



CHAI LEO LTD

Progress Report: Chai Leo Limited

Black Tea Blending Plant Project and construction of warehousing facilities.

Project Name: Construction of warehouse and Black Tea Blending Machine

Location: Bagamoyo Urban, Kimele Plot No. 220 Block "Y", Tanzania

Report Date: 1st Oct 2024

Reporting Period: 1st Oct 2024

Prepared By: Adan Abdi Musa/ Managing Director

1. Project Overview

Objective:

Construction of a 6,700-square-meter tea blending facility to increase local production capacity to 50 tonnes. The project included a warehousing facility to ensure long-term business sustainability. The project was approved by Tanzania Investment Center for plot No 220 Block "Y" Mapinga Kerege certificate no 00220947.

Start Date: 10/05/2022

Expected Completion Date: 01/03/2024

2. Current Status

Overall Progress: 100%

4. Current Activities

Installation of Tea Blending machine of a capacity of 4 tons per Hour.

5. Challenges Encountered

- Construction delays due to severe weather conditions, particularly heavy rainfall
- Material procurement delays caused by local transportation and logistics limitations
- Complex regulatory requirements and permit acquisition process"

6. Financial Overview

Current Expenditures: Tzs 4,000,000,000/=

Funding Sources: Funded from the working capital and contribution from related entity under the board approval of the both entities.

8. Projected Timeline

Project took two and half years to complete.

9. Conclusion

The Project was completed successfully.

Appendices

Photos of Progress: Include recent images of the construction site.