

A BULK CARGO STORAGE FACILITY AND LOGISTICS PROJECT

MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED

Bandari road, Plot 1 – Mtwara Tanzania



BUSINESS PLAN

For Tanzania Investment Centre (TIC) registration, submitted on 24th November, 2023

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1.0 Executive summary

1.1 Mission Statement

Mtwara Bulk Storage Terminal's aim is to be the leading provider of professional services to the oil and gas sector. Mtwara Bulk Storage Terminal already provides services to major local players, and a plan to reach regional clients is in good progress, national and servicing companies are all part of the envisaged clientele. We strive to provide quality, customized services to meet our client's needs. We aim to provide consistent, high quality, specialized services while creating and bringing forward inspiration and innovation, products and services of supreme quality and value in the oil and gas sub sector, while improving lives of our people through job creation and corporate social responsibility (CSR)

1.2 Leadership

The company has a board of directors governing it and a management team in charge of its day-to-day activities under the company's Managing Director

1.3 Employees

The company has employed staff to manage its operations in the tank farm, warehouses, logistics, sales & marketing, quality control, finance and compliance.

1.4 Operations

The company operates a storage terminal which is the heart of its operations, Pipelines and Gantry, logistics, quality control, sales & marketing, finance & legal/compliance. This is explained in details at paragraph 3.0.

1.5 Location

Location of the company operations is in Mtwara near the Mtwara port in southern Tanzania. The company plans to build more storage tanks as we plan to expand into storage of white products (Diezel and Petrol in other terms known as AGO and PMS) This is to heed the Governments call to bring services and products near the people and lessen price burdens as people are compelled to follow the same all the way to the commercial city of Dar es salaam, within distances of up to 1500 km as compared to Mtwara where the same products could be secured within a distance of 500 km. This reduces the cost of doing business as well as higher costs of use of services, such as transportation of both goods and passengers that accelerate the inflation rate and increase their cost of living.

The Corporate office remains in Dar es salaam where it is easy to access other important supportive services for ease of operations.

1.6 Expansion & Financing

The company will seek means of expansion and strategic partnership with like-minded individuals or organizations to add value in the form of skills, markets, value chain and funds. This will be undertaken but not limited to the below;

- Joint ventures
- Sale of Equity
- Bank Loans
- Horizontal & vertical integration

2.0 Industry Overview

Storage and Logistics is an industry worth more than \$5B annually. The industry is under the Oil and gas sub sector. Traditional markets include southern regions of Lindi, Mtwara and Ruvuma mainly served by road from Dar-es-salaam, while emerging markets comprise of Njombe, neighboring countries of Mozambique, Malawi, Zambia and the DRC

The emerging markets have potential to hit \$4B, which is 80% of the current SADC region market value.

It is with this in mind, that the company intends to tap in this grossly unexploited market to create a niche that is sustainable and profitable in the foreseeable future.

3.0 Product & Services

3.1 Products & Operations

3.1.1 Products

The company intends to build more storage tanks and ware houses, acquire mid-size tanker ships and both tanker trucks and flat beds for road haulage as we encompass the logistics value chain purposely for delivering **fuel** and other goods to the markets both internal and across the borders. Specifically, the company will deal in **white fuel products** and **petrochemical products** though not limited and can diversify in other products such as natural gas and value addition on natural gas condensate fuel. Southern Tanzania, has immense reserves of gas and other related hydrocarbons which are a source of alternative clean energy that we intend to explore.

3.1.2 Operations

The company intends to establish a marine wing that will operate marine vessels for exploration, aqua tourism, scientific research, supportive boats in the deep-sea oil and gas fields, tug boats, and tanker vessels for transportation of its

products from sea to land where the road logistics will be taken over by trucks or via pipelines into storage tanks.

The company will also join oil marketing companies to widen the procurement and delivery of fuel products at competitive rates so as to enable and strengthen growth of retail fuel businesses in Southern Tanzania.

The company will ensure its products are of high quality and meet both national and international standards.

3.1.3 Value addition - repackaging of other products

The company intends to bring in bulk, brake fluid product from one of the worlds Renown brands, break bulk and package into smaller containers of different sizes applicable to vehicles of all make and type, heavy and light machinery

3.2 Brand Name

The company will use 'MtwaraBulk' as the brand name for its market.

3.3 Benefits to customers

The company will have due advantage especially in logistics because of its affiliation with other companies in the field of clearing & forwarding as well as transportation.

Customers will derive the below benefits;

- Complete end to end service from Terminal to customer's warehouse or fuel storage facility, fuel retail station without worrying on logistical red tape.
- Order fulfillments and on time delivery in full orders
- High quality products in line with national and international standards

3.4 Research & Development

The company will invest in R&D to ensure sustainable quality driven products based on market requirements.

3.5 Patents

The company will patent unique products & brands that it develops along the way.

4.0 Marketing Strategies & Analysis

4.1 Industry

The industry is oil and gas. The industry is mostly business to business and involves value chain from the terminal all the way to the customers at home and beyond borders to neighboring countries passing along the southern corridor.

4.2 Target Market

The company targets the traditional local market and markets in the SADC region

4.3 Competition

The main local players are our competitors and it's through efficient service delivery quality products and excellent professional customer relationship that will be our pillar in standing out above the rest.

4.4 SWOT Analysis

<u>Strength</u> <ul style="list-style-type: none">• Network in clearing & logistics in TZ• Good Political climate in TZ• Increased activities in mining, gas drilling and production, farming, trade and new investments	<u>Weakness</u> Start up
<u>Opportunity</u> Growing local and regional demand in fuel products Emerging markets in SADC region	<u>Threat</u> Global Fuel prices stability due to wars and trade embargo imposed on some oil producing countries Local competition from giant companies from Tanzania & other East Africa based companies

4.5 Expected consumer demand

Regional Fuel demand is expected to rise. The company's focus is on the conventional & emerging markets especially in far southern regions. The company will look for market in conventional markets of Malawi, Zambia and the stone throw neighbors in the Mozambique's southern provinces where market distance is shorter compared to southern Africa competitors. Also, the Comoros, Mauritius and Zanzibar.

4.6 Marketing strategies

The company intends to use various strategies to attract, retain & reach potential customers.

4.6.1 Attract

The company will attract potential customers initially by one-on-one engagements locally as well as outside Tanzania from global trade exhibitions

and seminars. Joining trade entourages under the United Republic of Tanzania's initiative spear headed by our beloved, Her Excellency Dr. Samia Suluhu Hassan - President of the United Republic of Tanzania.

Subscription to digital oil and gas journals & magazines to catch up with current trends.

We will also use social media on targeted market niche to reach out for us

Products and services in storage and logistics

4.6.2 Retain

The company intends to retain its customers by providing world class product and services in form of;

- Continuous customer follows ups for feedback on quality of products and service delivery
- Endeavor to ensure orders are serviced in full and on time
- Provide customers with end-to-end services including logistical solutions
- Ensure products are of top quality and conform to international standards
- Set up a mini laboratory for quality control

4.7 Distribution channel

The company will use its existing logistical infrastructure to distribute products. Also plan new infrastructures in the logistical chain such as tanker ships, road tankers and flatbed trucks.

4.8 Advertising

The company will use various types of advertising including and not limited to local and global exhibitions, potential client visits, company website, social media and search engine optimization. With time the company will invest and focus on the method that will prove to be efficient and reliable to attract prospective customers.

5.0 Financial Projections

5.1 Year 1 – Developing products & penetrating the market

The company projects to break even in 2025.

The first year of operation will be dominated by capital expenditures. Financing will primarily be provided by shareholder's capital and Term Loan for its capex, as well as Short Term Loans for its working capital. The company will apply investment allowances (TIC) so as to reduce tax expenses in the initial years.

This period will also witness aggressive sales and marketing campaigns to grow revenue. The company will also maintain a positive cash position.
Any excess cash after funding working capital will be invested in capex projects.

5.2 Year 2 – Growth

The company expects revenue growth of 30%, this period will be dominated by operating expenditures. Working capital to support these operations will be generated from short term loans from lenders.

The company projects balance sheet value growth of between 55 - 80%.

The company will also maintain a positive cash position.

Any excess cash after funding working capital will be invested in capex projects.

5.3 Year 3 – Accelerated growth

The company projects to take off in year three as it begins to settle in the market having gained relevant experience in the initial two years as well as engaging in strategic business partners and customers.

We will assume a 90% growth in revenue from previous period.

The company projects balance sheet value growth of between 100-185%.

The board might also approve to start early payment of term loans as cash-flow positions start to improve.

The excess cash might also be used to finance expansion projects.

5.4 Management Accounts for the period June – October,2023 (appended below)

5.5 Cashflow Projections (36 months) appended below

5.6 Budget – Budgeting will be done on an annual basis, and presented to the board for approval. variance analysis will be done on daily basis and reported to the board on a monthly basis. Management will hinge their focus on the variance report.

5.6.1 Staffing Costs – The company projects staff salaries of TZS 5-20ml per month in year1, 2 & 3 to maintain its structure save for annual increment of approx. 15%.

5.6.2 Capital Expenditure: Projects of interest in year 2 - 3 will be as follows

1. Construction of a new pipeline for Diezel product
2. Purchase of a tanker ship for fuel and other maritime logistics
3. Purchase of tanker trucks for on the ground logistics

5.6.3 Marketing Costs – These will be factored under admin costs in the profit & loss statement; however, any major campaign will be factored in amended financials.

5.6.4 Operational expenditures – These will be factored under operational costs in the profit & loss, they are all variable costs and vary based on activity levels of the company. They will be captured under pricing

5.6.5 Job creation – approximately 60 jobs will be created during the pipeline construction. As well as 10 jobs upon procurement of fuel tanker trucks

More jobs will be created during year 4, should purchase of a fuel tanker ship be realized as by standard it requires 15 crews on board, and about 5 office staff on the ground.

6.0 Human Resources & Org Chart

6.1 Human resources

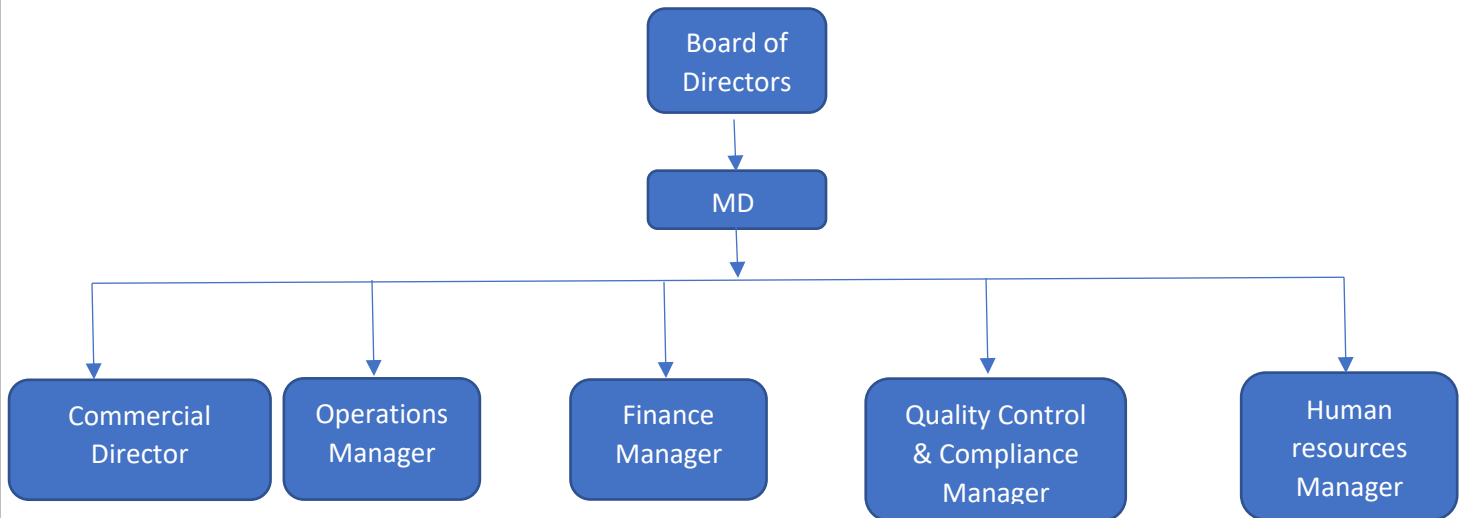
The company is keen on ensuring that day to day running of the business is carried out by professionals and that it is **divorced** from the board.

The board remains supreme in making decisions on behalf of the company and monitor management's fiduciary duties.

The company will abide by the country's labor laws and will provide competitive salaries to its staff.

Apart from the administrative staff, the company will maintain casual labor from outsourced contractors when required.

6.2 Organization chart; Below is the proposed organization chart for senior management.



7.0 Legal & Compliance

7.1 Incorporation & Registration

The company is registered and incorporated in Tanzania.

7.2 Govt Licenses

The company will ensure that it meets all statutory & regulatory requirements in the country as well as all the countries that it will be operating in, both operationally and logistically.

7.3 Registration to trade bodies

The company will register in all the required industry bodies, both regulatory and trade. These bodies include and not limited to EWURA, ZURA, TPSF etc.

7.4 Land acquisition

The company aims at acquiring Land in Mtwara, Dar es salaam, Tanga, Bagamoyo and Zanzibar for its storage and logistics business operations.

7.5 Taxation

The company will ensure that it complies with all taxation laws of the land, and take advantage of all tax incentives offered by the government for new investors through the Tanzania Investment Centre (TIC)

MANAGEMENT REPORT

FOR

MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED

JANUARY – OCTOBER 2023

Prepared By

**Financial Accountant
31 OCTOBER 2023**



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MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED

EXECUTIVE SUMMARY

The management present their report for MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED (the "Company") for the period January to October 2023 which disclose the performance and state of affairs of the Company.

1. CORPORATE INFORMATION

DIRECTORS	Name LEON WILLIAN MAZIGO BASILA CHUWA
COMPANY SECRETARY	LEON WILLIAN MAZIGO
REGISTERED OFFICE	REGION, MSASANI PENINSULA, P.O. BOX 14111 DAR ES SALAAM TANZANIA
PRINCIPAL PLACE OF BUSINESS	MSASANI PENINSULA, DAR ES SALAAM
NATURE OF BUSINESS	STORAGE AND LOGISTICS
BANKERS	NBC BANK PLC SAMORA BRANCH MTWARA BRANCH

2. PROFITABILITY

The Company's results for the period are set out in the report. Generally, the company considers its profitability level to be promising as analysed below.

Gross Profit Margin	Gross Profit/Revenue * 100%	29%
Operating profit margin	PBIT/Revenue * 100%	21%
Net Profit Margin	PAT/Revenue * 100%	7%

3. LIQUIDITY

The Company's liquidity position as at 31 October 2023. The management consider the Company's ability to meet its current liabilities to be good.

Current Ratio	Current Assets/Current Liabilities	1.35:1
Quick Ratio	(Current Assets-Inventory)/Current Liabilities	1.35:1

4. FINANCIAL LEVERAGE

MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED

The Company's financial risk is considered to be low as at 31 October 2023 as narrated below.

Capital Gearing	Non-Current Liability/Equity	55.9%
Debt Ratio	Total Liability/Total Assets	0.68:1
Interest Cover	PBIT/Interest	37

5. CAPITAL STRUCTURE

The capital structure of the Company for the period under review is as shown below:

Authorised share capital; 10,000 ordinary shares of TZS 100,000 each	1,000,000,000
Issued and fully paid share capital	<u>160,000,000</u>

The distribution of the shareholding is as follows:

	Shares held
Mr. LEON WILLIAM MAZIGO	1,500
Mr. BASILA CHUWA	100
Total shareholding	1,600



LEON WILLIAM MAZIGO
Director

..... 31st Oct 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 OCT 2023**

		Jan - Oct 2023
		TZS
Revenue	1	1,055,695,692
Direct Costs	2	<u>750,000,000</u>
Gross profit		305,695,692
Administrative Expenses		
Operating Expenses	3	36,850,522
Personnel Expenses	4	37,534,458
Finance Cost	5	10,806,842
Depreciation	13	<u>7,380,365</u>
Profit before tax		213,123,505
Income tax credit/(charge)	6	<u>138,126,302</u>
Profit for the period		<u>74,997,204</u>
Other comprehensive income		
Translation Gain (Loss)		-
Tax effect on revaluation of equipment		-
Total comprehensive income for the year		<u>74,997,204</u>

**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCT 2023**

Oct-23
TZS

Non-current assets

Property and equipment	13	239,917,135
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Current assets

Inventory	9	-
Trade and other receivables	10	480,795,982
Current Tax Receivable	6	-
Differed Tax Asset	7	-
Cash and Cash Equivalent	9	3,372,451

Total current assets		484,168,433
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Total assets		724,085,568
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EQUITY AND LIABILITIES

Capital and reserves

Capital		160,000,000
Retained earnings		74,997,204

Total equity		234,997,204
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Non-current liabilities

Payable to Shareholders	12	-
EFTA Loan	12	59,467,500
Deferred Tax Liability	7	71,975,141
		131,442,641

Current liability

Trade and Other Payables	11	341,409,587
Current tax liability	6	16,236,136

Total current liabilities		357,645,723
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Total equity and liabilities		724,085,568
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**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 OCTOBER 2023**

	Capital TZS	Retained Earnings TZS	Total TZS
At 1 January 2023	-	-	-
Additional Equity	160,000,000	-	160,000,000
Profit/Loss for the year	-	74,997,204	74,997,204
Other comprehensive income	-	-	-
At 31 October 2023	<u>160,000,000</u>	<u>74,997,204</u>	<u>234,997,204</u>

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 OCTOBER 2023**

	Notes	Jan - Oct 2023 TZS
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (Loss) before tax		213,123,505
<i>Adjustment for:</i>		
Depreciation of property and equipment	13	7,380,365
Loss/(gain) on disposal of equipment		-
Interest expense		-
		220,503,870
Movements in working capital:		
(Increase)/decrease in inventory	9	-
Decrease/(increase) in trade and other receivables	10	(480,795,982)
(Decrease)/increase in trade and other payables	11	341,409,587
		81,117,475
Cash flows generated from operations		81,117,475
Tax paid	6	(49,915,025)
Net cash generated from operating activities		31,202,450
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for acquisition of equipment	13	(247,297,500)
Proceeds from disposal of equipment		-
Transfer to Reserve		-
		-
Net cash used in investing activities		(247,297,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in shareholders Capital		
Payable to shareholders		-
EFTA Loan		59,467,500
Share capital Addition		160,000,000
		219,467,500
Net cash generated from financing activities		219,467,500
Net increase in cash and cash equivalents		3,372,450
Cash and cash equivalents at beginning of the year		-
Cash and cash equivalents at end of the year		3,372,450
Represented by:		
Cash		872,500
Bank Balance		2,499,951
		3,372,451

1 Revenue**Jan-Oct 2023
TZS**

Revenue	<u>1,055,695,692</u>
	<u><u>1,055,695,692</u></u>

2 Direct Costs**A Transportation Costs (A)**

Vessel Hiring cost and other related services (Tugboats)	750,000,000
Trucks Lease Expenses	-
Tires & Tubes (services)	-
Fuel & Lubricant	-
	<u>-</u>
	<u><u>750,000,000</u></u>

B Cost of Sales (B)

Opening Inventory	-
Purchases (Tires, Tubes & Spares)	-
Other direct Charges & Expenses	-
Border Fees	-
Closing Inventories	-
	<u>-</u>
Cost of Sales	<u>-</u>
	<u><u>750,000,000</u></u>

3 Operating Expenses

Subscription fee for conference	2,000,000
Travel & Accommodation	4,255,800
Safety Gears	2,211,000
Rent	-
IT Services	900,000
Business & Transport Licences	-
Other office expenses	20,283,200
Electricity & Water	-
Stationery & Printing	909,935
Telephone & Internet	336,000
Security Expenses	1,787,500
Accountancy & Audit Fee	1,000,000
Service Levy	3,167,087
Miscellaneous Expenses	-
	<u>-</u>
	<u><u>36,850,522</u></u>

4 Personnel Expenses

Salaries and Wages	20,807,806
Director Emoluments	12,500,000
Skills Development Levy	629,501
NSSF Contribution	3,597,151
	<u>3,597,151</u>
	<u><u>37,534,458</u></u>

5 Finance cost

Bank Charges	4,959,342
Facility Expenses	5,847,500
Interest on Overdraft	-
	<u>-</u>
	<u><u>10,806,842</u></u>

6 Income Tax

Jan-Oct 2023

TZS

(a) Tax expense:

Current tax expense Deferred	66,151,161
tax expense/(credit)	71,975,141
Total tax expensed/(credited) to profit & loss	<u>138,126,302</u>

(b) Current tax asset/(liability)

At the beginning of the year	-
Charge for the year (note 10(a))	66,151,161
Corporation tax paid	<u>(49,915,025)</u>

Tax Payable/(Repayable) end of the year **16,236,136**

7 Deferred Income Tax

At the Start of the year	-
Credit to Profit and Loss	<u>(71,975,141)</u>

At 31 October **(71,975,141)**

8 Cash and Cash Equivalent

Cash in Hand	872,500
Cash at Bank-USD Mtwara BR	645,125
Cash at Bank-TZS Mtwara BR	214,766
Cash at Bank-USD Samora BR	250,000
Cash at Bank-TZS Samora BR	1,390,060
	<u>3,372,451</u>

9 Inventories

Valves, Pumps, Accessories, etc	-
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-

10 Trade and Other Receivables

Trade Receivables	151,972,462
Deposits & Advance Payments	328,823,520
VAT Receivable	-

480,795,982

11 Trade and Other Payables

Trade Payables	111,390,000
Accrued Rent	225,852,500
Accrued Professional Fee	1,000,000
Accrued Service Levy	3,167,087
VAT Payable	-

341,409,587

12 Long Term Liability

Payable to shareholders	-
EFTA Loan	<u>59,467,500</u>

59,467,500

13 PPE

	25% Machines & Equipment	25% Motor Vehicles	12.5% Furniture & Fittings	Total
COST				
As at 1st Jan 2023	-	-	-	-
Additions	140,337,500	106,960,000	-	247,297,500
Disposal	-	-	-	-
Transfers	-	-	-	-
At 31 October 2023	<u>140,337,500</u>	<u>106,960,000</u>	<u>-</u>	<u>247,297,500</u>
Accumulated Depreciation				
As at 1 January 2023	-	-	-	-
Charge for the year	2,923,697.92	4,456,666.67	-	7,380,365
Elimination of Disposal	-	-	-	-
At 31 October 2023	<u>2,923,698</u>	<u>4,456,667</u>	<u>-</u>	<u>7,380,365</u>
NBV				
As of Dec 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As of 31 October 2023	<u>137,413,802</u>	<u>102,503,333</u>	<u>-</u>	<u>239,917,135</u>

PROFITABILITY				
	Gross Profit Margin	Gross Profit/Revenue 100%	*	29%
	Operating profit margin	PBIT/Revenue 100%	*	21%
	Net Profit Margin	PAT/Revenue 100%	*	7%
LIQUIDITY				
	Current Ratio	Current Assets/Current Liabilities		1.35 :1
	Quick Ratio	(Current Assets-Inventory)/Current Liabilities		1.35 :1
LEVERAGE				
	Capital Gearing	Non-Current Liability/Equity		55.9%
	Debt Ratio	Total Liability/Total Assets		0.68 :1
	Interest Cover	PBIT/Interest		37

Aged list of Debtors and Creditors

Debtor's Name	0 - 30 Days	31 - 60 Days	61 - 90 Days	Total
Knit Cameredie & Harmonious group	151,972,462	-	-	151,972,462

Creditor's Name	0 - 30 Days	31 - 60 Days	61 - 90 Days	Total
Solvochem (T) Ltd	111,390,000.00			111,390,000

MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED
CASH FLOW FOR 36 MONTHS

Year	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	TOTAL
Cash Inflows													
Storage Charges	264,792,000	264,792,000	264,792,000	264,792,000	264,792,000	264,792,000	264,792,000		264,792,000	264,792,000	264,792,000	264,792,000	2,912,712,000
Service Charges	44,773,920	-	-	-	44,773,920				44,773,920			44,773,920	223,869,600
Troughput In & Out	16,320,000	-	16,320,000	-	16,320,000				16,320,000			16,320,000	81,600,000
Uplifting by Vessel Charge					510,000,000	637,500,000	637,500,000	637,500,000	1,147,500,000	637,500,000	637,500,000	1,147,500,000	5,992,500,000
Transportation - Condensate													
Loan Inflow	3,825,000,000												3,825,000,000
Total Cash Inflows	4,150,885,920	264,792,000	325,885,920	264,792,000	835,885,920	902,292,000	902,292,000	637,500,000	1,473,385,920	902,292,000	902,292,000	1,473,385,920	13,035,681,800
Cash Outflows													
Purchase of Vessel - 1 Unit	3,825,000,000												3,825,000,000
Rental of storage facilities	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	127,500,000	1,530,000,000
Salaries and Wages - Vessel Team (19 Staff)	114,000,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	1,684,800,000
Food, Drinks, other up keep items - Vessel				15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	137,700,000
Fuel - Vessel (4 days trip) 1MT/Day					12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	96,000,000
Lubricants - Vessel					1,500,000		1,500,000		1,500,000		1,500,000		6,000,000
Periodic Maintenance - Vessel (Once /year)												51,000,000	51,000,000
Loan Processing fees	67,702,500												67,702,500
Insurance	38,250,000				127,500,000								165,750,000
Director Emoluments	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	36,000,000
Loan repayment		47,812,500	47,812,500	47,812,500	137,567,190	137,567,190	137,667,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	1,243,975,017
Loan repayment EFTA	6,885,000	6,885,000	6,885,000	6,885,000	6,885,000	6,885,000	6,885,000	6,885,000					55,080,000
Business licence	33,150,000												33,150,000
Purchases (tires, Tubes, Spares)													0
Purchase of Fuel for Trucks													0
Salaries and Wages	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	54,000,000
Office Rent	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	51,984,000
Office Stationeries	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,000,000
Accounting Fees				1,000,000		1,000,000							2,000,000
Water and Electricity	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,000,000
Travelling and Accomodation (Inspections, Trainings, Supervision)	20,000,000				50,000,000			20,000,000			50,000,000		140,000,000
Miscellaneous Office expenses (Telephone, IT services, Cleance, Parking fees etc.)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	24,000,000
Tax expenses			30,000,000			30,000,000			30,000,000				120,000,000
Total Cash Outflows	4,247,319,500	339,829,500	369,829,500	356,129,500	635,884,190	487,884,190	458,384,190	476,884,190	481,499,190	449,999,190	501,499,190	531,999,190	9,337,141,517
Net Cash Flow	-96,433,580	-75,037,500	-43,943,580	-91,337,500	200,001,730	414,407,810	443,907,810	160,615,810	991,886,730	452,292,810	400,792,810	941,386,730	3,698,540,083
Opening Balance	17,464,238	-78,989,342	-154,006,842	-197,950,422	-289,287,922	-89,286,192	325,121,619	769,029,429	929,645,240	1,921,531,970	2,373,824,780	2,774,617,591	3,716,004,321
Total Net Cash flow	-78,969,342	-154,006,842	-197,950,422	-289,287,922	-89,286,192	325,121,619	769,029,429	929,645,240	1,921,531,970	2,373,824,780	2,774,617,591	3,716,004,321	7,414,544,405

Leon LEON WILLIAM MAZIGO
Director

Assumptions Used;

Storage of Condensate - 4 times a years

Storage of Condensate charge is USD 55/MT

Mining storage period of 2 months

Vessel hiring Charge - Special rates for our Condensate storage customer USD 200,000)

Vessel hiring Charge for other trips - USD 250,000 per trip

Vessel trips - One trip per month

Year 2, based on completion of gas walls being drained at Nyantori Madimba area Mtwara, it estximated production of Condensate will be twice for storage

Minimum storage of Condensate is 1,600MT in Year 1 and 3,200MT in Year 2

Purchase of 5 units of Tankers in Year 2 to support transportation of Condensate from Onshore site

Increase of operation due to arrangements of own vessel will require additional w/capital in terms of OD facility of at least Tshs 300 million
Financing of the vessel is 100%
Interest rate in Tshs eqv. Is 15%
Loan grace period of 3 months on principal repayment



MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED
CASH FLOW FOR 36 MONTHS

Year	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	TOTAL
Cash Inflows													
Storage Charges	264,792,000	264,792,000	264,792,000	529,584,000	529,584,000	529,584,000	529,584,000	-	529,584,000	529,584,000	529,584,000	529,584,000	5,031,048,000
Service Charges	44,773,920	-	44,773,920	-	89,547,840	-	-	-	89,547,840	-	-	89,547,840	358,191,360
Troughput In & Out	16,320,000	-	16,320,000	-	16,320,000	-	-	-	16,320,000	-	-	16,320,000	81,600,000
Uplifting by Vessel Charge	1,147,500,000	637,500,000	1,147,500,000	637,500,000	510,000,000	637,500,000	637,500,000	637,500,000	1,147,500,000	637,500,000	637,500,000	1,147,500,000	9,582,500,000
Transportation - Condensate		14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	154,687,500
Loan Inflow	1,332,375,000												1,332,375,000
Total Cash Inflows	2,805,760,920	916,354,500	1,487,448,420	1,181,146,500	1,159,514,340	1,181,146,500	1,181,146,500	651,582,500	1,797,014,340	1,181,146,500	1,181,146,500	1,797,014,340	18,520,401,860
Cash Outflows													
Purchase of Vessel - 1 Unit													0
Purchase of Trucks	2,664,750,000												2,664,750,000
Rental of storage facilities	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	2,295,000,000
Salaries and Wages - Vessel Team (19 Staff)	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	1,713,600,000
Food, Drinks, other up keep items - Vessel	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	183,600,000
Fuel - Vessel (4 days trip) 1MT/Day	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	288,000,000
Lubricants - Vessel	3,000,000		3,000,000		3,000,000		3,000,000		3,000,000		3,000,000		18,000,000
Periodic Maintenance - Vessel (Once /year)												51,000,000	51,000,000
Loan Processing fees													0
Insurance					127,500,000								127,500,000
Director Emoluments	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
Loan repayment Vessel	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	1,650,806,278
Loan repayment EFTA													0
Loan repayment Trucks & Tankers		64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	710,628,378
Business licence	33,150,000												33,150,000
Purchases (Tires, Tubes, Spares)											77,000,000		77,000,000
Purchase of Fuel for Trucks		4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	46,406,250
Periodic Maintenance - Trucks							19,600,000						19,600,000
Salaries and Wages	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	54,000,000
Office Rent	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	51,984,000
Office Stationeries	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,000,000
Accounting Fees				1,000,000		1,000,000							3,000,000
Water and Electricity	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,000,000
Travelling and Accomodation (Inspections, Trainings, Supervision)	20,000,000				50,000,000			20,000,000			50,000,000		140,000,000
Miscellaneous Office expenses (Telephone, IT services, Cleance, Parking fees etc.)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	24,000,000
Tax expenses			40,000,000			40,000,000			40,000,000				160,000,000
Total Cash Outflows	3,249,649,190	597,570,337	640,570,337	598,570,337	778,070,337	638,570,337	620,070,337	617,570,337	640,570,337	597,570,337	727,570,337	709,070,337	10,415,422,900
Net Cash Flow	-443,888,270	318,784,163	846,878,083	582,576,163	381,444,003	542,576,163	561,076,163	33,992,163	1,156,444,003	583,576,163	453,576,163	1,087,944,003	6,104,978,960
Opening Balance	3,716,004,321	3,272,116,052	3,590,900,214	4,437,778,297	5,020,354,460	5,401,798,463	5,944,374,625	6,505,450,788	6,539,442,951	7,695,886,954	8,279,463,116	8,733,039,279	9,820,983,282
Total Net Cash flow	3,272,116,052	3,590,900,214	4,437,778,297	5,020,354,460	5,401,798,463	5,944,374,625	6,505,450,788	6,539,442,951	7,695,886,954	8,279,463,116	8,733,039,279	9,820,983,282	15,925,962,242

**MTWARA BULK STORAGE TERMINAL TANZANIA LIMITED
CASH FLOW FOR 36 MONTHS**

Year	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	TOTAL
Cash Inflows													
Storage Charges	264,792,000	264,792,000	264,792,000	529,584,000	529,584,000	529,584,000	529,584,000	-	529,584,000	529,584,000	529,584,000	529,584,000	5,031,048,000
Service Charges	44,773,920	-	44,773,920	-	89,547,840	-	-	-	89,547,840	-	-	89,547,840	358,191,360
Troughput In & Out	16,320,000	-	16,320,000	-	16,320,000	-	-	-	16,320,000	-	-	16,320,000	81,600,000
Uplifting by Vessel Charge	1,147,500,000	637,500,000	1,147,500,000	637,500,000	510,000,000	637,500,000	637,500,000	637,500,000	1,147,500,000	637,500,000	637,500,000	1,147,500,000	9,562,500,000
Transportation - Condensate	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	14,062,500	168,750,000
Loan Inflow													0
Total Cash Inflows	1,487,448,420	916,354,500	1,487,448,420	1,181,146,500	1,159,514,340	1,181,146,500	1,181,146,500	651,562,500	1,797,014,340	1,181,146,500	1,181,146,500	1,797,014,340	15,202,089,360
Cash Outflows													
Purchase of Vessel - 1 Unit													0
Purchase of Trucks													0
Rental of storage facilities	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	191,250,000	2,295,000,000
Salaries and Wages - Vessel Team (19 Staff)	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	142,800,000	1,713,600,000
Food, Drinks, other up keep items - Vessel	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	15,300,000	183,600,000
Fuel - Vessel (4 days trip) 1MT/Day	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	288,000,000
Lubricants - Vessel	3,000,000		3,000,000		3,000,000		3,000,000		3,000,000		3,000,000		18,000,000
Periodic Maintenance - Vessel (Once /year)												51,000,000	51,000,000
Loan Processing fees													0
Insurance					127,500,000								127,500,000
Director Emoluments	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	96,000,000
Loan repayment Vessel	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	137,567,190	1,650,806,275
Loan repayment EFTA													0
Loan repayment Trucks & Tankers	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	64,602,398	775,228,772
Business licence	33,150,000												33,150,000
Purchases (Tires, Tubes, Spares)											77,000,000		77,000,000
Purchase of Fuel for Trucks	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	4,218,750	50,625,000
Periodic Maintenance - Trucks	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	19,500,000	2,500,000				19,500,000	56,500,000
Salaries and Wages	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	54,000,000
Office Rent	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	4,332,000	51,984,000
Office Stationaires	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,000,000
Accounting Fees				1,000,000		1,000,000							3,000,000
Water and Electricity	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,000,000
Travelling and Accomodation (Inspections, Trainings, Supervision)	20,000,000				50,000,000			20,000,000			50,000,000		140,000,000
Miscellaneous Office expenses (Telephone, IT services, Cleance, Parking fees etc.)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	24,000,000
Tax expenses			50,000,000			50,000,000			50,000,000			50,000,000	200,000,000
Total Cash Outflows	658,220,337	602,070,337	655,070,337	603,070,337	782,570,337	653,070,337	622,070,337	622,070,337	652,570,337	599,570,337	729,570,337	721,070,337	7,900,994,047
Net Cash Flow	829,228,083	314,284,163	832,378,083	578,076,163	376,944,003	528,076,163	559,076,163	29,492,163	1,144,444,003	581,576,163	451,576,163	1,075,944,003	7,301,095,313
Opening Balance	9,820,983,282	10,650,211,364	10,964,495,527	11,796,873,610	12,374,949,773	12,751,893,775	13,279,969,938	13,839,046,101	13,868,538,263	15,012,982,266	15,594,558,429	16,046,134,592	17,122,078,594
Total Net Cash flow	10,650,211,364	10,964,495,527	11,796,873,610	12,374,949,773	12,751,893,775	13,279,969,938	13,839,046,101	13,868,538,263	15,012,982,266	15,594,558,429	16,046,134,592	17,122,078,594	24,423,173,907