

BLOOMER TANZANIA LIMITED

P.O. BOX 720

DAR ES SALAAM.

Progress Report

2020

1.0 THE EXECUTIVE SUMMARY

1.1 Introduction

BLOOMER TANZANIA LIMITED is a newly established private company incorporated for purpose of carrying out cargo transportation and trading business, incorporated in United Republic of Tanzania by Registrar of companies on **23rd** day of **October, 2018** with certificate of incorporation **No. 137965143**.

The company is established to serve the businesses in the East and Central Africa (eventually expanding to include Southern Africa) with freight hauling and logistics management services as well as trading business. The business will develop a reputation for its on-time and accurate service as well as sophisticated Web and software functionality, which will allowing our existing and potential clients, as well as our business partners to align their business with **BLOOMER TANZANIA LIMITED** services and scheduling them automatically.

Also the company has the plan in the initial stages of its establishment, to acquire motor vehicles and machineries (Heavy Duty Trucks & Trailers and other supportive Motor Vehicles), tools and equipment, as well as undergoing construction of modern Workshop and Godown.

1.2 Planned activities

The Project established a programme which carried out with micro objectives of:

- Establishing the company's haulage capacity in the domestic front to various areas in the country

- To expand activities to include transportation of petroleum products and aviation fuel as well as general cargo to neighboring landlocked countries East and Central Africa namely: Rwanda, Burundi, Uganda, Malawi, Zambia, Democratic Republic of Congo, etc.
- Serving rural areas in general and Iringa, Mbeya, Arusha, Kilimanjaro, Tanga, Shinyanga and Mwanza, in Particular by efficient distribution of agricultural inputs such as farm implements, fertilizers, insecticides and consumer goods to rural areas.
- To move food and cash crops including maize, rice, leaf Tobacco, Coffee, and Cotton from farmers to consumers in urban areas and export outlets.
- The macro objectives of establishing the project is to support economic growth, as well as social and administrative activities in the mentioned sectors. Also to increase the competitiveness of Tanzania's products in the export markets and improves the building and construction of transportation industry by offering competitive transport rates and also helps in exporting the Tanzanian products.

| S/NO | PLANNED ACTIVITY | TIME SCHEDULE |
|-------------|---|----------------------|
| | Mobilization of Funds | Aug. – Dec 2018 |
| | Legal Documentation | Aug. – April. 2019 |
| | TIC Application and Approval of Certificate of Incentives | Jan. 2019 |
| | Renovation of Workshop and Office Buildings | March/April 2019 |
| | Ordering of the 1 st Batch of Trucks, other Vehicles Communication and other Equipment | Jan/June 2019 |
| | Delivery of the 1 st Batch of Trucks, other Vehicles and Equipment | July 2019 |
| | Servicing & Trials of the 1 st Batch of Trucks and Equipment | July 2019 |
| | Ordering of the 2 nd Batch of Truck Fleet and other Vehicles | June 2020 |
| | Delivery of the 2 nd Batch | Aug/Sept 2020 |
| | Services & Tyre Retreading Plant, Injector Pump Servicing, Machine, Clutch & Brake Bonding Machine and other Workshop Tools and Equipment | Dec. 2021 |
| | Installation of the Workshop plant/machinery | Feb. /March 2021 |
| | Trial Runs of the Workshop | May 2021 |
| | Ordering of the 3 rd and last Batch of Trucks | August 2022 |
| | Delivery of the 3 rd Batch of Trucks | October 2022 |
| | Servicing & Trial Runs of the 3 rd Batch of Trucks | Oct.-Nov. 2022 |
| | Commencement of Full Commercial Operation | Not achieved |

2.0 Achievements

The feasibility study reports sets out a proposal for the establishment of a new project to operate a fleet of trucks and trading business, with a carrying capacity of 30 to 40 tons.

The proposed project capacity is planned to start with 2 trucks and eventually to arrive at a number of 20 Heavy-Duty trucks by the 2nd year of the project. This is from the fact that it is planned to import a total number of 10 Trucks with trailers in each year, in average sequence of 2 trucks with trailer after every two months for the first two year. Thereafter it is planned to have total number of 50 trucks with trailer by the 4th year.

The project will involve construction of a new Godown/Storage, Workshop Building and installation of its related facilities with modern communication system and Trucks monitoring and control facilities. This will likewise involve procurement of supportive Motor Vehicles and Machineries as mentioned below:

The project purchased the following:

- 10 units trucks
- 5 modern tankers
- 5 semi trailers
- 1 luxury saloon car
- 1 unit Service Truck/Mobile Workshop

Vehicles Acquisition Plan (Units) During the Project Period.

| Category of Trucks | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Total |
|---|--------|--------|--------|--------|--------|-------|
| Heavy Duty Trucks (Tractors with Trailers @ USD \$ 50,000 | 10 | 10 | 15 | 15 | - | 50 |
| Service Truck/Mobile Workshop with Crane @ USD \$ 60,000 | - | 1 | - | - | - | 1 |
| Pickups (Patrol/Administration & Workshop @ USD 25,000 | 1 | 1 | - | - | - | 2 |

| | | | | | | |
|-----------------------------------|---|---|---|---|---|---|
| Staff Bus USD \$ 25,000 | - | - | 1 | - | - | 1 |
| 4WD Patrol Vehicles USD \$ 35,000 | 1 | 1 | - | - | - | 2 |

The workshop is also fully equipped with modern Tools, Equipment's and Machineries, for servicing and repairing of its own fleet. These include:

- 2 complete sets of Type Changes
- 2 units Heavy Duty Welding Machine
- 4 Full Sets of Workshop Tools
- 3 unit Workshop Jacks
- 2 unit Fork Lifts
- 1 unit Crane
- Fixed Tower Crane and other Lifting Equipment
- Battery Charges
- Compressors
- Injector Pump Service Machine

- Clutch & Brake Bonding Machine
- Miscellaneous Tools & Equipment
- 2 units Stand-by Power Generator
- 2 units Fuel Pumps
- 30 Radio Calls
- 2 Radio Base Calls

3.0 INVESTMENT COST TODATE

| DESCRIPTION | FOREIGN | LOCAL | TOTAL |
|----------------------------------|----------------|---------------|----------------|
| Building And Buildings | | 15,000 | 15,000 |
| Plant And Machinery | 178,000 | | 178,000 |
| Motor Vehicles | 315,000 | | 315,000 |
| Others (Communication Equipment) | 10,000 | | 10,000 |
| Furniture And Fitting | | 10,000 | 10,000 |
| Working Capital | 30,000 | | 30,000 |
| | 0 | 0 | 0 |
| Pre-Operational Expenses | | 5,000 | 5,000 |
| TOTAL INVESTMENT COST | 533,000 | 30,000 | 563,000 |

4.0 Financing

The project's cost was fully financed by shareholder's equity contributions.

5.0 Problems and solutions

5.1 Environment

Congestion at the ports and traffic jams in and around the loading areas

5.2 COST

The fluctuation of the fuel market and the decrease of loading rates

5.3 infrastructures

The conditions of some rural roads and in neighboring countries

6.0 Future plans

The transport sector plays a crucial role in the growth of the Tanzanian economy, the sector facilitates domestic and international trade, contributes to national integration, and provides access to jobs, health, education and other essential facilities.

BLOOMER TANZANIA LIMITED would like to continue in this sector and invest in more trucks, trailers and tankers and reach our projected growth of the next six months by acquiring new trucks.

















