
BUSINESS PLAN

FOR CONSTRUCTION OF LUXURIOUS LODGE AT NAMPONDA ISLAND AT MTWARA

BY

AQUA BLU INVESTMENT LIMITED

I. EXECUTIVE SUMMARY

AQUA BLU INVESTMENT LIMITED (referred to from hereon in as the "Company") established as a private company with limited liability. It was incorporated on 26th September 2022. The company has three shareholders, namely, JUDITH RAYMOND MUSHI, a Tanzanian with 30% of shares, ANDREA UGO MARIA BRUNETTI, Italian with 40% of shares and ALBERTO D'ORSI, Italian with 30% of shares. The main objective of the company is to engage on marine eco-tourism. This can be done through construction of luxurious marine lodge which is compliant with the eco-tourism and other engagement in conservative activities geared towards conservation of the marine resources.

II. BUSINESS SUMMARY

Industry Overview

Marine tourism is not much developed in Tanzania especially in southern circuit of Mtwara and Lindi. While there are plenty of beautiful beaches, there are no much Tourists hotels and marina activities which would have attracted tourists. Therefore, our company saw this opportunity and need to invest in Namponda Island by constructing a five-star luxurious marine lodge coupled with marina activities.

Nampomda Island, the intended site of construction of a lodge is known for having a pristine and unique beaches with pure white sands, scenic and unspoilt beaches. Also, it is close to a marine park which is a home to whales and dolphins who can be watched seasonally. Its an interesting place to visit for an affordable holiday experience in Tanzania.

Apart from construction of luxurious marine lodge at Namponda Island, the following marina activities will be offered by the lodge: -

Wildlife viewing: Mnazi bay marine park is home to various animals like dugongs though last seen in 1992, there are a number of mammals such as: indopacific humpback dolphin, humpback whale and crab plovers the park is a also a nesting ground for green and hawksbill turtles.

Diving: One of the most incredible things to do at the park is diving; the park is endowed with over 258 species of coral. One day diving excursions can be organized. The park is one of the best diving destinations in Tanzania.

Swimming: Tourists can enjoy swimming at the magnificent Indian Ocean with striking views of the parks Flora and fauna as well as enjoy sun bathingwhile feeling the cool ocean breeze.

Sand beach walks: Tourists can take a walk to Ruvula a tiny village which is about 7 kilometers along the beach on the sand track and fine snorkeling.

Visit the historical site and villages: Tourists can visit the historical spot at Ruvula where eccentric British Latham Leslie Moore built his house and learn the historical details as well as know how he community lives and their ways of life.

Fishing: For those interested in fishing, this activity will also make your stay memorable.

III. PRICING MARKETING SUMMARY

The constructed luxurious marine lodge will offer the first-class accommodation services coupled with a number of marina activities mentioned above.

The room price is expected to be USD 500 per night on standard rooms, USD 800 on executive rooms and USD 1000 for a private villa.

Target Markets

The Company's major target markets are as follows:

1. Tourists from Europe and America who are interested in Marina activities
2. Local tourists from Mtwara and nearby regions who may be interested in marina activities.

The estimated number of potential clients within the Company's geographic scope is 240 clients per year

Services

World class service is intended to be the focus of the Company and a cornerstone of the brand's success. The company will offer accommodation services, food and beverages as well as marina activities ranging from diving, beach walking, fishing and swimming.

IV. FINANCIAL PLAN

1. Projected Cost of Construction

Item	Unit	Cost per unit	Total Cost
Hard Costs			\$ 430,250
<i>Club House</i>	<i>1</i>	<i>\$ 52,500</i>	<i>\$ 52,500</i>
<i>Satellite kitchen (at Club House)</i>	<i>1</i>	<i>\$ 3,750</i>	<i>\$ 3,750</i>
<i>Gift Shop (at Club House)</i>	<i>1</i>	<i>\$ 5,000</i>	<i>\$ 5,000</i>
<i>Club Pool (at Club House)</i>	<i>1</i>	<i>\$ 30,000</i>	<i>\$ 30,000</i>
<i>Private Villa</i>	<i>1</i>	<i>\$ 100,000</i>	<i>\$ 100,000</i>
<i>Bungalows</i>	<i>4</i>	<i>\$ 25,000</i>	<i>\$ 100,000</i>
<i>Gym (wellnes pavillon)</i>	<i>1</i>	<i>\$ 9,000</i>	<i>\$ 9,000</i>
<i>Spa (wellnes pavillon)</i>	<i>1</i>	<i>\$ 6,000</i>	<i>\$ 6,000</i>
<i>Yoga Pavillon</i>	<i>1</i>	<i>\$ 2,000</i>	<i>\$ 2,000</i>

<i>Main Kitchen</i>	<i>1</i>	<i>\$ 12,500</i>	<i>\$ 12,500</i>
<i>Technical Room</i>	<i>1</i>	<i>\$ 12,500</i>	<i>\$ 12,500</i>
<i>Septic Tanks</i>	<i>5</i>	<i>\$ 5,000</i>	<i>\$ 25,000</i>
<i>Laundry & Store</i>	<i>1</i>	<i>\$ 12,000</i>	<i>\$ 12,000</i>
<i>Piping & Cabling</i>	<i>1</i>	<i>\$ 60,000</i>	<i>\$ 60,000</i>
Contingency			\$ 21,513
FF&E			\$ 64,538
Equipment & Entertainment			\$ 504,000
<i>Electric Cars</i>	<i>5</i>	<i>\$ 70,000</i>	<i>\$ 350,000</i>
<i>Utility Car</i>	<i>1</i>	<i>\$ 20,000</i>	<i>\$ 20,000</i>
<i>Truck</i>	<i>1</i>	<i>\$ 20,000</i>	<i>\$ 20,000</i>
<i>Kitchen Machinery</i>	<i>1</i>	<i>\$ 20,000</i>	<i>\$ 20,000</i>
<i>Electrical and Termic</i>	<i>1</i>	<i>\$ 50,000</i>	<i>\$ 50,000</i>
<i>Generators</i>	<i>2</i>	<i>\$ 12,000</i>	<i>\$ 24,000</i>
<i>Other equipment</i>	<i>1</i>	<i>\$ 20,000</i>	<i>\$ 20,000</i>
Shares Acquisition			\$ 357,000
Professional Fees			\$ 120,000
<i>Architechts (university partnership)</i>			<i>\$ 40,000</i>
<i>Consulting</i>			<i>\$ 30,000</i>
<i>Project Managemnt</i>			<i>\$ 50,000</i>
Going Concern			\$ 300,000
Total (rounded to -4)			\$ 1,800,000

2. Projected Costs and Revenue

P&L	1			2			3			4			5			6			7			8			9			10		
CPI	3.0%			3.00%			3.00%			3.00%			3.00%			3.00%			3.00%			3.00%			3.00%			3.00%		
Days	305			305			305			305			305			305			305			305			305			305		
Rooms	5			5			5			5			5			5			5			5			5			5		
Rooms Sold	458			686			839			885			885			885			885			885			885			885		
Occupancy	30%			45%			55%			58%			58%			58%			58%			58%			58%			58%		
ADR	1450			1525			1575			1600			1648			1697			1748			1801			1855			1910		
RevPAR	435			686			866			928			956			985			1014			1044			1076			1108		
	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR	Amount	Ratio	POR
Rooms Revenues	663,375	81.0%	1,450	1,046,531	80.5%	1,525	1,321,031	80.2%	1,575	1,415,200	80.0%	1,600	1,457,656	80.0%	1,648	1,501,386	80.0%	1,697	1,546,427	80.0%	1,748	1,592,820	80.0%	1,801	1,640,605	80.0%	1,855	1,689,823	80.0%	1,910
F&B	110,563	13.5%	242	184,606	14.2%	269	242,134	14.7%	289	265,350	15.0%	300	273,311	15.0%	309	281,510	15.0%	318	289,955	15.0%	328	298,654	15.0%	338	307,613	15.0%	348	316,842	15.0%	358
OOD	45,044	5.5%	98	68,902	5.3%	100	84,006	5.1%	100	88,450	5.0%	100	91,104	5.0%	103	93,837	5.0%	106	96,652	5.0%	109	99,551	5.0%	113	102,538	5.0%	116	105,614	5.0%	119
Total Revenues	818,981	100.0%	1,790	1,300,039	100.0%	1,894	1,647,171	100.0%	1,964	1,769,000	100.0%	2,000	1,822,070	100.0%	2,060	1,876,732	100.0%	2,122	1,933,034	100.0%	2,185	1,991,025	100.0%	2,251	2,050,756	100.0%	2,319	2,112,279	100.0%	2,388
Room Costs	52,200	7.9%	114	53,766	5.1%	78	55,379	4.2%	66	57,040	4.0%	64	58,752	4.0%	66	60,514	4.0%	68	62,330	4.0%	70	64,199	4.0%	73	66,125	4.0%	75	68,109	4.0%	77
F&B Costs	66,600	60.2%	146	87,447	47.4%	127	103,013	42.5%	123	110,103	41.5%	124	113,406	41.5%	128	116,808	41.5%	132	120,313	41.5%	136	123,922	41.5%	140	127,640	41.5%	144	131,469	41.5%	149
OOD Costs	7,800	17.3%	17	8,034	11.7%	12	8,275	9.9%	10	8,523	9.6%	10	8,779	9.6%	10	9,042	9.6%	10	9,314	9.6%	11	9,593	9.6%	11	9,881	9.6%	11	10,177	9.6%	12
Total Costs	126,600	15.5%	277	149,247	11.5%	217	166,667	10.1%	199	175,667	9.9%	199	180,937	9.9%	205	186,365	9.9%	211	191,956	9.9%	217	197,715	9.9%	224	203,646	9.9%	230	209,755	9.9%	237
GOI	692,381	84.5%	1,513	1,150,792	88.5%	1,677	1,480,504	89.9%	1,765	1,593,333	90.1%	1,801	1,641,133	90.1%	1,855	1,690,367	90.1%	1,911	1,741,078	90.1%	1,968	1,793,311	90.1%	2,027	1,847,110	90.1%	2,088	1,902,523	90.1%	2,151
	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR	Amount	Ratio	PAR
A&G	101,760	12.4%	20,352	104,813	8.1%	20,963	107,957	6.6%	21,591	111,196	6.3%	22,239	114,532	6.3%	22,906	117,968	6.3%	23,594	121,507	6.3%	24,301	125,152	6.3%	25,030	128,907	6.3%	25,781	132,774	6.3%	26,555
S&M	80,000	9.8%	16,000	82,400	7.9%	16,480	84,872	6.4%	16,974	87,418	6.2%	17,484	90,041	6.2%	18,008	92,742	6.2%	18,548	95,524	6.2%	19,105	98,390	6.2%	19,678	101,342	6.2%	20,268	104,382	6.2%	20,876
POM	32,400	4.0%	6,480	17,706	1.4%	3,541	22,434	1.4%	4,487	24,093	1.4%	4,819	24,816	1.4%	4,963	25,561	1.4%	5,112	26,328	1.4%	5,266	27,117	1.4%	5,423	27,931	1.4%	5,586	28,769	1.4%	5,754
Utilities	26,969	3.3%	5,394	41,473	3.2%	8,295	51,961	3.2%	10,392	55,693	3.1%	11,139	57,363	3.1%	11,473	59,084	3.1%	11,817	60,857	3.1%	12,171	62,682	3.1%	12,536	64,563	3.1%	12,913	66,500	3.1%	13,300
Total Undistributed Costs	241,129	29.4%	48,226	246,392	19.0%	49,278	267,225	16.2%	53,445	278,400	15.7%	55,680	286,752	15.7%	57,350	295,355	15.7%	59,071	304,215	15.7%	60,843	313,342	15.7%	62,668	322,742	15.7%	64,548	332,424	15.7%	66,485
GOP	426,683	52.1%	85,337	879,093	67.6%	175,819	1,187,213	72.1%	237,443	1,288,085	72.8%	257,617	1,326,728	72.8%	265,346	1,366,530	72.8%	273,306	1,407,526	72.8%	281,505	1,449,751	72.8%	289,950	1,493,244	72.8%	298,649	1,538,041	72.8%	307,608
Overhead Costs	24,569	3.0%	4,914	25,307	3.0%	5,061	26,066	3.0%	5,213	26,848	3.0%	5,370	27,653	3.0%	5,531	28,483	3.0%	5,697	29,337	3.0%	5,867	30,217	3.0%	6,043	31,124	3.0%	6,225	32,058	3.0%	6,412
FF&E	32,759	4.0%	6,552	52,002	4.0%	10,400	65,887	4.0%	13,177	70,760	4.0%	14,152	72,883	4.0%	14,577	75,069	4.0%	15,014	77,321	4.0%	15,464	79,641	4.0%	15,928	82,030	4.0%	16,406	84,491	4.0%	16,898
Park License	10,000	1.2%	2,000	10,000	0.8%	2,000	10,000	0.6%	2,000	10,000	0.6%	2,000	10,000	0.5%	2,000	10,000	0.5%	2,000	10,000	0.5%	2,000	10,000	0.5%	2,000	10,000	0.5%	2,000	10,000	0.5%	2,000
Insurance	12,000	1.5%	2,400	12,360	1.0%	2,472	12,731	0.8%	2,546	13,113	0.7%	2,623	13,506	0.7%	2,701	13,911	0.7%	2,782	14,329	0.7%	2,866	14,758	0.7%	2,952	15,201	0.7%	3,040	15,657	0.7%	3,131
Total Non-Recoverable Costs	79,329	9.7%	15,866	99,668	7.7%	19,934	114,683	7.0%	22,937	120,720	6.8%	24,144	124,042	6.8%	24,808	127,463	6.8%	25,493	130,987	6.8%	26,197	134,617	6.8%	26,923	138,355	6.7%	27,671	142,206	6.7%	28,441
EBITDA	347,354	42.4%	69,471	779,425	60.0%	155,885	1,072,530	65.1%	214,506	1,167,365	66.0%	233,473	1,202,686	66.0%	240,537	1,239,067	66.0%	247,813	1,276,539	66.0%	255,308	1,315,135	66.1%	263,027	1,354,889	66.1%	270,978	1,395,835	66.1%	279,167
Tax	104,206	30.0%	20,841	233,827	30.0%	46,765	321,759	30.0%	64,352	350,210	30.0%	70,042	360,806	30.0%	72,161	371,720	30.0%	74,344	382,962	30.0%	76,592	394,540	30.0%	78,908	406,467	30.0%	81,293	418,751	30.0%	83,750
NOI	243,148	29.7%	48,630	545,597	42.0%	109,119	750,771	45.6%	150,154	817,156	46.2%	163,431	841,880	46.2%	168,376	867,347	46.2%	173,469	893,577	46.2%	178,715	920,594	46.2%	184,119	948,422	46.2%	189,684	977,085	46.3%	195,417

-All Revenues are net of VAT

-Income Tax has been forecasted at 30% as per local regulations, however more efficient fiscal structures are currently being evaluated

-These projections are made on assumptions based on the proposed investment, facilities, operations and envisaged resort positioning within its competitive market.

-These projections are NOT made as representations or guarantees. The actual operating results will depend on several factors, including external ones such as local & global economic conditions, political implications, and the extent and nature of future competition.