



Investment Plan for Firelight Safaris Limited.

Hubert Mengi FCPA. | | Wednesday, June 10, 20

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CONTENTS

ABBREVIATIONS AND ACROYNMS	2	2.12 Short and Medium-Term prospects.	15
EXECUTIVE SUMMARY	5	3. TOURISM SECTOR OVERVIEW	17
i) Background	5	3.1 Global Tourism Trends.	17
ii) New Business Opportunities	5	3.2 Top Ten Tourism Destinations. ..	17
iii) Financial Outcomes.....	5	3.3 Tanzania Tourism Trends.....	18
iv) Social Economic Outcomes.....	6	3.4 COVID 19 Implications.....	19
1. INTRODUCTION	9	4. SEZs AND EPZs OVERVIEW	21
1.1 Background	9	4.1 Global Trends.	21
1.2 Business Opportunities	9	4.2 Africa Region	22
1.3 Investment Plan Format.....	9	4.3 Tanzania.	24
1.4 Final Investors Commitment.	10	27
.....	11	5. ENVIRONMENT and SOCIAL IMPACT ASSESSMENT (ESIA).....	28
2. TANZANIA ECONOMIC OVERVIEW	12	5.1 Investors Commitment	28
2.1 Introduction	12	29
2.2 Gross Domestic Product (GDP) ..	12	6. PROJECTS DESCRIPTION	30
2.3 Inflation	12	6.1 Introduction	30
2.4 Interest Rates	13	6.2 Lupita Island Luxury Lodge.....	30
2.5 Public Debt and Debt Service	13	6.3 Special Economic Zone (SEZs)....	31
2.6 External Trade	14	7. IMPLEMENTATION PLAN	33
2.7 Foreign Exchange (Forex) Reserves	14	8. CORPORATE SOCIAL RESPONSIBILITY.....	35
2.8 Forex Rates	14	8.1 Introduction.	35
2.9 Foreign Direct Investment (FDI) 15		9. INVESTMENT PLANS and PROJECTS OUTCOMES	37
2.10 Ease of Doing Business Ranking 15		9.1 Investment Plans.	37
2.11 Official Development Assistance (ODA)	15		



FIRELIGHT
SAFARIS
TANZANIA

9.2 Projects Financial Outcomes.	37	10.6 Conservation	41
10. ECONOMIC and SOCIAL		10.7 Promotion and Development of	
OUTCOMES	41	the Sothern Tourism Circuit	42
10.1 Foreign Direct Investments	41	10.8 Stimulate the Rukwa Economy	42
10.2 Forex Earnings.....	41	10.9 Corporate Social Responsibility	
10.3 Taxation Revenues	41	(CSR).....	42
10.4 New Employment.....	41	43
10.5 Transfer of Knowledge and			
Technology	41		

An aerial photograph of a mangrove forest. The water is a vibrant turquoise color, and the trees are lush green. A small boat is visible in the water on the right side. The text is overlaid in the center of the image.

ABBREVIATIONS AND ACROYNMS



ABBREVIATIONS AND ACROYNMS

BoT	Bank of Tanzania
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
COO	Chief Operating Officer
COVID 19	Novel Corona Virus
CSR	Corporate Social Responsibility
DDI	Domestic Direct Investment
EAC	East African Community
EPZ	Export Processing Zones
EPZA	Export Processing Zones Authority
EU	European Union
FDI	Foreign Direct Investment
Forex	Foreign Exchange
GDP	Gross Domestic Product
ICT	Information and Communications Technology
IMF	International Monetary Fund
IRR	Internal Rate of Return
MoF	Ministry of Finance
MNT	Ministry of Natural Resources and Tourism.



NEMC	National Environment Management Council
NPV	Net Present Value
ODA	Official Development Assistance
SEZ	Special Economic Zones
SME	Small and Medium Enterprises
TRA	Tanzania Revenue Authority
TIC	Tanzania Investment Center
TIN	Tax Payers Identification Number
TZS	Tanzania shilling
UNCTAD	United Nations Conference on Trade and Development
UNESCO	United Nations Education, Scientific and Cultural Organization
USA	United States of America
USD	United States Dollars
VAT	Value Added Tax
WTTC	World Travel and Tourism Council

EXECUTIVE SUMMARY



\$1,090.25	
\$300.00	
\$362.25	
\$429.00	
\$715.00	
\$16.90	
\$278.00	
\$28.17	

EXECUTIVE SUMMARY

i) Background

Firelight Safaris Limited (Firelight) was registered in Tanzania on 14 February 1989 with a Certificate of Incorporation Number 102-60).

This company owns and manages the 5-star rated Lupita Island Lodge that is based on an Island in Lake Tanganyika. The Lodge was built during the period 2004 to 2007 and commercial operations commenced on 15 December 2007.

Total Investment to date is USD 8,626,723.

ii) New Business Opportunities

Firelight has identified two business opportunities with a total investment outlay of USD 5,250,000; namely,

Expansion of Existing Luxury Lodge (USD 3,250,000)

The expansion of the existing luxury lodge by doubling the number of Chalets from 14 to 28 units;

The Establishment of Special Economic Zone (SEZ) (USD 2,000, 000)

The establishment of a world class 1,000 hectares Special Economic Zone (SEZ) that will initially include high end offices

for high tech companies' start-ups. Residentials accommodation will also be built.

iii) Financial Outcomes.

Detailed financial projections have been prepared and they cover a 20 years period.

The key annualized average figures are shown in Figure A below:

Figure A- Projects Outcome Indicators (USD 000)

Description	Luxury Lodge	SEZ	Totals
Annualised Avg Revenues	4,763	718	5,481
Net Revenues Before Taxation	2,624	396	3,020
Taxation- Corporate	787	71	858
Net Revenues After Taxation	1,837	326	2,163
CSR Budget	50	50	100
Number of Direct Employees	75	14	89
Number of Indirect Employees	750	140	890

The Investors will seek:

TIC Investment Certificate. This certificate will enable the Project to receive tax related breaks in terms of waived/ reduced import duties and value added tax (VAT) and also accelerated capital allowances.

The Government's allocation of another Island on Lake Tanganyika for the

expansion of the luxury lodge and also 1,000 hectares for the SEZ development.

The key financial viability indicators are listed on Figure B below:

Figure B - Financial Viability Indicators

Description	IRR	Pay back Yrs.	NPV (USD 000)
Luxury Lodge)	29.7%	4	7,956
Special Economic Zones	17.3%	6	1,083

IRR: Internal Rate of Return

NPV: Net Present Values

The above project viability figures are all excellent and confirms that both proposed projects are financially viable.

iv) Social Economic Outcomes

The Projects economic and social outcomes are: -

Foreign Direct Investments

The new FDI will amount to USD 5,250,000.

Forex Earnings

The annualised average forex earnings will be USD5,481,000.

Taxation Revenues

The annualised average taxes to be paid amounts to USD 1,005,000.

New Employment

Direct new employment will be 89. Multiplier effect generating employment in secondary industry that cover distribution, retail and the service sector estimated at over 890 with many of them being women;

Transfer of Knowledge and Technology

All hotel employees will be provided with necessary training to enable them deliver a 5-star level of services.

Parts of the SEZ will be used for high tech hubs. Amongst other things a 5 G internet services will be made available on site to enable the use of the smartest and latest technology.

Conservation

The Investors are committed to the conservation of the marine life of Lake Tanganyika.

Promotion and Development of the Sothern Tourism Circuit

The company's activities directly support the Government's efforts to develop the Southern Circuit Tourism Circuit.

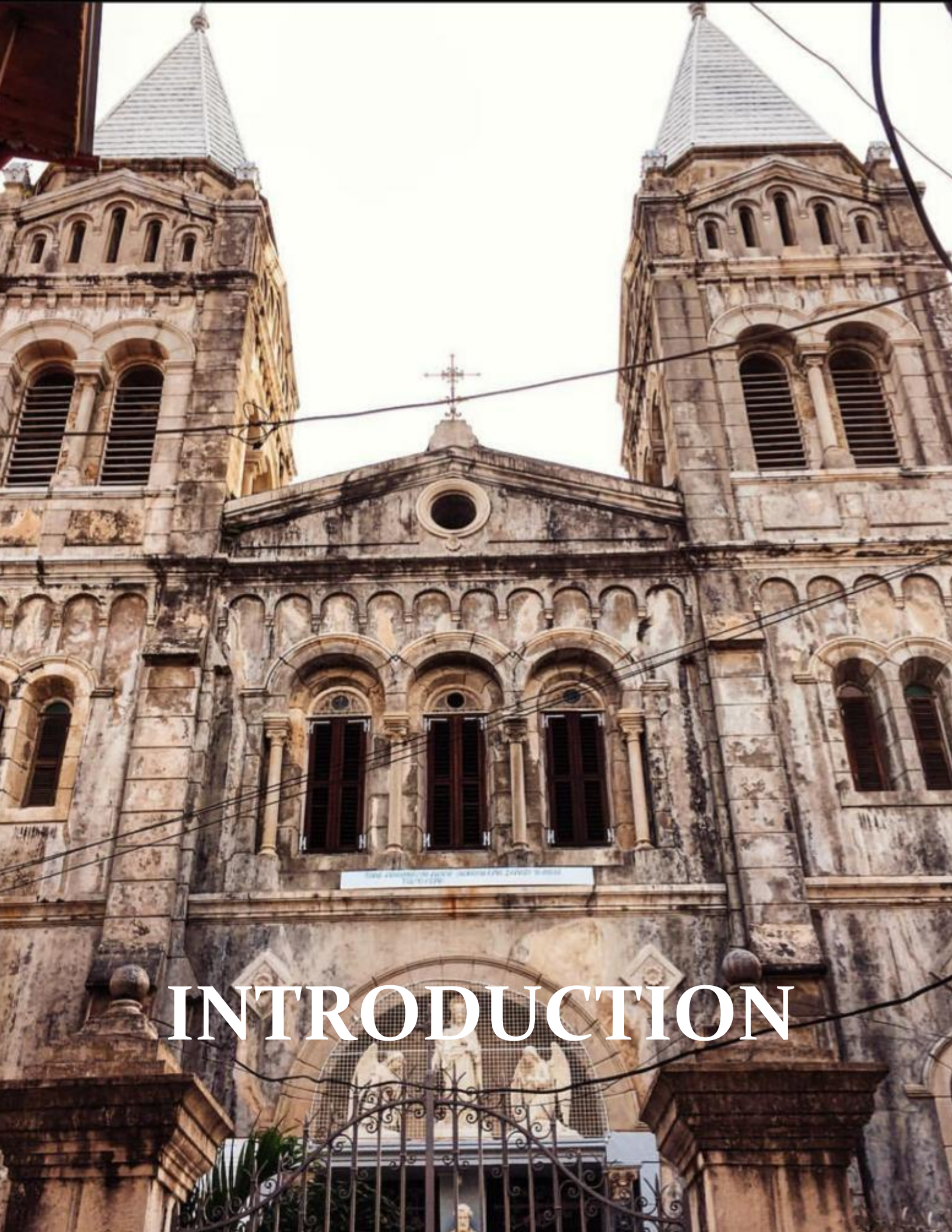


Stimulate the Rukwa Economy

The company will stimulate the local Rukwa Region economy through commerce by supporting self-sustaining commerce activities.

Corporate Social Responsibility (CSR)

The Investors are committed to spend USD 100,000 per annum towards CSR related activities.



INTRODUCTION

1. INTRODUCTION

1.1 Background

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Firelight has identified two business opportunities with a total investment outlay of **USD 5,250,000**; namely,

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The Establishment of Special Economic Zone (SEZ) (USD 2,000, 000)

The establishment of a world class 1,000 hectares Special Economic Zone (SEZ) that will initially include high end offices for high tech companies' start-ups.

Residential accommodation will also be built.

1.3 Investment Plan Format

This plan commences with a review of Tanzania's macro-economic environment that the company operates in and any key drivers that may directly or indirectly influence its operations.

In view of the globalisation of world economies and trade, subsequent chapters review the Global and Africa Region Tourism and SEZs sub-sectors performance indicators and trends. This review is considered essential as events occurring in these sectors in one part of the world may have a significant impact on the operations of other competing nations, particularly in terms of pricing structures and market opportunities.

Additional chapters review the trends in Tanzania's Tourism and SEZ sub sectors. Trends in both quantitative and qualitative areas are discussed with the objective of identifying all major challenges and opportunities. This document concludes with a financial and socio-economic outcomes analysis.



1.4 Final Investors Commitment.

It is important to note that the Investors final decision to make these investments is subject to the findings of the detailed

feasibility studies and the environmental and social impact assessments that would need to be undertaken. These studies will also determine/confirm the final investment amounts required.

A hand in a dark suit sleeve is shown holding a map of Africa. The map is dark with white outlines of countries. Several white silhouettes of people in various professional and casual attire are scattered across the map. The background is a dark teal color.

TANZANIA ECONOMIC OVERVIEW

2. TANZANIA ECONOMIC OVERVIEW

2.1 Introduction

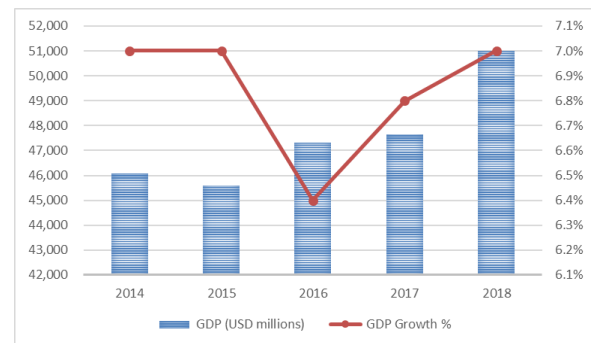
This Chapter discusses the macro economic trends of the Tanzania economy with the objective of assessing possible implications to the proposed projects.

2.2 Gross Domestic Product (GDP)

The World Bank estimated that in 2018, Tanzania's total population was 55 million people and GDP at current market prices amounting to USD 50.9 billion. During 2018, the economic growth rate was an impressive 7.0%. This rate is significantly higher than the rates achieved by other East Africa Community (EAC) countries.

In the recent past, the economic growth has been driven by increased investment in infrastructure, a stable supply of electricity, improvement in transport services coupled with favourable weather conditions that resulted in an increased harvest of food and other crops.

Figure 2.1- GDP Trends



Source: BoT Monthly Economic Report- April 2020.

The agricultural sector is the largest and contributes a significant 26.7% of the GDP. It employs over 75% of the workforce.

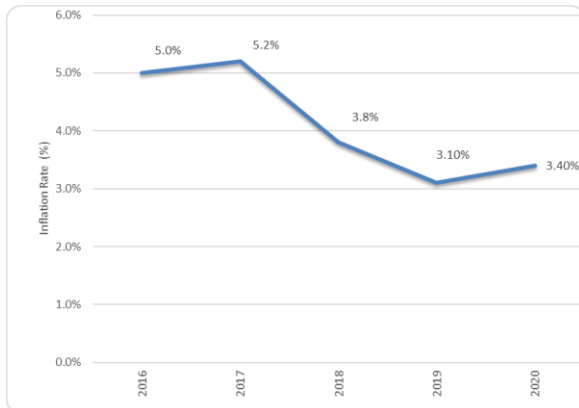
The Tourism Sector is also important as it contributes 10.8% to the GDP and employs an estimated 11% of the workforce.

2.3 Inflation

Figure 2.2 below provides inflation trends in Tanzania and in April 2020, the headline inflation rate was a low 3.4%. This reflects the continuing decline in the headline inflation over the past five years. The decline in the rate of inflation has been achieved largely through the application of prudent monetary and

fiscal policies coupled with favourable weather that has resulted in good cash and food crops harvests.

Figure 2.2- Inflation Rate

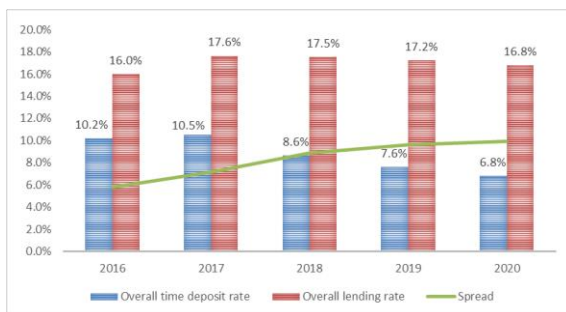


Source: BoT Monthly Economic Report- April 2020.

2.4 Interest Rates

Figure 2.3 below depicts trends in the Tanzania shillings interest rates regime.

Figure 2.3- Interest Rates



Source: BoT Monthly Economic Report- April 2020.

The overall average Tanzania shilling lending rate as of March 2020 was 16.8%

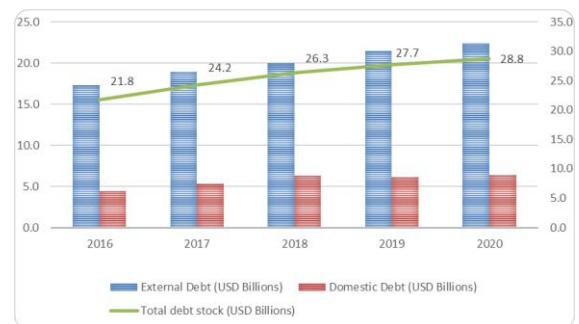
that is still considered expensive and has generally reduces the demand for credit. The Bank of Tanzania has loosened monetary policy to address liquidity constraints and support further private sector credit growth. The interest spread remains high at 10.0% and this has been attributable to the high non-performing loans (NPLs).

2.5 Public Debt and Debt Service

The Government has financed its funding gap through borrowings from both domestic and international markets. Consequently, public debt has risen to United States Dollars (USD) 28.8 billion.

The December 2016 International Monetary Fund (IMF) - Debt Sustainability Analysis Report put the Country at low risk of debt stress.

Figure 2.4- Public Debt



Source: BoT Monthly Economic Report- April 2020.

2.6 External Trade

The external trade trend is summarised in Figure 2.5 below.

Figure 2.5- External Trade Balance Trends



Source: BoT Monthly Economic Report- April 2020.

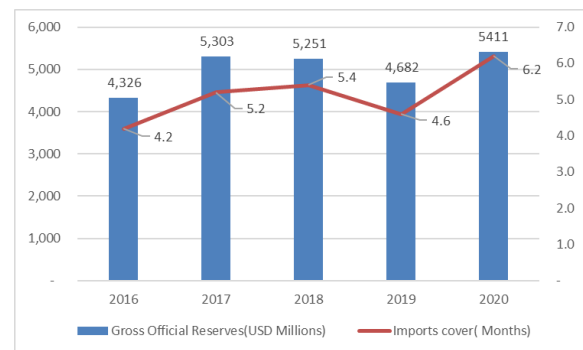
The value of exports of goods and services has recorded improvements over the past one year. The traditional exports (mainly cash crops) have seen improvement in both volume and price. The major non-traditional exports are gold, travel (tourism) receipts and manufactured goods. All these have also recorded improvements.

20.8% of all imports is related to fossil fuels. The value of imports has increased over the past two years and this is related to the importation of construction materials for railways, airports, ports and road projects currently being undertaken by the Government.

2.7 Foreign Exchange (Forex) Reserves

As is noted in Figure 2.6 below, in April 2020, the country's level of international reserves amounted to USD 5,411 million that equates to 6.2 months of import cover.

Figure 2.6- Forex Reserves



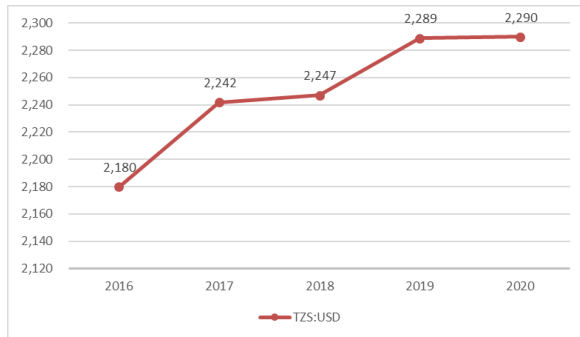
Source: BoT Monthly Economic Report- April 2020.

The level of forex reserves is considered satisfactory as the East African Monetary Protocol recommends a minimum rate of 4.5 months import cover. This suggests that there are sufficient forex reserves to support any importation that may be required for this project including the repatriation of dividends.

2.8 Forex Rates

Over the past five years, the Tanzania Shilling (TZS) has depreciated at an annualised rate of 1.2 %.

Figure 2.7- Exchange rate TZS: USD



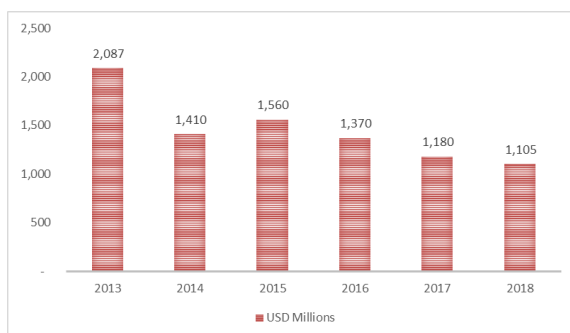
Source: BoT Monthly Economic Report- April 2020.

The overall stability of the Shilling is certainly a positive sign of the state of the general economy.

2.9 Foreign Direct Investment (FDI)

The level of FDI underscores the confidence that investors generally have for Tanzania. The 2019 World Investment Report published by UNCTAD noted that in 2018, Tanzania received FDI amounting to USD 1,105 million.

Figure 2.8- FDI



Source: UNCTAD-World Investment Report - 2019

2.10 Ease of Doing Business Ranking

The Ease of Doing Business 2020 Report by the World Bank ranks Tanzania at number 144 (of 190 countries surveyed) a drop 7 spaces from the previous year's ranking of 137. Clearly a lot of work needs to be done to improve the overall business environment.

2.11 Official Development Assistance (ODA)

The World Bank noted that in 2018, Tanzania received ODA amounting to USD 2.453 billion. This amount is significant and renders the country vulnerable to global economic shocks.

2.12 Short and Medium-Term prospects.

Covid 19 Implications

According to a May 2020 Deloitte's Report, Tanzania's 2020 GDP was projected to grow by 6.3%, however, in light with the Covid 19 adverse effects, the growth rate has been reduced to 2.0% and recovering to 5.0% in 2021.

Based on the Indicators discussed above, the general state of the economy and future prospects is conducive for further new investments.

A photograph of a bird, likely a Red-breasted Flycatcher, perched on a branch. The bird has a grey head and back, and a bright orange breast. It is facing right. The background is a soft, out-of-focus landscape with a light blue sky and a warm, brownish ground. The text 'TOURISM SECTOR OVERVIEW' is overlaid on the right side of the image in a bold, red, serif font.

TOURISM SECTOR OVERVIEW

3. TOURISM SECTOR OVERVIEW

3.1 Global Tourism Trends.

The key global tourism indicators are summarized in the Figure 3.1 below: -

Figure 3.1- Global Tourism Trends



Source: World Travel & Tourism Council (Published 2018)

The key tourism trends are:

The World Travel and Tourism Council's (WTTC) 2018 annual research shows the global tourism sector:

- Recorded a 3.5% growth in 2019, outpacing the global economy growth of 2.5% for the ninth consecutive year;
- Over the past five years, 1 in 4 new jobs were created by the sector, making Tourism a great partner for Governments to generate employment.¹

- In real numbers, global tourism has increased from 892.9 million in 2009 to 1,408.1 million in 2019, an annualised average annualised growth rate of 4% for the past decade.

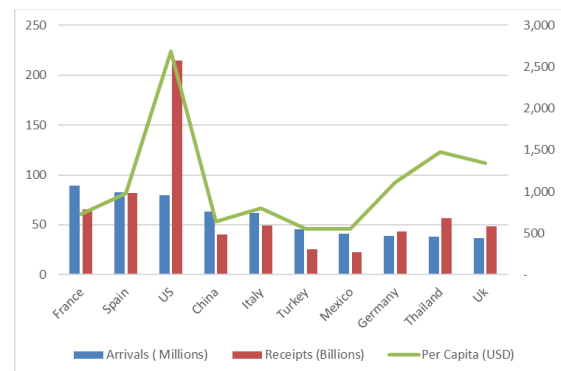
In 2019, Travel & Tourism's direct, indirect and induced impact accounted for:

- USD 8.9 trillion contribution to the world's GDP (10.3% of global GDP);
- 330 million jobs, (1 in 10 jobs around the world);
- USD 948 billion capital investment (4.3% of total global investment).

3.2 Top Ten Tourism Destinations.

Figures 3.2 provides details of the top ten tourist destinations.

Figure 3.2 World Top 10 Destinations



¹ [Economic Impact | World Travel & Tourism Council](#)

Source: World Travel & Tourism Council (Published 2018)

- As of 2019, France was the most visited country attracting 84 Million tourists;
- However, it will be noted that the USA has the highest revenue earnings of USD 214.7 Billion; and
- Amongst the top 10, the USA also has the highest per capita of USD 2,690.

3.3 Tanzania Tourism Trends.

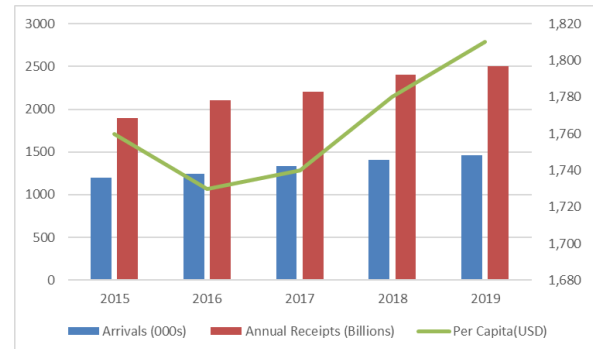
Tanzania has unique and spectacular attractions. These include Serengeti National Park, Ngorongoro Crater Conservation Area, Mt Kilimanjaro, (Africa's highest point) and Zanzibar Islands. Tanzania also boasts 6 UNICEF World Heritage Sites.

The Northern Circuit is the most popular largely because of better infrastructure. The Government is taking deliberate efforts to encourage the development of the Southern Circuit.

Leisure and holidays continued to be the main purpose of visits to Tanzania and the major tourism activities were the wildlife and the beaches.

Tanzania's key global tourism indicators are summarized in the Figure 3.3 below:

Figure 3.3 Tanzania Tourism Trends



Source: World Travel & Tourism Council (Published 2018)

Tanzania Tourism - Key Trends and Characteristics

- Over the past 5 years, the number of tourists has increased from 1.197 m in 2015 to 1.462 million on 2019, representing a 22.1% increase;
- Travel and Tourism contributes a significant 10.8% of the country's GDP;
- After gold exports, Tourism is the second largest forex earner for Tanzania. Earnings in 2019 were USD 2.6 Billion;
- In 2019, Travel and Tourism direct employment was 623,000. The total employment (direct and indirect) was 2.3 million (equal to an estimated 11% of total country employment);
- According to the WTTC, the 2018 per capita spending for tourists in Tanzania was USD 1,780. This is higher than the Africa Region (USD 580), European Region (USD 780) and 40% higher than the Global average (USD

1,080).² This confirms that tourism in Tanzania is on the more expensive spectrum of tourism; and

- The major source markets were the USA, China, the United Kingdom, Canada and Norway. In sub-Saharan Africa, Kenya was the dominant source market, followed by South Africa and Uganda.³

3.4 COVID 19 Implications.

Global Level

According to the WTTC the global tourism sector may face losses of up to USD 2.7 trillion of GDP and over 100 million job losses worldwide due to the coronavirus pandemic. The sector is expected to see a gradual return to travel before the mass availability of a vaccine. This “new normal” will likely look like an increase in domestic markets; then to neighbouring country’s nearest neighbours followed by growth across regions. Long haul trips and trips across continents will probably be the last to recover.

Tanzania Country Level

Tanzania is expecting to see a marked decrease in the number and the foreign

exchange earned in 2020 from tourism. In his 2020/2021 budget speech, the Minister of Tourism noted a worst-case scenario of a 76% reduction in tourist numbers and related earnings. These lower figures translate to revenue reduction from USD 2.6 billion to USD 560 million, and from 1.9 million tourists to 437,000.⁴ The Ministry of Tourism also projects that up to 447,000 people may lose their jobs.

Sector Outlook

From May 2020, the Government has taken major steps to revive the tourism activities. These have included the lifting on the ban of international flights; removal of the mandatory 14 days quarantine for anyone entering Tanzania; improved precautions at the airports, tour vehicles and hotel and lodges. Several 4-wheel drive ambulances have also been sourced to reach place with difficult terrain.

It remains too early to predict exactly what the adverse impact will be for 2020, however, there is strong optimism that tourism activities will improve significantly in 2021.

² [Country profile – inbound tourism](#)

³ [The 2017 International Visitors' Exit Survey Report](#)

⁴ [Country profile – inbound tourism](#)



SEZs and EPZs OVERVIEW

4. SEZs AND EPZs OVERVIEW

4.1 Global Trends.

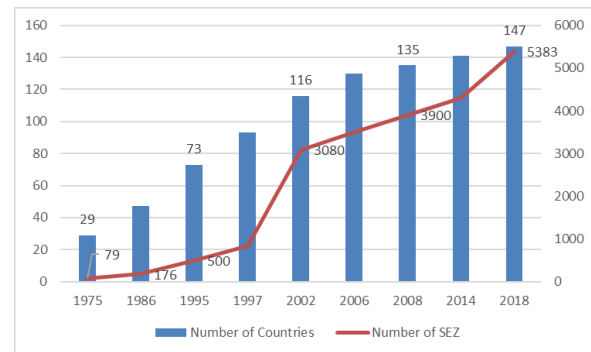
Special Economic Zones (SEZs) are geographical areas that have more liberal economic laws than the country's typical laws used as an economic development tool to promote rapid economic growth by using fiscal and business incentives to attract investments and technology.

Export Processing Zones (EPZs) are areas designated to increase investments in the manufacturing sector mainly for exports by promoting value addition through processing of local raw materials for export.

Number of Zones

As of 2018, there were 5,383 SEZs/ EPZs located in 147 countries. Their number has grown rapidly in recent years, and at least 500 more are in the pipeline. China alone hosts over half of all SEZs in the world. Other countries with high numbers of SEZs include India, the USA and the Philippines.

Figure 4.1 SEZs and EPZs Global Numbers Trends.

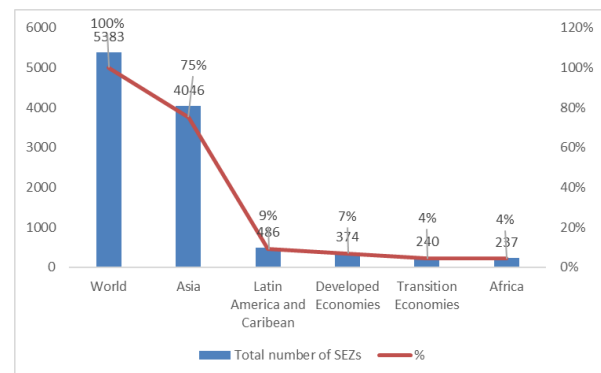


Source: UNCTAD- World Investment Report 2019.

Geographical Spread

Figure 4.2 below provides details of the regional spread of SEZs. It is noted that Asia has 75% of the global SEZs while Africa regions share is a small 4%.

Figure 4.2 SEZs Regional Spread- 2018



Source: UNCTAD- World Investment Report 2019.

Types of Activities Undertaken

The type of SEZs depends on the different levels of development of a country's economy. In developed economies, most SEZs are customs-free zones. Their role is to provide relief from tariffs and, more importantly, from the administrative burden of customs procedures. In developing economies, the primary aim of SEZs is generally to build, diversify and upgrade industries by attracting FDI.

Although there has been a diversification in the enterprises in SEZs, most enterprises remain engaged in labour-intensive, assembly-oriented activities such as apparel, textiles, and electrical and electronic goods.

Social Economic Benefits

The social-economic benefits from zone development are:

- Direct employment creation and income generation;
- Export growth and export diversification;
- Foreign exchange earnings;
- Foreign direct investment; and
- Government revenues.

The impact of these benefits is amplified in poorer countries where jobs and foreign exchange earnings and government resources are scarce.

- Indirect employment creation;
- Skills upgrading;

- Female employment;
- Technology transfer; and
- “Demonstration effect” arising from application of “best practices”

Sizes of Zones

The global average zone size is **905 hectares**. The smallest zone in the database is the World Trade Centre Free Zone, is a building complex located in Montevideo, Uruguay, measuring **5 hectares**. The Cha Lo Border Gate Economic Zone in Vietnam is the largest zone in the database, measuring **53,923 hectares**. It is a multi-industry zone with a variety of industries including the processing of agricultural and forestry products and the production of a variety of goods including textiles and garments, plastic, leather shoes and electronics.⁵

Investment Expenditure

A recent review of the World Bank portfolio of SEZ projects (World Bank, 2017b) shows several projects with capital outlays exceeding \$100 million, although early projects below \$10 million are also cited.

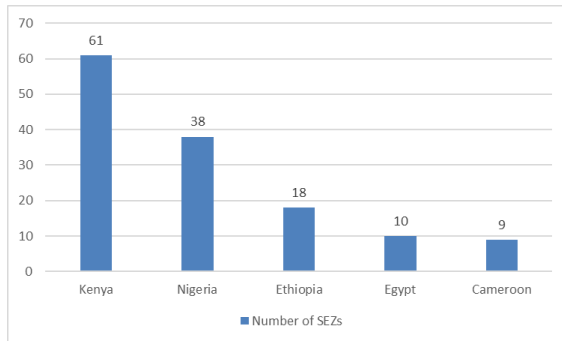
4.2 Africa Region

Number of Zones

Africa currently has 237 SEZs/ EPZs in operation. The Figure below indicates the top 5 countries.

⁵ NSO, "[Cha Lo Border Gate Economic Zone](#)"

Figure 4.3 Africa Region SEZs/ EPZs Numbers



Source: UNCTAD- World Investment Report 2019.

With the exception of Ghana and Kenya, most zones are developed and operated by the Government, typically by an EPZ Authority.

Traditionally FDI to Africa has come from the EU, but an increasing number of East Asian and South Asian companies have located in African zones in recent years.

The key export market remains the EU, although sales to the USA are increasing.

Sizes of Zones

The following are the largest SEZs in Africa. Each occupy over 5,000 hectares: -

South Africa - Coega Industrial Development Zone;

Nigeria -Ogun Guangdong Free Trade Zone;

Angola -Luanda-Bengo Special Economic Zone, and

Eritrea - Massawa Free Trade Zone.

Major Activities Undertaken

The objective of most SEZs on the continent is to enhance manufacturing and exports in low-skill, labour-intensive industries such as garments and textiles, some countries are targeting diverse sectors and higher value addition.

Morocco has oriented some of its free zones to high-tech activities and the automotive industry.

The Coega Industrial Development Zone in South Africa is purpose-built for manufacturing including beneficiation of export goods, investment and local socio-economic growth - skills development and job creation, the industries in the zone include renewable energy, car manufacturing, logistics and Agro processing.⁶

The SEZ regimes (re-)established in the last decade (e.g. in Rwanda and Senegal) are focusing on a broader range of value-added activities.

Some countries like Nigeria link SEZs to natural resource endowments, aiming to attract investors in downstream processing industries.

⁶ COEGA, "[Coega Special Economic Zone](#)"

4.3 Tanzania.

One of the goals of the Government of Tanzania is to increase industrialization and investment in labour-intensive manufacturing. One of the tools identified to incentivize industrialization is the establishment of EPZs and SEZs. Both economic zones are managed by the Export Processing Zones Authority (EPZA).

The EPZ and SEZ serve different objectives, EPZ promotes investment in export-oriented manufacturing activities, while the SEZ programme is broader and more inclusive and promotes sector-specific investment (FDI and DDI) with

an emphasis on agriculture, trade, tourism, mining and forestry.

Number and Sizes of Zones

There are currently 4 Zones in Tanzania, 3 EPZ and 1 SEZ. Each of the sites is approximately 2,000 hectares. The EPZA is looking for investment in developing satellite towns, factory buildings and warehouses for lease or own operation.⁷ The country's Five-Year Development Plan II 2016/17-2020/21 prioritizes SEZ development in Bagamoyo, Mtwara, Kigoma, Tanga, Ruvuma, Dodoma and Singida (Manyoni), and the Kurasini Logistic Centre.⁸

⁷ [The Export Processing Zones Authority](#)

⁸ WIDER, [Working Paper 2016/122 The role and effectiveness of Special Economic Zones in Tanzania](#), 2016

Figure 4.3- Activities undertaken by SEZs and EPZs

Zone Type	Existing Developments	Proposed SEZ Developments
EPZ	<ul style="list-style-type: none"> • The Millennium Business Park at Ubungo (Dar es Salaam) • The Hifadhi EPZ at Ubungo (Dar es Salaam) • Vector Health EPZ at Kisongo (Arusha).⁹ 	13 Regions
SEZ	<ul style="list-style-type: none"> • Benjamin William Mkapu. 	Bagamoyo; Mtwara; Kigoma; Tanga; Ruvuma; Dodoma, Singida (Manyoni) and Kurasini (Dar).

Source: EZPA website

Major Activities Undertaken

There are **140** registered companies operating in SEZs in Tanzania, 45% were local and 55% foreign.¹⁰ The number of people employed in SEZ employment stands at **44,227**. Much of the industry is dominated by Engineering and Agro-processing firms.

Minerals (8 percent) and meat processing (3 percent) account for small proportions of investment in SEZs. These two sectors are underrepresented and there is considerable scope for attracting further FDI and DDI into these sectors in the future.

⁹ [The Export Processing Zones Authority](#)

¹⁰ UN University's World Institute for Development Economics Research (WIDER)

Licenses and Benefits

A license is required to operate in either an EPZ or an SEZ. This license requires certain conditions to be met. But the licenses come with substantial benefits created to incentivize FDI and DDI.

Economic Zone Type	Requirements	Incentives	License Types
EPZ	<ul style="list-style-type: none"> • Must be launching new projects • At least 80% of goods produced must be exported • Annual export turnover should be greater than \$500,000 for foreign investors and \$100,000 for local investors 	<ul style="list-style-type: none"> • VAT exemptions on utility and wharfage charges (EPZs only) • Unconditional transferability of net profits, loan services payments, technology transfer royalties and fees, and proceeds of any sale or liquidation of the business. (EPZs only) • Worker documentation and license inspections are done on site 	<ul style="list-style-type: none"> • Developers' licenses for companies building new zones and supporting infrastructure • Investors' licenses for companies operating within an EPZ/SEZ,
SEZ	<ul style="list-style-type: none"> • New investment required, with minimum paid-up capital of \$100,000 for local investors and \$500,000 for foreign investors. • Investment projects must be located within a designated SEZ area. 	<ul style="list-style-type: none"> • Tax and duty exemptions for machinery, heavy-duty vehicles and any other capital goods • 10-year corporate income tax holiday • 10-year withholding tax holiday • Remissions of Customs duties 	<ul style="list-style-type: none"> • Non-core business licenses for service providers

Source: EZPA website



ENVIRONMENT and SOCIAL IMPACT ASSESSMENT (ESIA)

5. ENVIRONMENT and SOCIAL IMPACT ASSESSMENT (ESIA)

5.1 Investors Commitment

The Investors are extremely committed to the overall preservation of the eco systems that they will operate in. In this regard, they will ensure that ESIA will be undertaken in compliance with national requirements.

The Lupita Island Lodge currently uses some renewable sources of energy in the form of solar power; in particular water heating etc. furthermore, eco-friendly waste disposal systems were also installed.



PROJECTS DESCRIPTION

6. PROJECTS DESCRIPTION

6.1 Introduction

The Project Investors intends to investments in two projects; namely, an extension of the luxury 5-star loge located on Lupita Island on Tanganyika and a new 1,000 hectares SEZ business. Details of each are discussed below: -

6.2 Lupita Island Luxury Lodge.

Existing Investment

Built during the period 2004-2008, Lupita Island Lodge is a luxurious 14 chalet lodge. The Investors vision is to offer unequalled 5-star accommodation and the unique experience of being at one with nature.

The total investment made amounted to USD 8,626,723. The key facilities of this magnificent lodge are:

- 14 independent chalets. Of which 12 are standard and 2 Honeymoon Suites. All chalets are Lake water facing;
- Rack Room prices are in the USD 600 per person per day;
- Individual dining areas and personal decks with access to swimming pool;
- Personal Butlers;
- Daily laundry services;
- Spa services;
- Private Chefs for the Suites;
- Gym;

- Bar and Dining Room facilities; and
- Extensive sea sporting activities including boat rides, fishing expeditions, deep sea diving, PADI certified scuba diving and water skiing.

The existing lodge currently employs 48 full time workers.

Apart from the lodge investment, the company also invested in: -

- A helicopter that is used for site seeing around the Lake but is also available for use by the anti- poaching unit in the nearby national parks and game reserves;
- A small airstrip. The company also acquire 13 acres from the nearby Village to construct a small hard compacted sand runway;
- Improved road infrastructure to the Jetty at the Lake shore; and
- Workers residential housing.

New Investment

Subject to the Government providing a long-term lease of one of the adjacent islands, the Investors are proposing the expansion of this luxury lodge at cost of USD 3,250,000. This will include;

- Doubling the existing number of Chalets from 14 to 28;
- Additional cruise ship and two ski boats;

- Additional housing for the workers.
- The airstrip runway will be upgraded to a 500-meter using the new cement rug technology.

6.3 Special Economic Zone (SEZs).

The Investor intends to establish a significant SEZ in Tanzania that is dependent on the Government making available some **1,000 hectares** of suitable land preferably around the airstrip.

The proposed initial investment will cost an estimated **USD 2,000,000** and will be targeted towards the establishment of Draper Startup Houses that are used to promote entrepreneurship. These are places that people from around the world can stay and work and collaborate on their start up ideas. The Investor has already participated in the establishment of 15 such Houses across the World.

Phase 1 of this development will be establishment of the following infrastructure:

Offices Accommodation

- Modern and 5 G connected fully furnished and equipped offices that will be used as new businesses incubators.

High End Residential Accommodation

- High end residential accommodation will also be constructed to complete the entire draper houses concept.

Subsequent Phases

It is expected that future expansion programmes will include: -

Commercial Spaces

- Free zone trading activities such as electronics; vehicles; major cash crops; and
- Low skill labored enterprises; e.g. apparel.

Industrial Spaces

- Small and medium Sized enterprises will provide value addition in various value chains.



IMPLEMENTATION PLAN

7. IMPLEMENTATION PLAN

Clearly the implementation Plan will be dependent on how soon the relevant approvals/ and licenses; suitable land is obtained. However, it is the Investors proposal that that:

- Luxury hotel expansion project will take 12-18 months to implement;
- SEZ project will take 2 years to implement.



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CORPORATE SOCIAL RESPONSIBILITY



8. CORPORATE SOCIAL RESPONSIBILITY.

8.1 Introduction.

It is the Investors' interest to support the local communities where the company's operations will be established. Areas of interest will include:

- sourcing labour from the communities;
- supporting educational related activities;
- sourcing as much foodstuffs from the communities;
- supporting group related income generating ventures;
- supporting health related activities.

In this regard, the Investors will commit an annual budget line of USD 100,000.

INVESTMENT PLANS



9. INVESTMENT PLANS and PROJECTS OUTCOMES

9.1 Investment Plans.

As previously mentioned, the Investors had in 2004, made an initial investment into the Lupita Island Luxury Lodge amounting to USD 8,626,723.

The Investor is proposing an additional investment amounting to USD 5,250,000 resulting in total investment of USD 13,876,723 as summarized in Figure 9.1 below.

Figure 9.1 – Proposed Investments (All figures USD 000)

Description	Lupita Lodge	SEZ	Totals
Existing Investments	8,627	0	8,629
New Investment	3,250	2,000	5,250
TOTAL INVESTMENT	11,877	2,000	13,877

9.2 Projects Financial Outcomes.

Detailed financial projections have been prepared and they cover a 20 years period. These are attached as Appendix 1.

The key annualized average figures are shown in Figure 9.2 below:

Figure 9.2- Projects Outcome Indicators (USD 000)

Description	Luxury Lodge	Special Economic Zones	Totals
Annualised Avg Revenues	4,763	718	5,481
Net Revenues Before Taxation	2,624	396	3,020
Taxation-Corporate	787	71	858
Net Revenues After Taxation	1,837	326	2,163
CSR Budget	50	50	100
Number of Direct Employees	75	14	89
Number of Indirect Employees	750	140	890

The Project will seek TIC Investment Certificate. This certificate will enable the Project to receive tax related breaks in terms of waived/ reduced import duties and value added tax (VAT) and also accelerated capital allowances.



The key financial viability indicators are listed on Figure 6.2 below:

Figure 9.3- Financial Viability Indicators

Description	IRR	Pay back Yrs.	NPV (USD 000)
Luxury Lodge)	29.7%	4	7956
Special Economic Zones	17.3%	6	1083

IRR: Internal Rate of Return

NPV: Net Present Values

The above project viability figures are all excellent and confirms that both proposed projects are financially viable.

Figure 9.4- Luxury Hotel Financial Projections Assumptions.

Description	Range
Total Investment	3,250,000
Equity %	100%
Debt %	0%
Number of Chalets	28
Rooms Rack Rates USD	600
Occupancy Rates	50%- 75%
Agencies Discount Rate	15%-30%
Inflation Rate- per annum	2%
Depreciation	10-40 years' straight-line basis
Taxation Rate	30%

Figure 9.5 SEZ- Financial Projections Assumptions.

Description	Range
Total Investment	2,000,000
Equity	100%
Debt	0%
Residential Area (SqM)	3,800
Offices Area (SqM)	900
Inflation Rate- per annum	2%
Depreciation	10-40 years' straight-line basis
Taxation Rate- 1 st 10 years	0%
Taxation Rate after 10 Years	30%



ECONOMIC and SOCIAL OUTCOMES

10. ECONOMIC and SOCIAL OUTCOMES

The Projects economic and social outcomes are: -

10.1 Foreign Direct Investments

The new FDI will amount to USD 5,250,000 as detailed below.

Figure 10.1 new FDI (USD 000)

Description	Investment Amount
Luxury Lodge	3,250
SEZ	2,000
TOTAL	5,250

10.2 Forex Earnings

The annualised average forex earnings will be USD5,481,000 made up of: -

Figure 10.2 Annualized Forex Earnings (USD 000)

Description	Annualised Average Forex Earnings
Luxury Lodge	4,763
SEZ	718
TOTAL	5,481

10.3 Taxation Revenues

The annualised average taxes to be paid amounts to USD 1,005,000.

Figure 13.1 Taxation Revenues (USD 000)

Description	Corporation Tax	PAYE	Totals
Luxury Lodge	787	113	900
SEZs	71	34	105
TOTALS	858	147	1,005

10.4 New Employment

Direct new employment will be 89. Multiplier effect generating employment in secondary industry that cover distribution, retail and the service sector estimated at over 929 with many of them being women;

Figure 10.4 New employment

Description	Direct Labour	Indirect labour	Totals
Luxury Lodge	75	700	775
SEZs	14	140	154
TOTALS	89	840	929

10.5 Transfer of Knowledge and Technology

All hotel employees will be provided with necessary training to enable them deliver a 5-star level of services.

Parts of the SEZ will be used for high tech hubs. Amongst other things a 5 G internet services will be made available on site to enable the use of the smartest and latest technology.

10.6 Conservation

The company is committed to the conservation of the marine life of Lake Tanganyika.



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10.7 Promotion and Development of the Southern Tourism Circuit

The company's activities directly support the Government's efforts to develop the Southern Circuit Tourism Circuit.

10.8 Stimulate the Rukwa Economy

The company will stimulate the local Rukwa Region economy through commerce by supporting self-sustaining commerce activities.

10.9 Corporate Social Responsibility (CSR)

The Investors are committed to use USD 100,000 per annum towards CSR related activities.





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1. Financial Projection



FIRELIGHT SAFARIS LIMITED
COMPREHENSIVE INCOME STATEMENT PROJECTIONS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
INCOME										
Luxury Lodge	3,679,200	3,771,180	3,865,460	3,962,096	4,061,148	4,162,677	4,266,744	4,373,413	4,482,748	4,594,817
Airstrip	37,500	57,000	57,765	58,545	59,341	60,153	60,981	61,826	62,687	63,566
	-	-	-	-	-	-	-	-	-	-
Gross Revenues	3,716,700	3,828,180	3,923,225	4,020,641	4,120,490	4,222,830	4,327,725	4,435,238	4,545,435	4,658,383
Cost of Sales										
Luxury Lodge	336,634	546,987	555,839	564,956	574,350	584,029	594,003	604,284	614,882	625,808
Food Beverages	757,800	770,640	789,317	808,455	828,065	848,160	868,751	889,850	911,471	921,626
Airstrip	37,500	57,000	57,765	58,545	59,341	60,153	60,981	61,826	62,687	63,566
Cost of Sales	1,131,934	1,374,627	1,402,920	1,431,956	1,461,756	1,492,342	1,523,735	1,555,960	1,589,040	1,610,999
Gross Profit Margin	2,584,766	2,453,553	2,520,304	2,588,685	2,658,733	2,730,488	2,803,990	2,879,278	2,956,395	3,047,383
EXPENDITURE										
	-	-	-	-	-	-	-	-	-	-
Admin.and General	-	441,251	450,076	459,078	468,259	477,625	487,177	496,921	506,859	516,996
Term Loan 2 Interest Payment	-	-	-	-	-	-	-	-	-	-
Term Loan 1 Interest Payments	-	-	-	-	-	-	-	-	-	-
Overdraft Interest Repayment	-	-	-	-	-	-	-	-	-	-
Total Expenditure	-	441,251	450,076	459,078	468,259	477,625	487,177	496,921	506,859	516,996
Net Profit Before Tax	2,584,766	2,012,302	2,070,228	2,129,607	2,190,474	2,252,864	2,316,813	2,382,358	2,449,536	2,530,387
Taxation	775,430	603,690	621,068	638,882	657,142	675,859	695,044	714,707	734,861	759,116
Net Profit After tax	1,809,336	1,408,611	1,449,159	1,490,725	1,533,332	1,577,005	1,621,769	1,667,650	1,714,675	1,771,271
Dividend	904,668	704,306	724,580	745,362	766,666	788,502	810,884	833,825	857,338	885,635
Net Profit After Dividend	904,668	704,306	724,580	745,362	766,666	788,502	810,884	833,825	857,338	885,635



**FIRELIGHT SAFARIS LIMITED
COMPREHENSIVE INCOME STATEMENT PROJECTIONS**

Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
4,709,687	4,827,429	4,948,115	5,071,818	5,198,613	5,328,579	5,461,793	5,598,338	5,738,296	5,881,754
64,462	65,377	66,309	67,260	68,230	69,220	70,229	71,259	72,309	73,380
-	-	-	-	-	-	-	-	-	-
4,774,149	4,892,806	5,014,424	5,139,078	5,266,844	5,397,799	5,532,023	5,669,597	5,810,606	5,955,134
637,075	638,694	650,679	663,043	675,800	688,964	702,551	716,576	731,056	746,007
944,327	967,590	991,427	1,015,853	1,040,883	1,066,531	1,092,812	1,119,743	1,147,340	1,175,619
64,462	65,377	66,309	67,260	68,230	69,220	70,229	71,259	72,309	73,380
1,645,864	1,671,661	1,708,415	1,746,157	1,784,913	1,824,715	1,865,593	1,907,579	1,950,705	1,995,006
3,128,285	3,221,145	3,306,009	3,392,921	3,481,930	3,573,083	3,666,429	3,762,018	3,859,901	3,960,129
-	-	-	-	-	-	-	-	-	-
527,336	537,883	548,641	559,613	570,806	582,222	593,866	605,744	617,858	630,216
-	-	-	-	-	-	-	-	-	-
527,336	537,883	548,641	559,613	570,806	582,222	593,866	605,744	617,858	630,216
2,600,949	2,683,262	2,757,368	2,833,308	2,911,125	2,990,862	3,072,563	3,156,275	3,242,042	3,329,913
780,285	804,979	827,210	849,992	873,337	897,259	921,769	946,882	972,613	998,974
1,820,664	1,878,284	1,930,158	1,983,316	2,037,787	2,093,603	2,150,794	2,209,392	2,269,430	2,330,939
910,332	939,142	965,079	991,658	1,018,894	1,046,802	1,075,397	1,104,696	1,134,715	1,165,470
910,332	939,142	965,079	991,658	1,018,894	1,046,802	1,075,397	1,104,696	1,134,715	1,165,470



**FIRELIGHT SAFARIS LIMITED
FINANCIAL POSITION PROJECTIONS**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Fixed Assets										
Operating Assets	7,750,000	7,516,750	7,283,500	7,050,250	6,817,000	6,583,750	6,350,500	6,117,250	5,884,000	5,662,750
Current Assets	1,809,336	2,546,529	3,524,633	4,524,028	5,545,247	6,588,836	7,655,353	8,745,369	9,859,469	10,994,652
Trade Receivables										
Cash & Bank	1,809,336	2,546,529	3,524,633	4,524,028	5,545,247	6,588,836	7,655,353	8,745,369	9,859,469	10,994,652
Total assets	9,559,336	10,063,279	10,808,133	11,574,278	12,362,247	13,172,586	14,005,853	14,862,619	15,743,469	16,657,402
Current Liabilities	904,668	704,306	724,580	745,362	766,666	788,502	810,884	833,825	857,338	885,635
Dividend Payable	904,668	704,306	724,580	745,362	766,666	788,502	810,884	833,825	857,338	885,635
Overdraft	-	-	-	-	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-	-	-	-	-
Non Current Liabilities										
Term Loan 2	-	-	-	-	-	-	-	-	-	-
Term Loan1	-	-	-	-	-	-	-	-	-	-
Represented By										
Equity	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000
Retained Profits	904,668	1,608,974	2,333,553	3,078,916	3,845,582	4,634,084	5,444,968	6,278,794	7,136,131	8,021,767
	8,654,668	9,358,974	10,083,553	10,828,916	11,595,582	12,384,084	13,194,968	14,028,794	14,886,131	15,771,767
Grand Total	9,559,336	10,063,279	10,808,133	11,574,278	12,362,247	13,172,586	14,005,853	14,862,619	15,743,469	16,657,402



**FIRELIGHT SAFARIS LIMITED
FINANCIAL POSITION PROJECTIONS**

Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
5,441,500	5,230,250	5,019,000	4,807,750	4,596,500	4,385,250	4,174,000	3,962,750	3,751,500	3,540,250
12,150,931	13,330,132	14,532,398	15,761,885	17,019,265	18,305,224	19,620,467	20,965,712	22,341,695	23,749,170
12,150,931	13,330,132	14,532,398	15,761,885	17,019,265	18,305,224	19,620,467	20,965,712	22,341,695	23,749,170
17,592,431	18,560,382	19,551,398	20,569,635	21,615,765	22,690,474	23,794,467	24,928,462	26,093,195	27,289,420
910,332	939,142	965,079	991,658	1,018,894	1,046,802	1,075,397	1,104,696	1,134,715	1,165,470
910,332	939,142	965,079	991,658	1,018,894	1,046,802	1,075,397	1,104,696	1,134,715	1,165,470
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000
8,932,099	9,871,241	10,836,319	11,827,977	12,846,871	13,893,673	14,969,070	16,073,766	17,208,481	18,373,950
16,682,099	17,621,241	18,586,319	19,577,977	20,596,871	21,643,673	22,719,070	23,823,766	24,958,481	26,123,950
17,592,431	18,560,382	19,551,398	20,569,635	21,615,765	22,690,474	23,794,467	24,928,462	26,093,195	27,289,420



FIRELIGHT SAFARIS LIMITED

CASHFLOW PROJECTIONS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CASH INFLOWS										
Luxury Lodge	3,679,200	3,771,180	3,865,460	3,962,096	4,061,148	4,162,677	4,266,744	4,373,413	4,482,748	4,594,817
Airstrip	37,500	57,000	57,765	58,545	59,341	60,153	60,981	61,826	62,687	63,566
Term Loan 2	-	-	-	-	-	-	-	-	-	-
Term Loan 1	-	-	-	-	-	-	-	-	-	-
Equity/ Cash	3,250,000	-	-	-	-	-	-	-	-	-
Working Capital	-	-	-	-	-	-	-	-	-	-
Gross Inflows	6,966,700	3,828,180	3,923,225	4,020,641	4,120,490	4,222,830	4,327,725	4,435,238	4,545,435	4,658,383
OUTFLOWS										
Building Costs	-	-	-	-	-	-	-	-	-	-
Operating Assets	3,250,000	-	-	-	-	-	-	-	-	-
Studio Accomodation Costs	336,634	344,487	353,339	362,456	371,850	381,529	391,503	401,784	412,382	423,308
Airstrip	37,500	38,250	39,015	39,795	40,591	41,403	42,231	43,076	43,937	44,816
Dept 4	-	-	-	-	-	-	-	-	-	-
Admin.and General	-	441,251	450,076	459,078	468,259	477,625	487,177	496,921	506,859	516,996
Food and Beverages	757,800	758,640	777,317	796,455	816,065	836,160	856,751	877,850	899,471	921,626
Term Loan 2 Interest Payment	-	-	-	-	-	-	-	-	-	-
Term Loan2 Principal Repayment	-	-	-	-	-	-	-	-	-	-
Term Loan 1 Interest Payments	-	-	-	-	-	-	-	-	-	-
Term Loan 1 Principal Payments	-	-	-	-	-	-	-	-	-	-
Overdraft Interest Repayment	-	-	-	-	-	-	-	-	-	-
Overdraft Principal Repayment	-	-	-	-	-	-	-	-	-	-
Taxation	775,430	603,690	621,068	638,882	657,142	675,859	695,044	714,707	734,861	759,116
Dividend	-	904,668	704,306	724,580	745,362	766,666	788,502	810,884	833,825	857,338
Total Outflows	5,157,364	3,090,987	2,945,121	3,021,246	3,099,270	3,179,241	3,261,209	3,345,222	3,431,335	3,523,199
Net monthly in/(out) flows	1,809,336	737,193	978,104	999,395	1,021,219	1,043,589	1,066,517	1,090,016	1,114,100	1,135,183
Brought forward	-	1,809,336	2,546,529	3,524,633	4,524,028	5,545,247	6,588,836	7,655,353	8,745,369	9,859,469
Balance carried forward	1,809,336	2,546,529	3,524,633	4,524,028	5,545,247	6,588,836	7,655,353	8,745,369	9,859,469	10,994,652



FIRELIGHT SAFARIS LIMITED

CASHFLOW PROJECTIONS

Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
4,709,687	4,827,429	4,948,115	5,071,818	5,198,613	5,328,579	5,461,793	5,598,338	5,738,296	5,881,754
64,462	65,377	66,309	67,260	68,230	69,220	70,229	71,259	72,309	73,380
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
4,774,149	4,892,806	5,014,424	5,139,078	5,266,844	5,397,799	5,532,023	5,669,597	5,810,606	5,955,134
-	-	-	-	-	-	-	-	-	-
434,575	446,194	458,179	470,543	483,300	496,464	510,051	524,076	538,556	553,507
45,712	46,627	47,559	48,510	49,480	50,470	51,479	52,509	53,559	54,630
-	-	-	-	-	-	-	-	-	-
527,336	537,883	548,641	559,613	570,806	582,222	593,866	605,744	617,858	630,216
944,327	967,590	991,427	1,015,853	1,040,883	1,066,531	1,092,812	1,119,743	1,147,340	1,175,619
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
780,285	804,979	827,210	849,992	873,337	897,259	921,769	946,882	972,613	998,974
885,635	910,332	939,142	965,079	991,658	1,018,894	1,046,802	1,075,397	1,104,696	1,134,715
3,617,871	3,713,604	3,812,158	3,909,591	4,009,464	4,111,839	4,216,780	4,324,352	4,434,622	4,547,660
1,156,279	1,179,202	1,202,266	1,229,487	1,257,380	1,285,960	1,315,243	1,345,245	1,375,983	1,407,474
10,994,652	12,150,931	13,330,132	14,532,398	15,761,885	17,019,265	18,305,224	19,620,467	20,965,712	22,341,695
12,150,931	13,330,132	14,532,398	15,761,885	17,019,265	18,305,224	19,620,467	20,965,712	22,341,695	23,749,170



**FIRELIGHT SEZ PROJECT
COMPREHENSIVE INCOME STATEMENT PROJECTIONS**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
INCOME										
Residential and Office Retals		396,930	521,169	728,835	736,123	743,485	750,919	758,429	766,013	773,673
	-	-	-	-	-	-	-	-	-	-
Gross Revenues	-	396,930	521,169	728,835	736,123	743,485	750,919	758,429	766,013	773,673
Cost of Sales										
Residential and Office Retals		121,099	124,328	129,318	130,270	131,235	132,213	133,204	134,208	135,225
Cost of Sales	-	121,099	124,328	129,318	130,270	131,235	132,213	133,204	134,208	135,225
Gross Profit Margin	-	275,831	396,841	599,517	605,853	612,249	618,706	625,225	631,805	638,448
EXPENDITURE										
Admin.and General	-	190,946	192,856	194,784	196,732	198,700	200,687	202,693	204,720	206,768
Term Loan 2 Interest Payment	-	-	-	-	-	-	-	-	-	-
Term Loan 1 Interest Payments	-	-	-	-	-	-	-	-	-	-
Overdraft Interest Repayment	-	-	-	-	-	-	-	-	-	-
Total Expenditure	-	190,946	192,856	194,784	196,732	198,700	200,687	202,693	204,720	206,768
Net Profit Before Tax	-	84,885	203,985	404,733	409,121	413,550	418,020	422,531	427,085	431,680
Taxation	-	-	-	-	-	-	-	-	-	-
Net Profit After tax	-	84,885	203,985	404,733	409,121	413,550	418,020	422,531	427,085	431,680
Dividend	-	21,221	50,996	101,183	102,280	103,387	104,505	105,633	106,771	107,920
Net Profit After Dividend	-	63,664	152,989	303,550	306,841	310,162	313,515	316,898	320,314	323,760



**FIRELIGHT SEZ PROJECT
COMPREHENSIVE INCOME STATEMENT PROJECTIONS**

Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
781,410	789,224	797,116	805,087	813,138	821,269	829,482	837,777	846,155	854,616
-	-	-	-	-	-	-	-	-	-
781,410	789,224	797,116	805,087	813,138	821,269	829,482	837,777	846,155	854,616
136,256	121,300	122,358	123,431	124,518	125,619	126,735	127,866	129,012	130,174
136,256	121,300	122,358	123,431	124,518	125,619	126,735	127,866	129,012	130,174
645,154	667,924	674,758	681,656	688,621	695,651	702,747	709,911	717,142	724,442
-	-	-	-	-	-	-	-	-	-
208,835	210,924	213,033	215,163	217,315	219,488	221,683	223,900	226,139	228,400
-	-	-	-	-	-	-	-	-	-
208,835	210,924	213,033	215,163	217,315	219,488	221,683	223,900	226,139	228,400
436,319	457,000	461,725	466,493	471,306	476,163	481,064	486,011	491,004	496,042
130,896	137,100	138,517	139,948	141,392	142,849	144,319	145,803	147,301	148,813
305,423	319,900	323,207	326,545	329,914	333,314	336,745	340,208	343,703	347,230
76,356	79,975	80,802	81,636	82,479	83,328	84,186	85,052	85,926	86,807
229,067	239,925	242,406	244,909	247,436	249,985	252,559	255,156	257,777	260,422



**FIRELIGHT SEZ PROJECT
FINANCIAL POSITION PROJECTIONS**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Fixed Assets										
Operating Assets	2,004,000	1,954,920	1,905,840	1,856,760	1,807,680	1,758,600	1,709,520	1,660,440	1,611,360	1,562,280
Current Assets	-	133,965	365,809	768,625	1,125,643	1,485,992	1,849,705	2,216,811	2,587,343	2,961,332
Trade Receivables										
Cash & Bank	-	133,965	365,809	768,625	1,125,643	1,485,992	1,849,705	2,216,811	2,587,343	2,961,332
Total assets	2,004,000	2,088,885	2,271,649	2,625,385	2,933,323	3,244,592	3,559,225	3,877,251	4,198,703	4,523,612
Current Liabilities	-	21,221	50,996	101,183	102,280	103,387	104,505	105,633	106,771	107,920
Dividend Payable	-	21,221	50,996	101,183	102,280	103,387	104,505	105,633	106,771	107,920
Overdraft	-	-	-	-	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-	-	-	-	-
Non Current Liabilities										
Term Loan 2	-	-	-	-	-	-	-	-	-	-
Term Loan1	-	-	-	-	-	-	-	-	-	-
Represented By										
Equity	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000
Retained Profits	-	63,664	216,652	520,202	827,043	1,137,205	1,450,720	1,767,618	2,087,932	2,411,692
	2,004,000	2,067,664	2,220,652	2,524,202	2,831,043	3,141,205	3,454,720	3,771,618	4,091,932	4,415,692
Grand Total	2,004,000	2,088,885	2,271,649	2,625,385	2,933,323	3,244,592	3,559,225	3,877,251	4,198,703	4,523,612



**FIRELIGHT SEZ PROJECT
FINANCIAL POSITION PROJECTIONS**

Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1,513,200	1,480,120	1,447,040	1,413,960	1,380,880	1,347,800	1,314,720	1,281,640	1,248,560	1,215,480
3,207,915	3,484,539	3,760,852	4,039,675	4,321,033	4,604,948	4,891,445	5,180,546	5,472,277	5,766,661
3,207,915	3,484,539	3,760,852	4,039,675	4,321,033	4,604,948	4,891,445	5,180,546	5,472,277	5,766,661
4,721,115	4,964,659	5,207,892	5,453,635	5,701,913	5,952,748	6,206,165	6,462,186	6,720,837	6,982,141
76,356	79,975	80,802	81,636	82,479	83,328	84,186	85,052	85,926	86,807
76,356	79,975	80,802	81,636	82,479	83,328	84,186	85,052	85,926	86,807
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000	2,004,000
2,640,759	2,880,684	3,123,090	3,367,999	3,615,434	3,865,420	4,117,979	4,373,134	4,630,911	4,891,334
4,644,759	4,884,684	5,127,090	5,371,999	5,619,434	5,869,420	6,121,979	6,377,134	6,634,911	6,895,334
4,721,115	4,964,659	5,207,892	5,453,635	5,701,913	5,952,748	6,206,165	6,462,186	6,720,837	6,982,141



FIRELIGHT
SAFARIS
TANZANIA

FIRELIGHT SEZ PROJECT

CASHFLOW PROJECTIONS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CASH INFLOWS										
Offices and Residential	-	396,930	521,169	728,835	736,123	743,485	750,919	758,429	766,013	773,673
Term Loan 2	-	-	-	-	-	-	-	-	-	-
Term Loan 1	-	-	-	-	-	-	-	-	-	-
Equity/ Cash	2,004,000	-	-	-	-	-	-	-	-	-
Working Capital	-	-	-	-	-	-	-	-	-	-
Gross inflows	2,004,000	396,930	521,169	728,835	736,123	743,485	750,919	758,429	766,013	773,673
OUTFLOWS										
Building Costs	-	-	-	-	-	-	-	-	-	-
Operating Assets	2,004,000	-	-	-	-	-	-	-	-	-
Dept 1	-	-	-	-	-	-	-	-	-	-
Offices and Residential	-	72,019	75,248	80,238	81,190	82,155	83,133	84,124	85,128	86,145
Admin.and General	-	190,946	192,856	194,784	196,732	198,700	200,687	202,693	204,720	206,768
Term Loan 2 Interest Payment	-	-	-	-	-	-	-	-	-	-
Term Loan2 Principal Repayment	-	-	-	-	-	-	-	-	-	-
Term Loan 1 Interest Payments	-	-	-	-	-	-	-	-	-	-
Term Loan 1 Principal Payments	-	-	-	-	-	-	-	-	-	-
Overdraft Interest Repayment	-	-	-	-	-	-	-	-	-	-
Overdraft Principal Repayment	-	-	-	-	-	-	-	-	-	-
Taxation	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	21,221	50,996	101,183	102,280	103,387	104,505	105,633	106,771
Total Outflows	2,004,000	262,965	289,325	326,018	379,106	383,135	387,207	391,322	395,481	399,684
Net monthly in/(out) flows	-	133,965	231,844	402,817	357,018	360,349	363,712	367,106	370,532	373,989
Brought forward	-	-	133,965	365,809	768,625	1,125,643	1,485,992	1,849,705	2,216,811	2,587,343
Balance carried forward	-	133,965	365,809	768,625	1,125,643	1,485,992	1,849,705	2,216,811	2,587,343	2,961,332



FIRELIGHT SEZ PROJECT

CASHFLOW PROJECTIONS

Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
781,410	789,224	797,116	805,087	813,138	821,269	829,482	837,777	846,155	854,616
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
781,410	789,224	797,116	805,087	813,138	821,269	829,482	837,777	846,155	854,616
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
87,176	88,220	89,278	90,351	91,438	92,539	93,655	94,786	95,932	97,094
208,835	210,924	213,033	215,163	217,315	219,488	221,683	223,900	226,139	228,400
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
130,896	137,100	138,517	139,948	141,392	142,849	144,319	145,803	147,301	148,813
107,920	76,356	79,975	80,802	81,636	82,479	83,328	84,186	85,052	85,926
534,827	512,599	520,804	526,264	531,780	537,354	542,986	548,675	554,424	560,232
246,583	276,624	276,312	278,823	281,358	283,915	286,497	289,102	291,731	294,384
2,961,332	3,207,915	3,484,539	3,760,852	4,039,675	4,321,033	4,604,948	4,891,445	5,180,546	5,472,277
3,207,915	3,484,539	3,760,852	4,039,675	4,321,033	4,604,948	4,891,445	5,180,546	5,472,277	5,766,661