENT SCHEDULE

LOAN REPAYMENT SCHEDULE						SCHEDULE IVA
CRDB Loan Outstanding						53,218,000
Annual Interest Rate Decl. Balance						20.0%
Repayment period in months						23
Amount of Interest (Tshs)						11,287,130
Monthly Equal Instalments (Tshs)						2,804,571
No of Months	Year / Month	Opening Balance	Monthly Instalment	Principal	Interest	Loan Balance at end of the month
	2019/20					53,218,000
1	May,19	53,218,000	2,804,571	1,917,604	886,967	51,300,396
2	Jun,19	51,300,396	2,804,571	1,949,564	855,007	49,350,832
3	Jul,19	49,350,832	2,804,571	1,982,057	822,514	47,368,775
4	Aug,19	47,368,775	2,804,571	2,015,091	789,480	45,353,683
5	Sep,19	45,353,683	2,804,571	2,048,676	755,895	43,305,007
6	Oct,19	43,305,007	2,804,571	2,082,821	721,750	41,222,186
7	Nov,19	41,222,186	2,804,571	2,117,534	687,036	39,104,652
8	Dec,19	39,104,652	2,804,571	2,152,827	651,744	36,951,825
9	Jan,20	36,951,825	2,804,571	2,188,707	615,864	34,763,118
10	Feb,20	34,763,118	2,804,571	2,225,186	579,385	32,537,933
11	Mar,20	32,537,933	2,804,571	2,262,272	542,299	30,275,661
12	Apr,20	30,275,661	2,804,571	2,299,977	504,594	27,975,684
	SUB TOTAL		33,654,850	25,242,316	8,412,534	
	2020/21					
13	May,20	27,975,684	2,804,571	2,338,309	466,261	25,637,375
14	Jun,20	25,637,375	2,804,571	2,377,281	427,290	23,260,093
15	Jul,20	23,260,093	2,804,571	2,416,903	387,668	20,843,191
16	Aug,20	20,843,191	2,804,571	2,457,184	347,387	18,386,006
17	Sep,20	18,386,006	2,804,571	2,498,137	306,433	15,887,869
18	Oct,20	15,887,869	2,804,571	2,539,773	264,798	13,348,096
19	Nov,20	13,348,096	2,804,571	2,582,103	222,468	10,765,993
20	Dec,21	10,765,993	2,804,571	2,625,138	179,433	8,140,856
21	Jan,21	8,140,856	2,804,571	2,668,890	135,681	5,471,966
22	Feb,21	5,471,966	2,804,571	2,713,371	91,199	2,758,594
23	Mar,21	2,758,594	2,804,571	2,758,594	45,977	(0)
24	Apr,21	(0)	-	0	(0)	(0)
	SUB TOTAL		30,850,279	27,975,684	2,874,595	
	TOTAL		64,505,130	53,218,000	11,287,130	

STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
TERM LOAN REPAYMENTS SCHEDULE

LOAN REPAYMENT SCHEDULE						SCHEDULE IVB
CRDB Loan Outstanding						365,700,000
Annual Interest Rate Decl. Balance						18.0%
Repayment period in months						60
Amount of Interest (Tshs)						191,482,585
Monthly Equal Instalments (Tshs)						9,286,376
No of Months	Year / Month	Opening Balance	Monthly Instalment	Principal	Interest	Loan Balance at end of the month
2020						
1	Jan.20	365,700,000	9,286,376	3,800,876	5,485,500	361,899,124
2	Feb.20	361,899,124	9,286,376	3,857,890	5,428,487	358,041,234
3	Mar.20	358,041,234	9,286,376	3,915,758	5,370,619	354,125,476
4	Apr.20	354,125,476	9,286,376	3,974,494	5,311,882	350,150,982
5	May.20	350,150,982	9,286,376	4,034,112	5,252,265	346,116,870
6	Jun.20	346,116,870	9,286,376	4,094,623	5,191,753	342,022,247
7	Jul.20	342,022,247	9,286,376	4,156,043	5,130,334	337,866,204
8	Aug.20	337,866,204	9,286,376	4,218,383	5,067,993	333,647,821
9	Sep.20	333,647,821	9,286,376	4,281,659	5,004,717	329,366,162
10	Oct.20	329,366,162	9,286,376	4,345,884	4,940,492	325,020,278
11	Nov.20	325,020,278	9,286,376	4,411,072	4,875,304	320,609,205
12	Dec.20	320,609,205	9,286,376	4,477,238	4,809,138	316,131,967
SUB TOTAL			111,436,517	49,568,033	61,868,484	
2021						
13	Jan.21	316,131,967	9,286,376	4,544,397	4,741,980	311,587,570
14	Feb.21	311,587,570	9,286,376	4,612,563	4,673,814	306,975,007
15	Mar.21	306,975,007	9,286,376	4,681,751	4,604,625	302,293,256
16	Apr.21	302,293,256	9,286,376	4,751,978	4,534,399	297,541,278
17	May.21	297,541,278	9,286,376	4,823,257	4,463,119	292,718,021
18	Jun.21	292,718,021	9,286,376	4,895,606	4,390,770	287,822,415
19	Jul.21	287,822,415	9,286,376	4,969,040	4,317,336	282,853,375
20	Aug.21	282,853,375	9,286,376	5,043,576	4,242,801	277,809,799
21	Sep.21	277,809,799	9,286,376	5,119,229	4,167,147	272,690,570
22	Oct.21	272,690,570	9,286,376	5,196,018	4,090,359	267,494,552
23	Nov.21	267,494,552	9,286,376	5,273,958	4,012,418	262,220,594
24	Dec.21	262,220,594	9,286,376	5,353,068	3,933,309	256,867,526
SUB TOTAL			111,436,517	59,264,441	52,172,076	
2022						
25	Jan.22	256,867,526	9,286,376	5,433,364	3,853,013	251,434,163
26	Feb.22	251,434,163	9,286,376	5,514,864	3,771,512	245,919,299
27	Mar.22	245,919,299	9,286,376	5,597,587	3,688,789	240,321,712
28	Apr.22	240,321,712	9,286,376	5,681,551	3,604,826	234,640,161
29	May.22	234,640,161	9,286,376	5,766,774	3,519,602	228,873,387
30	Jun.22	228,873,387	9,286,376	5,853,276	3,433,101	223,020,112
31	Jul.22	223,020,112	9,286,376	5,941,075	3,345,302	217,079,037
32	Aug.22	217,079,037	9,286,376	6,030,191	3,256,186	211,048,846
33	Sep.22	211,048,846	9,286,376	6,120,644	3,165,733	204,928,202
34	Oct.22	204,928,202	9,286,376	6,212,453	3,073,923	198,715,749
35	Nov.22	198,715,749	9,286,376	6,305,640	2,980,736	192,410,109
36	Dec.22	192,410,109	9,286,376	6,400,225	2,886,152	186,009,884
SUB TOTAL			111,436,517	70,857,642	40,578,875	
2023						
37	Jan.23	186,009,884	9,286,376	6,496,228	2,790,148	179,513,656
38	Feb.23	179,513,656	9,286,376	6,593,672	2,692,705	172,919,984
39	Mar.23	172,919,984	9,286,376	6,692,577	2,593,800	166,227,408
40	Apr.23	166,227,408	9,286,376	6,792,965	2,493,411	159,434,442
41	May.23	159,434,442	9,286,376	6,894,860	2,391,517	152,539,582
42	Jun.23	152,539,582	9,286,376	6,998,283	2,288,094	145,541,300
43	Jul.23	145,541,300	9,286,376	7,103,257	2,183,119	138,438,043
44	Aug.23	138,438,043	9,286,376	7,209,806	2,076,571	131,228,237
45	Sep.23	131,228,237	9,286,376	7,317,953	1,968,424	123,910,284
46	Oct.23	123,910,284	9,286,376	7,427,722	1,858,654	116,482,562
47	Nov.23	116,482,562	9,286,376	7,539,138	1,747,238	108,943,424
48	Dec.23	108,943,424	9,286,376	7,652,225	1,634,151	101,291,199
SUB TOTAL			111,436,517	84,718,685	26,717,832	
2024						
49	Jan.24	101,291,199	9,286,376	7,767,008	1,519,368	93,524,191
50	Feb.24	93,524,191	9,286,376	7,883,514	1,402,863	85,640,677
51	Mar.24	85,640,677	9,286,376	8,001,766	1,284,610	77,638,911
52	Apr.24	77,638,911	9,286,376	8,121,793	1,164,584	69,517,118
53	May.24	69,517,118	9,286,376	8,243,620	1,042,757	61,273,498
54	Jun.24	61,273,498	9,286,376	8,367,274	919,102	52,906,224
55	Jul.24	52,906,224	9,286,376	8,492,783	793,593	44,413,441
56	Aug.24	44,413,441	9,286,376	8,620,175	666,202	35,793,267
57	Sep.24	35,793,267	9,286,376	8,749,477	536,899	27,043,789
58	Oct.24	27,043,789	9,286,376	8,880,720	405,657	18,163,070
59	Nov.24	18,163,070	9,286,376	9,013,930	272,446	9,149,139
60	Dec.24	9,149,139	9,286,376	9,149,139	137,237	(0)
SUB TOTAL			111,436,517	101,291,199	10,145,318	
GRAND TOTAL			557,182,585	365,700,000	191,482,585	

**STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
OVEDRAFT FACILITY**

CRDB Bank OD Facility		200,000	SCHEDULE IVC		
Interest Rate:		18%	Tshs.000'		
Year\ Month	Month	Opening Balance	Repayment	Interest Charges	Closing Balance
2019/20					
MAY,19	1	200,000	0	3,000	200,000
JUN,19	2	200,000	0	3,000	200,000
JUL,19	3	200,000	0	3,000	200,000
AUG,19	4	200,000	0	3,000	200,000
SEP,19	5	200,000	0	3,000	200,000
OCT,19	6	200,000	0	3,000	200,000
NOV,19	7	200,000	0	3,000	200,000
DEC,19	8	200,000	0	3,000	200,000
JAN,20	9	200,000	0	3,000	200,000
FEB,20	10	200,000	0	3,000	200,000
MAR,20	11	200,000	0	3,000	200,000
APR,20	12	200,000	0	3,000	200,000
TOTAL			0	36,000	

**STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
PURCHASE AND SALES PLAN**

**SCHEDULE V
Tshs.000**

PURCHASES PLAN:		Weekly	Monthly	Annual
Particulars	Packaging	Material Costs Value	Costs Value	Purchases Units
Goods				
Fabricated Building Materials	PCS	13,300,000	53,200,000	638,400,000
Culverts and Gates	PCS	17,530,900	70,123,600	841,483,200
Sub Total		30,830,900	123,323,600	1,479,883,200
Transport & Labour Costs (5%)		1,541,545	6,166,180	73,994,160
TOTAL PURCHASES		32,372,445	129,489,780	1,553,877,360

SALES PLAN:		Annual	Profit Margin	Monthly	Annual
Particulars	Packaging	Purchases	30%	Sales	Sales
Goods					
Profit Margin					
Fabricated Building Materials	PCS	1,553,877,360	466,163,208	168,336,714	2,020,040,568

**STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
OPERATING COSTS SCHEDULE**

OPERATING EXPENSES	SCHEDULE VI				
	2020	2021	2022	2023	2024
	1	2	3	4	5
Salaries & Wages	4,500,000	4,590,000	4,681,800	4,775,436	4,870,945
Directors Remuneration	10,750,000	10,965,000	11,184,300	11,407,986	11,636,146
Repair and Maintenance	6,220,000	6,344,400	6,471,288	6,600,714	6,732,728
Communication	2,870,600	2,928,012	2,986,572	3,046,304	3,107,230
Travelling Expenses	7,320,900	7,467,318	7,616,664	7,768,998	7,924,378
Water and Electricity	320,000	326,400	332,928	339,587	346,378
Printing and Stationery	300,000	306,000	312,120	318,362	324,730
Professional Fees	800,000	800,000	800,000	800,000	800,000
Security Expenses	500,000	500,000	500,000	500,000	500,000
Bank charges and commissions	375,200	382,704	390,358	398,165	406,129
Motor Vehicle Running	13,167,500	13,430,850	13,699,467	13,973,456	14,252,925
Miscellaneous Expenses	2,180,700	2,224,314	2,268,800	2,314,176	2,360,460
TOTAL	49,304,900	50,264,998	51,244,298	52,243,184	53,262,048

**STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
PROJECTED INCOME STATEMENT**

SCHEDULE VII

YEAR	Tshs.000'				
	2020	2021	2022	2023	2024
	1	2	3	4	5
Sales	2,020,041	2,121,043	2,227,095	2,338,449	2,455,372
Opening Stocks	233,082	244,736	256,972	269,821	283,312
Purchases & Transport	1,553,877	1,631,571	1,713,150	1,798,807	1,888,748
Goods Available for Sale	1,786,959	1,876,307	1,970,122	2,068,628	2,172,060
Less:					
Closing Stocks	310,775	326,314	342,630	359,761	377,750
Cost of Sales	1,476,183	1,549,993	1,627,492	1,708,867	1,794,310
Gross Profit	543,857	571,050	599,602	629,583	661,062
Operating Expenses	49,305	50,265	51,244	52,243	53,262
Operating Surplus	494,552	520,785	548,358	577,339	607,800
Capital Charges:					
Interest on CRDB OD Facility	36,000	36,000	36,000	36,000	36,000
Interest on CRDB WC Loan	8,413	2,875	-	-	-
Interest on CRDB Investment Loan	61,868	52,172	40,579	26,718	10,145
Depreciation	86,893	86,893	86,893	86,893	86,893
Total	193,174	177,940	163,472	149,611	133,039
Profit Before Tax	301,378	342,845	384,886	427,728	474,761
Tax Provision	45,207	51,427	57,733	64,159	71,214
Profit After Tax	256,171	291,418	327,153	363,569	403,547
Retained Earnings	256,171	547,589	874,742	1,238,311	1,641,858

**STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
WORKING CAPITAL REQUIREMENT**

SCHEDULE VIII

Tshs.000'

YEAR	2020	2021	2022	2023	2024
Current Assets:	1	2	3	4	5
Debtors (2 Weeks)	84,168	88,377	92,796	97,435	102,307
Stocks (2 MonthS)	258,980	271,929	285,525	299,801	314,791
Total	343,148	360,305	378,321	397,237	417,098
Less:					
Current Liabilities:					
Sundry Creditors	143,148	160,305	178,321	197,237	217,098
Working Capital Requirement	200,000	200,000	200,000	200,000	200,000
Change in WC	200,000	0	0	0	0

STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
PROJECTED CASH FLOW

SCHEDULE IXA

Tshs.'000'

PARTICULARS	Jan 20 1	Feb 20 2	Mar 20 3	Apr 20 4	May 20 5	Jun 20 6	Jul 20 7	Aug 20 8	Sep 20 9	Oct 20 10	Nov 20 11	Dec 20 12	TOTAL
Cash Receipts	155,224	157,209	155,378	156,773	156,793	157,225	158,700	150,795	156,662	153,400	147,840	148,840	1,854,839
Debtors Collections	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	165,202
Equity	158,700	0	0	0	0	0	0	0	0	0	0	0	158,700
CRDB Loan	365,700	0	0	0	0	0	0	0	0	0	0	0	365,700
Total Cash Receipts	693,391	170,976	169,145	170,540	170,560	170,992	172,467	164,562	170,429	167,167	161,607	162,607	2,544,441
CASH OUTFLOWS													
Investments	524,400	0	0	0	0	0	0	0	0	0	0	0	524,400
Cost of Sales	263,402	135,600	130,500	125,330	120,730	115,400	113,780	112,554	98,700	93,047	86,440	80,700	1,476,183
Operating Costs	4,109	4,109	4,109	4,109	4,109	4,109	4,109	4,109	4,109	4,109	4,109	4,109	49,305
Interest on OD facility	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
W/C Loan Instalments	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	33,655
Investment Loan Instalments	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	111,437
Tax Provision	0	0	11,302	0	0	11,302	0	0	11,302	0	0	11,303	45,208
Total Cash Outflows	807,002	154,800	161,001	144,530	139,930	145,901	132,980	131,754	129,201	112,247	105,640	111,202	2,276,187
CASH MOVEMENT SUMMARY													
Total Expected inflows	693,391	170,976	169,145	170,540	170,560	170,992	172,467	164,562	170,429	167,167	161,607	162,607	2,544,441
Total Expected outflows	807,002	154,800	161,001	144,530	139,930	145,901	132,980	131,754	129,201	112,247	105,640	111,202	2,276,187
SURPLUS (DEFICIT)	(113,611)	16,176	8,143	26,010	30,630	25,090	39,487	32,808	41,227	54,920	55,967	51,404	268,254
CASH POSITION													
Opening Balance	(86,389)	(200,000)	(183,824)	(175,680)	(149,670)	(119,040)	(93,949)	(54,462)	(21,654)	19,573	74,493	130,461	130,461
Add. Surplus/(Deficit)	(113,611)	16,176	8,143	26,010	30,630	25,090	39,487	32,808	41,227	54,920	55,967	51,404	51,404
CLOSING BALANCE	(200,000)	(183,824)	(175,680)	(149,670)	(119,040)	(93,949)	(54,462)	(21,654)	19,573	74,493	130,461	181,865	181,865

STUMARCOT COMPANY LIMITED
 BUILDING MATERIALS FABRICATION
 PROJECTED CASHFLOW

SCHEDULE 1XB

Tshs. '000'

PARTICULARS	Jan,21	Feb,21	Mar,21	Apr,21	May,21	Jun,21	Jul,21	Aug,21	Sep,21	Oct,21	Nov,21	Dec,21	TOTAL
	13	14	15	16	17	18	19	20	21	22	23	24	
Cash Receipts	170,550	172,306	175,283	168,440	172,330	173,903	170,446	170,256	169,144	165,440	162,300	160,645	2,031,043
Debtors Collections	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Equity	0	0	0	0	0	0	0	0	0	0	0	0	0
CRDB Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Receipts	178,050	179,806	182,783	175,940	179,830	181,403	177,946	177,756	176,644	172,940	169,800	168,145	2,121,043
CASH OUTFLOWS													
Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost of Sales	263,402	178,600	163,220	156,830	108,700	103,445	109,882	102,639	98,912	90,778	90,145	83,440	1,549,993
Operating Costs	4,189	4,189	4,189	4,189	4,189	4,189	4,189	4,189	4,189	4,189	4,189	4,189	50,265
Interest on OD facility	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
WC Loan Installments	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	30,850
Investment Loan Installments	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	111,437
Tax Provision	0	0	12,857	0	-	12,857	0	-	12,857	0	-	12,857	51,427
Total Cash Outflows	282,682	197,880	195,356	176,110	127,980	135,581	129,162	121,919	131,048	110,058	109,425	112,772	1,829,972
CASH MOVEMENT SUMMARY													
Total Expected Inflows	178,050	179,806	182,783	175,940	179,830	181,403	177,946	177,756	176,644	172,940	169,800	168,145	2,121,043
Total Expected outflows	282,682	197,880	195,356	176,110	127,980	135,581	129,162	121,919	131,048	110,058	109,425	112,772	1,829,972
SURPLUS (DEFICIT)	(104,632)	(18,074)	(12,573)	(170)	51,850	45,822	48,784	55,837	45,596	62,882	60,375	55,373	291,071
CASH POSITION													
Opening Balance	268,254	163,622	145,549	132,975	132,806	184,656	230,478	279,262	335,099	380,695	443,577	503,952	
Add: Surplus/(Deficit)	(104,632)	(18,074)	(12,573)	(170)	51,850	45,822	48,784	55,837	45,596	62,882	60,375	55,373	
CLOSING BALANCE	163,622	145,549	132,975	132,806	184,656	230,478	279,262	335,099	380,695	443,577	503,952	559,326	

SCHEDULE IXC

Tshs. '000'

PARTICULARS	Jan 22 25	Feb 22 26	Mar 22 27	Apr 22 28	May 22 29	Jun 22 30	Jul 22 31	Aug 22 32	Sep 22 33	Oct 22 34	Nov 22 35	Dec 22 36	TOTAL
Cash Receipts	177,372	176,893	177,088	177,263	176,529	178,600	180,903	177,307	178,440	177,630	176,224	176,846	2,131,095
Debtors Collections	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Equity	0	0	0	0	0	0	0	0	0	0	0	0	0
CRDB Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Receipts	185,372	184,893	185,088	185,263	184,529	186,600	188,903	185,307	186,440	185,630	184,224	184,846	2,227,095
CASH OUTFLOWS													
Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost of Sales	275,220	168,440	157,850	148,740	136,553	125,490	120,900	108,680	103,820	98,630	95,440	87,729	1,627,492
Operating Costs	4,270	4,270	4,270	4,270	4,270	4,270	4,270	4,270	4,270	4,270	4,270	4,270	51,244
Interest on OD facility	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
W/C Loan Installments	-	-	-	-	-	-	-	-	-	-	-	-	0
Investment Loan Installments	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	111,437
Tax Provision	0	0	14,433	0	0	14,433	0	0	14,433	0	0	14,434	57,734
Total Cash Outflows	291,777	184,997	188,840	165,297	153,110	156,480	137,457	125,237	134,810	115,187	111,997	118,720	1,883,907
CASH MOVEMENT SUMMARY													
Total Expected inflows	185,372	184,893	185,088	185,263	184,529	186,600	188,903	185,307	186,440	185,630	184,224	184,846	2,227,095
Total Expected outflows	291,777	184,997	188,840	165,297	153,110	156,480	137,457	125,237	134,810	115,187	111,997	118,720	1,883,907
SURPLUS (DEFICIT)	(106,405)	(104)	(3,752)	19,966	31,419	30,120	51,446	60,070	51,630	70,443	72,227	66,126	343,188
CASH POSITION													
Opening Balance	559,326	452,921	452,817	449,065	469,031	500,451	530,571	582,017	642,087	693,717	764,161	836,388	836,388
Add: Surplus/(Deficit)	(106,405)	(104)	(3,752)	19,966	31,419	30,120	51,446	60,070	51,630	70,443	72,227	66,126	66,126
CLOSING BALANCE	452,921	452,817	449,065	469,031	500,451	530,571	582,017	642,087	693,717	764,161	836,388	902,514	902,514

PARTICULARS	Jan.23	Feb.23	Mar.23	Apr.23	May.23	Jun.23	Jul.23	Aug.23	Sep.23	Oct.23	Nov.23	Dec.23	TOTAL
Cash Receipts	37	38	39	40	41	42	43	44	45	46	47	48	
Debtors Collections	186,392	186,338	185,245	185,267	186,441	186,389	185,667	185,206	186,356	188,633	187,452	185,663	2,234,049
Equity	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	104,400
CRDB Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Receipts	195,092	194,038	193,945	193,967	195,141	195,089	194,367	193,906	195,056	197,333	196,152	194,363	2,338,449
CASH OUTFLOWS													
Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost of Sales	275,330	239,800	180,440	156,490	130,645	120,956	120,445	118,734	107,600	93,400	86,653	78,374	1,708,867
Operating Costs	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	52,243
Interest on OD facility	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
WC Loan Installments	-	-	-	-	-	-	-	-	-	-	-	-	0
Investment Loan Installments	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	111,437
Tax Provision	0	0	16,040	0	-	16,040	0	-	16,040	0	-	16,039	64,158
Total Cash Outflows	291,970	256,440	213,120	173,130	147,285	153,636	137,085	135,374	140,280	110,040	103,293	111,053	1,972,705
CASH MOVEMENT SUMMARY													
Total Expected Inflows	195,092	194,038	193,945	193,967	195,141	195,089	194,367	193,906	195,056	197,333	196,152	194,363	2,338,449
Total Expected outflows	291,970	256,440	213,120	173,130	147,285	153,636	137,085	135,374	140,280	110,040	103,293	111,053	1,972,705
SURPLUS (DEFICIT)	(96,878)	(62,402)	(19,175)	20,837	47,856	41,453	57,282	58,532	54,776	87,293	92,859	83,310	365,744
CASH POSITION													
Opening Balance	902,514	805,636	743,234	724,059	744,896	792,752	834,205	891,487	950,019	1,004,796	1,092,089	1,184,948	
Add Surplus/(Deficit)	(96,878)	(62,402)	(19,175)	20,837	47,856	41,453	57,282	58,532	54,776	87,293	92,859	83,310	
CLOSING BALANCE	805,636	743,234	724,059	744,896	792,752	834,205	891,487	950,019	1,004,796	1,092,089	1,184,948	1,268,258	

STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
PROJECTED CASHFLOW

SCHEDULE IXE

Tshs. '000'

PARTICULARS	Jan,24 49	Feb,24 50	Mar,24 51	Apr,24 52	May,24 53	Jun,24 54	Jul,24 55	Aug,24 56	Sep,24 57	Oct,24 58	Nov,24 59	Dec,24 60	TOTAL
Cash Receipts	193,227	194,509	194,509	195,332	195,803	195,440	196,734	195,735	197,880	196,734	195,799	195,670	2,347,372
Debtors Collections	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	108,000
Equity	0	0	0	0	0	0	0	0	0	0	0	0	0
CRDB Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Receipts	202,227	203,509	203,509	204,332	204,803	204,440	205,734	204,735	206,880	205,734	204,799	204,670	2,455,372
CASH OUTFLOWS													
Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost of Sales	280,700	230,800	180,665	175,440	137,534	135,300	120,562	118,600	112,330	108,782	103,218	90,379	1,794,310
Operating Costs	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	53,262
Interest on OD facility	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
W/C Loan Installments	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	9,286	111,437
Investment Loan Installments	0	0	17,804	0	0	17,804	0	0	17,804	0	0	17,804	71,214
Tax Provision	0	0	17,804	0	0	17,804	0	0	17,804	0	0	17,804	71,214
Total Cash Outflows	297,425	247,525	215,193	192,165	154,259	169,828	137,287	135,325	146,858	125,507	119,943	124,907	2,066,223
CASH MOVEMENT SUMMARY													
Total Expected inflows	202,227	203,509	203,509	204,332	204,803	204,440	205,734	204,735	206,880	205,734	204,799	204,670	2,455,372
Total Expected outflows	297,425	247,525	215,193	192,165	154,259	169,828	137,287	135,325	146,858	125,507	119,943	124,907	2,066,223
SURPLUS (DEFICIT)	(95,198)	(44,016)	(11,684)	12,167	50,544	34,612	68,447	69,410	60,022	80,227	84,856	79,763	389,149
CASH POSITION													
Opening Balance	1,268,258	1,173,060	1,129,044	1,117,360	1,129,527	1,180,071	1,214,683	1,283,130	1,352,540	1,412,561	1,492,789	1,577,645	1,577,645
Add Surplus/(Deficit)	(95,198)	(44,016)	(11,684)	12,167	50,544	34,612	68,447	69,410	60,022	80,227	84,856	79,763	389,149
CLOSING BALANCE	1,173,060	1,129,044	1,117,360	1,129,527	1,180,071	1,214,683	1,283,130	1,352,540	1,412,561	1,492,789	1,577,645	1,657,407	

STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
BALANCE SHEET

SCHEDULE X

Tshs. 000

YEAR	2020	2021	2022	2023	2024
	1	2	3	4	5
Fixed Assets at Cost	1,094,453	1,094,453	1,094,453	1,094,453	1,094,453
Less: Acc. Depreciation	86,893	173,787	260,680	347,574	434,467
Net Fixed Assets	1,007,560	920,666	833,773	746,879	659,986
Current Assets					
Cash	268,254	559,326	902,514	1,268,258	1,657,407
Debtors	84,168	88,377	92,796	97,435	102,307
Stock	258,980	271,929	285,525	299,801	314,791
Total	611,402	919,631	1,280,834	1,665,495	2,074,506
Current Liabilities					
CRDB OD Facility	200,000	200,000	200,000	200,000	200,000
Creditors	143,148	160,305	178,321	197,237	217,098
Sub Total	343,148	360,305	378,321	397,237	417,098
Net Current Assets	268,254	559,326	902,514	1,268,258	1,657,407
Total Assets	1,275,814	1,479,992	1,736,287	2,015,137	2,317,393
Long Term Liabilities					
CRDB WC Term Loan	27,976	-	-	-	-
CRDB Investment Term Loan	316,132	256,868	186,010	101,291	(0)
Total	344,108	256,868	186,010	101,291	(0)
Net Total Assets.	931,706	1,223,124	1,550,277	1,913,846	2,317,393
Represented by:					
Equity	675,535	675,535	675,535	675,535	675,535
Retained Earnings	256,171	547,589	874,742	1,238,311	1,641,858
Total Assets	931,706	1,223,124	1,550,277	1,913,846	2,317,393
	0	0	0	0	0

STUMARCOT COMPANY LIMITED
BUILDING MATERIALS FABRICATION
FINANCIAL RATE OF RETURN

SCHEDULE XI
Tshs. 000

YEAR	2020	2021	2022	2023	2024
	1	2	3	4	5
CASH FLOWS:					
Net Profit After Tax	256,171	291,418	327,153	363,569	403,547
Depreciation	86,893	86,893	86,893	86,893	86,893
Interest on Overdraft	36,000	36,000	36,000	36,000	36,000
Interest on WC Term Loan	8,413	2,875	-	-	-
Interest on Investment Term Loan	61,868	52,172	40,579	26,718	10,145
Salvage Value (Fixed Assets)	-	-	-	-	-
TOTAL INFLOWS	449,346	469,358	490,625	513,180	536,585
CASH OUT FLOWS:					
Investment and Re-Investments	524,400	-	-	-	-
Increase in Working Capital	200,000	-	-	-	-
TOTAL OUT FLOWS	724,400	-	-	-	-
NET CASH FLOW	(275,054)	469,358	490,625	513,180	536,585
Discount Factor at 40%	1.000	0.714	0.510	0.364	0.260
Present Value	(275,054)	335,122	250,219	186,798	139,512
NET PRESENT VALUE at 40%	636,596				
Discount Factor at 50%	1.000	0.667	0.444	0.296	0.198
Present Value	(275,054)	313,062	217,838	151,901	106,244
NET PRESENT VALUE at 50%	513,990				

IRR > 50%

Official Quotation of QGM QT6 Automatic Block Production line

Proposal No.: TZ2019110502

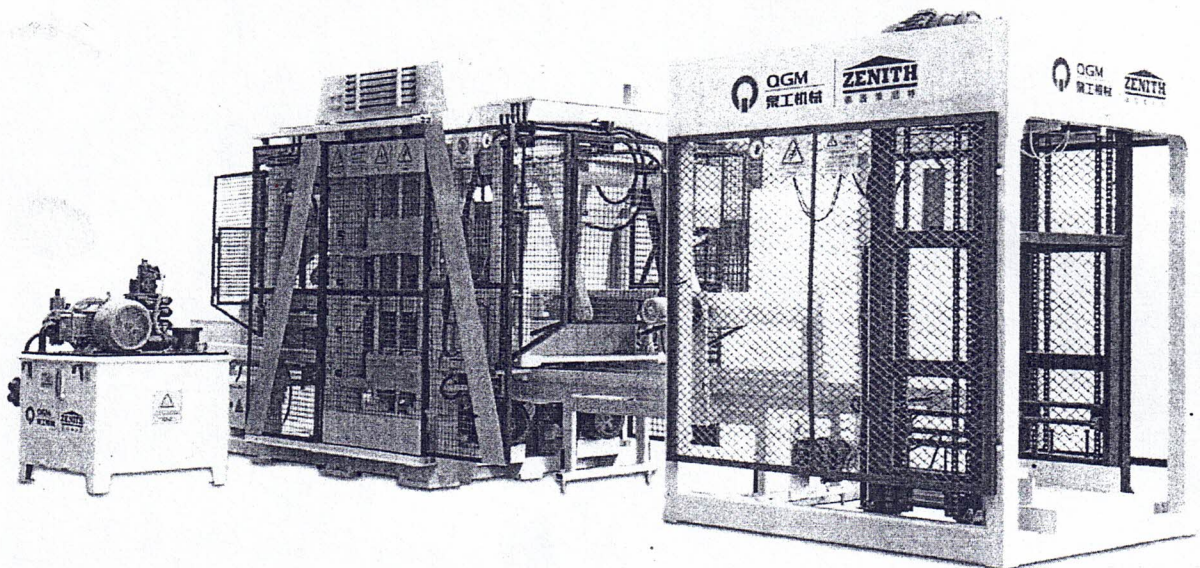
OFFER

TO STUMARCOT CO LTD
Email: stumarcot@gmail.com
Mobile: +255 769226111
Add: P.O BOX 10773, MWANZA,TANZANIA

We are pleased to provide you with the following offer, which we will carry out according to our General Terms and Conditions.

From QGM Quangong Machinery Co., Ltd.
Peter Wang (Sales Manager)
Tel: +86 595 8679 9299
Fax: +86 595 8679 9557
Mobile: +86 18105956807
Email: peter@qzmachine.com

Offer date: 5th of Nov., 2019
Validity: 30 days



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Quangong Machinery Co.,Ltd (QGM)



QGM Group – Global Vision, Local Service

**With Quality and Service ---- We Provide the Integrated Solutions for Block Making
Direct after-sales service from QGM Uganda, Zambia, South Africa & Algeria.**

Company Profile

1. Founded in 1979, QGM is the leading block machine manufacturer and has the longest history in China.
2. Start from 2002, QGM has set up offices around the world, include Algeria, Indonesia, India, Nigeria, Uganda, Oman, Saudi Arabia, Vietnam, Zambia.
3. In 2014, QGM fully acquired the most famous block machine manufacturer Germany ZENITH, and renamed it Zenith Maschinenfabrik GmbH in Neunkirchen.
4. In 2016, QGM fully acquired Zenith Formen Produktions GmbH in Frestriz, Austria; QGM took over all the employees, building and land of Zenith Formen Produktions GmbH.
5. Benefits from the close collaboration between Zenith Maschinenfabrik GmbH, Zenith Formen Produktions GmbH and QGM China manufacturing center, QGM Group is an internationally well-know manufacturer of high-class systems and machines for the concrete industry, turns into more and more fully-range supplier.

For more information of our company, you are welcome to visit our web site at: www.concretemachinery.net

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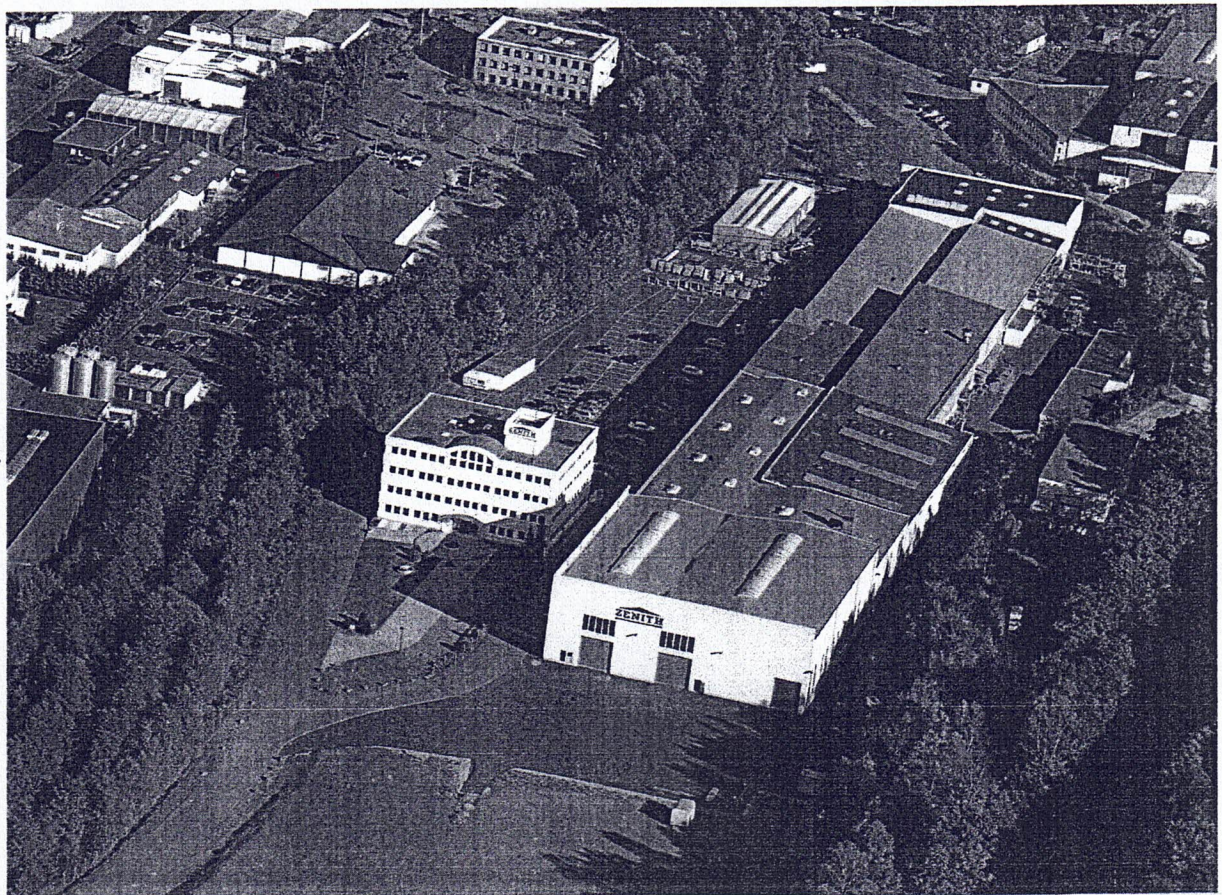
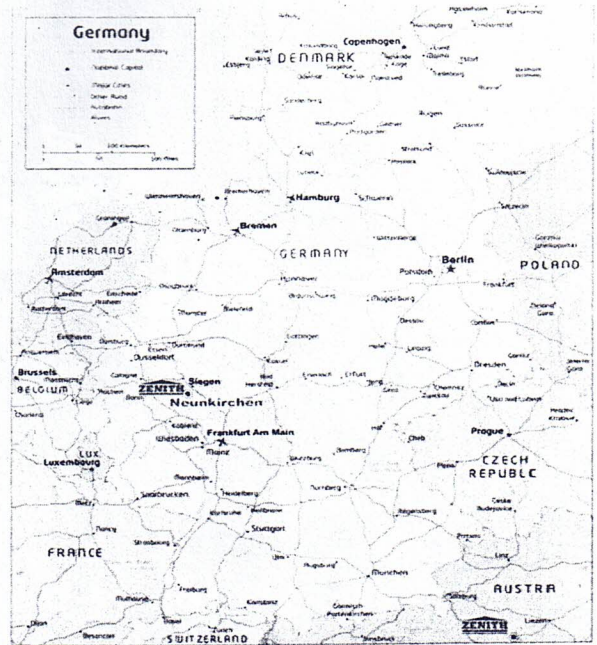
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China QGM



Germany Zenith



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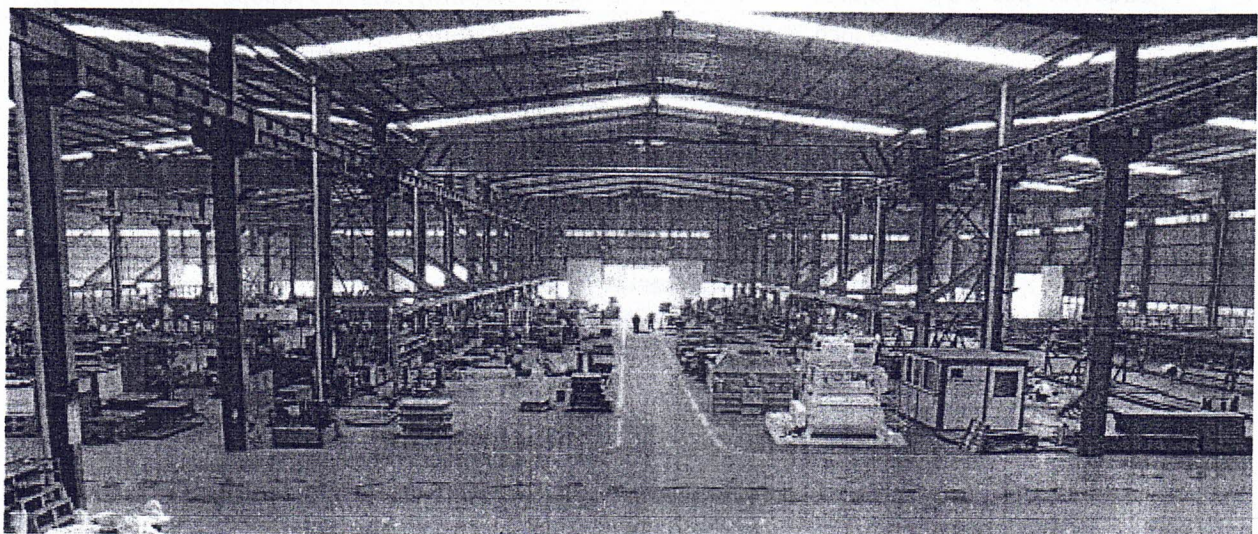
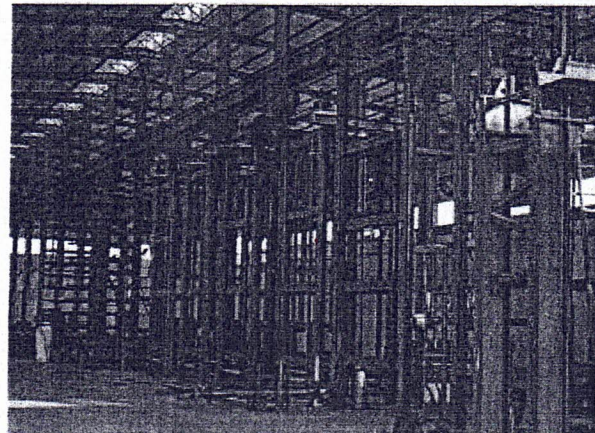
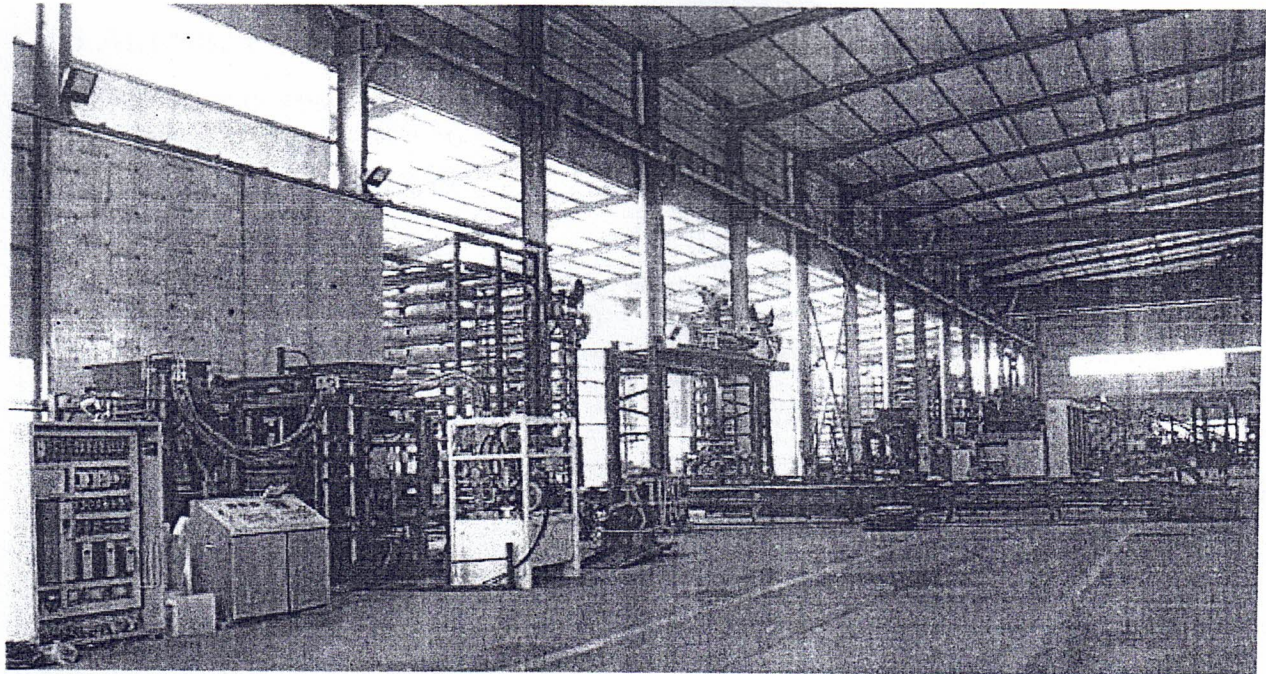
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Germany R&D Team



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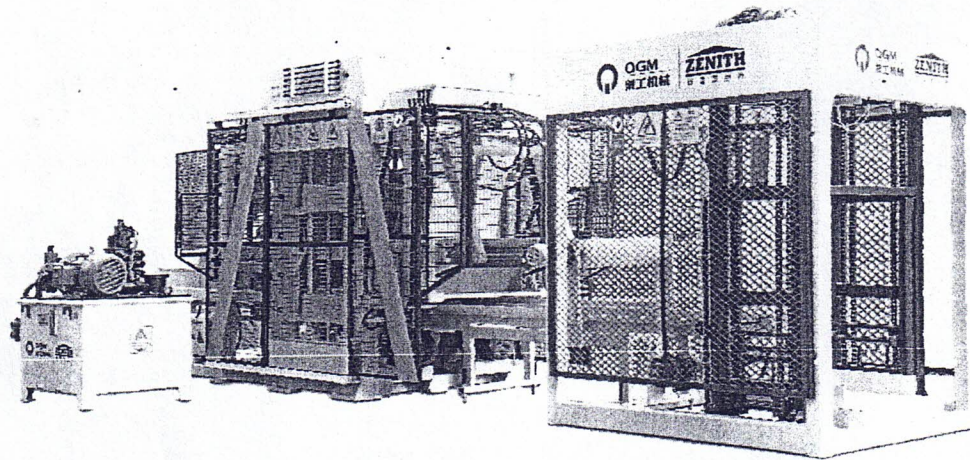
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QT6 Automatic Block Making Machine加高机



Main Technical Specifications	
Production per Mould:	4 pc/mould (6 inch Solid Block: 450x230x150mm)
	5 pc/mould (5 inch Solid Block: 450x230x125mm)
	5 pc/mould (6 inch Hollow Block: 450x230x150mm)
	6 pc/mould (5 inch Hollow Block: 450x230x125mm)
	21 pc/mould (Rectangular Paver: 200x100x60-80mm)
	15 pc/mould (Interlock Paver: 225x112.5x60mm)
Cycle Time:	15-20 seconds
Production per Day (8 Working Hours):	6 inch Solid Block (450x230x150mm): 4,400-5,600pc
	5 inch Solid Block (450x230x125mm): 5,500-7,000pc
	6 inch Hollow Block (450x230x150mm): 5,500-7,000pc
	5 inch Hollow Block (450x230x125mm): 6,600-8,400pc
	Rectangular Paver(200x100x60-80mm): 23,000-29,400pc(500m ²)
Interlock Paver (225x112.5x60mm): 16,500-21,000pc (500m ²)	
Vibrating Frequency:	0-6,000 rpm (rolls per minute)
Vibrating Force:	60 KN
Motors Power:	30 KW
Machine Dimensions:	9680x2800x2800mm
Pallet Size:	850x680mm
Gross Weight:	about 7.5T
Raw Materials:	crushed stone, sand, cement, dust and fly ash, gravel, and other wastes.
Applied Products:	concrete blocks, solid/hollow/cellular masonry products, paving stones, garden and landscaping products, slabs, kerbstones, interlocking blocks, etc.
Applied Fields:	widely used in buildings, road pavings, squares, city constructions, etc.
Note: All the production parameters are subject to change, without prior notice.	

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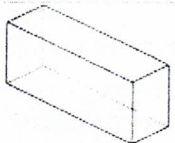



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QT6 Automatic Block Making Machine

QT6-15 (6 stands for the production quantity is 6 blocks "400x200x200mm" per mould) has the production output of 6,600-8,400 blocks (400x200x200mm) or 120-160 cubic meters for one day (8 working hours). As the moulds are changeable, it's able to produce different types of blocks/bricks.

① Production output

QT6 Automatic Block-Making Machine - Production Output						
BLOCK TYPE		L mm.	W mm.	H mm.	Quantity per Mould	Quantity in 8 Hours
	6 inch	450	150	230	4	4,400-5,600pc
	5 inch	450	125	230	5	5,500-7,000
	4 inch	450	100	230	6	6,600-8,400
	6 inch	450	150	230	5	5,500-7,000
	5 inch	450	125	230	6	6,600-8,400
	4 inch	450	100	230	8	8,800-11,200
	Wave-shape	225	112.5	60-80	15	16,500-21,000
	Double-T	200	160	60-80	12	13,200-16,800
	Bat-shape	230	140	60-80	12	13,200-16,800
	Rectangular	200	100	60-80	21	23,000-29,400
	Road-Curbstone	500	150	250	2	2,200-2,800

The capacity data are theoretical and are dependent on machine settings, mix design, aggregates used and other environmental conditions, are for reference only.

② Consumption report

6 inch Solid Block: 450x230x150mm, about 35 kg/pc

Stress & Strength: 10-15 MPA (to increase the strength of the blocks, it will need to change the mix design)

Production per Shift (8 working hours): 5,000 Blocks

Proportional Ratio: 8% Cement, 30% Sand, 62% Crushed Stone

Water Consumption: 8% of the total weight of the block

No.	Name	Consumption /hour (ton)	Consumption /8 hours (ton)	Consumption /month(ton)	Consumption /year (ton)
1	8% Cement	1.75	14	308	3,700
2	30% Sand	6.5	52	1,144	13,700
3	62% Crushed Stone	13.5	108	2,376	28,500
4	Water	1.75	14	308	3,700

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Main Features:

- 1) Uses Germany Siemens PLC control system and Siemens Touch Screen.
 - A. Visualization screen with easy operation;
 - B. Is able to set up, update and amend the production perimeters, to maximize the production output;
 - C. Dynamic display of the system's status, automatic trouble shooting and warning notice;
 - D. Has automatic-locking function, avoiding mechanical accidents caused by operational mistakes;
 - E. Is able to troubleshoot the machinery via teleservice.
- 2) Uses high-dynamic proportional and directional valves, which automatically adjust the oil flow and pressure as per specific working requirements, to buffer the hydraulic cylinder when working; uses integrated high-pressure and soft oil pipes, with easy installation;
- 3) Uses multi-shaft rotating and compulsory feeding, which greatly improves the density and intensity of the blocks, and reduces the feeding time as well;
- 4) Integrated structure of vibrating and moulding platforms, which reduces the weight of the machine, and improves the vibrating efficiency;
- 5) Uses double-line aero vibration-proof system, which reduces the vibrating force on the mechanical parts, improves the using lifetime of the machine, and reduces the noise;
- 6) High-precision guide bearings are used to assure the precise movement between the tamper head and the mould;
- 7) Heavy-duty machine frame, which uses high-intensity steel and advanced heat treatment, is wear resistant.

BIG FIVE ADVANTAGES OF QT Series Automatic Block Making Machine

Our machines, with harmonic cooperation between electrical and hydraulic machines functions, guarantee a reliable and high output production of concrete products.

1. Use Germany Siemens PLC control system and Siemens Touch Screen, use Schneider and Omron relays and contactors:
 - A. Siemens PLC, with great adaptability, guarantees the stability and reliability of the machine;
 - B. Visualization touch screen, with easy operation;
 - C. High-quality electrical components from Schneider and Omron;
2. Use Frequency Conversion Control Technology, which controls the block making:
 - A. Frequency Conversion Control: guarantees the precise and parallel movement between tamper head and mould, protects the products from transfiguration; increases the production rate by improving the vibrating efficiency;
 - B. Frequency controlled vibration: controls the instantaneous start and stop of the motors, to protect the motor from over-heating caused by constant working;
 - C. Power saving: 30%;
3. Use Double high-dynamic Proportional/Directional Valves to automatically adjust the oil flow and pressure
 - A. Buffer the hydraulic cylinder, to protect the cylinder from damage caused by inertia;
 - B. Guarantee production stability;
4. 360° Multi-Shaft Rotating and Compulsory Feeding:
 - A. Speedy and rotating feeding, with uniform mixing, to make sure that the density and intensity of the products are guaranteed;
 - B. This uniform feeding is applicable for different kinds of raw materials and moulds;
5. Use heat treatment on moulds and main parts of the machines:
 - A. Heavy duty machine structure and wear resistant moulds;
 - B. The hardness reaches up to HRC 52;
 - C. Greatly improves the using lifetime of the machine by 50%.

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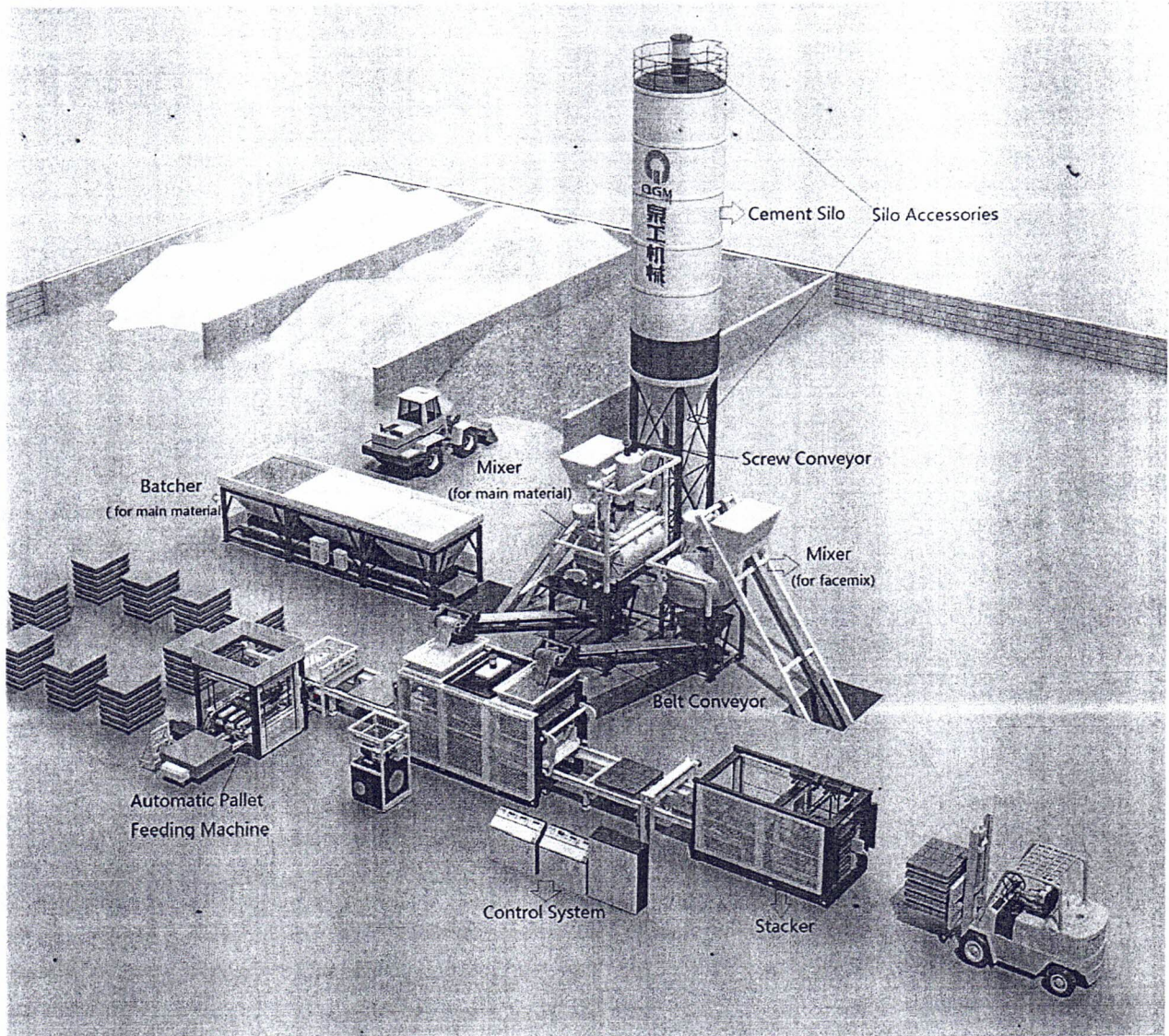
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QT6 Automatic Block Making Machine

Automatic Production Line with color System



No.	Name	Specification	Unit	Qty.	Price	Remark	
1	Batcher for Main Material	Aggregate Hopper	4m ³	Set	3	\$16,000	
		Weighing Hopper	1200k	Set	1		
		Weighing Sensor	CST-2000	Set	4		
		Cylinder	SC80x300-S-CB-Y	Set	3		
		Vibrator, B-0.5	0.5kw	Set	3		
		Motor	7.5kw	Set	1		
		Belt	B500x17.1m	Set	1		
		Frame	Steel structure	Set	1		

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2	Mixer for Main Material	Mixing Bucket	JS500	Set	1	\$13,000	Twin-shaft Mixer
		Mixing Motor	18.5kW	Set	1		
		Hoister Motor	5.5kw	Set	1		
		Lubrication System		Set	1		
		Cylinder	SC125x300-S-TC-M-Y	Set	1		
		Water pump	2.2 kw	Set	1		
3	Cement Weighing System for Main Material	Cement Weighing Hopper	250kg±1%	Set	1	\$4,000	
		Weighing Sensor	CSB-250	Set	1		
		Butterfly Valve	Φ250	Set	1		
		Vibrator	B-0.25	Set	1		
4	Belt Conveyor for Main Material	Belt	B500x7m	Set	1	\$2,800	
		Decelerator	2.2 kw	Set	1		
		Frame	Steel structure	Set	1		
		Tension device		Set	1		
		Material hopper		Set	1		
5	QT6 Automatic Block Making Machine	Main Machine QT6		Set	1	\$57,000	Siemens PLC Control System and TouchScreen, Frequency Control
		Vibration motor	2X7.5kw(SIEMENS)	Set	1		
		Material feeder	2.2 kw	Set	1		
		Pallet feeder	0.75 kw	Set	1		
		Conveyor for Wet Blocks	0.75 kw	Set	1		
		Brusher	Φ180x860	Set	1		
	Hydraulic System	11kw					
6	Stacker	Frame	SBJ6	Set	1	\$8,000	SIEMENS Frequency Control
		Moving motor	1.5 kw	Set	1		
		Elevating motor	1.5 kw	Set	1		
7	Pneumatic System	Air compressor		Set	1	\$2,500	
		Pipeline		Set	1		
		F.R.L Combination		Set	1		
8	Control System	Electric Cabinet		Set	1	\$7,000	Siemens control system, such as touch screen, PLC, contactors buttons etc. Indicator: GeneralMeasure
		Control Panel		Set	1		
		Touch screen	SIEMENS	Set	1		
		PLC	SIEMENS	Set	1		
		General Measure		Set	1		
		Connecting Cable		Set	1		
9	Mould (12 sets)	6 inch Solid Blocks	450x150x230mm	Set	1	FREE	Heat Treatment & CNC Precision Cutting
		5 inch Solid Blocks	450x125x230mm	Set	1	\$3,000	
		4 inch Solid Blocks	450x100x230mm	Set	1	\$3,000	
		4 inch Hollow Blocks	450x100x230mm	Set	1	\$3,000	
		6 inch Hollow Blocks	450x150x230mm	Set	1	\$3,000	

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		60mm Rectangular Paver	200x100x60mm	Set	1	\$3,000		
		80mm Rectangular Paver	200x100x80mm	Set	1	\$3,000		
		60mm Interlock (Uni)	220x110x60mm	Set	1	\$3,000		
		80mm Interlock (Uni)	220x110x80mm	Set	1	\$3,000		
		250mm Curbstone	600x250x150mm	Set	1	\$3,000		
		300mm Curbstone	600x300x150mm	Set	1	\$3,000		
		60mm E-T Pavers	228x138x60mm	Set	1	\$3,000		
Sub-total		USD 143,300 (Factory Price, item 1-9)						
Color System: to produce pavers/interlocks with color layer: 								
10	Mixer for facemix	Mixing Bucket	SZ-250	Set	1	\$2,500		
		Mixing Motor	5.5 kw	Set	1			
		Water Pump		Set	1			
11	Belt Conveyor for facemix	Belt	B500x7m	Set	1	\$2,800		
		Decelerator	2.2 kw	Set	1			
		Frame	Steel structure	Set	1			
		Tension device		Set	1			
		Material hopper		Set	1			
12	Facemix Device	Feeder		Set	1	\$9,500		
		Hopper		Set	1			
		Guide Rail		Set	1			
Sub-total		USD 14,800 (Factory Price, item 10-12)						
13	PVC Pallets	850x680x20mm	\$14/PC	Pcs	1,500	\$21,000		
14	Silo 50T	for Base Mixer		Set	1	\$13,000		
15	Silo Accessory	Butterfly Valve, Dust Collector, Level Indicator, Arch Breaker, Safety Valve		Set	1	\$4,000		
16	Screw Conveyor	Φ219	\$4,500 each	Set	1	\$3,500	Italy SICOMA	
17	Installation Cost	Round-trip Ticket, Visa, Salary		Day	60	\$9,000		
Total EXW		USD 208,600 (Factory Price, with 12 moulds, item 1-17)						
FOB Price		USD 214,000 (FOB Xiamen Port, China)						
CIF Price		USD 228,000 (Dar es salaam Port, Tanzania)						

Total 3x40ft (HQ) +3x20ft (GP) Containers for complete line

Terms and Conditions:

Delivery time:

90 working days after contract conclusion, technical clarification and receipt of down payment or LC.

Validity:

1 Month

Terms of Payment:

30 % down payment by TT with order confirmation;

70 % by an irrevocable letter of credit to be established in our favor by a first class bank in your country, or by TT before delivery.

Or by 100% irrevocable Letter of Credit at sight.

Warranty

The general warranty covers all parts that are not wear parts, for a period of 12 months or 2000 production hours (whatever comes first) following commissioning based on a 1-shift operation.

Warranty does not include parts that are in contact with concrete. Spare parts will be made available to the customer at no charge, ex works and without installation. Warranty begins on the date of the certificate of completion. Warranty is valid only if original spare parts and wear parts are used.

Drawings

After clarification of the technical details or placing the order you will receive free of cost the necessary layout drawings and foundation plans with explanations and remarks without delay.

Installation, Commissioning and Training

QGM will send technicians to the buyer's factory, to guide the installation, to do commissioning, and to train the operators. The buyer is responsible for visas, return air-tickets, food & accommodation, transportation and security. The buyer should pay each technician USD 80 per day as salary.

Power supply:

380V/50Hz, AC, max. 5% voltage fluctuation; or your local power supply;
temperature range for the electrical cabinets 0-35 °C (32 - 95 °F)

Safety system:

Safety systems, not directly related to machine parts, should be according to the local law and is not part of our delivery scope

Technical remarks:

We reserve the right to modify technical details at any time.

Yours faithfully

QGM Quangong Machinery Co., Ltd.

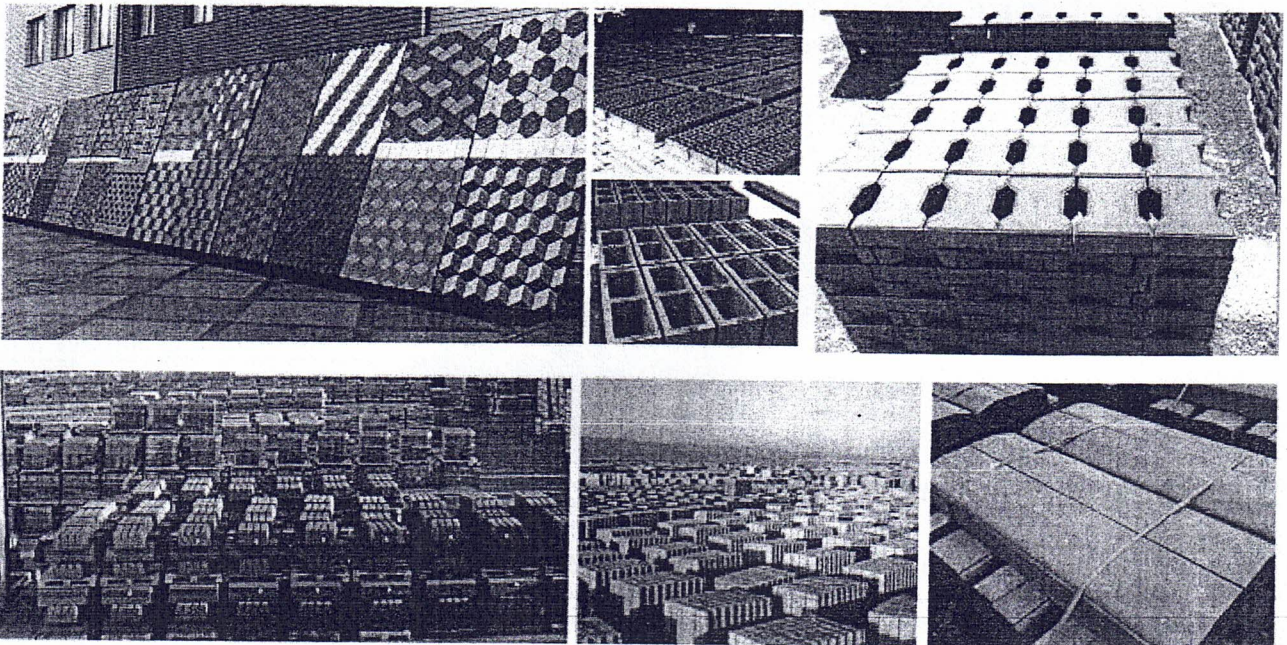
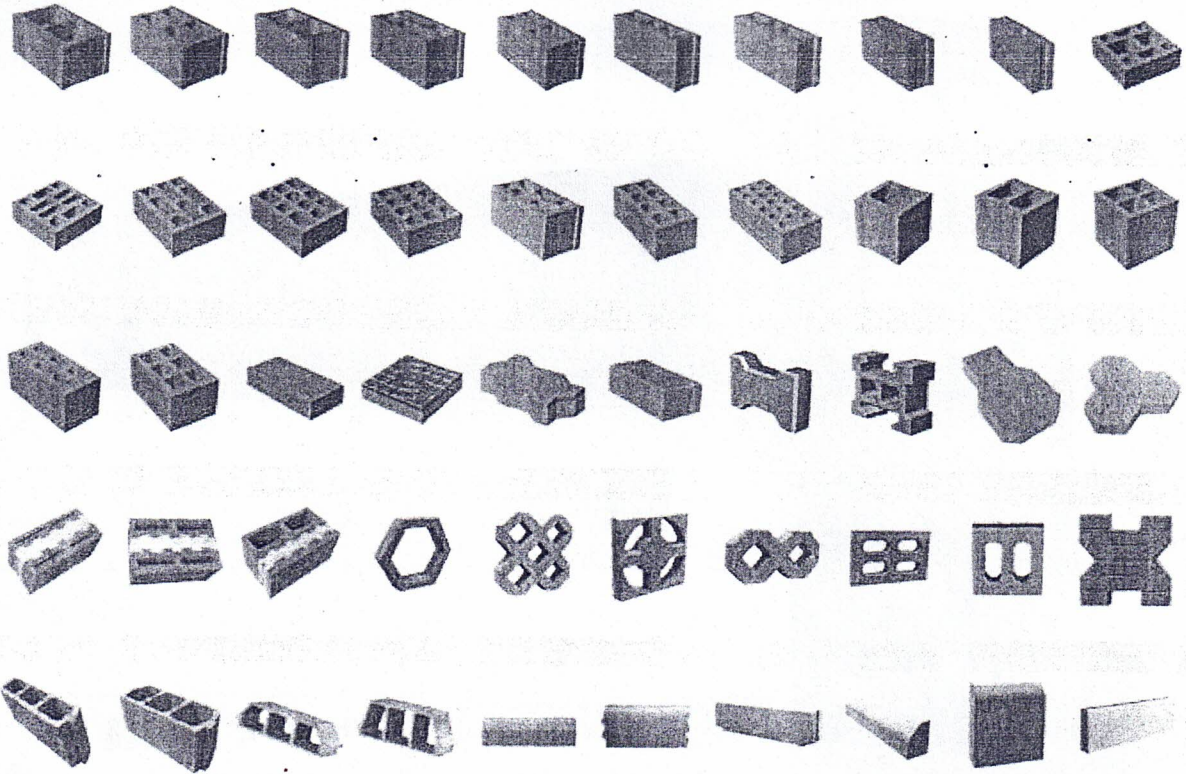
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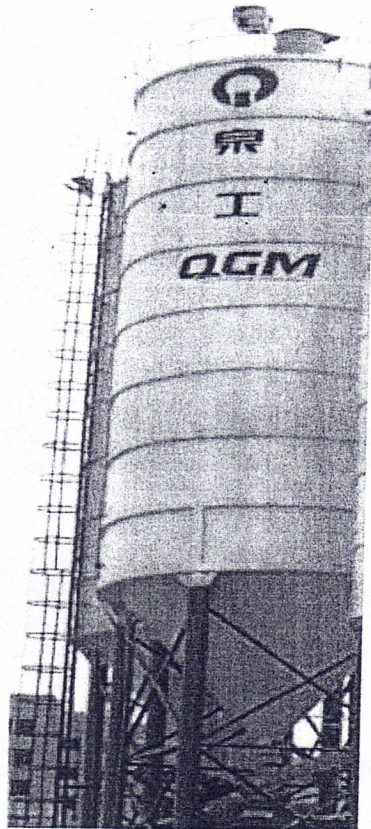
Block and Brick Models



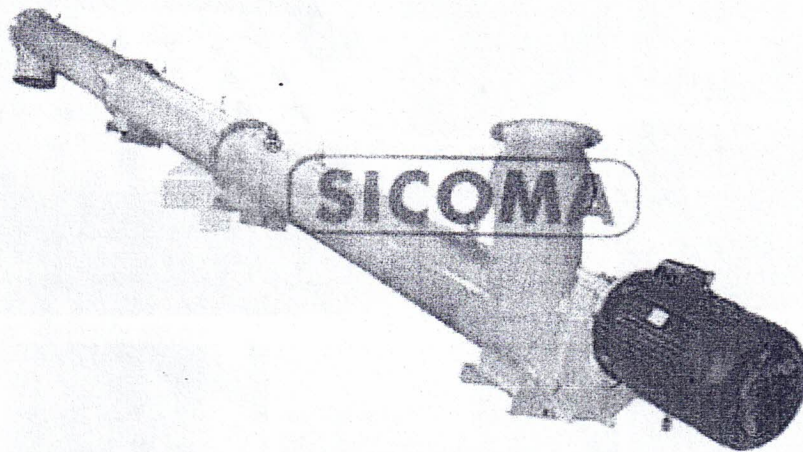
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1. Cement Silo 50T & Silo accessory



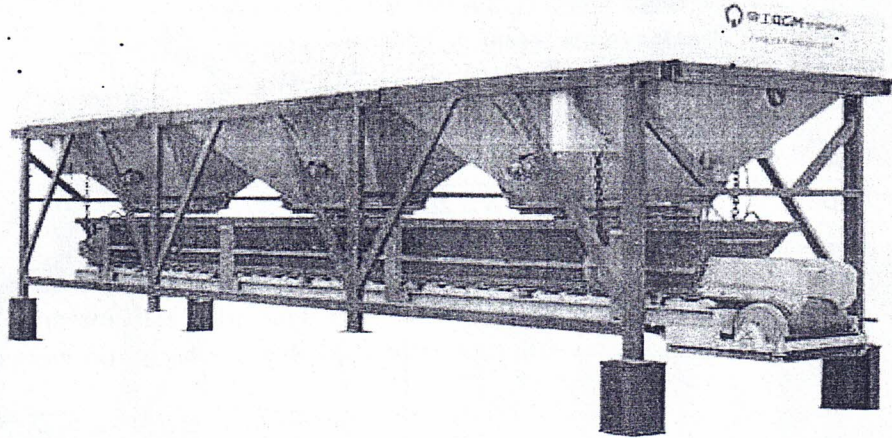
2. Screw conveyor, Italy SICOMA

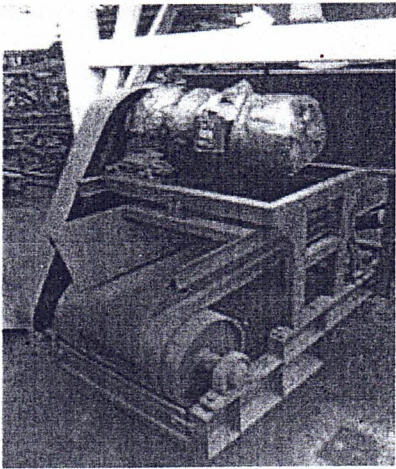



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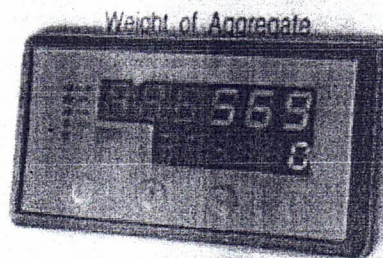
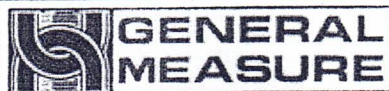
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3. Batcher (3hoppers, each hoper 4m3)



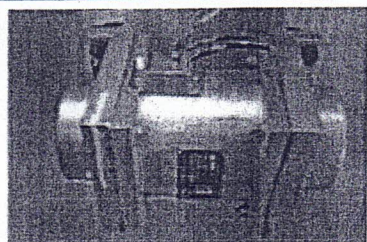
Description	Key Features
<p>3.1. Structure</p> 	<p>The batcher consist of following components:</p> <ol style="list-style-type: none"> 1. Storage hoper: 3pcs * 4m3/hoper; 2. Weighing hope volume: 1.2m3; 3. Electronic weighing system, weighing accuracy: +/-2% 4. Motor: 7.5kw <p>Different from some other manufacturers use simple batching system to the block machiné, the batching system that QGM use to its block machine is the same as it use to its concrete mixing plant.</p> <p>The key features of this batching system is:</p> <ul style="list-style-type: none"> ※ High weighing accuracy; ※ Strong structure; ※ Long life time.
<p>3.2. Weighing Sensor</p> 	<ul style="list-style-type: none"> ※ Model CST2000kg, 4pcs, each corner 1pc. ※ From Chimei in Zhuhai. ※ High precision and reliability. ※ High sensitivity. ※ Alloy steel, nickel-plated, long life time and capable to work in harsh environment. ※ Excellent weighing accuracy, tolerance down to +/-1%.

3.3. Weighing Indicator



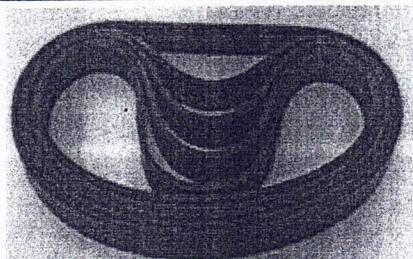
- ※ High Accuracy electronic weighing system
- ※ Model GM8806A4.
- ※ Origin from Canada General Measure, best quality.
- ※ Display weighing data automatically, easily operate.
- ※ Power-loss Protection function allows continuous operation right after power-loss.
- ※ Full digital calibration without weights.
- ※ Maximum store 20 different recipes.

3.4. Vibrator attach on hoppers



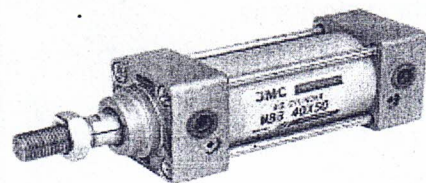
- ※ Model: B-0.5KW, 2pcs.
- ※ From Guoxing in Wenzhou.
- ※ Attach on sand hopper and stone powder hopper, vibration force guarantee the fine grain size material like sand and stone powder smoothly discharge on weighing hopper.

3.5. Belt



- ※ Model: B500x11.8m. (500mm width, 11.8m length).
- ※ From Zhongxiang, state-own company, biggest in China.
- ※ Made of imported Neoprene material, Seamless joint, 3 layers, up to 10mm thickness, high strength, high toughness, heat-resisting.

3.6. Air Cylinder



- ※ Model: SC80x300.
- ※ From JMC, joint venture between China and Germany.
- ※ Air cylinder and air compressor work together to control the discharging gate open and close, the discharging gate is able to move fast and efficiently, in addition, the gate opening range is adjustable.

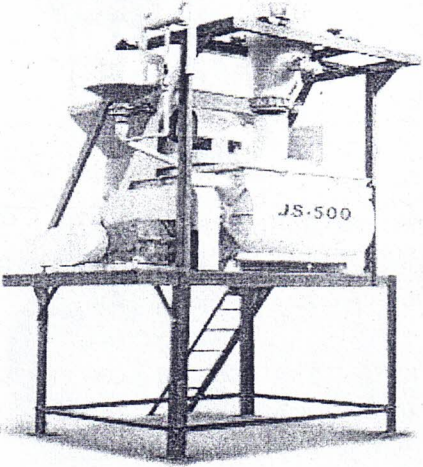
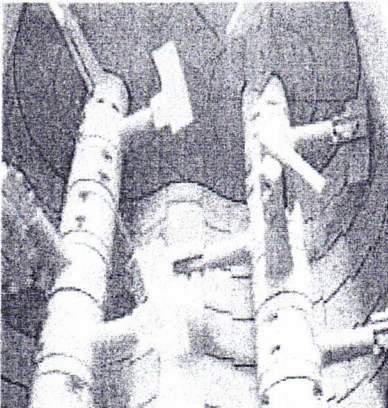
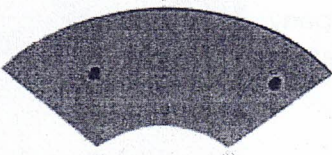
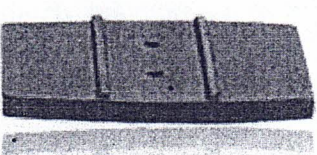
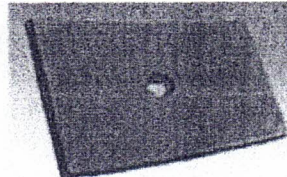
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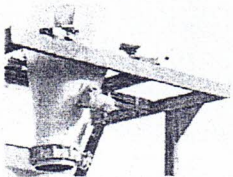
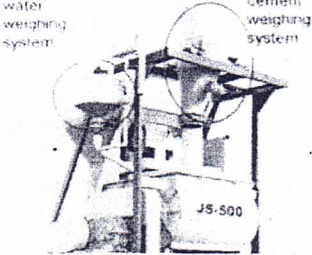
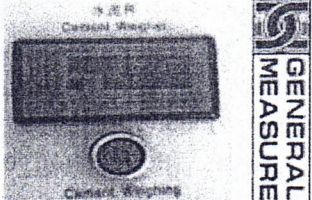


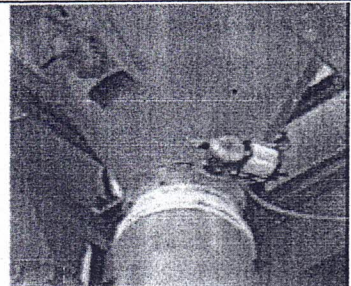
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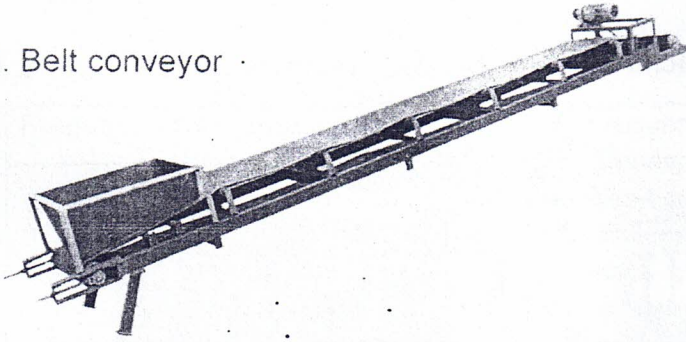
4. JS500 Twin-shaft Mixer

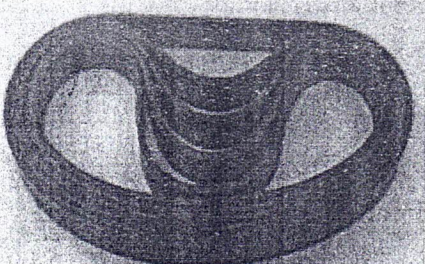
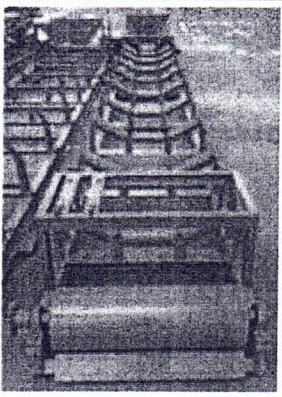
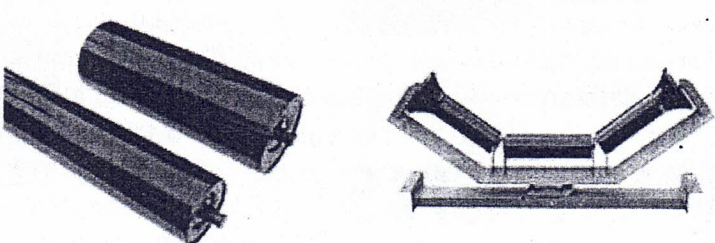
Description	Key Features	
<p>4.1. Twin-shaft mixing system</p> 	<ul style="list-style-type: none"> ※ Twin-shaft compulsory mixing system, high mixing efficiency and uniformity ; ※ Discharging capacity: 500L; ※ Theoretic productivity: 25m³/hour; ※ Cycle time: 72 second/batch; ※ Mixing motor power: 18.5kw; ※ Hoist motor power: 5.5kw; ※ Water pump motor power: 2.2kw. 	
<p>4.2 Mixing blade</p>	<p>※ Mixing blades and lining board inside mixing tank are all made of chromium and manganese alloy, great hardness, wear-resisting, corrosion-resisting, good durability.</p>	
		

4.3. Cement weighing system

Description	Key Features
<p>4.3.1. Cement weighing hopper</p> 	<ul style="list-style-type: none"> ※ Weighing capacity: 250kg; ※ Weighing tolerance: +/-1%; ※ Electronic weighing system 
<p>4.3.2 Weighing Indicator</p> 	<ul style="list-style-type: none"> ※ High Accuracy electronic weighing system ※ Model GM8806A4. ※ Origin from Canada General Measure, best quality. ※ Display weighing data automatically, easily operate. ※ Power-loss Protection function allows continued operation right after power-loss. ※ Full digital calibration without weights.
<p>4.3.3. Weighing Sensor</p> 	<ul style="list-style-type: none"> ※ Model CSB-250kg, 3pcs. ※ Chimei in Zhuhai, subsidiary of Japanese company ASAHI. ※ High precision and reliability. ※ High resistance of uneven load. ※ Alloy steel, nickel-plated, long life time and capable to work in harsh environment. ※ Excellent weighing accuracy, tolerance down to +/-1%.
<p>4.3.4. Butterfly valve</p> 	<ul style="list-style-type: none"> ※ Model DN80, 1pcs. ※ From Guotai, State-own company. ※ Flange connection, able to bear high pressure; ※ Corrosion-resisting; ※ Both sides sealing.
<p>3.5. Vibrator attach on hoppers</p> 	<ul style="list-style-type: none"> ※ Model: B-0.25KW, 1pcs. ※ From Guoxing in Wenzhou. ※ Attach on cement weighing hopper, its vibration force guarantee the cement powder smoothly discharge in mixer.

5. Belt conveyor



Description	Key Features
<p>5.1. Belt</p> 	<ul style="list-style-type: none"> ※ Model: B600x7.5m. (600mm width, 7.5m length). ※ From Zhongxiang, state-own company, biggest in China. ※ Made of imported Neoprene material, Seamless joint, 10 layers, up to 10mm thickness, high strength, high toughness, heat-resisting.
<p>5.2. Carrier roller</p> 	<ul style="list-style-type: none"> ※ 13pcs carrier roller make the structure very strong; ※ High quality stainless steel material, high hardness, excellent abrasion proof; ※ Surface mirror polish, protect the belt from wearing out. ※ Motor power: 3kw. 

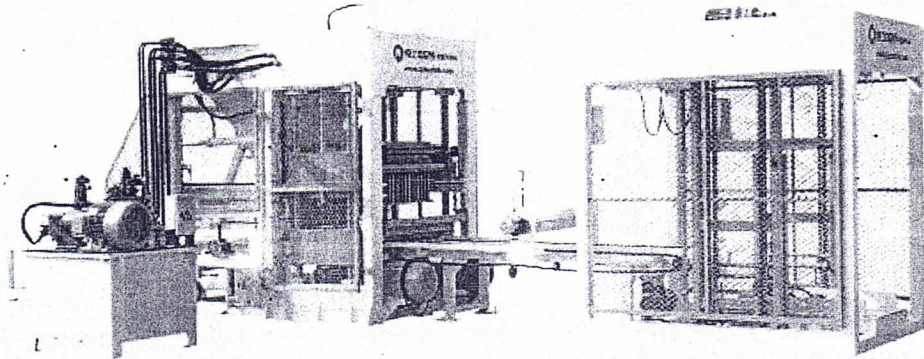
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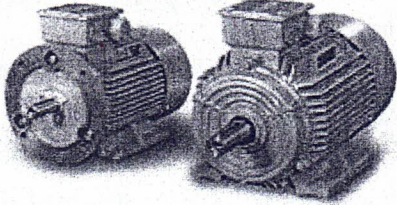
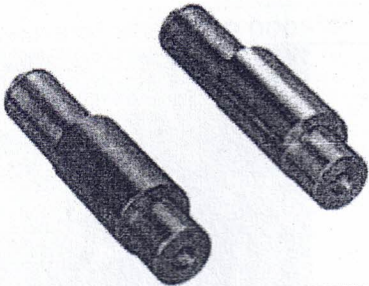
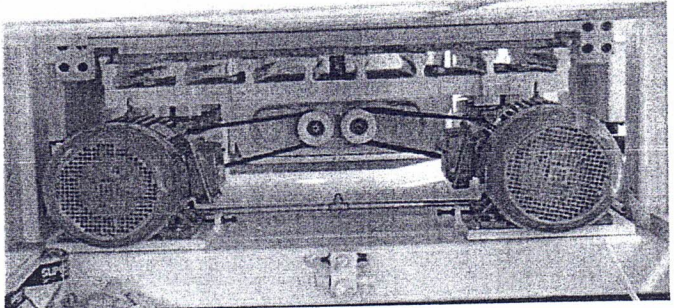
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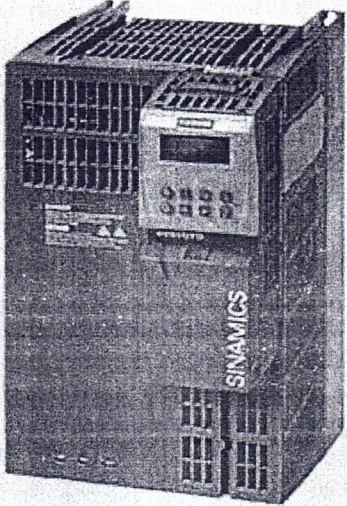
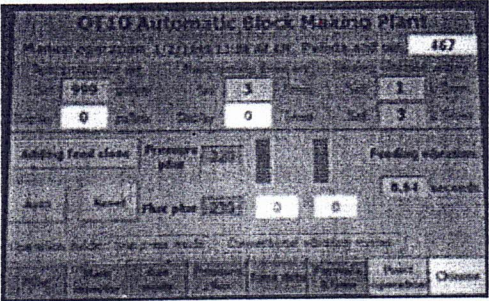
6. QT6 Automatic Block Making Machine



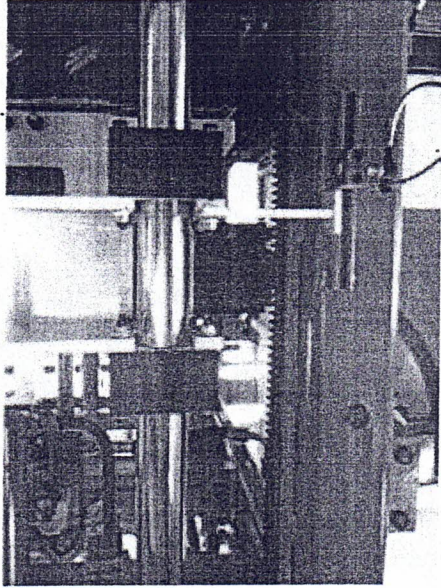
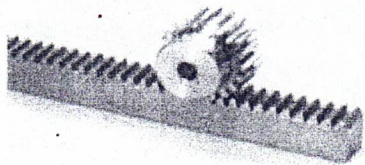
6.1. Vibration Motor

Description	Key Features
<p>Vibration motors (bottom vibration)</p>  <p>SIEMENS</p> <p>6.1.1 Eccentric shaft</p>	<ul style="list-style-type: none"> ※ Frequency Conversional Motors, 5HZ~50HZ (300rpm ~ 3000rpm). ※ Motor brand: Germany SIEMENS. ※ 7.5kw/each, 2pcs in total. ※ Vibration force: 43KN/each, 86KN in total. ※ S1 work mode. The motor continue to running when vibration stops. Therefore, no high starting current occurs. This will protect motors from damage and save energy. ※ Vibration damping device is installed under vibration motor base to reduce vibration of motors. ※ Air cooling system is installed under vibration motors to prevent motors from overheating. <p>2 Frequency Motors drive 2 Eccentric Shafts to generate vibration force.</p>
	

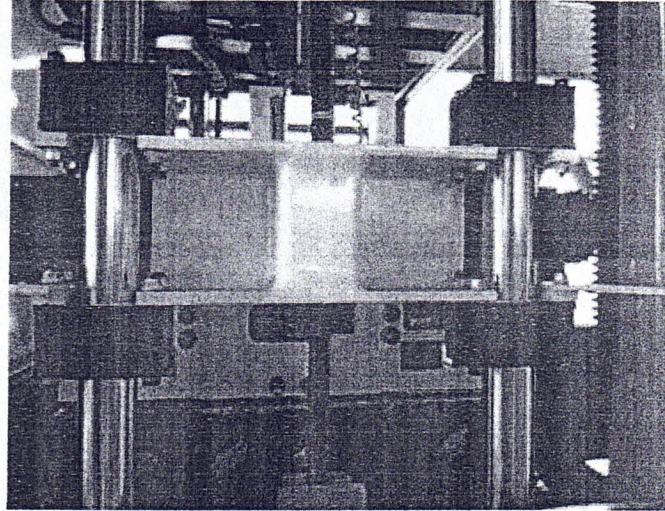
6.2. Frequency conversion technology

<p>Frequency converter</p> 	<ul style="list-style-type: none"> ※ Frequency Converter: SIEMENS SINAMICS Series, PM240. ※ Disadvantage of Hydraulic driven vibration system: <ul style="list-style-type: none"> A. Low power efficiency. Electric energy needs to pass through <u>Electrical motor</u> → <u>oil pump</u> → <u>hydraulic valves</u> → <u>hydraulic motor</u> → <u>final mechanical energy for vibration</u>. B. Low vibration acceleration and Low vibration force result in lower dense degree of blocks. ※ Compared to hydraulic driven vibration system, which cannot provide high rotation speed and stable rotation speed, frequency controlled vibration system has following advantages: <ul style="list-style-type: none"> A. Able to change vibration frequency according to different raw materials and different types of blocks (range from 50-90HZ). So the blocks produced have high dense degree and nice smooth surface. B. On the touch screen, you can adjust the vibration time and frequency as required. Example, some blocks with height up to 300mm or those blocks with high strengths, you need more vibration time and higher vibration force. With frequency conversion technology, you can easily adjust the parameters in our system; C. With the frequency inverter, the machine is able to increase or decrease the vibration speed in very short time. This will greatly save the cycle time, and increase the productivity. D. We use Frequency Control Motor instead of normal motor, the Frequency Control Motor has enhanced cooling system to prevent from overheating, even working at high frequency status. Even if the motor is suffered from overheating, the sensor equipped on the inverter will turn off the motor automatically to protect the motor. E. Save energy up to 30% due to high energy transfer efficiency.
<p>Pressure and vibration time is adjustable on SIEMENS touch screen</p>	
	
<ul style="list-style-type: none"> F. The soft start function offered by the inverter enables the motor to start and stop very smoothly. This will greatly protect the motor and machine parts, and extend their working lifetime. G. It allows the motor start at under voltage condition, which enables machine to work properly under unstable power supply condition. 	

6.3 Four rod guiding system

<p>Positioning system 1: C-shape steel</p>	
<p>Positioning system 2: Rack and Pinion</p>	

※ 4 shaft guiding system make movement of mould and tamper head be very accurate, and the blocks over be uniform, dimension deviation less than 1mm.



※ 4 pairs Rack and Pinion are amount on 4 sides of the machine.
 ※ The Limit Switches it works with the Rack and Pinion to guarantee the temper head up and down movement be extremely accurate. This is the key factor to make blocks in perfect dimensions.

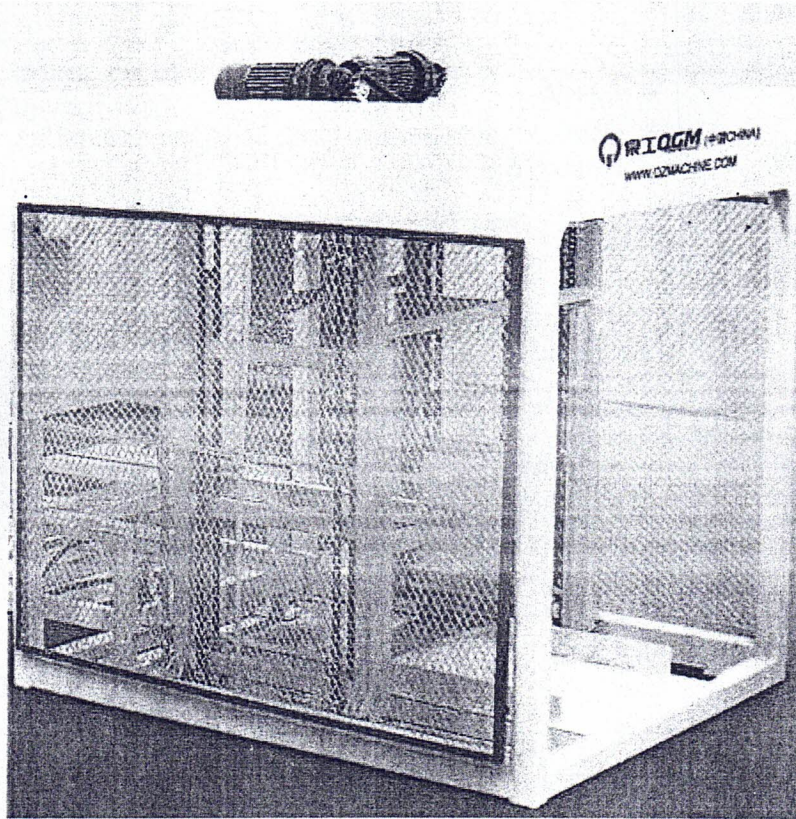
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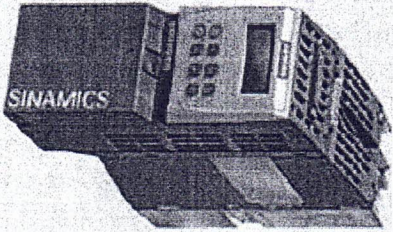
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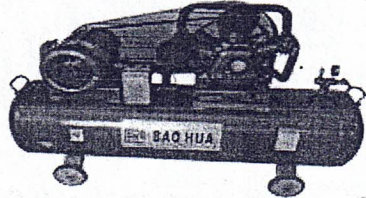
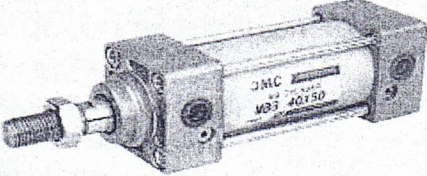

7. Stacker



Use frequency conversion technology enables the stacker to move up and down very smoothly, greatly protect the wet blocks.

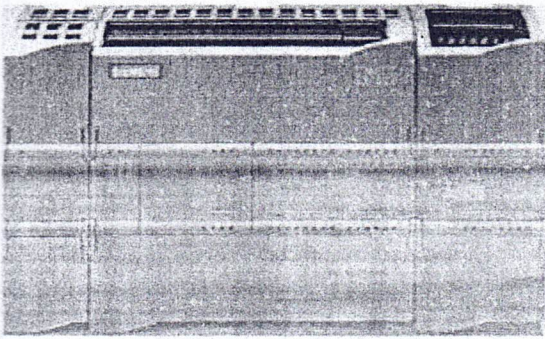
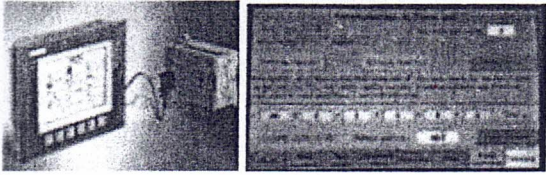
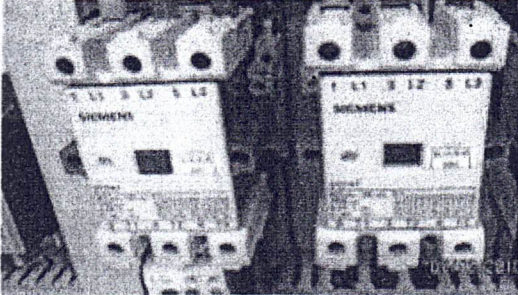
Description	Key Features
<p>7.1 SIEMENS Frequency Converter</p> 	<ul style="list-style-type: none"> ※ Frequency Converter: SIEMENS G120. ※ Frequency control technology, moving speed is adjustable, lifting speed mode: slow-fast-slow, which can greatly protect the semi-finished block from breaking. ※ Save energy cost up to 30%. ※ Protect the motors, extend the life time.

7. Pneumatic System

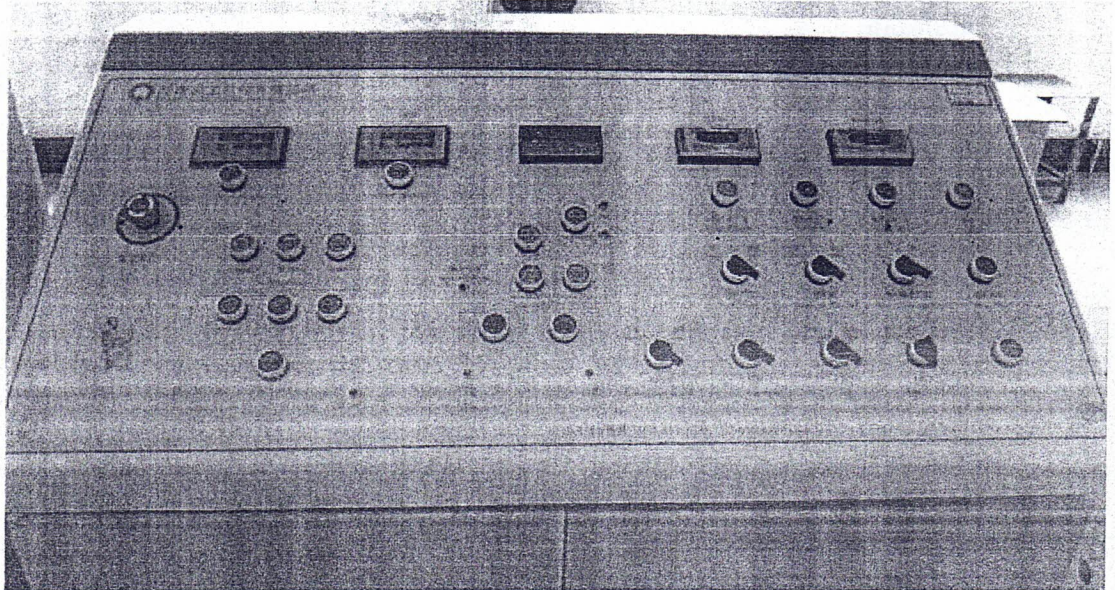
Description	Key Features
<p>Air Compressor</p> 	<ul style="list-style-type: none"> ※ 5.5KW ※ Used to provide air force to open the gates batcher & mixer
	<ul style="list-style-type: none"> ※ Model: SC80x300. ※ From JMC, joint venture between China and Germany. ※ Air cylinder and air compressor work together to control the discharging gate open and close, discharging gate is able to move fast and efficiently. In addition, the gate opening range is adjustable.
<p>Air Bin</p> 	<ul style="list-style-type: none"> ※ used to store air

8. Central Control System

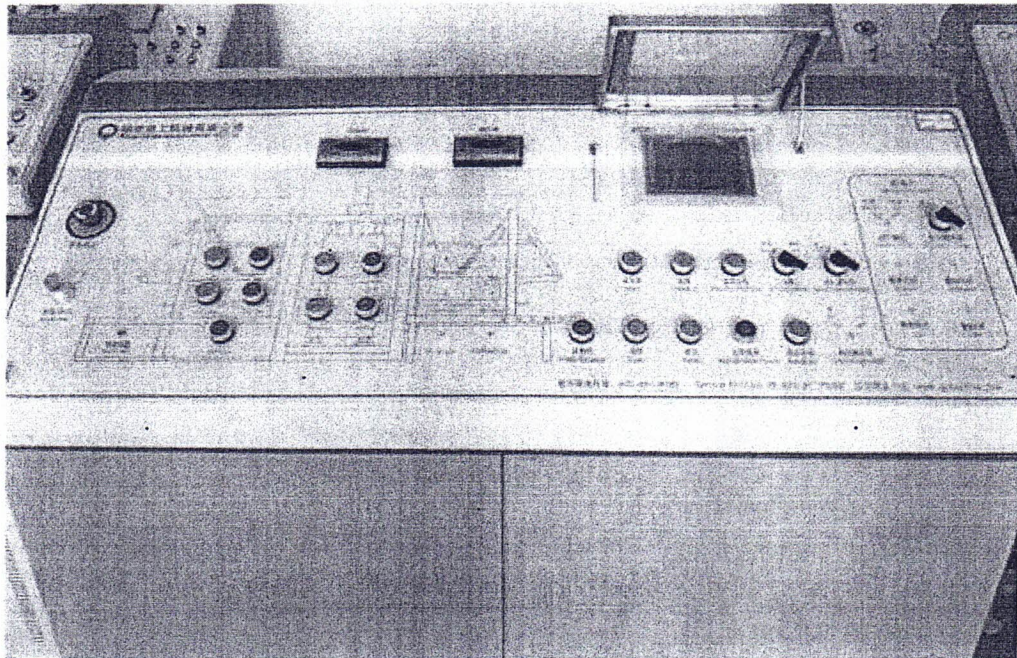
8.1 SIEMENS Components

Description	Key Features
<p>7.1.1 SIEMENS PLC Control System</p> 	<ul style="list-style-type: none"> ※ PLC Model: SIEMENS S7-1200 ※ Great adaptability, guarantees the stability and reliability of the machine; ※ Safety logic control and troubleshooting functions, protect the machine from broken, diagnosis and solve the problem automatically, guarantee the machine make operation nonstop. ※ Able to set up, update and amend the production perimeters as per specific requirements. ※ Permanent save up to 1000 types different production recipes. ※ Automatic self-locking function, avoid mechanical accidents caused by operational mistakes.
<p>8.1.2 SIEMENS Colorful Touch Screen</p> 	<ul style="list-style-type: none"> ※ Visual colorful touch screen dynamic display the system status, easy to operate.
<p>8.1.3 All SIEMENS Electrical Components</p> 	<ul style="list-style-type: none"> ※ All electrical components like contactor, relay, switch are all from SIEMENS. ※ High quality components guarantee the control system operate stably and long durability. ※ Easy to find replacement in local market in case any components broken.

8.2 Batcher & Mixer Control Panel



8.3 Block Making & Piler (Stacker) Control Panel



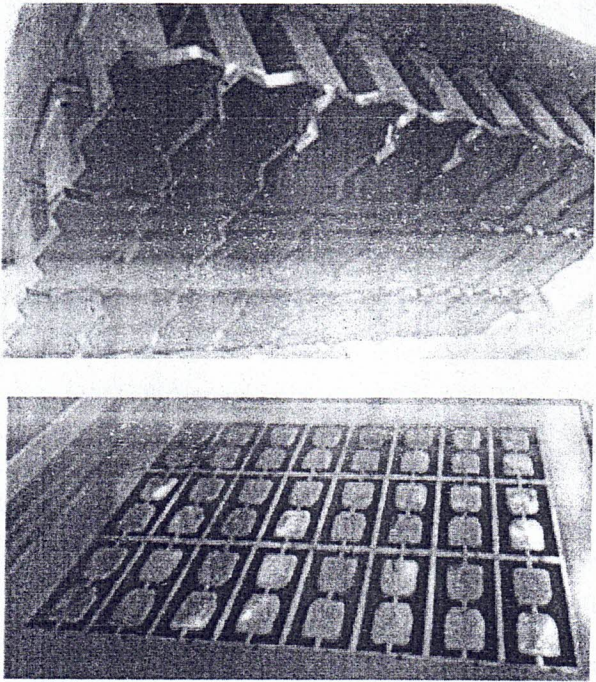
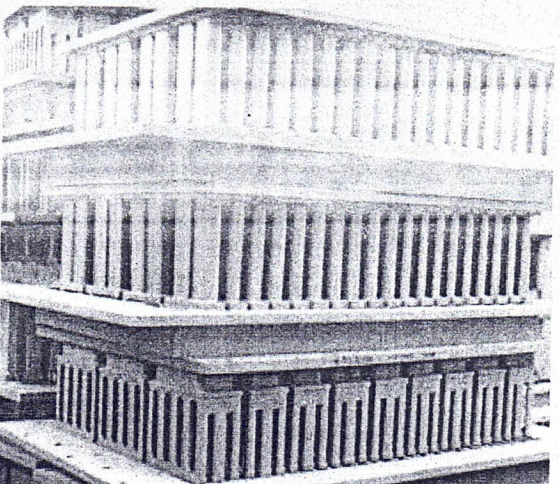
QUANGONG MACHINERY CO.,LTD

Taoyuan Industrial Zone, Fengzhou, Quanzhou City Fujian, China
Tel: +86-595-86799299 Email: overseas@qzmachine.com
Fax: +86-595-86799557 Web : www.qzmachine.com

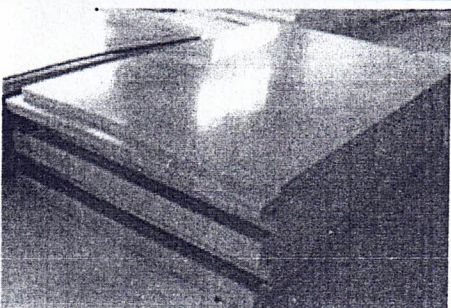
ZENITH Maschinenfabrik GmbH

Zenith-Straße 1, 57290 Neunkirchen, Germany
Tel: +49 2735 779-234 Email: info@zenith.de
Fax:+49 2735 779-211 :www.zenith.de

9. Mould

Description	Key Features
<p>Mould</p> 	<ul style="list-style-type: none"> ※ Applied heat treatment technique to increase the hardness and toughness. ※ Applied stress relief process protects the moulds from breakage. ※ Hardness up to 52 HRC, excellent toughness and wear resistant performance. ※ Long lifetime, able to work more than 100,000 times. 

10. PVC Pallets

Description	Key Features
<p>PVC Pallets</p> 	<ul style="list-style-type: none"> ※ Pallet made of PVC, 850x680x20mm. ※ Weight: 21kg/pc. ※ Loading Capacity: more than 120kg. ※ Quality warrantee: 5 years. ※ Lifetime: about 8 years.

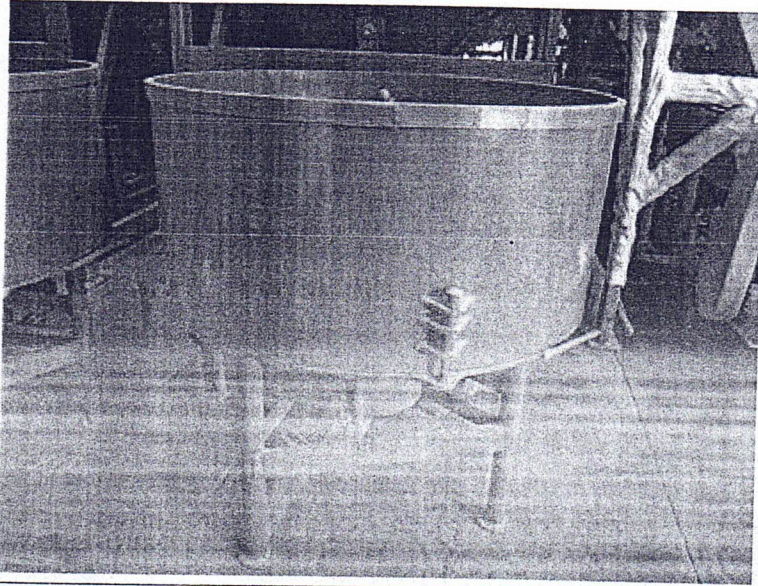
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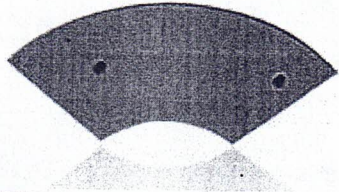
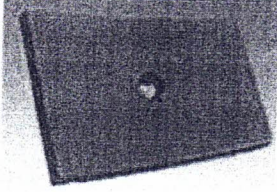
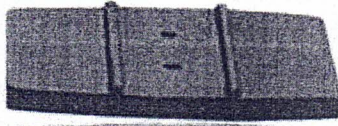
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11. Mixer for Facemix



Description	Key Features
11.1. mixing system	<ul style="list-style-type: none"> ※ high mixing efficiency and uniformity ; ※ Discharging capacity: 250m³; ※ Theoretic productivity: 15m³/hour; ※ Cycle time: 72 second/batch; ※ Mixing motor power: 7.5kw;
11.2 Mixing blade	<ul style="list-style-type: none"> ※ Mixing blades and lining board inside mixing tank are made of chromium and manganese alloy, great hardness, wear-resisting, corrosion-resisting, good durability.
	 

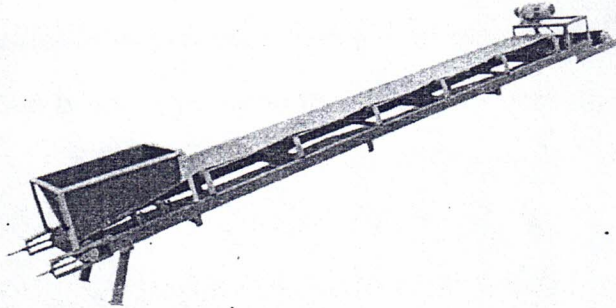
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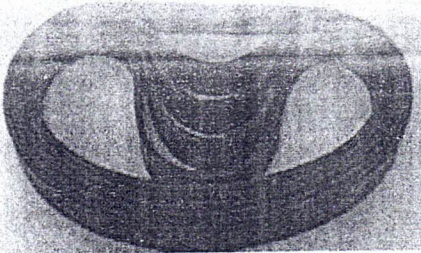
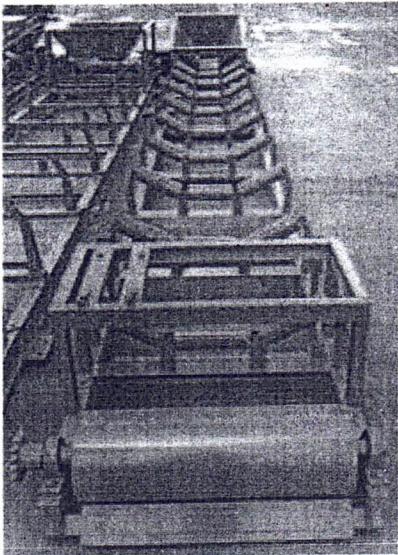
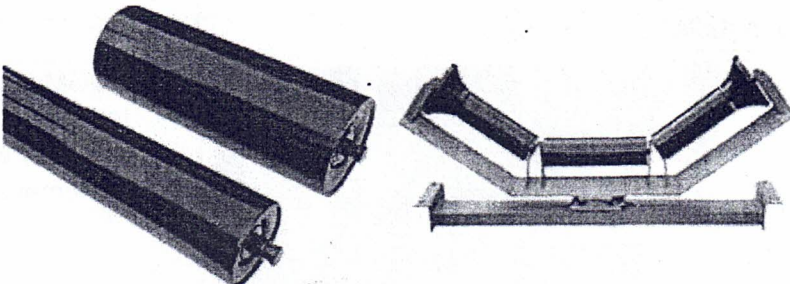
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12. Belt conveyor for Facemix



Description	Key Features
<p>12.1. Belt</p> 	<ul style="list-style-type: none"> ※ Model: B500x7.5m. (500mm width, 7.5m length). ※ From Zhongxiang, state own company, biggest in China ※ Made of imported Neoprene material, Seamless joint, 10 layers, up to 10mm thickness, high strength, high toughness, heat-resisting.
<p>12.2. Carrier roller</p> 	<ul style="list-style-type: none"> ※ 13pcs carrier roller make the structure very strong; ※ High quality stainless steel material, high hardness, excellent abrasion proof; ※ Surface mirror polish, protect the belt from wearing out. ※ Motor power: 3kw. 

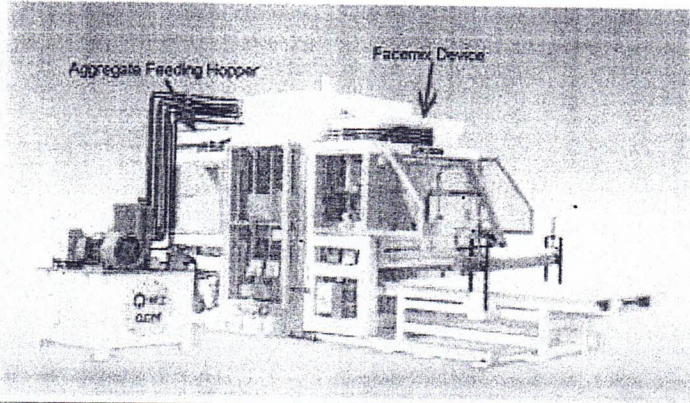
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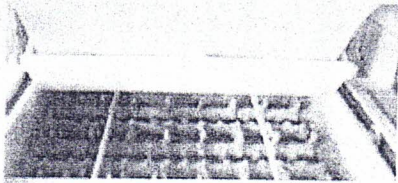
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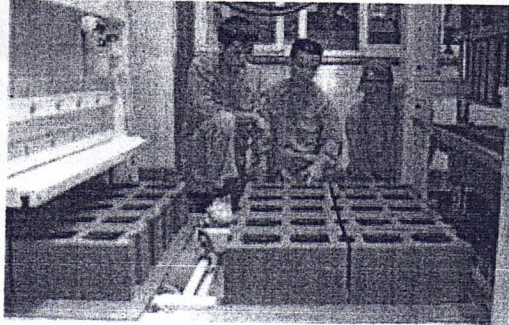
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13. Face Concrete Device



Description	Key Features
11.2.Hoper	<ul style="list-style-type: none"> ※ Hoper Volume: 0.6 m3 ※ Feeding car equipped with 5 shafts, which is 360 degree rotating, ensure the material being fed to the mould uniformly.
	

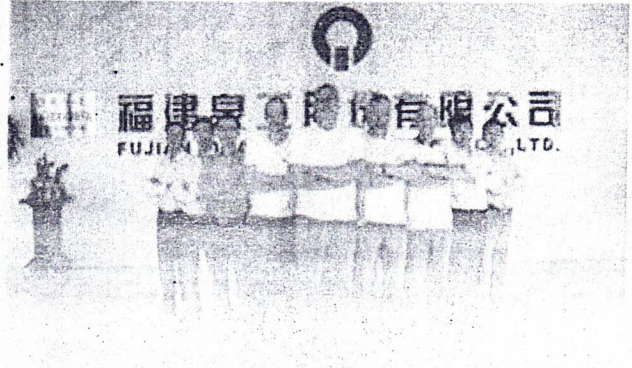
14. Onsite Installation.

Description	Key Features
Installation	
	<ul style="list-style-type: none"> ※ QGM will send most experienced technician to customer's factory to install the machine and give training to customer's operators. (charged)

15. Technique support.

50 Chinese engineers in QGM China headoffice & 40 Germany engineers in QGM

Emden branch give you the strongest technique support.



※ After sales support in QGM: QGM 60 after sales technicians standby 24/7, we are committed to rapid react to your demand.

※ After sales support in local office: start from the year 2002, QGM has set up 15 overseas office all around the world, QGM user can get after sales service from the office that nearest to their location.

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STUMARCOT COMPANY LIMITED
P.O. BOX 10773
MWANZA

FINANCIAL STATEMENT AS AT
31ST DECEMBER, 2019

DRAWN BY:

PHARES K. SONGO AND CO.

AUTHORISED CERTIFIED PUBLIC ACCOUNTANTS / AUDITORS

REGISTERED TAX CONSULTANTS

P.O BOX 10730, 0754 469 778 / 0752 362 794

MWANZA BRANCH.

PHARES K.SONGO AND COMPANY

Certified Public Accountants/ Auditors and tax Consultants

TIN NO. 101 – 034 – 879

P.O. Box 10730

Mwanza – Office

Cell: 0752 362 794

Cell: 0754 469 778

ACCOUNTS AS AT 31ST DECEMBER, 2019

REPORT OF THE AUDITORS

We have audited the financial statements in accordance with International Auditing Standards. The financial statements are in agreement with the accounting records and we obtained the information and explanations we required.

RESPONSIBILITIES OF MANAGEMENT AND AUDITORS:

The Management is responsible for the preparation of the financial statements. Our responsibility is to form an independent opinion, based on our audit, on those financial statements and report our opinion to you.

BASIS OF OPINION

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements it also includes an assessment of the significant estimates and judgments made by the proprietor in the preparation of the financial statements, and of whether the accounting policies are appropriate to the business's circumstances consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also valued the overall adequacy of the presentation of information in the financial statements.

OPINION:

In our opinion the financial statements give a true and fair view of the state of affairs of **STUMARCOT COMPANY LIMITED** as at 31st December, 2019 and its profit and cash flows for the year then ended in accordance with International Accounting Standards.



Phares K. Songo and Co.

Certified Public Accountants / Auditors

Registered tax consultants

STUMARCOT COMPANY LIMITED
P.O BOX 10773,
MWANZA.

STATEMENT OF FINANCIAL POSITION AS AT
31ST DECEMBER, 2019

ASSETS EMPLOYED	NOTE	31/12/2019	31/12/2018
		TSHS.	TSHS.
Non Current Assets (Net)	2	570,053,139	532,546,331
 <u>CURRENT ASSETS</u>			
Cash and Cash Equivalents		71,589,825	43,654,851
Trade and Other Receivables		165,201,859	93,710,657
Stock		<u>327,165,550</u>	<u>289,325,715</u>
TOTAL		<u>563,957,234</u>	<u>426,691,223</u>
TOTAL ASSETS		<u>1,134,010,373</u>	<u>959,237,554</u>
 EQUITY & LIABILITIES:			
<u>EQUITY</u>			
Share Capital & Reserves	3	871,720,769	763,870,769
Add: Retained Earnings		<u>237,931,487</u>	<u>203,000,000</u>
		1,109,652,256	966,870,769
withdrawals/Dividends		<u>(120,000,000)</u>	<u>(95,150,000)</u>
TOTAL EQUITY		989,652,256	871,720,769
 <u>LIABILITIES</u>			
Non Current Liabilities			
Term Loan		<u>53,218,708</u>	<u>83,766,785</u>
TOTAL		53,218,708	83,766,785
 <u>CURRENT LIABILITIES</u>			
Bank Overdraft		86,389,409	-
Trade and Other Payables		<u>4,750,000</u>	<u>3,750,000</u>
TOTAL		<u>91,139,409</u>	<u>3,750,000</u>
TOTAL LIABILITIES		<u>144,358,117</u>	<u>87,516,785</u>
TOTAL EQUITY AND LIABILITIES		<u>1,134,010,373</u>	<u>959,237,554</u>

APPROVED AND SIGNED ON BEHALF
OF THE BOARD

DIRECTOR.....

DATE.....

STUMARCOT COMPANY LIMITED
P.O. BOX 10773,
MWANZA.

STATEMENT OF COMPREHENSIVE INCOME FOR THE
YEAR ENDED 31ST DECEMBER, 2019

INCOME	31/12/2019	31/12/2018
	TSHS.	TSHS.
Sales	<u>1,995,357,026</u>	<u>1,043,670,978</u>
	1,995,357,026	1,043,670,978
LESS: COST OF SALES:		
Opening Stocks	289,325,715	208,215,600
Purchases	<u>1,655,126,000</u>	<u>781,525,151</u>
	1,944,451,715	989,740,751
Less: Closing Stock	<u>327,165,550</u>	<u>289,325,715</u>
COST SALES	<u>1,617,286,165</u>	<u>700,415,036</u>
GROSS PROFIT	378,070,861	343,255,942
LESS: EXPENDITURE		
Staff Cost	4,500,000	4,250,000
Directors Remunerations	10,750,000	9,800,000
Repair & Maintenance	6,215,750	5,967,545
Communication	2,867,500	2,675,600
Travelling Expenses	7,315,750	6,815,700
Water & Electricity	317,165	227,185
Printing & Stationery	298,160	245,190
Miscellaneous Expenses	2,170,500	1,800,000
Security Expenses	500,000	450,000
Bank Charges & Interest	13,167,175	10,967,145
Professional fees	350,000	350,000
Motor Vehicle running	6,855,160	6,215,600
Depreciation	<u>32,653,192</u>	<u>42,324,417</u>
TOTAL EXPENDITURE	<u>87,960,352</u>	<u>92,088,382</u>
NET PROFIT /(LOSS) BEFORE TAXATION	290,110,509	251,167,560
Less: Taxation Expenses	<u>(52,179,022)</u>	<u>(48,167,550)</u>
NET PROFIT /LOSS AFTER TAXATION	<u>237,931,487</u>	<u>203,000,010</u>

STUMARCOT COMPANY LIMITED
P.O. BOX 10773,
MWANZA.

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

CASH FLOW FROM OPERATING ACTIVITIES	31/12/2019	31/12/2018
	TSHS.	TSHS.
Net Profit Before Taxation	290,110,509	251,167,560
Add: Adjustment for depreciation	<u>32,653,192</u>	<u>42,324,417</u>
Operating profit before working capital changes	322,763,701	293,491,977
 <u>WORKING CAPITAL CHANGES:</u>		
(Increase)Decrease in Stocks	(37,839,835)	(81,110,115)
(Increase) Decrease in Debtors & Prepayments	(71,491,202)	(6,451,697)
Decrease / Increase on Creditors & Accruals	<u>1,000,000</u>	<u>(3,750,000)</u>
	214,432,664	202,180,165
Less: Taxation and Drawings	<u>(172,179,022)</u>	<u>(143,317,550)</u>
Net Cash Generated From Operating Activities	42,253,642	58,862,615
 CASH FLOW FROM INVESTING ACTIVITIES		
Assets Acquisition	<u>(70,160,000)</u>	<u>-</u>
Net Cash Used in Investing Activities	(70,160,000)	-
 CASH FLOW FROM FINANCING ACTIVITIES		
Capital Reserve Brought Inn		-
Term Loan Repayments	<u>(30,548,077)</u>	<u>83,766,785</u>
Net Cash Flow Financing Activities	(30,548,077)	83,766,785
Changes in Cash and Cash Equivalent for the Year	(58,454,435)	142,629,400
Cash and Cash equivalents at Start	<u>43,654,851</u>	<u>(98,974,549)</u>
Cash and Cash equivalents at Close	<u>(14,799,584)</u>	<u>43,654,851</u>
 CASH AND CASH EQUIVALENTS		
	31/12/2019	31/12/2018
	TSHS	TSHS
Cash on Hand	71,589,825	43,654,851
Bank Overdraft	<u>(86,389,409)</u>	<u>-</u>
Balance C/Forward	(14,799,584)	43,654,851

STUMARCOT COMPANY LIMITED

P.O. BOX 10773

MWANZA

NOTE 1: NOTES TO THE FINANCIAL STATEMENTS:

1.1 BASIS OF ACCOUNTS:

These financial statements have been prepared in accordance with International Financial Reporting Standards. The financial statements have been prepared under the historical convention.

1.2 NON – CURRENT ASSETS:

All, Land & Buildings, Furniture & Fittings, Block Machines and Motor Vehicles are shown at cost less subsequent depreciation.

1.3 DEPRECIATION:

Depreciation is calculated using the straight-line method to allocate the cost of each asset to its residual value over the estimated useful life as follows:-

1. Land & Buildings	NIL
2. Furniture & Fittings	12.5%
3. Block Machines	12.5%
4. Motor Vehicles	25%

1.4 STOCKS:

Stocks and stores are valued at the lower of cost or Net realizable value on FIFO basis.

1.5 DEBTORS:

Debtors are initially recognized at cost.

1.6 INCOME RECOGNIZATION:

The following specific recognition criteria must be met before revenue is recognized.

- (i) Sales of goods + Services: Revenue is recognized when rewards of Ownership of goods and services have passed to the buyer.

1.7 CASH AND CASH EQUIVALENTS:

Cash and Bank balance in the Financial Statement comprise cash at Bank and on hand.

1.8 COMPERATIVE FIGURES:

Where necessary comparative figures have been Adjusted / classified to conform with changes in presentation in the current year.

STUMARCOT COMPANY LIMITED
P. O. BOX 10773,
MWANZA.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: NON CURRENT ASSETS AND DEPRECIATION AS AT 31ST DECEMBER, 2019

COST	LAND & BUILDING	MOTOR VEHICLES	BLOCK MACHINES	FURNITURE & FITTINGS	TOTAL TSHS.
At 1 st January, 2019	376,456,966	105,136,172	46,188,535	4,764,658	532,546,331
Addition/Valuation	<u>70,160,000</u>	-	-	-	<u>70,160,000</u>
TOTAL	<u>446,616,966</u>	<u>105,136,172</u>	<u>46,188,535</u>	<u>4,764,658</u>	<u>602,706,331</u>
Less: Depreciation					
Charge for the Year	-	26,284,035	5,773,570	595,587	32,653,192
TOTAL	<u>-</u>	<u>26,284,035</u>	<u>5,773,570</u>	<u>595,587</u>	<u>32,653,192</u>
NET BOOK VALUE	<u>446,616,966</u>	<u>78,852,137</u>	<u>40,414,965</u>	<u>4,169,071</u>	<u>570,053,139</u>