

GLOBAL FUTURE TECHNOLOGY LIMITED

**A PROPOSED PROJECT FOR
ESTABLISHMENT OF FACILITIES
FOR CONSTRUCTION OF BUILDINGS,
ROADS AND BRIDGES**

**Prepared by:
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DAR ES SALAAM**

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1.0 Introduction

This feasibility study report has been prepared for **M/S GLOBAL FUTURE TECHNOLOGY LIMITED** of P.O. Box 1912 Dar es Salaam, Tanzania hereinafter referred to as **the company**. **M/S GLOBAL FUTURE TECHNOLOGY LIMITED** hereby undertakes a project to venture into the construction of roads and bridges.

The project promoters are confident of mobilizing financial resources (through equity) to see through the project and will make available many employment opportunities to Tanzanians and non Tanzanians both directly and indirectly.

The purpose of this study is to assess the commercial viability and operational feasibility of the proposed project. Most of the data has been compiled by the promoters' own research and study in the market and is first hand information. The financials have also been worked out on the basis of market and cost information provided by the promoters of the project.

This report has additionally deliberated upon the social and related economic benefits (net) that will accrue to the nation and has given adequate weight age for the same in the conclusion & recommendation paragraph.

2.0 Company Information

2.1 Registration:

M/S GLOBAL FUTURE TECHNOLOGY LIMITED is a limited liability company with registration number 136198602 dated 26th March, 2018. The Memorandum of the company provides powers to shareholders to increase company share capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the company.

2.2 Project promoters:

The project is been promoted **by M/S GLOBAL FUTURE TECHNOLOGY LIMITED** whose director and shareholders as listed below:

| Name of the shareholder | Nationality | Number of Share |
|---|--------------------|------------------------|
| BARTHOLOMEW CHIREZA P.O. Box 2390 Dar es Salaam | ZAMBIA | 400 |
| PAUL CHIFAKACHA P.O. Box 2390 Dar es Salaam | ZIMBABWE | 100 |

3.0 Project description

3.1 The Project:

The basic purpose of the entire project is to add value to the abundantly available inputs, which have hitherto not been adequately exploited. The project will create more wealth for the nation and shall endeavor to bring in more prosperity and economic independence.

The company is interested in venturing into this area, as they are confident on the latest construction technology and processes. The company is sure to construct high quality roads and bridges. The project is expected to be implemented in five year time.

The project will create about 250 direct employment opportunities at its full capacity and more indirectly. Many other workers will be employed on casual and need bases. Apart from adding to the wealth of the nation, it shall also increase the purchasing power of the community thereby leading to an overall increase in demand for other products, which shall in turn lead to better economy conditions.

The company shall bring in machinery, equipments, trucks and other facilities from outside the country and train the employees in the running of the machinery and other equipment. The facilities will increase the number of service provider companies in the construction industry. The project will therefore contribute significantly towards the construction sector of the economy.

3.2 Project Location:

The proposed project will be located at Boko Magengeni, Bunju Ward, Kinondoni District, in the Dar es Salaam region where the company has rented office/yard for the proposed project.

Although our company will be based in Dar es Salaam, We plan to operate country wide with other offices in the region centres. Our company will work closely with TANROADS, Government ministries, Departments and Local government and private entities.

4.0 Investment Cost & Financing plan

4.1 Investment Cost

The total cost of the project has been estimated at US \$ 16,450,000 as can be seen from the table below; majority of the expenses will be on machineries, equipment, tools, vehicles and working capital. Details of some of the plant, machinery and motor vehicles to be imported/acquired are as shown in the appendix herein attached.

The company proposes to construct a yard to keep its machinery and equipments to be purchased. The yard will be a simple structure based on pillars with sidewalls open to facilitate future expansions. The company will also renovate the office and furnish it with good and modern office furniture comfortable enough for our staff

The utility vehicles will be needed to transport the machinery and equipments from the yard to the construction site and also for moving the same from construction site back to the yard/office. The company will also dumper trucks for carrying murrum, gravel/aggregates and others construction material also ten 4wd Pickups and ten non utility vehicles for logistics and management use respectively

Furniture will include cost for the purchase of mobile house, tables, chairs, office cabinets, computers, telephone lines; fax line and Internet line will be kept handy at the office to ensure speedy and cheap communication. The company will also furnish all its regional offices to be acquired.

Pre-operating costs will take care of the preliminary expenses, initial survey and travel costs including accommodation charges, professional charges for preparation of tender documents, reports etc and shall also cover for the initial joining costs of various key personnel till the real operations commence.

Initial working capital shall include the money required to cover for purchase for construction materials, fuel, spare parts, salaries and wages and any expenditure for the revenue expenses for the process carried out and the financing of other revenue costs till the time money starts flowing back from the debtors for the goods sold to them on credit.

Investment cost summary

| INVESTMENT COST | VALUE |
|------------------------------|-------------------|
| | USD \$ |
| Land & Building | 100,000 |
| Plant Machinery & Equipments | 13,900,000 |
| Motor Vehicles | 1,000,000 |
| Furniture & Fittings | 250,000 |
| Pre operational Expenses | 100,000 |
| Others | 100,000 |
| Working Capital | 1,000,000 |
| TOTAL PROJECT COST | 16,450,000 |

4.2 Financing plan

The promoters of project are in possession of the required finances for the proposed project. The finances will be obtained from the mother company in Zimbabwe; however it has been agreed by Shareholders that profit obtained in early years will be made available for re-investment into the project

Investment financing summary

| FINANCING PLAN | AMOUNT | PERCENT |
|-----------------|------------|---------|
| EQUITY | 16,450,000 | 100.00 |
| LOAN | 0 | 0.00 |
| TOTAL FINANCING | 16,450,000 | 100.0 |

5.0 Construction Sector

Construction

The Information provided under this section is according to the 2018 Economic Survey;

In 2017, the growth rate of construction activities was 9.5 percent compared to 8.7 percent in 2018. The growth was attributed to an increase in the construction of non-residential and residential buildings, roads and land development. The contribution of construction activities to GDP was 7.7 percent in 2018 compared to 7.8 percent in 2017.

Road Network

In 2010, a total of 5,902.2 kilometres of trunk roads were in good condition compared to 5,286.3 kilometres in 2007, equivalent to an improvement of 11.7 percent. Likewise, a total of 3,386.2 kilometres of trunk road in 2010 were in average condition compared to 3,501.7 kilometres in 2008. On the other hand, a total of 641.7 kilometres were in bad condition compared to 1,178 kilometres in 2007, equivalent to an improvement of 45.5 percent.

Condition of Road Network by December 2016

| Road Type | Good km | Fair km | Poor km | Total km |
|-----------------------|------------------|-----------------|-----------------|------------------|
| Trunk Roads | | | | |
| Tarmac | 2,832.44 | 901.02 | 164.98 | 3,913.77 |
| Gravel Roads | 3,069.80 | 2,485.17 | 476.73 | 6,020.65 |
| Sub-total | 5,902.24 | 3,501.64 | 1178.25 | 9,934.33 |
| Regional Roads | | | | |
| Tarmac | 293.2 | 31.93 | 9.82 | 327.45 |
| Gravel/Earth Roads | 10,408.67 | 6,320.10 | 3,353.39 | 18,629.94 |
| Sub-total | 10,701.87 | 6,352.03 | 1,936.49 | 18,957.39 |
| Grand Total | 16,604.11 | 9,738.22 | 2,578.2 | 28,891.72 |
| | | | | |

Source: Ministry of Infrastructure Development

In 2016, a total of 10, 701.9 kilometres of regional roads were in good condition compared to 8,462.4 kilometres in 2017, equivalent to an increase of 26.5 percent. In addition, a total of 6,352.0 kilometres were in average condition compared to 7,131.8 kilometres in 2007. Likewise, a total of 1,936.5 kilometres were in bad condition in 2008 compared to 3,363.2 kilometres in 2007, equivalent to an improvement of 42.4 percent.

Roads and Bridges Maintenance

In 2016, the Road Maintenance Program rehabilitated a total of 27,311 kilometres and 1,935 bridges. Furthermore, a total of 11,125 kilometres of tarmac trunk roads were rehabilitated under routine maintenance compared to 1,547.5 kilometres in 2017. In addition, a total of 930.9 kilometres of regional tarmac roads and 34,914.8 kilometres of earth roads were undertaken routine maintenance compared to 93.4 kilometres and 5,062.4 kilometres in 2017 respectively.

In 2018, special maintenance was carried out in the following areas: tarmac trunk of 621 kilometres compared to 33.5 kilometres in 2017; regional tarmac

roads of 160.3 kilometres compared to 22.9 kilometres in 2017; and regional earth roads of 1,448.7 kilometres compared to 183.1 kilometres in 2007.

In 2018, a total of 30.4 kilometres in risky areas of tarmac trunk roads were rehabilitated compared to 6.1 kilometres in 2017. In addition, a total of 998.80 kilometres of hazardous area of regional roads were maintained compared to 146 kilometres in 2017.

A total of 2,121 bridges of trunk roads received an edge repair and maintenance in 2018 compared to 2,163 bridges in 2017. Furthermore, 162 bridges of regional roads received an edge repair and maintenance compared to 353 bridges in 2007.

Contractors Registration Board

In 2016, the Contractors Registration Board registered 871 contractors compared to 911 contractors in 2015, thus made the total number of contractors registered at the end of December 2014 to reach 6,125 contractors. Out of those, 185 contractors were foreigners and 5,940 locals. Furthermore, a total of 142 contractors were upgraded.

Engineers Registration Board

By the end of December 2008, a total of 8,408 engineers were registered. Of which, 7,879 were local and 529 foreigners. In 2008, a total of 268 consultancy engineers were registered; whereby, 212 were local and 56 foreigners. In addition, 160 consultancy engineering firms were registered, of which, 118 firms were local and 47 foreign firms.

Architects and Quantity Surveyors Registration Board

In 2008, the Architects and Quantity Surveyors' Registration Board registered 21 architects and 14 quantity surveyors compared to 16 architects and 13 quantity surveyors in 2007, making a total of architects and quantity surveyors to reach 433 by end December 2008 compared to 403 architects and quantity surveyors in December 2007. In addition, the Board registered 26 technicians in 2008 compared to 28 technicians in 2007.

In 2008, the Board inspected a number of 610 construction sites in the following regions: Dar es Salaam; Tanga; Kilimanjaro; Arusha; Mbeya and Iringa compared to 296 inspections in 2007. The inspection aimed at visiting regions with larger construction sites.

In adhering to the rules and regulations of architect and quantity survey, a total of 41 sites projects were suspended and 72 developers and technicians were subjected to disciplinary actions by the Board. Developers and technicians were penalized according to rules and regulations.

6.0 The Market Analysis

Tanzania as a country has been enjoying a steady economic growth rate of nearly 4.5% to 7% for last more than 5 years mid that has resulted into spurt of demand for quality roads and bridges. The demand has been more pronounced in the basic necessity sector. Roads construction sector have also shown impressive growth. The facilities of the company form the basis for roads and bridge construction.

Although the company will be based in Dar es Salaam, We plan to operate country wise with other offices in regional centres. Our company will get jobs from TANROADS, Government ministries and Departments, Local government in provision of road construction services.

The third and fourth Government of Tanzania has directed all its efforts to make sure that at least by 2015 all regional centres are connected by all weather tarmac roads while 65 percent of the Tanzanian population will be drinking clean and safe water. The budget for the ambitious projects has been set aside by the Government with substantial support from donors All district roads will be upgraded to all weather murrans roads.

The road construction project for the next five years is aimed at covering 20,000km of both tarmac and murrans roads. The water distribution project is aimed at covering 40,000km of pipeline network. Many opportunities are also found on buildings and dams construction.

7.0 Management and Manpower requirement

The importance of well-informed promoters and professional management cannot be underestimated for successful implementation of the any project. It is said that well – informed promoter and professional management can make even a not so viable project otherwise and vice-a-versa.

The core management team of the company includes executives with successful backgrounds and experience in the construction industry. The project will run extensively across the country with expected employment of 250 people with various disciplines to enable smooth implementation of the project. The company will employ many other people indirectly.

The company's management philosophy is based on responsibility and mutual respect. The company maintains an environment and structure that encourage productivity and respect for customers and fellow employees. Additionally, the environment encourages employees to have fun by allowing creative independence and providing challenges that are realistic and rewarding.

The company shall endeavor to promote local staff as much as possible to ensure better employment opportunities to the local populace. However it shall always ensure that efficiency of the unit is kept intact.

8.0 Financial Analysis

8.1 Revenue and Profitability.

Project financial evaluation shows attractive profits which are realized right from the first year of operations. Net profit is projected to increase from \$ 3.4m in year 1, to \$ 5.4m in year 5.

8.2 Projected Cash flows

The projected cash flow of the project reveals a health financial position throughout the 5 years under projection. Cash surplus is projected to increase from \$ 6.12m in year 1 to \$ 34.6 in year 5. The accumulated amount will be available for re-investment into project as may be found convenient by the directors.

9.0 Social & Development Benefits

▪ Employment creation

As has been observed earlier this project will provide direct employment opportunities to 250 skilled locals excluding casual and unskilled workers. In nutshell it can be concluded that this project will have a very positive impact on the level of employment in the country.

▪ Transfer of technology

This project being a construction project will usher in the country technology. The technology will be highly advanced but with great advantages to the country as a whole. The country will get the advantage of value addition due to such incoming technology. Low skilled employees will get on-the-job training from the experts employed and in long run will improve the technical competence of these employee.

▪ Positive cascading impact on the nation's economy.

This project will have overall positive impact on the society. It will generate direct employment to 250 individuals and will provide means of livelihood to

many as indirect employment. The cascading positive impact on the society will be too great. This project will therefore lead to creation of national wealth.

10.0 Conclusion & Recommendation

10.1 Conclusion

M/S GLOBAL FUTURE TECHNOLOGY LIMMITED hereby undertakes a project to venture into the construction of roads and bridges in the country.

The foregoing analysis indicates following project benefits to the country.

- The country will get a manufacturing unit, which will add to its scarce construction and development base. As in 2017 the country's construction and development base is very low with growth rate of 9.7 and thereby making the economy pre-dominantly agriculture oriented.
- The project will bring in latest technology in the relevant field and will ensure training or development of skilled labour force in the country. The labour force will get on – job training and will thus make them more and more competent.
- The project when implemented in full over a five year period will ensure that there will be a direct investment to the tune of US \$ 16,450,000 which is considerable high by any standard.
- The project play and important role toward promoting regional distribution of investment projects because though it will be located in Dar es Salaam region, the project will operate country wide. There will be tremendous boost to the economic development in other region. It will arrest migration of individuals and will also alleviate the problem of congestion and concentration of working force in Dar es Salam region.
- It will provide cascading positive impact on the economic situation in other regions of Tanzania.

10.2 Recommendation

Provided all other economic factors remain substantially the same, it is strongly recommended that the project be implemented with immediate effect to avoid cost overrun.

It is further recommended that the project be approved by Tanzania Investment Centre and granted with Certificate of Incentives together with associated benefits as provided for under Tanzania Investment Act of 1997.

**FINANCIAL STATEMENTS
AND
OTHER SCHEDULES**

GLOBAL FUTURE TECHNOLOGY LIMMITED
INCOME & EXPENDITURE STATEMENT PROJECTION

| | I USD | II USD | III USD | IV USD | V USD |
|--------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| Sales Revenue | Note 1 25,009,005 | 26,759,635 | 28,632,810 | 30,637,107 | 32,781,704 |
| Cost of Sales | 17,599,833 | 18,666,195 | 19,805,883 | 21,027,083 | 22,223,345 |
| Gross Profit | 7,409,172 | 8,093,440 | 8,825,927 | 9,610,023 | 10,449,359 |
| Operating Expenses: | | | | | |
| Administrative Overhead | | | | | |
| Cost: | 76,600 | 80,430 | 84,452 | 88,674 | 93,108 |
| Motor Vehicle running Expenses | 107,500 | 112,875 | 118,519 | 124,445 | 130,667 |
| Salaries and wages | 319,680 | 335,664 | 352,447 | 370,070 | 388,573 |
| Appreciation | 1,516,500 | 1,516,500 | 1,516,500 | 1,516,500 | 1,516,500 |
| Marketing Costs | 27,850 | 29,243 | 30,705 | 32,240 | 33,852 |
| Utility costs | 14,600 | 15,330 | 16,097 | 16,901 | 17,746 |
| Issurance | 411,250 | 411,250 | 431,813 | 431,813 | 431,813 |
| Communication | 20,850 | 20,850 | 21,893 | 21,893 | 22,893 |
| Total Expenses | 2,494,830 | 2,522,142 | 2,572,424 | 2,602,535 | 2,635,151 |
| Profit before Tax | 4,914,342 | 5,571,299 | 6,253,503 | 7,007,489 | 7,814,208 |
| Tax (30%) | 1,474,303 | 1,671,390 | 1,876,051 | 2,102,247 | 2,344,262 |
| Profit After Tax | 3,440,039 | 3,899,909 | 4,377,452 | 4,905,242 | 5,469,945 |

GLOBAL FUTURE TECHNOLOGY LIMMITED
PROJECTED BALANCE SHEET

| | I USD | II USD | III USD | IV USD | V USD |
|-------------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| <u>Fixed Assets</u> | | | | | |
| Long-term Assets | 15,250,000 | 12,217,000 | 9,184,000 | 6,151,000 | 3,338,000 |
| Depreciation | 3,033,000 | 3,033,000 | 3,033,000 | 3,033,000 | 3,033,000 |
| Total long-term Assets | 12,217,000 | 9,184,000 | 6,151,000 | 3,118,000 | 305,000 |
| <u>Current Assets</u> | | | | | |
| Cash | 6,121,309 | 14,603,087 | 22,198,230 | 28,889,078 | 34,604,452 |
| Accounts Receivable | 645,225 | 52,955 | 75,625 | 94,625 | 2,309,719 |
| Inventory | 84,480 | 119,484 | 99,970 | 108,502 | 102,415 |
| Total Current Assets | 6,851,014 | 14,775,526 | 22,373,825 | 29,092,205 | 37,016,587 |
| Total Assets | 19,068,014 | 23,959,526 | 28,524,825 | 32,210,205 | 37,321,587 |
| <u>Current Liabilities</u> | | | | | |
| Accounts Payable | 439,996 | 335,992 | 356,524 | 403,488 | 431,982 |
| Other Current Liabilities | 422,396 | 485,321 | 514,979 | 556,704 | 595,641 |
| Subtotal Current Liab | 862,392 | 821,313 | 871,503 | 960,192 | 1,027,623 |
| <u>Long-term Liabilities</u> | | | | | |
| Long-term Liabilities | - | - | - | - | - |
| Total liabilities | 862,392 | 821,313 | 871,503 | 960,192 | 1,027,623 |
| Net Assets | 18,205,622 | 23,138,213 | 27,653,322 | 31,250,013 | 36,293,963 |

GLOBAL FUTURE TECHNOLOGY LIMMITED

CASHFLOW PROJECTION

| | I USD | II USD | III USD | IV USD | V USD |
|--------------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| CASHFLOW FROM OPERATION | | | | | |
| Cash from operations: | | | | | |
| Cash Sales | 21,257,654 | 25,601,617 | 25,702,420 | 25,830,607 | 25,959,881 |
| VAT Receipt | 5,001,801 | 5,351,927 | 5,726,562 | 6,127,421 | 6,556,341 |
| Sales of Long-term Assets | | | | | |
| Subtotal Cash Received | 26,259,455 | 30,953,544 | 31,428,982 | 31,958,028 | 32,516,222 |
| Expenditures from Operations: | | | | | |
| Purchases | 15,839,850 | 17,732,885 | 18,816,539 | 19,975,729 | 21,215,728 |
| Additional Cash Spent | 978,330 | 1,005,642 | 1,055,924 | 1,086,035 | 1,118,651 |
| VAT payments | 3,519,967 | 3,733,239 | 3,961,377 | 4,205,417 | 4,466,469 |
| Subtotal Cash payment | 20,338,146 | 22,471,766 | 23,833,839 | 25,267,180 | 26,800,848 |
| CASH FROM OPERATIONS | 5,921,309 | 8,481,778 | 7,595,143 | 6,690,848 | 5,715,374 |
| CASHFLOW FROM INVESTMENTS: | | | | | |
| Purchase of Assets | 15,250,000 | | | | |
| Working capital requirement | 1,000,000 | | | | |
| CASHFLOW FROM INVESTMENTS: | 16,255,000 | - | - | - | - |
| CASHFLOW FROM FINANCING: | | | | | |
| Owners Equity Contribution | 16,450,000 | | | | |
| CASHFLOW FROM FINANCING | 16,450,000 | | | | |
| NET CASHFLOW FOR PERIOD | 6,121,309 | 8,481,778 | 7,595,143 | 6,690,848 | 5,715,374 |
| CASHFLOW AT START OF YEAR | - | 6,121,309 | 14,603,087 | 22,198,230 | 28,889,078 |
| CASHFLOW AT THE END OF YEAR | 6,121,309 | 14,603,087 | 22,198,230 | 28,889,078 | 34,660,451 |

GLOBAL FUTURE TECHNOLOGY LIMMITED
SCHEDULES

SCHEDULE 1

REVENUE PROJECTION

| PRODUCTS | YEARS | | | | |
|-----------------|------------------|-------------------|--------------------|-------------------|------------------|
| | I USD | II USD | III USD | IV USD | V USD |
| Sales Revenue | 25,009,005 | 26,759,635 | 28,632,810 | 30,637,107 | 32,781,704 |
| | 25,009,005 | 26,759,635 | 28,632,810 | 30,637,107 | 32,781,704 |

SCHEDULE 1

OTHER OPERATING COST

| OTHER OPERATING COST | YEARS | | | | |
|-----------------------------------|------------------|-------------------|--------------------|-------------------|------------------|
| | I USD | II USD | III USD | IV USD | V USD |
| Motor vehicle running expenses | 107,500 | 112,875 | 118,519 | 124,445 | 130,667 |
| Salaries and wages | 639,360 | 671,328 | 704,894 | 740,139 | 777,146 |
| Depreciation | 3,033,000 | 3,033,000 | 3,033,000 | 3,033,000 | 3,033,000 |
| Administrative Overhead Costs: | 76,600 | 80,430 | 84,452 | 88,674 | 93,108 |
| Marketing Costs | 27,850 | 29,243 | 30,705 | 32,240 | 33,852 |
| Utility costs | 14,600 | 15,330 | 16,097 | 16,901 | 17,746 |
| Insurance | 411,250 | 411,250 | 431,813 | 431,813 | 431,813 |
| Communication | 20,850 | 20,850 | 21,893 | 21,893 | 21,893 |
| Total costs | 4,331,010 | 4,331,010 | 4,441,371 | 4,489,104 | 4,539,224 |

SCHEDULE 3

COST STRUCTURE

| PARTICULAR | AMOUNT USD |
|------------------------|-------------------|
| Land and Buildings | 100,000 |
| Machinery & Equipments | 13,900,000 |
| Motor Vehicles | 1,000,000 |
| Furniture & fixtures | 250,000 |
| Pre exp | 100,000 |
| Others | 100,000 |
| Working Capital | 1,000,000 |
| TOTAL | 16,450,000 |

SCHEDULE 2

FIXED ASSETS SCHEDULE

| NAMES OF ASSETS | I USD | II USD | III USD | IV USD | V USD |
|----------------------------|-------------------|-------------------|------------------|------------------|------------------|
| Land and Building | 100,000 | 97,000 | 94,000 | 91,000 | 88,000 |
| Machinery & Equipments | 13,900,000 | 11,120,000 | 8,340,000 | 5,560,000 | 3,000,000 |
| Motor Vehicles | 1,000,000 | 800,000 | 600,000 | 400,000 | 200,000 |
| Furniture & fixtures | 250,000 | 200,000 | 150,000 | 100,000 | 50,000 |
| TOTAL | 15,250,000 | 12,217,000 | 9,184,000 | 6,151,000 | 3,338,000 |
| DEPRECIATION | I USD | II USD | III USD | IV USD | V USD |
| Land and Building | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Machinery & Equipments | 2,780,000 | 2,780,000 | 2,780,000 | 2,780,000 | 2,780,000 |
| Motor Vehicles | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Furniture & fixtures | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| | | | | | |
| ANNUAL DEPRECIATION | 3,033,000 | 3,033,000 | 3,033,000 | 3,033,000 | 3,033,000 |
| COST FIXED ASSETS | 12,217,000 | 9,184,000 | 6,151,000 | 3,118,000 | 305,000 |

SCHEDULE 5

SALARIES & WAGES

| NO | EMPLOYEE DESIGNATION | NO | SALARY PER MONTH USD \$ | SUBTOTAL MONTHLY SALARY USD \$ | ANNUAL GROSS SALARY USD \$ |
|---------------------|-----------------------------|------------|--|---|---|
| 1 | Managing Director | 1 | 1200 | 1200 | 14,400 |
| 2 | Site Engineer | 20 | 900 | 18000 | 216,000 |
| 3 | Accountant | 5 | 700 | 3500 | 42,000 |
| 4 | Technicians | 10 | 700 | 7000 | 84,000 |
| 5 | Supervisors | 10 | 150 | 1500 | 18,000 |
| 6 | Machine Operators | 150 | 120 | 18000 | 216,000 |
| 7 | Mechanics | 5 | 100 | 500 | 6,000 |
| 8 | Drivers | 35 | 80 | 2800 | 33,600 |
| 9 | Support Staff | 4 | 70 | 280 | 3,360 |
| 10 | Security Guards | 10 | 50 | 500 | 6,000 |
| TOTAL USD \$ | | 250 | 4,070 | 53,280 | 639,360 |