

GRUMETI

CONSTRUCTION



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LEGEND

GR	Grumeti Reserves Ltd
GC	Grumeti Construction Ltd

EXECUTIVE SUMMARY

Grumeti Construction Ltd functions as a wholly owned subsidiary, contracted to Grumeti Reserves Ltd, Grumeti Fund Trust and Grumeti Air Ltd, for new build and alteration construction projects.

The team is able to undertake small to large-scale projects across the concession, and builds to international standards of the highest quality.

All works are guided by the company's Environmental Committee and aim to minimise impact on the natural environment as much as possible. Sustainable design concepts and materials are incorporated into all projects and serve as the cornerstone of Grumeti Construction's ethos and development approach.

The company is committed to neighbouring communities and employs and procures locally wherever possible.

Both training and skills development, and health and safety protocols are at the heart of Grumeti Construction's human resources objectives and drive all operations on site.

BACKGROUND

GRUMETI CONSTRUCTION LTD (GC) has operated since the inception of **GRUMETI RESERVES LTD** in 2003, initially as an internal division of the company and more recently as a separate business entity, wholly owned by Grumeti Reserves Ltd.

Highlights

- Dedicated construction team responsible for new build and alteration construction projects
- Small to large-scale projects across the property, with extremely high build and finish quality
- Team includes construction managers, a surveyor, clerk of works, foremen and skilled craftsmen with general artisans recruited from neighbouring communities as required depending on project scale
- Focused on growing local skill
- Quality of build finish is to international standards and in alignment with best practise sustainability standards, focused on renewable energy and water harvesting solutions wherever possible, as well as sustainable design and construction methodologies
- All sites are strictly managed in accordance with prescribed and agreed environmentally sustainable protocols including erosion control, site perimeter controls, waste management, health and safety protocols, staff welfare
- Use of local materials wherever possible
- Use of on site 3D modelling software
- Proven sub-contractor relationships
- Large, well maintained fleet of trucks and machines including Bell and tipper trucks, crane trucks, excavators, backhoe loaders, roller, grader, and water and fuel bowsers
- Responsible for all road maintenance and construction of new roads, bridges and crossings
- Approximate construction value to date - \$80m+

Over the past 15+ years, Grumeti Construction has been responsible for a large and diverse number of projects, detailed in the following table.

#	Description	Details	Year	Use	Sq Mtrs
1a	Sasakwa Lodge	Main areas, kitchen, spa, gym, pools, 7 suites (1 bed, 2 bed, 3 bed, 4 bed), nanny flat, tennis courts and pavilion, back of house offices, storerooms, laundry	2004/5	Guest lodge and back-of-house support facilities	7 314
1b		Nursery	2006	Plant propagation, equipment storage	24
1c		Yoga room addition to Cottage 10	2007	Guest wellness and recreation	180
1d		3 additional one bedroom suites	2008	Guest suites	615
1e		Extended staff canteen	2008	Staff area	239
1f		Viewing deck	2014	Guest use, dining area	60

#	Description	Details	Year	Use	Sq Mtrs
1g	Sasakwa Lodge (cont.)	Greenhouse	2014	Fresh produce garden for guest consumption	648
1h		Hillside Suite conversion	2018	Conversion of yoga room into premier two-level one bedroom suite	201
1i		New dining area and refurbishment	2019	Guest use, dining area	198
2a	Equestrian Centre	Original build - stables, pavilion, office, storerooms	2004/5	Equestrian guest activities	1 054
3a	Kivulini	Guide offices	2005	Departmental administration office	74
3b		Garages	2007	Vehicle protection	103
3c		Guide training/lecture room	2019	Training and skills development	38
4a	Water Reservoir	Water reservoir	2005	Water storage for Sasakwa Hill	191
4b		Electrical room	2015	Distribution	49
5a	Radio Tower A		2005	Property communications	20
5b	Radio Tower B		2013	Extended property communications	30
6a	Helicopter Hangar	Aircraft hangar and landing pad	2006	Aircraft protection	480
7a	Maintenance Store	Workshop and storage	2009	Operational requirements	144
8a	Sabayaya	Main areas, kitchen, storerooms	2005	Staff welfare	251
8b		Canteen, kitchen extension, additional storage	2009	Staff welfare, increased operations/staff	193
8c		Original staff houses	2005/6	5 x 3 bedroom, 4 x 2 bedroom	1 461
8d		Dorm block - Weaver	2005/6	Junior staff dorm style block and ablutions	103
8e		One room unit	2005	6 x one room unit (no kitchen)	415
8f		Two room unit	2005	2 x 2 room unit (no kitchen)	158
8g		Extra tented accommodation	2006	Operational requirements	220
8h		Covered parking	2007	Vehicle protection	135
8i		Visitor block - Zebra	2008	Consultants, visitors, film crews	272
8j		Additional management housing	2008	8 x 2 bedroom units	888
8k		Gym and office	2009	Staff welfare and camp administration	68
8l		Additional management housing	2010	1 x 2 bedroom	103
8m		Visitor block - Wildebeest	2010	Consultants, visitors, film crews	272
8n		Cookery School training room	2013	Training and skills development	30

#	Description	Details	Year	Use	Sq Mtrs
8o	Sabayaya (cont.)	Visitor block - Buffalo	2013	Consultants, visitors, film crews	272
8p		Additional management housing	2014	1 x 2 bedroom	103
8q		Visitor block - Giraffe	2014	Consultants, visitors, film crews	304
8r		Additional management housing	2015	1 x 3 bedroom	190
8s		Visitor block - Tembo	2015	Consultants, visitors, film crews	304
8t		Primary School	2016	Small school for children of senior staff	25
8u		Conversion 2 bedroom to 3 bedroom	2017	Staff welfare and operational requirement	92
9a		Lawatu	Administrative offices	2005	Support service department offices
9b	Extension, boardroom		2010	Operational expansion	70
9c	Fund offices		2010	Operational expansion	214
10a	Security Point	Original staff accommodation	2005	Accommodation for security and AP staff	716
10b		Radio room	2005	Property communications	51
10c		Generator/transformer house	2005	Equipment housing/protection	287
10d		Senior housing units	2008	Operational requirements, staff welfare	156
10e		Additional accommodation	2008/9	Operational requirements, staff welfare	603
10f		Canteen and gym extension	2010	Operational requirements, staff welfare	143
10g		Wildlife equipment store	2010	Asset protection	57
10h		Security office	2011	Administration	49
10i		Ablutions extension	2012	Operational requirements, staff welfare	143
10j		Joint Operations Centre	2016	Operational requirements	146
10k		Special Operations Group accommodation	2016	Operational requirements, staff welfare	144
10l		Canine unit and handlers accommodation	2017	Operational requirements	169
10m		Boom Tembo	2006	Operational requirements	12
10n		Boom Tembo toilet	2008	Operational requirements, staff welfare	4
10o	Guest access road boom hut	2017	Operational requirements	15	
11a	Airstrip	Airstrip and lounge	2005	Aircraft arrival and departure	437
11b		Hangar	2015	Meet and greet	900
11c		Additional ablutions	2019	To allow for male and female facility	23
12a	RISE Centre	Research centre for the Grumeti Fund	2019/20	Research and innovation for the Serengeti Ecosystem, sustainable design and build	220

#	Description	Details	Year	Use	Sq Mtrs
13a	Environmental Education Centre	Learning centre with on-site accommodation for learners and staff, kitchen, storerooms	2009	Awareness/learning centre for school children from neighbouring communities	405
14a	Serengeti House	Original build	2005	Initially senior management house	1 056
14b		Conversion to guest lodge	2012	Additional accommodation, extended main areas, swimming pool and decks, extended kitchen and BOH, tennis court and pavilion	1 400
14c		Refurbishment and extension	2016	Addition of a gym, extra guest bathrooms, spa, kitchen, sala and firepit, solar field, staff accommodation unit	350
15a	Makundusi	Logistics centre	2004/5	Warehousing and storage, fuel storage, vehicle workshop, staff canteen	3 724
15b		Management housing	2004/5	Two and three bedroom houses	1 210
15c		Junior staff housing	2004/5	Shared rooms and ablutions	1 574
15d		Supervisory staff housing	2004/5	Rooms with kitchen and courtyard	967
15e		Fuel storage reservoir	2004/5	Fuel storage	30
15f		Administrative offices	2006	Support service/community offices, boardroom	367
15g		Abattoir	2008	Improved handling of staff meat preparation	162
15h		Staff restaurant and recreational area	2008	Kitchen and storerooms, lounge, dining room, office, laundry	329
15i		Senior staff apartments	2008	Additional staff accommodation, increased operations	650
15j		Clinic	2008/9	On site clinic facility and staff and guests, treatment rooms, dispensary, ablutions, storerooms, laboratory	242
15k		Additional junior staff housing	2009	2 x new H block style with shared ablutions	1 206
15l		Staff canteen and recreational area	2009	Kitchen and storerooms, lounge, dining room, staff gym	432
15m		Mobile Camp Store	2010	Mobile camp support	132
15n		ATM	2011	Staff welfare to allow for access to cash	15
15o		Senior staff apartments	2015	Extra staff accommodation, increased ops	325
15p		Senior staff apartments	2019	Additional staff accommodation, increased ops	325
15q		Spray painting booth	2020	Vehicle maintenance	30

#	Description	Details	Year	Use	Sq Mtrs
16a	Sabora Tented Camp	Main areas, kitchen, 6 guest suites, pool, BOH	2004	Guest lodge and back-of-house support	1 530
16b		storerooms, office, manager's and guide's tents 3 additional one bedroom tents, boutique and gallery, spa	2008	facilities Guest suites, wellness and recreation	438
16c		Staff accommodation and canteen	2008/9	Staff welfare	629
16d		Kitchen and pool extension	2014	Improvement to operations	477
16e		Generator house	2014	Improvement to operations	48
16f		Solar battery house	2015	Advance planning for solar installation	60
16g		Additional guide tent	2017	Staff welfare	56
16h		Rebuild - new tent design, re-orientation of camp to mitigate night lights	2020	Refurbishment and re-styling - no change to footprint	0
17a	Faru Faru Lodge	Main areas, kitchen, 6 guest suites, pool, spa, BOH storerooms, office, staff accommodation	2006/7	Guest lodge and back-of-house support facilities	1 920
17b		Manager's house	2008	Staff welfare	171
17c		Staff accommodation	2008	Operations	504
17d		2 additional one bedroom suites + 1 two bedroom	2008	Guest suites	521
17e		villa with pool, new pool and deck, gym Stables	2013	To facilitate equestrian safaris	209
17f		Management/chef accommodation	2014	Operations	120
17g		Guides' accommodation	2017	Operations	60
17h		Additional staff accommodation, increased laundry	2017	Increased operations	169
17i		Refurbishment	2018	New FOH rebuild including interactive <u>kitchen, solar field - no change to footprint</u>	0
18a	Explore	Original Explore camp - 6 tents, main areas, staff tents, BOH	2011	Tented mobile guest camp	881
18b		Additional camp - 6 tents, extra main areas and staff tents	2012	Tented mobile guest camp	862
19a	Mara River Tented Camp	Original guest camp	2012/13	Permanent tented guest camp in Serengeti National Park concession, off grid, solar powered	1 719
19b		Camp extension	2015	Main deck, kitchen tent, arrival pergola, bar deck, staff tent, laundry store	209

#	Description	Details	Year	Use	Sq Mtrs
20a	Kilima Lodge	High level private home, 5 bedrooms en suite, lounge and dining, sala, boma, media room, gym, music room, decks and verandahs, main and spa pools, kitchen, 3 bedroom staff unit	2014/ 2015	Private home for GR partner, LEED Silver accredited	1 450
21a	Sales Pavilion	Hillside Lodge programme	2014	Welcome/information area for guests/partners	333
22a	Bangwesi Camp	Fly camp - private use only	2014	6 tent private camp, does not form part of the lodge inventory	1 570
23a	Road Network	Concrete access roads Sasakwa Hill	2004/5	All weather access	11 712
23b		Manchira Bridge	2016	River access	
23c		Nyabamba Bridge	2018/19	River access	
24a	Sasakwa Dam		2007		
25a	Field Management Houses	3 field-based houses, off grid	2016	For concession section managers	210
26a	Rhino Pens	Rhino translocations/reintroduction programme	2019	Conservation management	1 581
27a	Ikorongo Fence	Management of human/wildlife conflict	2019/ 2020	Mitigate conflict	30 kms

A brief description of the key projects – and specifically the lodges – follows below:

Sasakwa Lodge – Approximate Total Value \$24m

Flagship lodge comprising 10 cottages, varying in size from one to four bedrooms, extensive public areas and back-of-house areas, positioned on top of Sasakwa Hill with views over the vast Serengeti plains.

Building Style

Plastered and painted block walls, stone cladding, interior timber floors, exterior slate tiled floors, slate tiled roofs.

Initial construction 2004/2005, with additions in 2008 and refurbishment in 2019.

Sabora Tented Camp – Approximate Total Value \$4.8m + 2020 Redesign \$1.8m

Tented camp located in the midst of the Serengeti Plains, comprising 9 double tents, public areas, back-of-house areas and staff village.

Building Style

Raised steel frame and wood slatted decks, canvas tents with flysheets; staff rooms and ablutions comprise block walls, screed floors and canvas covered tin roofs.

Initial construction 2003/2004, with additions in 2008/2009 and redesign and refurbishment in 2020.

Faru Faru Lodge – Approximate Total Value \$5.1m

Block and reed walls with canvas roofs, located along the Grumeti River, comprising 7 double suites and 2 two bedroom suites, public areas, back-of-house areas and staff village.

Building Style

Steel frame foundation, block and reed walls with canvas roofs over a steel frame; staff rooms and ablutions comprise block walls, screed floors and canvas covered tin roofs.

Initial construction 2006/2007, with additions in 2008/2009 and redesign and refurbishment in 2018.

Serengeti House – Approximate Total Value \$7.1m

Exclusive use lodge accommodating 8 guests, positioned at the base of Sasakwa Hill, overlooking a waterhole.

Building Style

Plastered and painted block walls, stone cladding, combination of timber/slate tiled/screed floors, slate tiled roofs.

Initially constructed as a management house in 2005, converted to a guest lodge in 2012 and refurbished in 2016.

Explore Mobile Camps – Approximate Total Value \$3.2m

Two separate mobile camps, each accommodating 12 guests – can be used jointly for a total of 24 guests or split to cater for smaller groups.

Building Style

Prepared camp sites including basic infrastructure to facilitate waste management, water supply resources and low voltage lighting, canvas tents with fly sheets.

Constructed in 2011/2012.

Mara River Tented Camp – Approximate Total Value \$2.8m

“Off-the-grid” tented camp located on the Mara River, on a private concession area within the Serengeti National Park, 100% driven by “green” energy, solar harvested for all installations including the borehole pump, IT communications and lighting.

Building Style

Raised wooden decks with canvas tents and fly sheets, 100% “green” energy.

Constructed in 2012 and scheduled for a refurbishment in 2021.

Bangwesi Tented Camp – Approximate Total Value \$1.5m

Tented camp located in the northern part of the SGR concession area, in Ikorongo game Reserve, accommodating 12 guests.

Building Style

Raised wooden decks with canvas tents and fly sheets, low voltage lighting.

Constructed in 2012.

Sasakwa Hillside Lodges Sales Pavillion – Approximate Total Value \$250k

Sales Pavillion for the Sasakwa Hillside Lodges, includes some of the planned interior architecture components of the Lodges, positioned on Sasakwa Hill near to the Equestrian Centre.

Building Style

Plastered and painted block walls, stone cladding, combination of slate tiled/timber/screed floors, slate tiled roofs.

Constructed in 2012.

Kilima Lodge – Approximate Total Value \$11.5m

LEED Silver private lodge accommodating 10 guests, with extensive indoor and outdoor public areas, an infinity edge swimming pool, and separate staff quarters, positioned on top of Sasakwa Hill with views over the vast Serengeti plains.

Building Style

Plastered and painted block walls, stone cladding, combination of slate tiled/timber/screed floors, slate tiled roofs, 'green'living roofs.

Constructed in 2015/2015.

Equestrian Centre – Approximate Total Value \$1.1m

Located a short distance from Sasakwa Lodge, accommodates 18 horses, includes a paddock, arena and 3km riding track.

Building Style

Plastered and painted block walls, stone cladding, slate tiled floor in the Pavillion, screed floors elsewhere, slate tiled roofs.

Constructed in 2005.

Sasakwa Hill Back of House – Included as part of Sasakwa Lodge

Supporting infrastructure including plant equipment, offices and storerooms, and staff accommodation and recreational facilities.

Building Style

Plastered and painted block walls, stone cladding on selected buildings, combination of slate tiled and screed floors, combination of slate tiled and tin roofs.

Intital construction in 2005 with additions each year thereafter.

Sabayaya Camp – Approximate Total Value \$6.1m

Staff accommodation and recreational facilities.

Building Style

Plastered and painted block walls, selected stone cladding, combination of slate tiled and screed floors, combination of slate tiled and tin roofs.

Initial construction in 2005 with additions thereafter.

Aviation – Approximate Total Value \$400k

The airstrip was constructed by Grumeti Construction and measures 1,500 metres long by 30 metres wide – it a murrum and grass surface strip with emergency strip lighting. The hangar was subsequently constructed in 2015. Guest facilities including a lounge and bathrooms have also been added at the airstrip. A helicopter hangar and landing pad are also located on Sasakwa Hill.

Makundusi – Approximate Total Value \$6.7m

Makundusi includes a logistics centre comprising stores, warehousing and workshops; a staff village for management, senior and junior staff; a staff clinic; security point and administration offices.

Building Style

Block walls, screed floors, steel frame windows and doors, insulated tin roofs.

Initial construction in 2005 with additions each year thereafter.

Concession-Wide Road Network – Approximate Total Value \$2m

Combination of all weather murrum-surface roads and game drive track roads, total of 1,000+ kilometres across the concession. This includes the concrete strip roads on Sasakwa Hill, constructed in 2005 to ensure all weather access to this key site. A number of high load-bearing bridges have also been constructed to increase access to various parts of the concession, in line with both law enforcement requirements and guest experience.

Sasakwa Dam

Located in front of Sasakwa Lodge, constructed in 2007, surface areas of 26,709 square metres.

BUSINESS REGISTRATION

GRUMETI CONSTRUCTION LTD was registered as its own business entity on May 23rd, 2013. A copy of the business registration certificate is shown below.

TANZANIA



Certificate of Incorporation

Section 15

No 99551

I HEREBY CERTIFY THAT
GRUMETI CONSTRUCTION LIMITED

is this day incorporated under the Companies
Act, 2002 and that the Company is Limited.

Given under my hand at Dar es salaam
this 23RD day of MAY
TWO THOUSAND AND THIRTEEN


Asst. Registrar of Companies

BUSINESS SET UP

Registered Office	Grumeti Construction Ltd PO Box 65 Mugumu, Tanzania
Directors	Mr Graham Jack Ledger (British) Mr Daniel Mwasandube (Tanzanian)
Secretary	Ms Jackline Tweve Mawalla Advocates PO Box 6101 Arusha, Tanzania
Auditor	Ernst & Young 4 th Floor, Tanhouse Tower, Plot No. 34/1, Ursino South New Bagamoyo Road PO Box 2475 Dar es Salaam, Tanzania
Main Bankers	National Bank of Commerce Ltd PO Box 3004 Arusha, Tanzania CRDB Bank Plc. PO Box 386 Musoma, Tanzania First National Bank Tanzania Limited Mezzanine Floor, PPF Plaza, Old Moshi Road Arusha, Tanzania

The shareholding of the Company is as stated below:

	2020	
	No. of Shares	% Shareholding
Grumeti Reserves Limited – Fully Paid	1 933 625	96.68125%
Mr Daniel Mwasandube – Unpaid	1	0.00005%
	1 933 626	96.6813 %
Un-allotted shares	66374	3.3187%

GRUMETI CONSTRUCTION LTD currently employs 39 staff on a permanent basis.

2 x Construction Managers

1 x Procurement & Logistics Manager

1 x Technical Services Manager

1 x Chief Surveyor

2 x Administrators

3 x Road Crew Supervisors

18 x Machine Operators

10 x Drivers

1 x Grease Operative

The function of procurement and logistics is critical to GC operations – delays in the purchasing and delivery of materials and fittings can have a huge impact upon project schedule and costs – GC to absolutely committed to delivering all projects both on time and on budget, and so the management of this function is key to the company’s success. Wherever possible, materials are sourced locally in alignment with Grumeti’s commitment to the local economy.

GC also coordinates with Grumeti Reserves on a daily basis to ensure proper maintenance of existing infrastructure – this includes existing buildings, water and power plants, electrical layouts and installations, general MEP, waste management facilities and installations, and refrigeration and HVAC amongst others. This sharing of skill between the companies is important to the maintenance of equipment, and also allows for more effective cost management. The value of a thorough understanding and knowledge of engineering and all technical services cannot be overstated and this role is fundamental to GC operations.

In addition, GC employs other general artisans as needed on a fixed term contractual basis – this is dependent upon project activity levels that vary throughout the year.

GC also has in its employ an additional support team on a fixed term basis:

2 x Construction Managers

3 x Foreman

1 x Site Surveyor

15 x General Craftsman

20 x General Artisans

5 x Landscaping Workers

4 x Steelworkers

2 x Canteen Staff

2 x Stores Staff

7 x Security Guards

Over the past few years, the completion of several key high-end projects, including Kilima Lodge in 2015, Serengeti House in 2016 and Faru Faru in 2018 significantly increased the managerial ability within Grumeti Construction. This, combined with more skills learnt by the various tradesmen and the identification of better local specialists, also further increased the quality and precision of project output.

Ongoing training has allowed GC to identify individuals within the team to operate specific machines such as concrete mixers and compactors – this has served to both increase the skill set within the team and increase equipment lifespan.

The company prides itself on its excellent remuneration levels and strives to offer competitive salaries at all levels whilst simultaneously taking

into account company sustainability and financial constraints.

An excellent benefits package is offered to all staff, encompassing medical aid (including emergency air evacuation membership), full board and lodging in furnished accommodation (or an off site allowance for those staff from nearby communities who prefer to remain living at home with their families), travel allowance (to cover costs of travelling home for leave), toiletries for junior staff, uniforms, and company contribution to the National Social Security Fund.

The company is equally committed to its dedication to growing the local economy and employing locally wherever possible – this is particularly true in terms of the additional labour required for large scale projects.

All Grumeti companies – including Grumeti Construction – have a strong, proven track record of training over the past 15+ years. Skills development has included subjects such as environmental awareness, computer literacy, first aid and health and safety.

More recently, a specialised millwork workshop has been established on site – this was actioned towards the end of 2019. A joinery expert who previously worked with GC on past projects including Kilima Lodge and Serengeti House has been contracted on a fixed term basis to set up this workshop and train a group of local craftsmen to the required level. The objective of this workshop is twofold - to increase capacity on site and local skill, and to reduce GC's reliance on the importation of finished joinery components.

The introduction of 3D modelling software in 2016 allowed GC to provide much greater detail at the project planning stage. The primary benefit in this is more accurate communication between client and contractor, with GC able to show in great detail various construction and design options before initiating the quotation process. This software also provides the team with more formal building plans including accurate floorplans and elevations.

Grumeti Construction is committed to effective and professional communication and coordination with the full project team – architects, interior designers, on site operational departments, procurement and logistics teams, and project managers. On all larger projects, GC works with a Tanzanian registered quantity surveyor to ensure accurate cost reporting. Other administrative tasks include weekly project update reports and schedules.

Further to this, GC also works according to a Project Delivery Plan (PDP) – this comprehensive document was first drafted and implemented in 2014 and describes the agreed protocols for construction management, project management, project reporting, and cost management standards, all of which were established to enable the professional team to deliver a best-in-class product. The protocols described align with:

- FIDIC building contract standard construction “Red Book” version; and
- Established project and construction management best practice.

The PDP is implemented across strategy development, planning, procurement, execution/construction through to close out and handover. The document provides for GC to deliver a first class build, taking into consideration construction, cost management, sustainability, energy efficiency and quality standards, whilst operating in a remote location, on time and on budget, with no compromise on quality.

SUSTAINABILITY

Grumeti is first and foremost a conservation company, dedicated to the preservation and protection of large areas of African wilderness for future generations. The companies are all pledged to the conservation of this iconic wilderness area, engagement with and upliftment of its neighbouring communities, and sustainable, world-class ecotourism, which in turn is facilitated to a large degree by Grumeti Construction.

Grumeti Construction – as part of Grumeti Reserves – joined with BioRegional One Planet Living in 2012 as a tool to guide and inform the company’s sustainability protocols and targets. Planning and development in line with One Planet Living principles (detailed below), and enhanced use of various “green” technologies has served multiple purposes since then - 1.) reduced impact upon the pristine environment in which the lodges and supporting infrastructure are built, 2.) long term environmental and financial sustainability in terms of reduced dependence upon traditional fuels, and 3.) marketing power in terms of responding to guest feedback which calls for companies to set the example and assume greater responsibility for the environment.

One Planet Living is a global initiative based on ten principles of sustainability developed by BioRegional and WWF.

Zero Carbon

Making buildings more energy efficient and delivering all energy with renewable technologies

Zero Waste

Reducing waste, reusing where possible, and ultimately sending zero waste to landfill

Sustainable Transport

Encouraging low carbon modes of transport to reduce emissions, reducing the need to travel

Sustainable Materials

Using sustainable and healthy products, such as those with low embodied energy, sourced locally, made from renewable or waste resources

Local and Sustainable Food

Choosing low impact, local, seasonal and organic diets and reducing food waste

Sustainable Water

Using water more efficiently in buildings and in the products we buy; tackling local flooding and water course pollution

Land and Wildlife

Protecting and restoring existing biodiversity and natural habitats through appropriate land use and integration into the built environment

Culture and Heritage

Reviving local identity and wisdom; supporting and participating in the arts

Equity and Local Economy

Creating bioregional economies that support fair employment, inclusive communities and international fair trade

Health and Happiness

Encouraging active, sociable, meaningful lives to promote good health and well being

In addition, GC targeted LEED accreditation for the construction of Kilima Lodge in 2014 and 2015 – ultimately LEED Silver accreditation was granted to the finished project, a first in Africa.

The U.S. Green Building Council's LEED for Homes rating system was officially launched in February 2008 in response to growing international interest in residential "green" building and LEED for Homes.

LEED is an internationally recognized green building certification system, providing third-party certification that a building or community was designed and built using strategies aimed at improving performance across all the metrics that matter most: energy savings, water efficiency, CO2 emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts.

Projects aspiring to achieve LEED certification must meet certain minimum standards under the following criteria:

- innovation and design process
- location and linkages
- sustainability
- water efficiency
- energy and atmosphere
- materials and resources
- indoor environmental quality
- awareness and education

Environmental Committee and EIA Compliance

To ensure that environmental sustainability remains top of mind at all times, an Environmental Committee was formed in 2017. This Committee includes 12 members who represent the various Grumeti companies – GC is represented by its senior Construction Manager. The committee meets every quarter and reviews all proposed construction projects – ahead of project commencement – to determine whether the proposed work aligns with the company’s guidelines for infrastructure development and complies with the One Planet principles.

Grumeti Construction – working together with Grumeti Reserves and the Grumeti Fund – ensures that all larger projects commence planning stage with the commissioning and completion of a comprehensive and scrupulous environmental impact assessment. To this end, the company works with the Institute of Resource Assessment at the University of Dar es Salaam, with the actual EIA process managed and coordinated by Dr. Hussein Sosovele.

GC fully recognises and appreciates the significant importance of this crucial step in the development process and takes care to ensure these processes are executed to the very highest standards.

ASSETS

GRUMETI CONSTRUCTION LTD currently operates a fleet comprising 31 vehicles and machines, detailed below:

<u>Description</u>	<u>Quantity</u>
Toyota LC Pick Up	4
Cat Excavator 330 D	1
Cat Excavator 330 B	1
Cat Backhoe 434F	1
Cat Backhoe 428E	1
Cat Backhoe 416C	1
Cat Roller 533 E	2
Cat Grader 140 G	2
Bell ADT	2
Sino Howo Water Bowser	2
Sino Howo Tipper	3
Sino Howo 6X6 Tractor Unit	1
DAF Truck	2
DAF Crane Truck	1
Bedford 6x6 Crane Truck	1
Scania Crane Truck	1
Scania Tipper	5

GC operates out of Makundusi, utilising office and warehousing space measuring 450 square metres.

PLANNED ACTIVITIES FOR THE PERIOD 2020 THROUGH 2024

Description	Location	Quantity	Value
Steps & Pathways to Rooms (murrum, gum poles, paving)	Faru Faru Lodge	6	\$25 800
Balustrading	Faru Faru Lodge	1	\$45 150
New Pathway Lights (existing cable to be used)	Faru Faru Lodge	65	\$8 650
Cover for Staff Outside area	Faru Faru Lodge	1	\$1 050
Triple Parking Bay	Faru Faru Lodge	1	\$4 200
Guard Hut	Faru Faru Lodge	1	\$700
Tent renovation	Makundusi	2	\$21 700
Installation of security bars	Makundusi	20	\$2 000
Clinic Extension - Acute Treatment + Physiotherapy	Makundusi	1	\$70 000
Storerooms, warehousing, loading – renovations and extensions	Makundusi	1	\$450 000
Increase Pastry/Storage/Chefs Office tent and redo main kitchen tent canvas	Mara River Tented Camp	1	\$38 700
Car wash	Mara River Tented Camp	1	\$3 500
Vehicle car park extension	Mara River Tented Camp	1	\$7 000
Rebuild Waste Cage at Kitchen and staff canteen	Mara River Tented Camp	1	\$3 500
Classroom / learning centre renovation	Mara River Tented Camp	1	\$7 000
FOH and guest suite renovations	Mara River Tented Camp	8	\$950 000
Sasakwa Lodge Phase 11 Refurbishment Works	Sasakwa Lodge	1	\$30 000
Cottage 10 Upgrade	Sasakwa Lodge	1	\$550 000
Redo roofing – Sasakwa, Equestrian, Tennis Pavilion	Sasakwa Hill	1	\$175 000
Redo roofing – Sabayaya Main Areas and Houses	Sasakwa Hill	1	\$325 000

Description	Location	Quantity	Value
H Block Staff Accommodation Works	Sasakwa Hill	1	\$53 500
QRT House Works	Sasakwa Hill	1	\$46 450
Kitchen Renovations – Security Block	Sasakwa Hill	1	\$2 200
Installation of SIM tanks and associated connections (rainwater harvesting)	Sasakwa Hill	1	\$28 000
New Window for Waiters' room	Sasakwa Lodge	1	\$3 500
Replacing all old slate/paving exterior areas	Sasakwa Lodge	1	\$8 000
Nanny flat entrance new stone pathway	Sasakwa Lodge	1	\$2 000
Sisal fence nursery	Sasakwa Lodge	1	\$3 500
Gutter repairs/replacements/amendments	Sasakwa Lodge	1	\$5 000
Guest walkway maintenance/amendments	Sasakwa Lodge	1	\$4 000
Improvements to BOH eating area	Sasakwa Lodge	1	\$14 000
Tennis Court Rebuild	Sasakwa Lodge	1	\$70 000
Golf Cart turning circle next to dining room	Sasakwa Lodge	1	\$35 000
New storeroom	Sabayaya	1	\$7 000
Refurbishment of senior house bathrooms (ongoing project)	Sabayaya	1	\$50 400
Refurbishment of senior house kitchen	Sabayaya	1	\$14 000
Conversion of one bedroom units	Sabayaya	1	\$70 000
Kitchen tiling and improvements	Sabayaya	1	\$23 500
Sabora FOH and Guest Suites Rebuild	Sabora	1	\$1 720 600
Replacement/new walls for Security, Kitchen, Staff Block and Gym	Sabora	4	\$126 000
Staff Tent replacement	Sabora	4	\$6 000
Fly Sheet Replacement (BOH)	Sabora	2	\$5 800
Bathroom renovations	Sabora	2	\$5 600

Description	Location	Quantity	Value
Fencing work	Concession	1	\$1 150 000
Rain water harvesting	Concession	1	\$38 000
Road maintenance	Concession	150 kms	\$235 000
New road construction	Concession	75 kms	\$300 000
Alterations and extension to Bangwesi Camp	Concession	1	\$1 050 000
New 12 bed camp	Concession	1	\$2 150 000
Hillside Lodge	Concession	1	\$9 900 000
Total Value			\$19 600 300

PROJECTED INCOME STATEMENT FOR THE NEXT FIVE YEARS

GRUMETI CONSTRUCTION LIMITED INCOME STATEMENT

	2020	2021	2022	2023	2024	TOTAL
INCOME	1,967,500	3,416,000	4,254,000	5,046,000	4,916,800	19,600,300
COST OF SALES	1,180,500	2,049,600	2,552,400	3,027,600	2,950,080	11,760,180
GROSS PROFIT	787,000	1,366,400	1,701,600	2,018,400	1,966,720	7,840,120
OPEX	750,000	850,000	892,500	1,150,000	1,150,000	4,792,500
DEPRECIATION	54,041	87,116	120,191	153,266	153,266	567,882
	804,041	937,116	1,012,691	1,303,266	1,303,266	5,360,382
NET PROFIT	(17,041)	429,284	688,909	715,134	663,454	2,479,738

PROJECTED BALANCE SHEET FOR THE NEXT FIVE YEARS

GRUMETI CONSTRUCTION LIMITED STATEMENT OF FINANCIAL POSITION

	2020 USD	2021 USD	2022 USD	2023 USD	2024 USD
ASSETS					
NON-CURRENT ASSETS					
PROPERTY AND EQUIPMENT	681,217	1,044,100	1,373,909	1,670,642	1,517,376
	681,217	1,044,100	1,373,909	1,670,642	1,517,376
CURRENT ASSETS					
INVENTORIES	694,850	869,575	970,135	1,499,395	2,119,635
TRADE AND OTHER RECEIVABLE	424,899	595,699	808,399	1,060,699	1,306,539
AMOUNT DUE FROM RELATED PARTIES	42,037	42,037	42,037	42,037	42,037
TAX RECOVERABLE	294,722	540,674	846,962	1,210,274	1,564,284
CASH AND BANK BALANCES	59,859	(14,306)	414,394	505,374	751,022
	1,516,368	2,033,680	3,081,928	4,317,780	5,783,518
TOTAL ASSETS	2,197,585	3,077,781	4,455,837	5,988,423	7,300,894
EQUITY AND LIABILITIES					
EQUITY					
SHARE CAPITAL	8,414,382	8,414,382	8,414,382	8,414,382	8,414,382
ACCUMULATED LOSSES	(7,186,249)	(6,756,966)	(6,068,057)	(5,352,924)	(4,689,470)
	1,228,133	1,657,417	2,346,325	3,061,459	3,724,912
CURRENT LIABILITIES					
AMOUNT DUE TO RELATED PARTIES	175,901	175,901	175,901	175,901	175,901
TRADE AND OTHER PAYABLES	613,694	818,654	1,201,514	1,655,654	1,950,662
VAT PAYABLE	179,857	425,809	732,097	1,095,409	1,449,418
	969,452	1,420,364	2,109,512	2,926,964	3,575,982
TOTAL EQUITY AND LIABILITIES	2,197,585	3,077,780	4,455,837	5,988,422	7,300,894

PROJECTED CASHFLOW FOR THE NEXT FIVE YEARS

GRUMETI CONSTRUCTION LIMITED CASHFLOW STATEMENT

CASHINFLOW

	2020	2021	2022	2023	2024	TOTAL
CASH RECEIPTS	1,869,125	3,245,200	4,041,300	4,793,700	4,670,960	18,620,285

CASHOUTFLOWS:

CREDITORS	1,694,400	2,694,640	3,062,040	3,723,460	3,805,072	14,979,612
NET VAT PAYABLE	114,866	114,866	114,866	114,866	114,866	574,328
CAPITAL EXPENDITURE		450,000	450,000	450,000		1,350,000

	1,809,266	3,259,506	3,626,906	4,288,326	3,919,938	16,903,940
CASH BALANCE END OF YEAR	59,859	(14,306)	414,394	505,374	751,022	1,716,345

FINANCIAL EXPENDITURE TO DATE

All costs associated with Grumeti Construction were originally incurred by Grumeti Reserves, in that GC did not exist as a separate business entity at the time. However, since registration the construction fleet has now been transferred and resides under GC.

Expenditure Category	Total USD
Computer Software & Hardware	\$13 891
Machinery Equipment	\$754 991
Operating Equipment	\$153 794
Vehicles/Planes/Boats	\$666 858
Total USD	\$1 589 534

Looking ahead, Grumeti Construction expects to replace 3 x Bell trucks likely in 2021, 2022 and 2023 – the cost per machine will be approximately \$450 000, for a total capital investment of \$1 350 000 over the next three years.

FINANCING

GRUMETI CONSTRUCTION LTD generates income through the work that it is commissioned to complete on behalf of Grumeti Reserves Ltd, the Grumeti Fund Trust and Grumeti Air.

Projects are carefully quantified and costed, focusing on local procurement and materials wherever possible. A mark up to cover GC's basic operating costs is added, with full transparency for internal departments.

In time, Grumeti Construction may also submit proposals for other project work offered for tender in the area.

Grumeti Construction was initially funded by Grumeti Reserves Ltd.

