

**Appendix 1: Project status Report**

**1. Planned Activities for Financial Year 2020**

- Up to March 2020, the following major activities have been dealt with to completion stage for phase 1 :-
  - a. Detailed design works - finished
  - b. The mobilization work- finished
  - c. Construction of fence wall is ninety eight percent (98%) finished *only electric gates*
  - d. The construction of the SUBSTRUCTURE (i.e. the concrete part-the foundation) is about ninety nine percent (99%) completed. *pending cafeteria, executive house, warehouse*
  - e. Already imported 30% of the steel structure.
- Also the construction cost involve **costs of works** and **construction supervision costs**, are as follows:-

**2. Achievements made on the project implementation to date**

| S/N | Project Activities   | Date Completed                              | Remarks  |
|-----|--|---|--|
| 1   | Incorporation of the company in Tanzania                                   | Completed in September 2015                 | Incorporated No. 120048 dated 4 <sup>th</sup> September 2015<br>TIN No. 129-123-036  |
| 2   | TIC Incentive and Performance Contract                                     | Completed in June 2016                      | TIC Certificate of Incentives No. 043071 dated 23 <sup>rd</sup> June 2016 i.e. this certificate will expire on 30 <sup>th</sup> May 2019   |
| 3   | Acquisition of Project Land and Title deed <i>(Deliverative?)</i>          | Completed in January 2016                   | CT No. 152603 MG Located on Plot No. 13 Block "E" situated at Mwanambaya/Mivule in Mkuranga District measuring 7.88 hectares<br>Reg Survey Plan No. 78874  |
| 4   | Engaged Project Consultants for construction                               | All the Procedure completed in January 2018 | Project Contractor: Lumocons company Ltd<br>Structural Engineer: Dove Engineering<br>Project QS: Construction cost Advisor Ltd<br>Project Architect: Neo City Architects<br>Service Engineer: service consultant ltd |
| 5   | NEMC Certification   | Completed on 6 <sup>th</sup> April 2017     | Environmental Impact Assessment Certificate, Application Reference No. 6042 with Registration No. EC/EIA/3067  |
| 6   | Soil Investigation Report – University of Dar es Salaam Soil Mechanics Lab | Completed in June 2016                      | Field works were carried out in April 2016 and report was submitted in June 2016 which provided a summary of the findings and recommendations for the foundation design parameters.                                  |
| 7   | Project Site for commencement of construction                              | Renewed on 16/12/2018                       | Building Permit No. MDC/QTR2/21/2018   |

### 3. Project Financial Expenditure to date

| S/N | Particulars   | Amount in TZS | Amount in TZS          |
|-----|---|---------------|------------------------|
| 1   | Land Acquisition  |               | 850,000,000            |
| 2   | Valuation cost of the Project area                          |               | 1,700,000              |
| 3   | <b>Dove Engineering Tanzania Ltd</b>                        |               |                        |
|     | Architectural drawings                                      | 14,000,000    |                        |
|     | Structural Engineer   | 17,000,000    |                        |
|     | Mechanical Engineer   | 5,250,000     |                        |
|     | Electrical Engineer & ICT                                   | 6,250,000     |                        |
|     | Soil investigation  | 29,000,000    |                        |
|     | EIA study   | 12,000,000    |                        |
|     | Quantity Surveyor   | 6,500,000     |                        |
|     | Surveyor (TOPO)   | 7,000,000     |                        |
|     | Total design cost paid to Dove                              |               | 97,000,000             |
| 4   | IC Facilitation Fee (US \$ 1000)                            |               | 2,200,000              |
| 5   | BRELA annual Returns  |               | 29,500                 |
| 6   | Business License  |               | 300,000                |
| 7   | NEMC- Registration Form and project briefing                |               | 10,070,000             |
| 8   | Title deed Registration fee                                 |               | 40,000,000             |
| 9   | Project registration fee                                    |               | 6,000,000              |
| 9   | <b>Advance payment to the consultants</b>                   |               |                        |
|     | Neo-city Architects and construction cost Advisor (QS) -60% | 50,880,000    |                        |
|     | Dove Engineering Tanzania Ltd -80%                          | 87,200,000    |                        |
|     | Service Consultant -40%                                     | 10,000,000    |                        |
|     | Total cost for the consultants                              |               | 148,080,000            |
| 10  | Contractor payments   |               |                        |
|     | Lumocons Company Limited                                    |               | 785,721,444            |
| 11  | Material expenses   |               | 2,552,740,154          |
| 12  | Security expenses   |               | 42,000,000.00          |
| 13  | TRA VAT   |               | 50,129,834             |
|     | <b>Total</b>  |               | <b>4,585,970,932/=</b> |

### 4. Project Financing

The table below illustrated the estimated project investment cost:

Amount in US\$ Currency

| S/N                            | Particulars                         | Existing         | New Investment     | Total              |
|--------------------------------|-------------------------------------|------------------|--------------------|--------------------|
| 1                              | Land and Building                   | \$453,000        | \$2,785,238        | \$3,238,238        |
| 2                              | Machinery and Equipment             | \$0              | \$2,577,620        | \$2,577,620        |
| 3                              | Motor Vehicles                      | \$0              | \$65,116           | \$65,116           |
| 4                              | Pre-operational expenses            | \$0              | \$454,920          | \$454,920          |
| <b>Subtotal (A) Fixed cost</b> |                                     | <b>\$453,000</b> | <b>\$5,882,894</b> | <b>\$6,335,894</b> |
| 5                              | Contingence (5% of Fixed cost)      | \$0              | \$294,144.68       | \$294,145          |
| <b>Subtotal (B)</b>            |                                     | <b>\$453,000</b> | <b>\$6,177,038</b> | <b>\$6,630,038</b> |
| 6                              | Initial working capital requirement | \$0              | \$617,942          | \$617,942          |
| <b>Total Investment Plan</b>   |                                     | <b>\$453,000</b> | <b>\$6,794,980</b> | <b>\$7,247,980</b> |

With above arrangement, the project shall be financed with the following Financing plan

Amount in US\$ Currency

| S/N                         | Particulars                         | Equity             | Debt Funding       | Total              |
|-----------------------------|-------------------------------------|--------------------|--------------------|--------------------|
| 1                           | Land (Existing)                     | \$453,000          | \$0                | \$453,000          |
| 2                           | Building Construction (New)         | \$2,522,334        | \$402,165          | \$2,924,499        |
| 3                           | Machinery and Equipment (New)       | \$0                | \$2,706,501        | \$2,706,501        |
| 4                           | Motor Vehicles (New)                | \$0                | \$68,372           | \$68,372           |
| 5                           | Pre-operational expenses            | \$477,666          | \$0                | \$477,666          |
| 6                           | Initial working capital requirement | \$0                | \$617,942          | \$617,942          |
| <b>Total Financing Plan</b> |                                     | <b>\$3,453,000</b> | <b>\$3,794,980</b> | <b>\$7,247,980</b> |

The project shall have an estimated gearing ratio of 48%:52

#### PERCENTAGE COMPLETION OF WORKS

The estimated percentage completion of works on the prioritized tasks is as follows:-

#### PERCENTAGE COMPLETION OF WORKS

| ESTIMATED PERCENTAGE COMPLETE OF PRIRITISED TASKS |   |                      |
|---|---|----------------------|
| S/No.   | ACTIVITY                                  | ESTIMATED COMPLETION |
| 1   | PRELIMINARIES: MOBILIZATION AND CLEARANCE | 100%                 |
| 2   | BOUNDARY WALL, E/FENCE & GATES            | 99%                  |

|   |  |     |
|---|--|-----|
| 3 | PLANT MAIN BUILDING SUBSTRUCTURE         | 60% |
|   |  |     |
|   | AVERAGE COMPLETION (all phase one tasks) | 99% |

**CONCLUSION**

- We have managed to finish the phase one part one, we are going to start phase one part two which will include the erecting the steel structure for the main building. Because we delayed in our schedule we are going to start as well phase two which will include construction of other building simultaneously with the competition of main building.
- We are grateful for the effort done from TIC by giving us the extension of our certificate up to May 2020, and we have started **to enjoy our exemption**, our first importation of containers of steel structure materials we have been given the exemption for the import duty.
- Due to corona Virus (covid-19) which has affected the whole world also it has bring the effect to our project to delay because we are importing most of our materials from outside.
- In order to complete our project as expected we would wish to get another new Certificate, since the one we have will expire on May 2020.

Attached receive the photos which show the progress of our project.



