



BURQUE
EAST AFRICA (PRIVATE) LIMITED
THE BEST ROUTE TO MARKET

**TANZANIA INVESTMENT CENTRE
DAR ES SALAAM**

PROGRESS REPORT

(Information required for the project's progress report after every six months or for amendment of Certificate of Incentives)



1. Planned Activities for the period

Repackaging, Supply Chain, Logistics, Sales, and Distribution for world renowned FMCG companies including, Unilever, Nestle, GSK and Upfield.

2. Achievements made on the project implementation to-date:

(i.e. from the date the project was approved to the date of writing the report)

Describe the status of activities that have already been undertaken e.g. construction of buildings, acquisition of supplies, installation of equipment, etc.

Please refer attached Annexure-A (BEAL Contribution to Tanzania Economy)

3. Provide updated information on the following aspects;

S/No.	Information	Description	Current Project Status
1	Shareholder's Information	Current Shareholders names, nationality and percentage of Ownership	Please refer attached BRELA search report: Muhammad Kashif Usman – Pakistani Class Ordinary 500 shares taken Burque East Africa FZC – UAE Class Ordinary 670,000 shares taken Naveed Sultan Chawla – Pakistani Class Ordinary 500 shares taken Muhammad Suleman Chawla – Pakistani Class Ordinary 500 shares taken Syed Humair Ali – Pakistani Class Ordinary 500 shares taken
2	Company Communication Information	Email address	Humair.ali@burque.com.pk
		Mobile Number	+255 743 234546
		Land Line Telephone Number	
		Physical Address (Plot No, Block No, Street, District and Region)	Plot No. 15, Vingunguti Industrial Area, Nyerere Road, Dar-es-Salaam
3	Contact Person	Name	Syed Humair Ali
		Position	Director
		Communication Details (Email, Mobile and telephone)	Humair.ali@burque.com.pk +255 743 234546
4	Incorporation	Certificate of Incorporation No.	92814
5	TIN information	Certificate No.	118-475-011
6	Project Objective	Project Core Activity	Repackaging, Supply Chain, Logistics, Sales & Distribution
7	Capacity	Project Capacity per Year	Annual handling of 13,500 tons
8	Direct Employment	Foreign-Men	01
		Foreign-Women	-
		Local-Men	52
		Local-Women	14
9	Indirect Employment	Estimated Total No.	62 (for specialized activities and tasks - through 3 rd Party)
		Type/areas of Indirect Employment	



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4. Project Financial Expenditure to-date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings		\$1,812,011	
Plant and machinery		\$30,788	
Vehicles/Aircrafts		\$291,416	
Furniture		\$42,218	
Office equipment		\$55,318	
Insurance Cover		\$67,802	
Pre-operational expenses		-	
Working sub-total capital		\$1,170,512	
GRAND TOTAL		\$3,470,065	

5. Project Financing

Explain how the project is being financed e.g. equity, loans, sources of loans, conditions, etc. See table below.

Through Equity and Long-term Loan; below is the position as on 31st Dec 2020

	Amount (USD)	Source Country
Local Equity	\$1,108,699	Tanzania
Local Loans	---	Tanzania
Foreign Equity	\$530,979	UAE
Foreign Loans	\$250,863	UAE
Total Investment	\$1,890,541	

6. Problems and Solution

Explain problems, which the management is encountering in executing the project and the steps being taken to solve them.

No significant/serious challenges except in getting Work Permits.

7. Future Plans

Explain future plans for the next coming six months and planned financial Commitments

To grow the company by 15% in 2021 and increase local employment.

8. Recommendations and any other comments

The company has grown from Tzs 7.3 billion in 2013 to Tzs 39.41 billion in 2019. Created 66 jobs directly and 62 indirect jobs for local Tanzanians.

Annexure-A

BURQUE EAST AFRICA CONTRIBUTION TO TANZANIA ECONOMY AND SOCIETY

1. Introduction:

Burque is one of the largest FMCG warehousing, logistics, and distribution companies in Pakistan. It makes products of Nestle, Unilever, L'Oréal, SC Johnson, Dabur, etc. accessible to more than 100 million people across Pakistan and thus helping enhance their quality of life. Burque entered Tanzania in 2012-13 as part of its strategic plan "Vision 2020".

2. Tanzania and Nature of Business:

Burque chose TANZANIA as the first country to expand internationally. Tanzania was chosen because of:

- a) Market potential
- b) Need for a professional distributor like Burque
- c) Economic and financial stability, and
- d) Economic growth and business environment

Burque started Tanzania commercial operations from Dar es Salaam in 2013. It conducts warehousing, logistics, repackaging, sales and distribution business in Tanzania. Burque is partnering with world renowned multinationals like Unilever, Nestle, Upfield and GSK in Tanzania. *It helps these companies to make their products accessible to the Tanzanian people.*

It is known in the market as one of the most professional warehousing, logistics and distribution companies with high level of integrity and professionalism. Burque complies fully with all local laws.

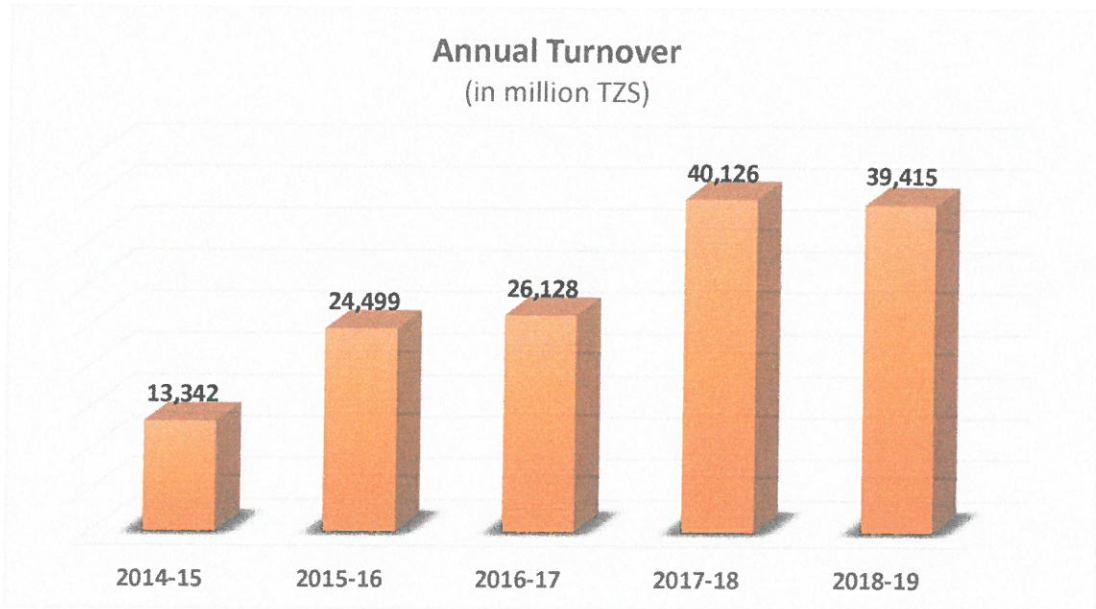
3. Strategic Goals for Tanzania:

Burque strategic goal for Tanzania is to grow quickly and to contribute to the Tanzanian economy; viable and practical way to achieve this goal is to have 100% focus on the following "core" areas:

- i) Business Development
- ii) Making high quality products accessible to Tanzanian citizens improving quality of life
- iii) Compliance and Controls

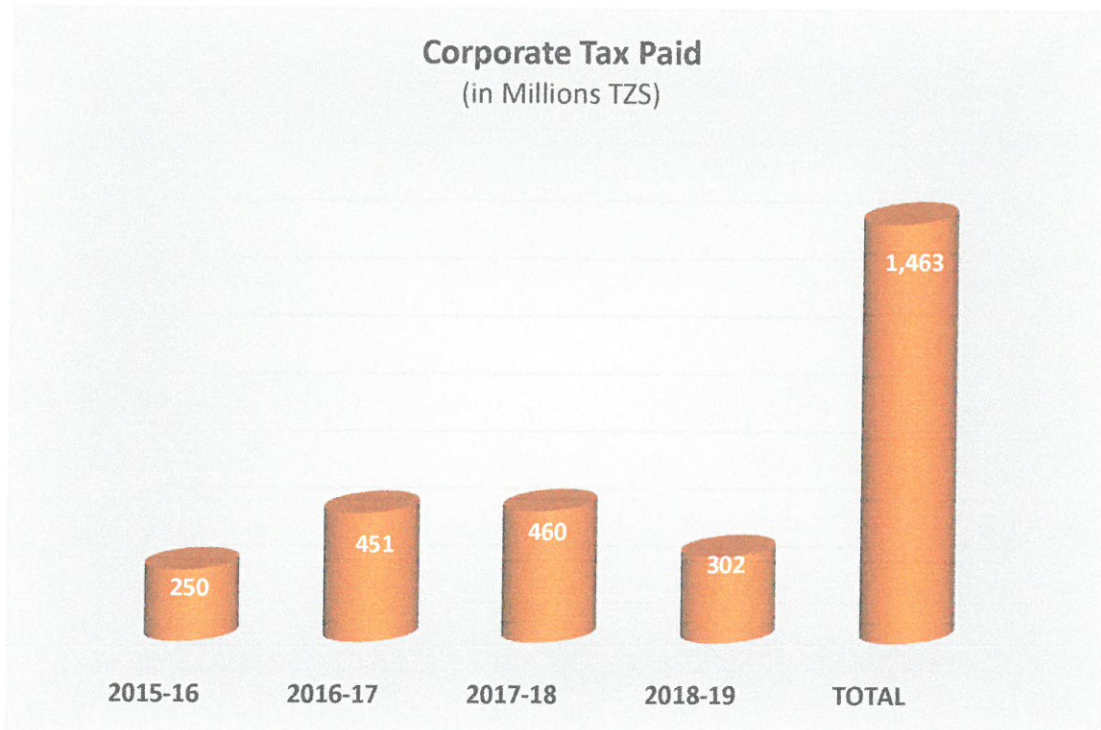
4. Business Growth / Turnover:

Focus on above three areas of strategic importance helped propel Burque sales in Tanzania from the start. **From first year sales of Tzs 7,300 million it reached Tzs 39,415 million in 2018-19 i.e., five folds increase in just six years!** Below chart will show business growth of the last five years.



5. Contribution to Tanzania Economy:

a. Corporate Tax Paid:

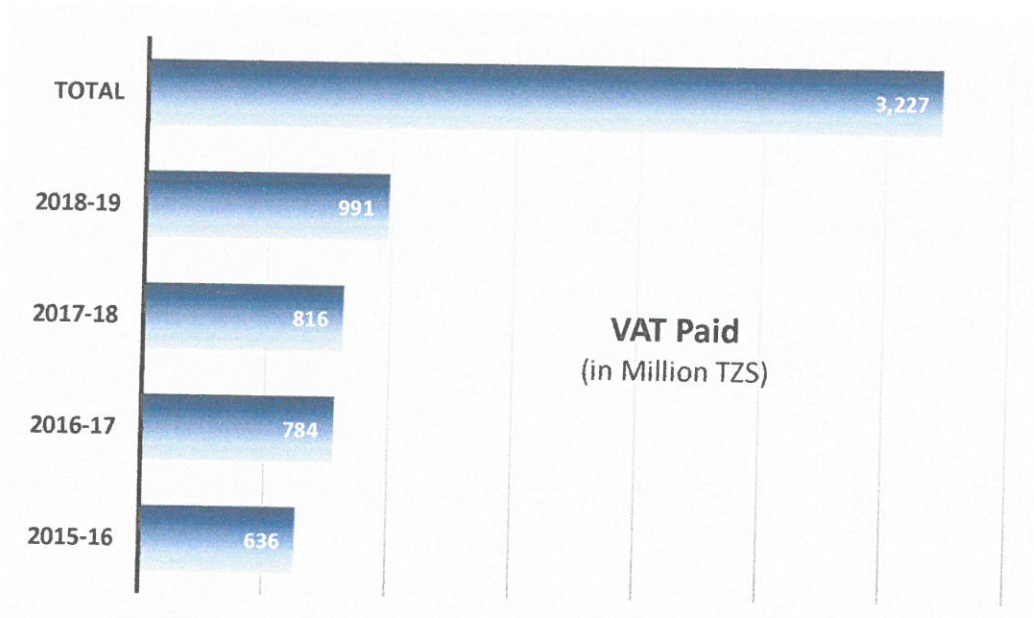


Burque contribution to Tanzania Economy in terms of Corporate Tax almost doubled in just two years – from Tzs 250 million in 2015-16 to Tzs 460 million in 2017-18. *In short Burque contributed Tzs 1,463 million to the Tanzanian Economy in the last four years.*

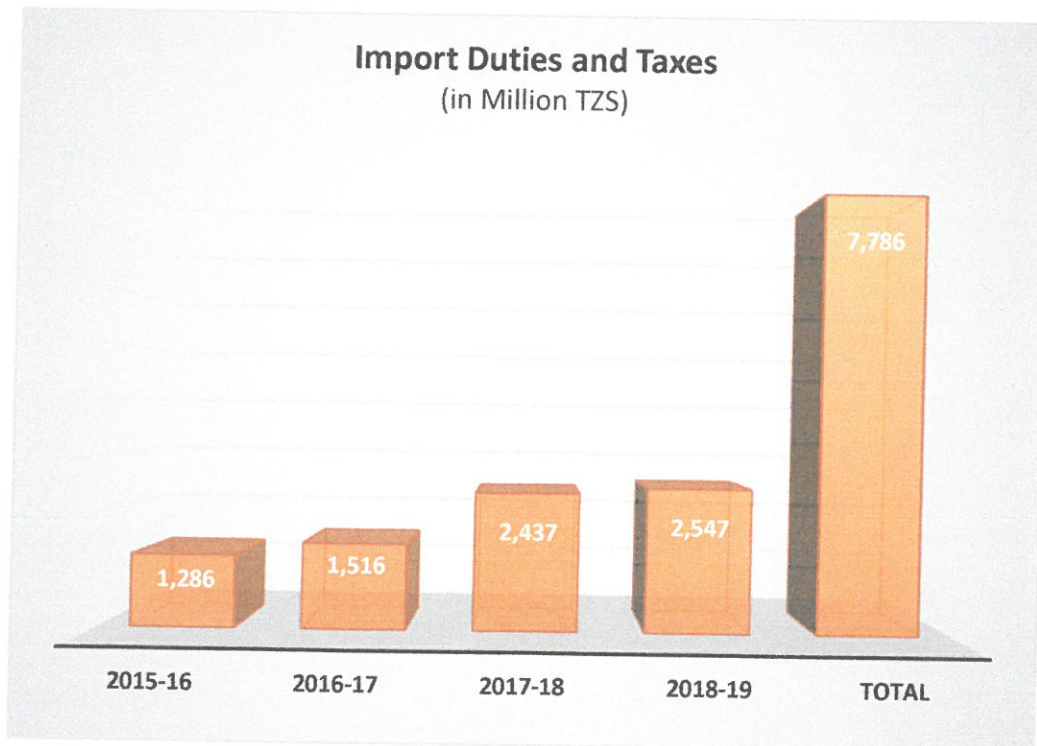


b. Value Added Tax Paid:

Burque contributed **Tzs 3,227 million** to Tanzania Economy in the shape of Value Added Tax (VAT) in just four years.

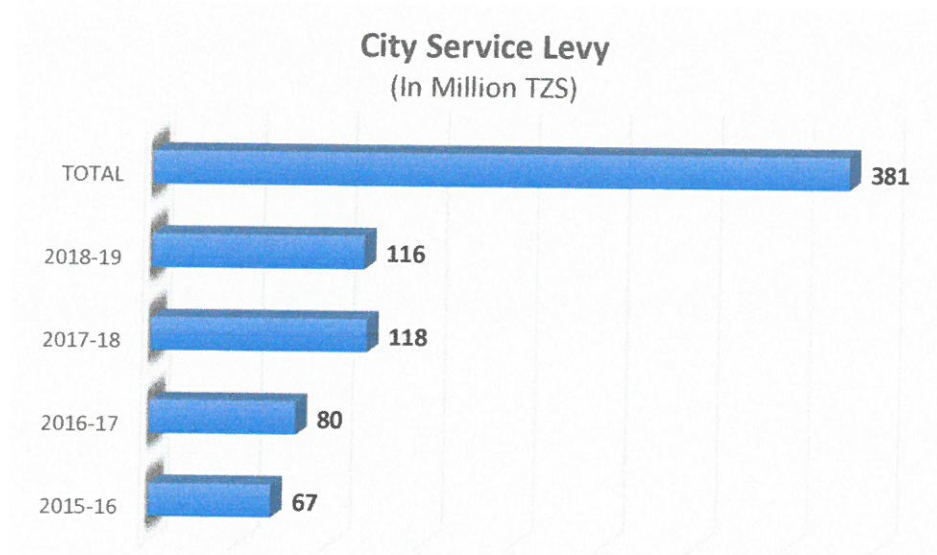


c. Import and Custom Duties Paid:



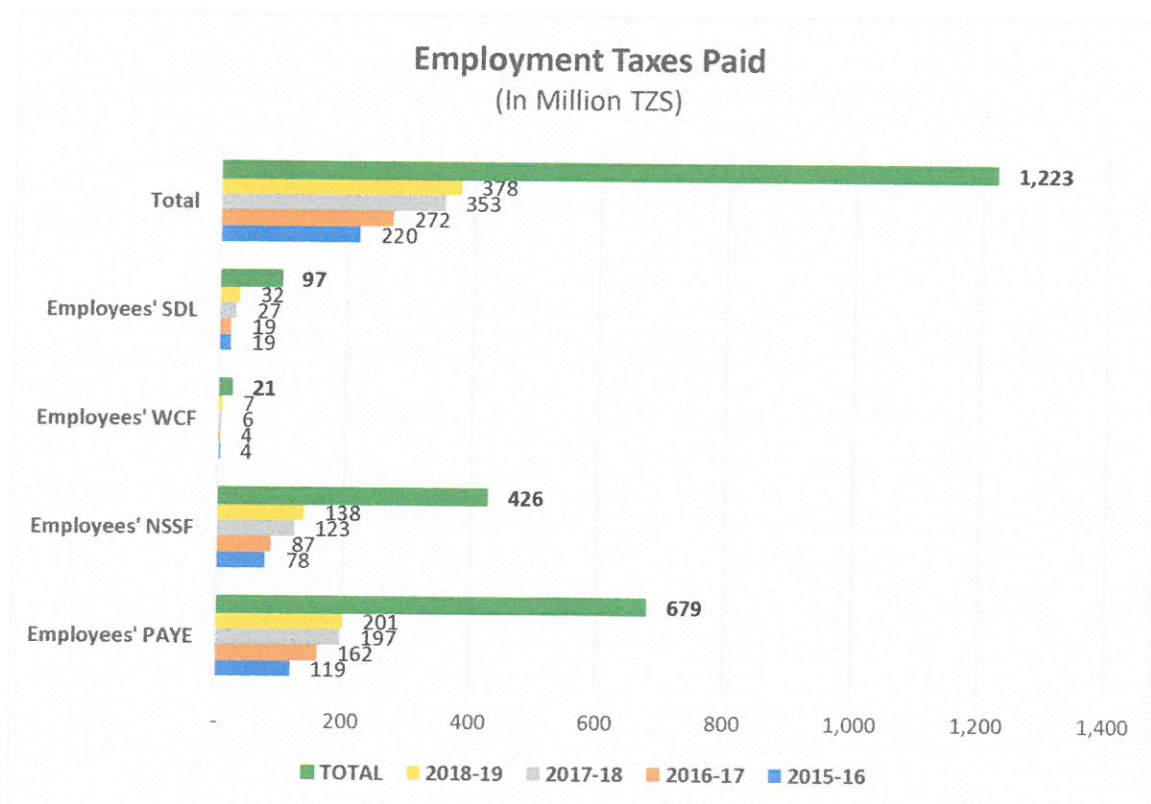
Burque contributed **Tzs 7,786 million** to Tanzania Economy in the shape of Import and Custom duties in just four years.

d. City Service Levy:



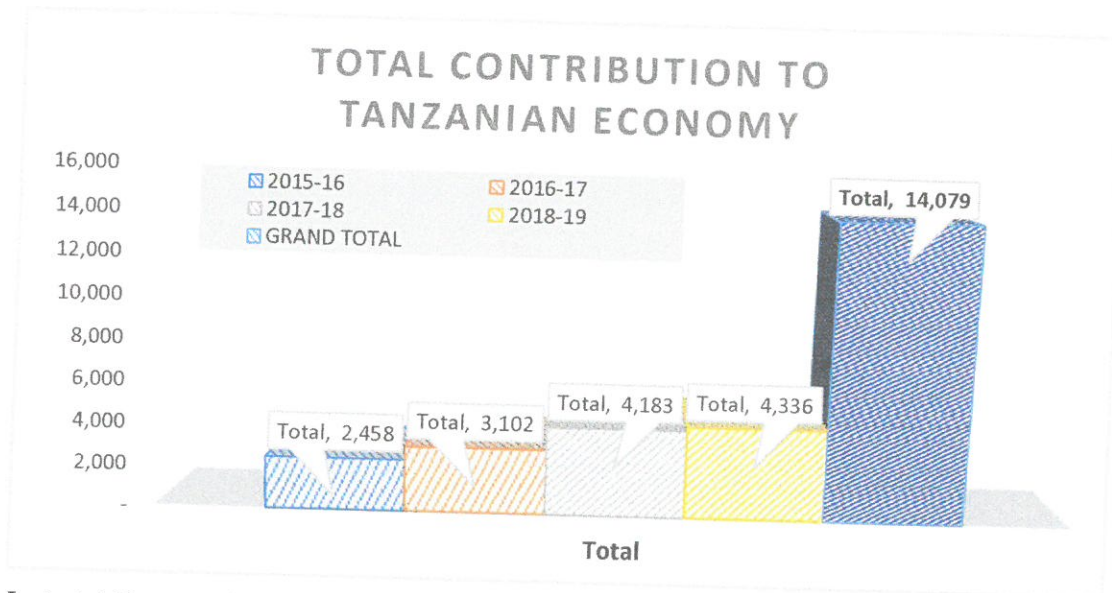
Burque contributed **Tzs 381 million** to the Tanzania Economy in the shape of City Service Levy.

e. Taxes Related to Employment Paid:



Burque contributed **Tzs 1,223 million** to Tanzania Economy in the shape of Taxes and Contributions related to Employment.

f. Total Contribution to Tanzanian Economy:



In total Burque has contributed more than **Tzs 14 billion** to Tanzania Economy in just four most recent years.

6. Burque Contribution to Tanzanian Society:

a. By Transfer of Knowledge and Creation of Employment

Burque is transferring knowledge to Tanzanians since 2013 which is evident from the fact that *total number of employees from 12 in 2013 increased to 126 in 2019*. Out of these **65** are employed by Burque and **61** are employed by GOICO Company which provide several key services to Burque like warehousing, MIS, etc.

b. By contributing to the Society through CSR

Burque as responsible corporate citizen strongly believes in paying back to the society. It has given charity and donation in excess of **Tzs 574 million** in the last four years.

c. By inculcating Tax Culture

All our sales staff are instructed to issue tax/VAT receipts; similarly, when Burque procures, it asks for proper VAT receipt. Our salespersons also educate 5,000+ traders to give/issue tax/VAT receipts.

d. Improving Quality of Life

By making high quality and well-known products accessible to the people of Tanzania thereby improving their quality of life. Some of the products include Lactogen, Cerelac, Nido, Milo, Blue band, Omo, Sensodyne, Panadol Extra, etc. Burque make these products accessible to more than 10,000 shops directly and indirectly across Tanzania.