

MZIZIMA LANDING LIMITED

BUSINESS PLAN FOR DEVELOPMENT OF INLAND CONTAINER DEPOT (ICD)

Plot 119 Block B Mvuti, Temeke, Dar Es Salaam

TABLE OF CONTENTS

INTRODUCTION.....	2-4
TARGETED MARKET	4
FINANCIAL CONSIDERATION	4
PROJECT DESCRIPTION – TECHNICAL.....	5-8
SECTOR ANALYSIS	8-13
LICENSING AND REGULATION.....	13-18
TIMETABLE OF THE PROJECT	18
MANAGEMENT OF THE PROJECT	18-19
FINANCIAL ANALYSIS RESULTS.....	19
DEVELOPMENT VALUE OF THE PROJECT	21
ENVIRONMENTAL IMPACT ASSESSMENT	21
ECONOMIC EVALUATION OF THE PROJECT	21-22
ECONOMIC BENEFITS OF THE PROJECT.....	22-23
CONCLUSION AND RECOMMENDATIONS.....	23
FINANCIAL PROJECTIONS	25-31
ABBREVIATION.....	33

1.0 INTRODUCTION

MZIZIMA LANDING LIMITED is a company incorporated in Tanzania with a certificate of Incorporation No. 157842501 dated 15th September 2022. The board of directors of **MZIZIMA LANDING LIMITED** are well-known businessmen in Tanzania providing warehousing and logistical services locally as well as transit goods, especially bulk cargo services. The project intends to develop and operate an inland Container Depot (ICD) at **Plot 119 Block B Mvuti, Temeke, Dar Es Salaam.**

To achieve this, **MZIZIMA LANDING LIMITED** is investing and seeking finances to develop a project that will competitively take advantage of the nature and location of the area.

MZIZIMA LANDING LIMITED is a limited company, with principal offices located in Dar es Salaam. The management of **MZIZIMA LANDING LIMITED** is highly experienced internationally and locally.

1.2 SERVICES

MZIZIMA LANDING LIMITED is a company comprising of two shareholders. The company intends to promote customs clearance and maintenance of containers and other valued added services provided at ICDs. The business plan lays down goals and tasks of the company to ensure it follows and fulfills all conceived objectives of the project.

MZIZIMA LANDING LIMITED intends to promote warehousing and logistical services locally as well as transit goods especially bulk cargo services at competitive rates. The project will employ the required market technology

in accordance with existing international standards. The project will operate and develop an Inland Container Depot. The company's overall strategy will be based on a continuous improvement process of setting objectives, monitoring results, and providing feedback to facilitate continuous monitoring and improvement to enhance development and growth in accordance with industry best practices.

Basically, the critical purpose of the planned project is to operate and develop a state-of-the-art Inland Container Depot at very affordable rates. The project will employ top contractors who possess the necessary experience in accordance with laws governing the construction industry in Tanzania.

1.3 MISSION

The mission of **MZIZIMA LANDING LIMITED** is to provide quality services at affordable rates in Tanzania.

1.4 THE PROJECT PROMOTERS

The project is being promoted by **MZIZIMA LANDING LIMITED**, a private company registered under the Companies Act 2002. The company is owned by two shareholders:

Shareholders names	% of ownership	Nationality
Munir Fidahussein Janmohamed	50	Tanzania
Rahim Fidahussein Janmohamed	50	Tanzania

1.5 LOCATION

The project is located at **Plot 119 Block B Mvuti, Temeke, Dar Es Salaam**. The premises have adequate space for the project including office space and an adequate parking yard. The location is ideally suited for the specified business operations due to its accessibility, a highly developed infrastructure, and its close proximity to the Dar es Salaam Port.

2.0 THE TARGET MARKET

The target market for the Inland Container Depot (ICD) includes businesses and/or institutions that import merchandise from abroad and sell within the country and/or store transit goods for surrounding landlocked Countries and exporters.

3.0 FINANCIAL CONSIDERATIONS

MZIZIMA LANDING LIMITED expects to be profitable during its operations. Despite the initial outlay of cash required for pre-construction including obtaining the required permit for the construction of the property, the company's cashflow is expected to be healthy. The investment will cost approximately USD \$ 12.5M as shown below:

MZIZIMA LANDING LIMITED COST STRUCTURE

PARTICULAR	
Land and Buildings	4,000,000.00
Machinery & Equipment	6,000,000.00
Motor Vehicles	1,000,000.00
Furniture & Fixtures	105,000.00
Pre expenses	40,000.00

Others	55,000.00
Working Capital	1,300,000.00
TOTAL	12,500,000.00

4.0 DESCRIPTION OF THE PROPERTY

The design of the property takes into consideration excellent facilities and reliable utility services. The project has considered the necessary management skills and knowledge as required by customers. The Inland Container Depot (ICD) will also have full on-site security, cleaning and other basic services required by customers.

4.1 THE ICD CONCEPT

The freight transport network has experienced an evolution of terminals which connect seaport with their hinterlands. Several names for these seaports include inland container (clearance) depots (ICDs), dry ports, and container freight stations (CFS) or intermodal terminals.

In addition, customs clearance and maintenance of containers are value added services provided at ICDs. Container depots are increasingly becoming extensions of the maritime terminals on land. It is acknowledged that most of the ports, especially those located in urban areas have little option for expansion.

The introduction of ICDs in the suburbs of the port city or even within the introduction itself becomes a faster and more viable mitigation measure against congestion and capacity constraints as compared to green field projects for new ports. The essence and attractiveness of inland terminals state that “by investing in inland terminals and participating in their operations, a seaport can establish itself in inland regions. Inland seaports

may be considered as extended gates through which transport flows can be better controlled and adjusted to match conditions in the port itself”. The extended gate function of the dry port can generate substantial benefits in terms of modal shift, logistics performance and regional development.

Apart from physical capacity expansion, other gains from ICDs include reduced truck congestion at the seaport gates, port yards and city roads as well as reduced CO2 emissions especially when the inland terminal is connected to the sea terminal by rail.

4.2 INLAND CONTAINER DEPOTS AND OFF-DOCK CONTAINER FREIGHT STATIONS

To ease congestion at the marine terminals, the TPA allows the transfer of domestic import boxes to bonded Inland Container Depots (ICDs) which, inappropriately, are referred to as Container Freight Station (CFSs). Normally, a CFS involves stuffing and stripping of containerized cargo. However, very little stuffing and stripping of imported containers occur at the facilities. Accordingly, only the term ICD will be used for these facilities henceforth. Most ICDs are located outside the ports and are operated by private enterprises. Nevertheless, since these ICDs perform activities previously performed at the marine terminals, the port authorities control the operations of these ICDs and impose ports’ tariffs onto them.

4.3 PROJECT DESCRIPTION – TECHNICAL

In accordance with the governing laws in land development and management, the project development will have all basic services and

facilities in the Inland Container Depot (ICD) such as water, electricity, security, and parking spaces etc.

4.3.1 WATER SUPPLY

The project has provision for installing ground water storage tanks with adequate capacity. The ground reservoir tanks will be fed with water from the main water supply system. In addition to the built-up reservoir tank, the project will ensure 24/7 supply of water at periods of acute shortage of water.

4.3.2 STANDBY POWER SUPPLY

Consistent and reliable clean power supply is core for modern business development. To ensure that customers of **MZIZIMA LANDING LIMITED** are adequately protected from power outages, the premises will be equipped with an electrical generator. Investment in standby electrical generator to serve the Inland Container Depot is envisaged and is an essential component to serve customers during national grid power cuts or erratic power supply and emergencies.

4.3.3 SAFETY AND SECURITY MEASURES

The Inland Container Depot will be installed with safety and security measures to protect it from incidences of fire and theft. Fire detecting and fighting measures will be given serious consideration in the Inland Container Depot and will include the following.

- Fire escape stairs
- Fire detectors
- Automatic sprinklers

- Hose reels
- Hydrant valves dry risers, and
- Normal gas bottles.

However, it is advisable for tenants to install their own portable fire extinguishers in areas they occupy in order to attend to any fire incidents. Issues of security in the Depot have been adequately addressed to ensure good onsite security. A professional security firm will be secured to provide security services on the Depot premises.

4.4 CAR PARK

A parking area for tenants and visitors has been given priority. Approximately 45% of the area will be dedicated to this purpose.

4.5 AIR CONDITIONING

The building will be equipped with air conditioners.

4.6 FOLK LIFT, CRANE, AND OTHERS

The company is planning to purchase various modern equipment which will be used to provide service efficiently to clients including SSG, Rubber Tyred Gantry Cranes, Empty Handler, Terminal Tractor, Highway Truck, Terminal Trailer, Reach Stackers, Sky Lift etc.

5.0 SECTOR ANALYSIS

5.1 Dar es Salaam and Central Coast Sea Ports

The Dar es Salaam port is Tanzania's principal port with a rated capacity of 14.1 million (MT) dry cargo and 6.0 million (MT) bulk liquid cargo. The Port has a total quay length of about 2,600 metres with eleven deep-water

berths. The Dar es Salaam port handles about 95% of Tanzania's international trade. The port serves the landlocked countries of Zambia, Democratic Republic of Congo, Burundi, Rwanda, Malawi, Uganda and Zimbabwe. The port is strategically placed to serve as a convenient freight linkage not only to and from East and Central African countries but also to middle and Far East, Europe, Australia and America.

5.1.1 PORT FACILITIES:

Facilities available to support operations of Dar es salaam port are: -

- General cargo Berth (0-5) for break bulk, dry bulk and one RORO berth to handle vehicles.
- Container Terminal Berths (Berth 6-7) under Dar es Salaam Port and (Berth 8-11) leased to Tanzania International Container Terminal Services Ltd (TICTS).
- Grain Terminal facility (silos with storage capacity of 30,000 tons). Inland Container Deposits (ICDs) facilities with the capacity of 24,300 TEUs and CFs with the capacity of holding 6,000 vehicles at once.
- A 150,000 MT Single Point Mooring (SPM) – for handling refined and crude oil.
- Mvutii oil Jetty (KOJ) for handling refined products (tanker size 45,000MT for KOJ1 and 5,000 tons for KOJ2).

Generally, the intrinsic capacity of the port of Dar es salaam is to handle more than 18 million tons of cargo as follows: -

- General cargo 5.2 million tons.
- Container yard 6.8 million tons.
- Liquid bulk 6.0 million tons.

5.2 PORT FEATURES

The quay length of 2,600 meters is divided into:

- **General Cargo Terminal**

This is a break-bulk section of a port with a quay of 797 meters comprising of 4 main berths, transit sheds with 64,463.5 of total floor sq. meters and open storage of 201,613.

- **Container Terminal**

This terminal is operated by a private company, the Tanzania International Container Terminal Services (TICTS). TICTS manages the container handling activities at berth Number 8-11. The terminal has a total quay length of 734 meters. Back up facilities of container terminal includes the container depot located about 2 kilometers away at Mvutii (KICD) and Ubungo container Depot.

The Dar es Salaam Port newly dedicated Container terminal has a total quay length of 542 meters.

- **Grain Terminal**

The Dar es salaam Port has a fully automated grain handling facility with the capacity of 30,000 metric tons. Grains can be discharged and bagged along the quay at an average of more than 2,000 metric tons in 24 hours or transferred to silo using dump trucks. The grain terminal has concrete silos, fumigation, aeration and temperature control facilities.

- **Oil Terminal**

There are two oil terminals, the single point Mooring (SPM) and Mvutii Oil Jetty (KOJ). The SPM is an offshore tanker berth for handling exclusively crude and refined oil. It has capacity to accommodate tankers of up to 150,000 deadweight tons with fast discharge speed (flow rate of 2,500 cubic meters per hour for crude oil). SPM is connected to refineries in Dar es salaam and Ndola, Zambia through floating hoses and submarines pipes. KOJ is the tanker jetty for handling refined oil products with pumping capacity of 750 tons per hour. It can handle tankers up to 45,000 deadweights.

- **Storage Areas**

The port provides both open and covered storage; it has silos for grains at any time of need and maintains storage yards for containers, motors vehicles and general cargo.

- **Marine crafts/navigation Aids**

The port is served with berthing tugs, pilot boats mooring boats and surveillance / patrol boats. Moreover, there are navigation aids to facilitate movement of vessels in the port. These include buoys, beacons, leading marks, and a light house.

- **Container Handling Equipment**

Port terminals operate with Ship to Shore Gantry cranes (SSGs), Rubber Tyred Gantry cranes (RTGs) and Rail Mounted Gentry Crane

(RMG), gottwalds, highway trucks, folk lift trucks, highway trailers, terminal tractor and trailers.

- **General Cargo Handling Equipment.**

The major equipment for handling general cargo are portal cranes, forklifts, tractors, trailers, grabs, hoppers, bigging units, dump trucks, weighbridges, and conveyor belts.

5.3 MAJOR PORT DEVELOPMENT PROJECTS

Modernization of Dar es salaam Port

Tanzania Ports Authority (TPA) is implementing several major projects as outlined in the National Ports Master Plan (PMP). The study laid out long term strategy for Tanzanian Ports to create capacity for the expected demand. One of such projects is the Dar es Salaam Maritime Gateway Project (DMGP).

DMGP will improve its effectiveness and efficiency by converting the port as a world class port with optimized efficiency to accommodate the calling and reception of larger vessels.

Port modernization projects include but are not limited to strengthening and deepening of berths 1-7 and RORO terminal, dredging of entrance channel, turning circle and harbor basin, strengthening and deepening 8-11, and construction of a new terminal jet.

Modernization of operations for handling dry bulk cargo

Under the same project, TPA will modernize operations of handling dry bulk cargo by applying state of art conveyance technology.

The Development of Dry/ Floating dock facility.

Modern operational dock facilities for the maintenance and repair of marine crafts will facilitate an optimal level of equipment availability of such crafts, hence enhance the port's operational efficiency.

6.0 LICENSING AND REGULATION OF ICDS

A licensee shall undertake the following operations:

- Receive and deliver cargo,
- Transfer cargoes from port terminals to a dry port or from a dry port to the port terminal,
- Provide customs clearance services as required by the provisions of the East African Community Customs Management Act,
- Provide for the temporary storage of cargo and container the s pending delivery to consignees and port terminals,
- Label, mark and number cargo,
- Sort, pack and unpack cargo,
- Perform anything that may be required by the East African Community Customs Management Act,
- Carry out cargo handling within the designated area,
- Weigh, measure and certify weight of cargoes handled in the facility,

- Clean and fumigate containers,
- Perform paper lining and/or other necessary service to protect cargo in a container,
- Stuff export cargo into containers for delivery to port terminals prior to loading on board ship,
- De-stuff import cargo from containers for delivery to the consignee, and
- Perform any other function as the Corporation may determine.

6.1 INVESTMENTS IN ICDS

In properly designed marine terminals with large container yards there is no need for ICDs. Import and export boxes complete their delivery and release processes at the marine terminals. This may be the case at future terminals in Bagamoyo in the case of Dar es Salaam and West Kipevu in Mombasa. Still, according to these ports' masterplans, even when the new terminals are in operation, the existing terminals with narrow yards and limited space, will continue to be fully utilized, handling about half of the throughput. Hence, the system of Integrated ICDs is not going to disappear soon. ICDs will continue in the long term to ensure high levels of productivity at the existing terminals.

Implementing the proposed Integration Program will result in almost doubling the traffic handled by ICDs. The present ICDs do not have sufficient capacity and the respective investments in facilities and equipment by the private sector are inevitable. Investments in facilities and equipment by the private sector are key for the proper functioning of the industry. It is our

understanding that the construction of a large ICD requires investments of about \$5 million, excluding the cost of land (which can be leased). In order to recover these investments, investors should have assurance that the rules and regulations governing ICDs are not going to change in the near future.

The punitive tariff of present ICDs, hinders their ability to develop additional, value-added services (such as stuffing and stripping of containers, packing, etc.) at their facilities since cargo owners attempt to remove their cargo as soon as possible to avoid the high storage rates. Modifying the tariff, as discussed in the Section entitled “Market instead of Punitive Rates” above, would allow the development of such services to the mutual benefits of ICD owners and their customers.

6.2 SUPPLY OF INLAND CONTAINER DEPOT

The marketability of inland container depot in Dar es Salaam depends on many aspects including location, design, adequacy of machinery and equipment, clients’ terms and conditions, and adequacy of available services such as water, electricity, and security. The current ICDs in Tanzania have not been able to meet the market demand.

6.3 THE DEMAND FOR INLAND CONTAINER DEPOT

There is a growing demand for the inland container depot services outside the Dar es Salaam port due to growing commercial activities. Several businesses operate in areas far away from their customers making it difficult to accommodate further expansion of their business operation. In view of this limitation many businesses have remained located in the

traditional market areas, such as the City Centre. However, business activities in Dar es Salaam and Tanzania in general are developing and expanding fast beyond the confines of the City Centre. The current and future focus is beyond the traditional confines and to release the City Centre from the current and future congestion and pressure, it is extremely important and necessary for international investment in the expansion and development of state-of-the-art inland container depots.

6.4 CURRENT AND PLANNED ICDS AT DAR ES SALAAM PORT

Annual demand for containers has been estimated at 730,000, both for import and export containers, and is targeted that **MZIZIMA LANDING LIMITED** will be able to exploit **at least 3% of the total** business volume for the coming years. This emanates mainly from the following three scenarios:

- The integration of the five East African countries namely Tanzania, Kenya, Uganda, Burundi and Rwanda which is expected to grow at an annual estimated rate of 6.5%. This calls for more business opportunities and more warehouse services.
- Many new investors and businesses are finding a home in Tanzania in response to the friendly investment climate provided by the government. This will increase demand for inland container depot services.
- Following the ongoing road and rail modernization along the major routes, many containers will be easily routed through the Dar port.

6.5 RATE LEVELS AND TARIFFS

MZIZIMA LANDING LIMITED will abide by the laws of supply-demand mechanisms as principles of the world market economy. Consequently, the rates to be charged to the customers will be competitive and will be balanced to attract commercial incentives to parties in the short, medium and long-term periods.

Rental Charges

Rental charges are normally determined by a combination of factors including the following:

- The location of Inland Container Depot and
- The quality and standard of facilities and services within the Inland Depot.

According to our survey, most charges are pegged to the US dollar. This is done deliberately to avoid losses in value of sales due to frequent fluctuations and depreciation of the local currency.

The decision to peg the charges to the United States Dollar would protect **MZIZIMA LANDING LIMITED** against any fluctuations in currency.

The average charge is estimated to be:

- Transportation charges will be \$65 per Container,
- Verification charges will be \$160 (for 20 ft containers) and \$280 (for 40 ft containers),
- Customers will receive a grace period of 7 days,
- Storage charges will be charged after 7 days at a rate of \$20/day for a 20 ft container and \$40/day for a 40 ft container,

- Storage charges after 14 days will be charged at a rate of \$40/day for a 20 ft container and \$80/day for a 40 ft container.

7.0 TIMETABLE FOR THE PROJECT

The project planning is underway, and the project will commence within a year of obtaining the necessary approvals and financing.

8.0 MANAGEMENT OF THE PROJECT

Building Management of the Project

To perform a professional job in the industry a company requires a team of skilled and well-motivated personnel. Under the implementation program **MZIZIMA LANDING LIMITED** is planning to have skilled managers who will be responsible for technically and professionally handling different activities of the project. The management expects to motivate them so that they may reach the goals set out by the management.

The local labor market has enough personnel with relevant skills and experience in the fields of marketing, operations, and information technology; however, no effort will be spared in looking for requisite skills elsewhere including the international labor market.

Continuity being a vital element in any efficient operation, focus will be given to minimize frequent human resources turnover. To achieve this, an attractive incentive package will be part of the new project. The objective is to attract the best qualified personnel to the company and to retain them for long-term purposes to achieve continuity and harmony in the company's operations.

MZIZIMA LANDING LIMITED will be responsible for the management of its warehousing Dept through qualified and reputable professional employees with good academic qualifications supported by work experience in the same field.

Employee's salaries

Salaries – General and Administrative (G&A)

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	1	4	10	15
Men	1	10	20	31
TOTAL	2	12	30	46

9.0 FINANCIAL ANALYSIS RESULTS:

Financial Analysis

The project's financial projections depict the project to be viable based on major assumptions as follows:

- Sales revenue will remain constant throughout the project period,
- Expenses estimated to be 70% of annual revenue per year,
- The average storage capacity per year is 200 containers of 20ft and 200 containers of 40ft.

9.1 Projected Profit and Loss:

The project will make net profit from year three onwards when the company will start paying corporate tax in that particular year and the accumulated profit increases from US\$1,554,910 in the 1st year to US\$16,234,388 from the 8th year.

9.2 Projected Cash flow:

The project will be able to generate enough cash to meet its obligations including financing any capital expenditure incurred during the project's life. Accumulated cash flows are projected to increase from US\$2,065,410 in the 1st year to US\$ 19,223,588 in the 8th year.

9.3 Projected Balance Sheet.

The balance sheet indicates a favorable situation for the company throughout the projected period. It is anticipated that owners' equity will grow from US\$ 3,480,000 in the 1st year to US\$ 19,438,388 in the 8th year.

9.4 Loan repayment:

It is projected that the loan will be fully repaid by the end of 5 years with an interest rate of 8% per year.

9.5 Payback Period:

The project investment cost is estimated to be US\$ 12,500,000 while cash accumulated in the 7th year is US\$ 14,736,940, which is more than initial investment by US\$ 2,236,940. This period is acceptable considering that the project lifecycle is more than 25 years.

In summary, the above analysis demonstrates that the operations of this project will be profitable with attractive profit margins. The liquidity position and debt servicing are considered reasonable considering the size and life cycle of the project.

10.0 DEVELOPMENT VALUE OF THE PROJECT

The project will have a high economic development value on the country's economy through the contribution of a state-of-the-art Inland Container Depot. The project will also have a direct link to boosting the construction industry particularly on the use of local building materials and the contribution of revenue to the Government. The project can transform some informal businesses around the area and create social benefits for the residents of and around the Mvuti area.

11.0 ENVIRONMENTAL IMPACT ASSESSMENT.

The project is considered environmentally friendly. All disposal of liquid and solid waste will be handled with great care to ensure that the surrounding areas are environmentally free from any toxic and nontoxic waste.

The project does not pose any significant environmental threat to the surroundings.

12.0 ECONOMIC EVALUATION OF THE PROJECT:

We have evaluated the development value of the project where it will create a direct impact on the supply of Inland Container Depot in Dar Es Salaam and Government revenue.

12.1 Increases in Stock of Inland Container Depot:

The present stock of container depots in Dar Es Salaam does not meet the growing demand for the facilities. This project is expected to contribute to the present stock of Inland Container Depot and reduce the shortage gap.

In addition, car-parking space will provide a facility that will reduce the parking problems faced by many customers. This will facilitate an increase in foreign businesses entering the country given the modern facilities anticipated in this project. This is in alignment with the government's policy of promoting private and local investment in the country.

12.2 Government Revenue

The project will raise a substantial amount of money as revenue in the form of property, PAYE, and corporate taxes. In addition, there will be other taxes resulting indirectly from the project and particularly for those contracted by the company.

12.3 Backward and Forward Linkages

In addition, the project has multiplier effects on the economy. The project will use a good proportion of the locally available construction materials. This will create a market for local industrial products and services such as cement, contractors, and furniture. Both skilled and under-skilled labor markets will be positively affected by this project thereby enabling the Government to profit from payroll taxes. Local Tanzanians will benefit in working for a reputable company thereby enhancing the GDP of the country. The above considerations demonstrate adequately that the project is socially and economically attractive and deserves support.

13.0 ECONOMIC BENEFITS OF THE PROJECT

The successful operation of this Project will significantly contribute to the economics of the City and the Country as a whole. In summary the benefits which will be realized are as follows: -

- Sourcing of local service providers and local labor thus contributing to the reduction of poverty. The income to be earned will help in improving the quality of life of the workers and other people residing in the region.
- Earning income for the workers, combined with other social benefits that the Management of **MZIZIMA LANDING LIMITED** will provide, will help in overall efforts to alleviate poverty in the Region.
- Expanding the tax base for the Treasury and local Government authorities and generation of substantial income to the Government.
- Facilitation and increase of foreign exchange earnings through services provision as some of the customers to be served will be foreigners.

14.0 CONCLUSION AND RECOMMENDATIONS

Conclusion

The project as analyzed in this report is both economically and technically viable. The project has come at the right time to provide the much-needed quality products for Tanzania as a whole.

Recommendations

A fast implementation of this venture is therefore highly recommended especially given that the Government is implementing a program of boosting investment in the ICD industry.

CONFIDENTIAL

MZIZIMA LANDING LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT

	1	2	3	4	5	6	7	8
Transportation charge	26,000	39,000.00	58,500.00	87,750.00	131,625.00	197,437.50	296,156.25	444,234.38
Verification charges	5,720,000	6,006,000.00	6,306,300.00	6,621,615.00	6,952,695.75	7,300,330.54	7,665,347.06	8,048,614.42
20' storage	2,880,000	3,024,000.00	3,175,200.00	3,333,960.00	3,500,658.00	3,675,690.90	3,859,475.45	4,052,449.22
40' storage	480,000.00	504,000.00	529,200.00	555,660.00	583,443.00	612,615.15	643,246	675,408
Total Revenue	9,106,000.00	9,573,000.00	10,069,200.00	10,598,985.00	11,168,421.75	11,786,074.09	12,464,224.67	13,220,706.21
Operating Expenses:	6,374,200	6,701,100	7,048,440	7,419,290	7,817,895	8,250,252	8,724,957	9,254,494
Gross Profit Before Interest and Depreciation	2,731,800	2,871,900	3,020,760	3,179,696	3,350,527	3,535,822	3,739,267	3,966,212
Interest	320,000	320,000	320,000	320,000	400,000	-	-	
Depreciation	190,500	190,500	190,500	190,500	190,500	190,500	190,500	190,500
Gross Profit	2,221,300	2,361,400	2,510,260	2,669,196	2,760,027	3,345,322	3,548,767	3,775,712
Tax (30%)	666,390	708,420	753,078	800,759	828,008	1,003,597	1,064,630	1,132,714
Profit After Tax	1,554,910	1,652,980	1,757,182	1,868,437	1,932,019	2,341,726	2,484,137	2,642,998
Accumulated Profit	1,554,910	3,207,890	4,965,072	6,833,509	8,765,527	11,107,253	13,591,390	16,234,388

MZIZIMA LANDING LIMITED PROJECTED CASH FLOWS STATEMENTS

SOURCES:		1	2	3	4	5	6	7	8
Profit before interest and depreciation	-	2,731,800	2,871,900	3,020,760.00	3,179,696	3,350,527	3,535,822	3,739,267	3,966,212
Equity	8,400,000								
Loan	4,000,000								
Total Sources	12,400,000	2,731,800	2,871,900	3,020,760	3,179,696	3,350,527	3,535,822	3,739,267	3,966,212
Applications:									
Capital expenditure	11,005,000		-	-	-	-			
working Capital &Others	1,395,000								
Cash	-	2,065,410	2,163,480	2,267,682	2,378,937	2,522,519	2,532,226	2,674,637	2,833,498
Tax	-	666,390	708,420	753,078	800,759	828,008	1,003,597	1,064,630	1,132,714
Sub total	12,400,000	2,731,800	2,871,900	3,020,760	3,179,696	3,350,527	3,535,822	3,739,267	3,966,212
Total applications	12,400,000	2,731,800	2,871,900	3,020,760	3,179,696	3,350,527	3,535,822	3,739,267	3,966,212
Accumulated cash		2,065,410	4,228,890	6,496,572	8,875,509	11,398,027	13,930,253	16,604,890	19,438,388

MZIZIMA LANDING LIMITED PROJECTED BALANCE SHEET

Fixed Assets	1	1	2	3	4	5	6	7	8
Opening balance	-	11,005,000	10,814,500	10,624,000	10,433,500	10,243,000	10,052,500	9,862,000	9,671,500
Additions	-								
Total Long-term Assets	-	11,005,000	10,814,500	10,624,000	10,433,500	10,243,000	10,052,500	9,862,000	9,671,500
Less depreciation	-	190,500	190,500	190,500	190,500	190,500	190,500	190,500	190,500
Closing balance	-	10,814,500	10,624,000	10,433,500	10,243,000	10,052,500	9,862,000	9,671,500	9,481,000
Working capital	1,395,000	1,395,000	1,395,000	1,395,000	1,395,000	1,395,000	1,395,000	1,395,000	1,395,000
Accumulated cash	-	2,065,410	4,228,890	6,496,572	8,875,509	11,398,027	13,930,253	16,604,890	19,438,388
Total assets	1,395,000	14,274,910	16,247,890	18,325,072	20,513,509	22,845,527	25,187,253	27,671,390	30,314,388
Financed by									
Equity	8,400,000	8,400,000	8,400,000	8,400,000	8,400,000	8,400,000	8,400,000	8,400,000	8,400,000
Accumulated profit	-	1,554,910	3,207,890	4,965,072	6,833,509	8,765,527	11,107,253	13,591,390	16,234,388
Total equity	8,400,000	9,954,910	11,607,890	13,365,072	15,233,509	17,165,527	19,507,253	21,991,390	24,634,388
	-	-	-	-	-	-	-	-	-
Bank Loan	4,000,000	3,000,000	2,000,000	1,000,000	-	-	-	-	-
Total debts	4,000,000	2,000,000	2,000,000	1,000,000	-	-	-	-	-
Total equity and debts	12,400,000	11,954,910	13,607,890	14,365,072	15,233,509	17,165,527	19,507,253	21,991,390	24,634,388

MZIZIMA LANDING LIMITED PROJECTED LONG TERM LOAN REPAYMENT

Year	principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	1,000,000	320,000	1,320,000	4,000,000
2	1,000,000	320,000	1,320,000	3,000,000
3	1,000,000	320,000	1,320,000	2,000,000
4	1,000,000	320,000	1,320,000	1,000,000

CONFIDENTIAL

MZIZIMA LANDING LIMITED PROJECTED PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	1,617,560	101,000	1,718,560	1,718,560
2	1,715,630	101,000	1,816,630	3,535,190
3	1,819,832	101,000	1,920,832	5,456,022
4	1,931,087	101,000	2,032,087	7,488,109
5	1,994,669	101,000	2,095,669	9,583,777
6	2,404,375.56	101,000.00	2,505,376	12,089,153
7	2,546,787.18	101,000.00	2,647,787	14,736,940
8	2,705,648.30	101,000.00	2,806,648	17,543,588

MZIZIMA LANDING LIMITED COST STRUCTURE

PARTICULAR	
Land and Buildings	4,000,000.00
Machinery & Equipment	6,000,000.00
Motor Vehicles	1,000,000.00
Furniture & Fixtures	105,000.00
Pre expenses	40,000.00
Others	55,000.00
Working Capital	1,300,000.00
TOTAL	12,500,000.00

CONFIDENTIAL

MZIZIMA LANDING LIMITED FIXED ASSETS US\$

NAME OF ASSETS	1	2	3	4	5	6	7	8
Land And Buildings	4,000,000	3,920,000	3,840,000	3,760,000	3,680,000	3,600,000	3,520,000	3,440,000
Machinery, Tools & Equipment	6,000,000	5,940,000	5,880,000	5,820,000	5,760,000	5,700,000	5,640,000	5,580,000
Motor Vehicles	1,000,000	950,000	900,000	850,000	800,000	750,000	700,000	650,000
Furniture & Fixtures	5,000	4,500	4,000	3,500	3,000	2,500	2,000	1,500
Total	11,005,000	10,814,500	10,624,000	10,433,500	10,243,000	10,052,500	9,862,000	9,671,500
Depreciation								
Land and buildings	80,000	80,000	80,000	80,000	80,000	80000	80000	80000
Machinery tools & Equipment	60,000	60,000	60,000	60,000	60,000	60000	60000	60000
Motor Vehicles	50,000	50,000	50,000	50,000	50,000	50000	50000	50000
Furniture & Fixtures	500	500	500	500	500	500	500	500
ANNUAL DEPRECIATION	190,500	190,500	190,500	190,500.00	190,500.00	190,500.00	190,500.00	190,500.00

ABBREVIATION

1. ICD - Inland Container Depot
2. CFS - Container Freight Station
3. USD - United States of America Dollar
4. TPA - Tanzania Port Authority
5. DWT - Dead Weight Tonnage
6. TICTS - Tanzania International Container Terminal services
7. LTD - Limited
8. TEU - Twenty Foot Equivalent Unit
9. CO2 - Carbon dioxide
10. MT - Metric Ton
11. SPM - Single Point Mooring
12. RMG - Rail Mounted Gentry
13. PMP - National Ports Master Plan
14. DMGP - Dar es Salaam Maritime Gateway Project
15. KM - Kilometer
16. HR - Hour
17. GD - Gross Domestic Product
18. FT - feet
19. PAYE - Pay as You Earn

CONFIDENTIAL