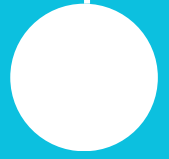


Baohoon Company Limited



Proposed Baohoon Warehouse and Logistics Center Business Plan

Prepared and Submitted by:

Baohoon Company Limited

Dar es Salaam, Tanzania



**Plot 67, Buguruni,
Off Mandela Road**

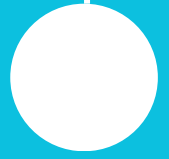


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&

FEASIBILITY PLAN

FOR

BAOHOON WAREHOUSE & LOGISTICS CENTER

(PROPOSED COMMERCIAL LOGISTICS CENTER)

PREPARED BY

M/s BAOHOON COMPANY LIMITED,

DAR ES SALAAM,

TANZANIA



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ESTABLISHING AND OPERATING A COMMERCIAL LOGISTICS CENTER AT PLOT 67, OFF MANDELA ROAD, BUGURUNI AREA, DAR ES SALAAM, TANZANIA

1. BUSINESS PROPOSAL

This Business Plan has been prepared by **M/s Baphoon Company Limited** for a proposed Warehouse and Logistics Center located at Plot 67, Buguruni, off Mandela Road, Dar es Salaam, Tanzania.

The Business Plan has been prepared to manifest and analyze the financial and other resources required for the implementation of the proposed business and also assess its economic viability and commercial viability for presentation to the Shareholders of M/s Baphoon Company Limited and external parties including financial institutions, the revenue authority and potential investment partners. Key to this presentation is the allocation of funds so as to supplement the equity contribution.

2. COMPANY'S BACKGROUND

M/S Baphoon Company Limited is a private company registered / incorporated in Tanzania by Registrar of Companies.

The company's shareholders have determined that there is need for provision of a warehouse and logistics center located along the busy Mandela Road adjacent to the main port of Dar es Salaam, Tanzania. Around 9 kilometers from the heart of the Port, this provides an exciting storage and logistics hub for any serious exporter or importer who seeks to do business in the economic capital of Dar es Salaam.

A fact sheet on the port of Dar es Salaam shows that Dar es Salaam port is the Tanzania 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. Dar es Salaam port handles about 95% of the Tanzania 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 Africa countries but also to middle and Far East, Europe, Australia and America.



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

General cargo Berth (0-5) for break bulk, dry bulk and one RORO berth to handle vehicles. Container Terminal Berths (Berth 5 -11) 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. Kurasini 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.

The Baohoon Warehouse and Logistics Center therefore on the basis of the above reasons offers a storage and logistics hub for both local and regional clients importing or exporting this General cargo of over 5.2 million tons.

The management has therefore thought it is prudent to establish and operate high quality and modern facility that will serve this clientele.

3. MARKET POTENTIAL

This clearly represents an opportunity for our organization to not only do profitable business but also provide high quality warehousing and logistics solution product to all our esteemed clientele.

This is also informed by below key factors as analyzed by the company.

Strategic Location

- **Port of Dar es Salaam:** As one of the largest and busiest ports in East Africa, Dar es Salaam handles a significant volume of cargo. A warehouse and logistics center in close proximity to the port can streamline import and export activities, reducing costs and improving efficiency.
- **Regional Trade Hub:** Dar es Salaam serves as a gateway to several landlocked countries in East Africa, including Uganda, Rwanda, Burundi, and the Democratic Republic of Congo. Efficient logistics facilities can attract businesses from these countries looking for reliable access to international markets.



Economic Growth

- **Tanzania's Growing Economy:** Tanzania has been experiencing steady economic growth, driven by sectors such as mining, agriculture, and tourism. Increased economic activity generates higher demand for warehousing and logistics services.
- **Infrastructure Development:** The Tanzanian government is investing in infrastructure improvements, including road networks, railways, and port facilities. These investments enhance the viability of logistics operations.

Business Environment

- **Ease of Doing Business:** Tanzania has been making efforts to improve its business environment. Simplified regulatory procedures, investment incentives, and a stable political climate can attract both local and international businesses to set up operations.
- **Industrialization Agenda:** Tanzania's industrialization agenda aims to boost manufacturing and processing activities. This shift will increase the demand for storage, handling, and distribution services.

4. *THE COMPANY'S OBJECTIVES*

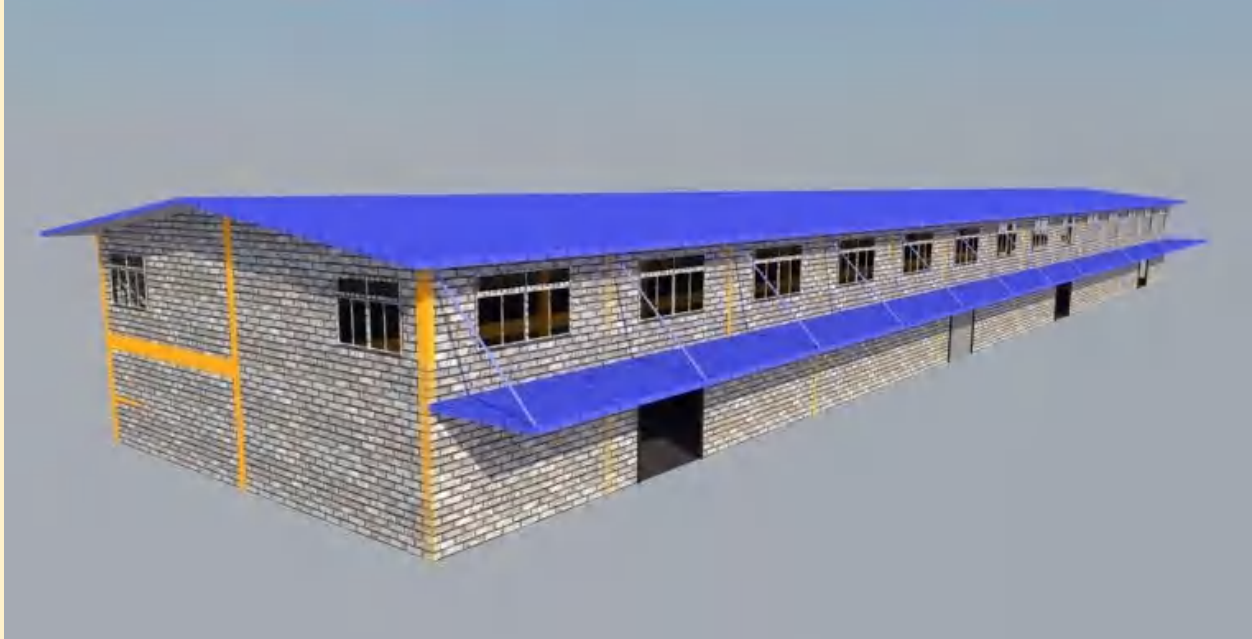
Proposed Architectural Design and Progress to date on the Project

The proposed facility is designed to provide 3,150 sqm grade 'A' storage and logistics complex ideally located at Plot 67, Buguruni, strategically off Mandela Road which we believe will be the country's most technologically advanced and efficient warehouse and logistics center in the region. Utilizing a combination of local experts, the Baphoon Warehouse and Logistics Center is expected to be operational in 9 months. As we speak construction is proudly ongoing and we envisage on completion that the facility will be able to cater for multiple product ranges from general cargo, specialized cargo, to pharmaceuticals and vaccines, consumable and non-consumable products.



Architectural Mockup and Design

Baohoon Warehouse and Logistics Center - Plot 67, Buguruni, off Mandela Road, Dar es Salaam, Tanzania



Capacity and Space Utilization

The facility shall boast of a **3,150 square meter** facility designed to meet below specifications.

- Easy access to international trunk road to and from Dar es Salaam Sea Port as well as easy access to the Julius Nyerere International Airport
- 900.00 sqm Truck Parking and Maneuvering Area
- Weighing Scales
- X-ray machines
- Fork Lifts
- Dedicated Consolidation/Sorting Area
- BUP Pass-Through



- CCTV through-out the facility (96 cameras)
- AVSEC Qualified
- Operating System: Cargospot/Sage ERP
- General Cargo Acceptance and Consolidation Area with dedicated Cargo Inspection Area
- Consolidated Sorting Area for shippers and freight forwarders to facilitate grading, inspection and re-packing of products in a controlled environment
- State-of-the-Art Security System throughout the warehouse, external areas and offices which is installed, managed and maintained to International standards.
- All Staff are Security Screened prior to employment using internationally accepted protocol's.
- All staff are trained to the highest standards using NIT, VETA and TAFFA Training Regimes and Standards



Construction Progress to date

M/s Baphoon Company Limited proudly wishes to report that construction has already begun on the project. We are proud to report that Design and Build of the facility has been given to local Tanzania company to ensure 100% use of local labor, 100% use of local raw material and local 100% use of local content.

Below are site pictures for your warm review – Progress as of month May June 2024













M/s Baphoon Company Limited has the following objectives in the setting up of this Warehouse and Logistics Center.

- ❖ To provide high quality warehouse and logistics facilities in the United Republic of Tanzania;
- ❖ To promote the availability of high quality storage facilities at affordable pricing to all our clientele;
- ❖ **Job creation as the company will create employment opportunities;**
 - **Contract for Design and Build of the facility has been given to local Tanzania company to ensure 100% use of local labor, 100% use of local raw material and local 100% use of local content;**
 - **Top priority on employment will be given to Tanzanian Citizens as we seek to provide jobs and opportunities locally.**
- ❖ Skill development (Transfer of knowledge/human resources development) through on job training;
- ❖ Income generation;
- ❖ Improve their social welfare equally important the company contribute to the government revenue through taxes and other levies.



Job Creation and Value Addition to the Community

The Executive Management of M/s Baohoon Company Limited strongly believes in job creation as well as value addition in the supply chain for the benefit of Tanzanian Citizens.

This has been achieved as below:

S/No	Item	Detailed Statement and Status to date
01	Job Creation	<p>Since its inception, the shareholders and executive management of Baohoon Company Limited believes in job creation and empowerment of Tanzanian Citizens in jobs and opportunities available at the Baohoon Warehouse and Logistics Center.</p> <p>To this end we have devised clear policy that our employment policy should always consider local Citizens at all times.</p>
02	Training and Development	<p>The provision of education, training and personal development is one of those areas of our business where we have an opportunity to put something back into the local community by increasing the overall level of industry skills and knowledge and thereby increasing job prospects for individuals; thus creating increased wealth and prosperity for the longer term. Of course, this is not purely altruistic on the part of Baohoon Company Limited, there is also a need to bring-on, young, well trained people into the industry who can help Baohoon Company Limited, grow its own business for the future.</p> <p>We have here an opportunity to utilise some of the revenues gained from the Baohoon Warehouse and Logistics Center to develop this training facility; which will directly support local communities and local businesses through an increased potential for higher skilled, higher paying careers for a significant number of young people from those local communities, thereby creating wealth and reducing local unemployment.</p>



S/No	Item	Detailed Statement and Status to date
03	Taxes and Duties as a Responsible Corporate Citizen	<p>We believe a real opportunity exists here to establish a new high quality Warehouse and Logistics Center. A strong local presence which will focus on the highest levels of Service Delivery for both local, regional and international customers, ensure ongoing investment in the latest equipment, technology and processes and a provider with the ability to introduce a new era in quality within the Tanzanian logistics and warehousing industry.</p> <p>As a responsible Corporate Citizen, this will generate both direct and indirect taxes as well as levies such as Service Levy, WHT, Billboard Revenues, PAYE, SDL, Corporate taxes which leads to added revenue to Government and Local Municipality</p>



**5. PROPOSED IMPLEMENTATION SCHEDULE FOR THE
WAREHOUSE AND LOGISTICS CENTER – PLOT 67, DAR ES
SALAAM - TANZANIA**



Period	Activity Schedule
Quarter 4 Year 2023 (October to December)	Project Mobilization – Lease Signing, Contractor, Local Authorities, Work force mobilization
Quarter 1 Year 2024 (January to March)	Project Implementation – Construction
Quarter 2 Year 2024 (April to June)	Project Implementation – Construction
Quarter 3 Year 2024 (July to September)	Project Implementation – Construction
Quarter 4 Year 2024 (October to December)	Handover by Contractor
Quarter 1 Year 2025 (January to March)	Operations Commence. Open for business
Quarter 2 Year 2025 (April to June)	Systems review, testing and review. Fine-tuning of operational systems.
Quarter 4 Year 2025 (October to December)	Full facility functional status
Quarter 1 Year 2026 (January to March)	Project is fully 100% operational



6. CAPITAL INVESTMENT COST

Projected capital requirements for the project is highlighted below. We envisage a balanced mix of shareholder equity and external financing if required from banks.

Our expected capital to asset ratio is within desired capital adequacy ratio designed to promote adequacy of the operations.

This projections are highlighted below.

S/No	Source of Capital	Projected Amount (In USD)
01	Shareholders' Equity - Lease and Construction	500,000.00
02	Equity Mix/ Capital Equipment Lease	900,000.00
Total Projected Equity/Capital for the Project		1,400,000.00
		United States Dollar One Million, Four Hundred and Thirty Only

7. FINANCIAL PLAN AND USE OF FUNDS

Projected expenditure for the project inclusive of startup costs are highlighted as structured below:

- **GENERAL ASSUMPTIONS**

The Company has the following key assumptions which guide this investment decision.

- A steady exponential growth curve based on market demand for our warehouse and logistics center;
- Fixed facilities costs which do not fluctuate with more than 10% deviation;
- New age technological tools and equipment designed to meet and match space utilization and capacity needs.

- **SALES FORECAST**

The company envisages a conservative sales forecast of 74% space utilization within a 7-day work week. This is well within Warehousing and Logistics industry estimates of eighty (80%) percent capacity utilization.



We however estimate that we shall start at a conservative figure of twenty (20) percent gradually increase reaching peak occupancy of eighty-eight (88%) percent peak average daily.

Based on performance metrics we believe we can incorporate cold chain solutions within our facility in a span of 3 years based on the strength of in-house experience, production stabilization and economies of scale.

This translates to estimated sales unit of

Capacity of facility based on design of facility and racking system installed: 138,000 CBM available

Utilization at 70% capacity = 96,600 CBM available per Month X 12 Months = 1,159,200 Capacity sold Annually

Units Produced Annually	Sale Price Per Unit	Projected Annual Revenue
1,159,200 CBM Capacity	2,000 Tshs. per CBM per day	2,318,400,000.00
Projected Annual Revenue		2,318,400,000.00
		Tanzania Shillings Two Billion, Three Hundred and Eighteen Million, Four Hundred Thousand Shillings Only

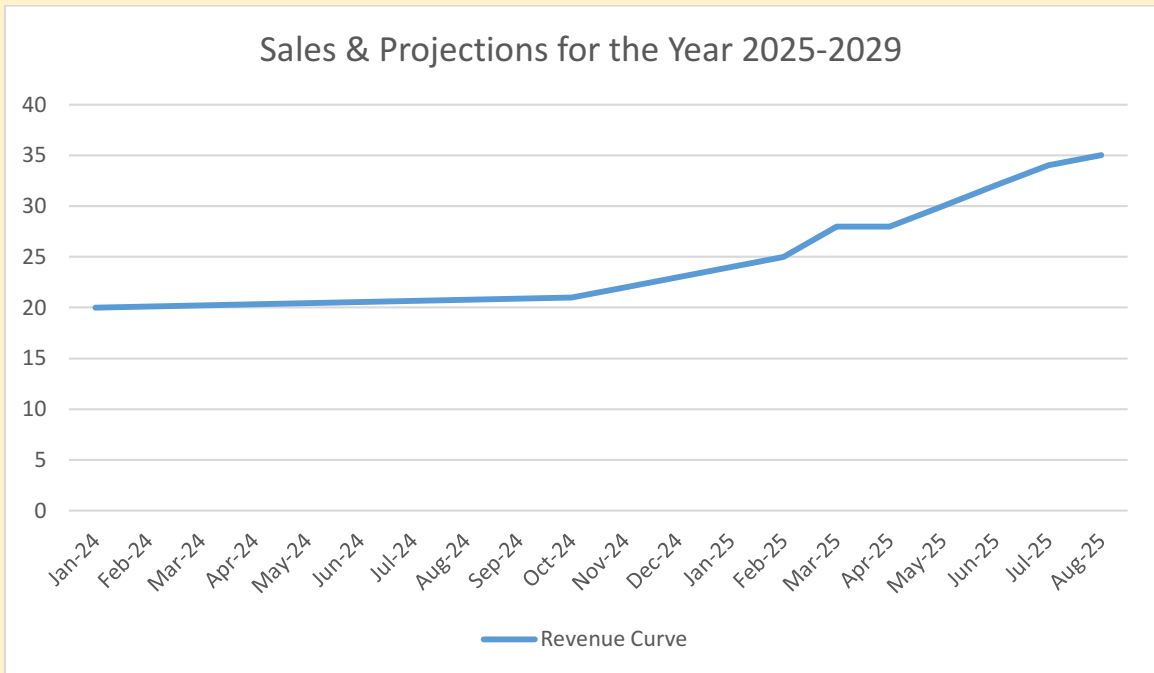
This projection also does not quantify expected revenue from the below streams of income namely:

- Logistics Consultation Revenue
- Collection/Delivery Services if requested by Customers revenue
- Specialized Cargo
- E- Commerce clients who can use our facility for inventory management

These are conservatively expected to bring in at least and extra 15% of total revenue for the establishment.



Our projected Year on Year growth curve once the project is fully operational would be as below:



- STARTUP COSTS**

Envisaged start-up costs for the project are highlighted as below.

S/No	Detailed Start Up Costs	Projected Amount (In USD)
01	Long term land lease	650,000.00
02	Buildings Construction	350,000.00
03	Vehicles	45,000.00
04	Operational Equipment & Fittings	75,000.00
05	Pre- Expenses	50,000.00
06	Others	30,000.00
07	Working Capital	200,000.00
Detailed Start Up Costs for the Project		1,400,000.00
		United States Dollar One Million, Four Hundred Thousand Only



- **RUNNING COSTS**

Envisaged running costs for the project once operational are highlighted as below per month

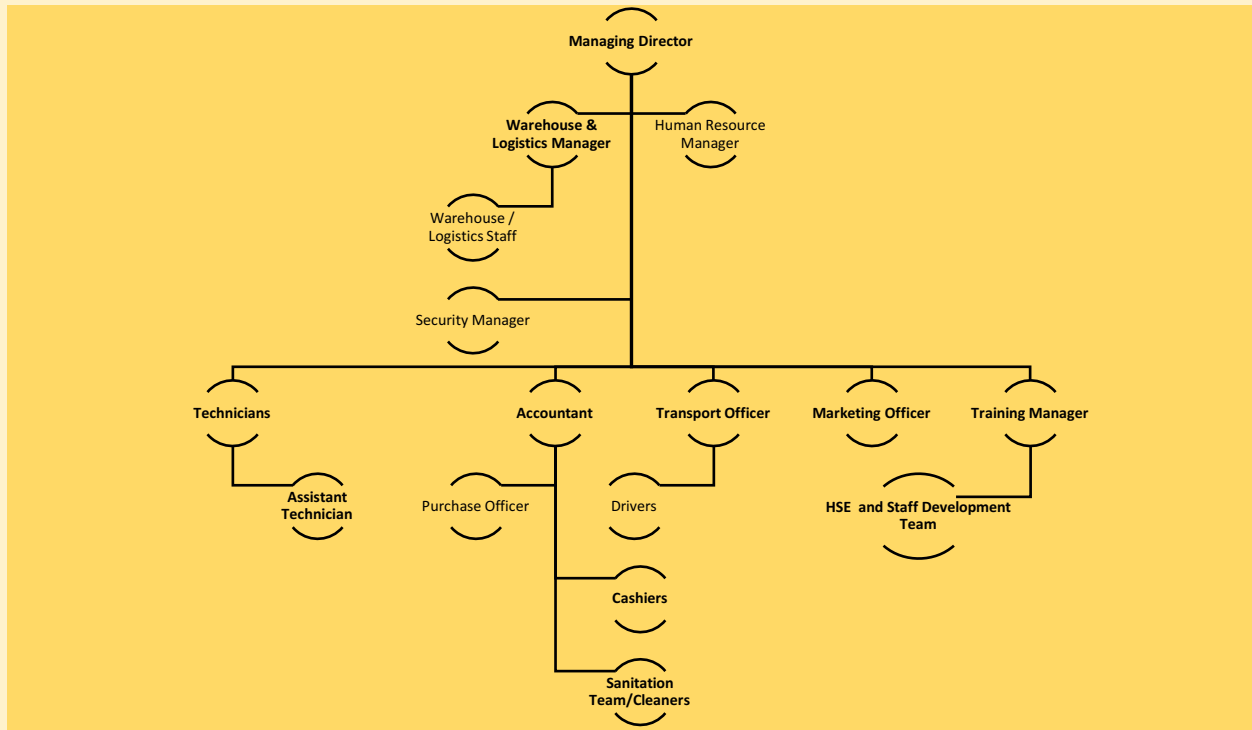
PROFORMA RUNNING COSTS

S/No	Description	Projected Expenditure per Month (In Tanzania Shillings)
Production Costs	Electricity	5,000,000.00
Production Costs	Security Services, Cargo Management Services	63,000,000.00
Administrative Costs	Admin Expenses	2,500,000.00
Administrative Costs	Finance Costs	4,000,000.00
Payroll Expenses	Salaries and Wages	32,200,000.00
Total Monthly Running Costs for the Project		106,700,000.00
		Tanzania Shillings One Hundred and Six Million, Seven Hundred Thousand Only



- **ORGANIZATION STRUCTURE & PROJECTED PAYROLL COSTS**

A detailed Organization Structure inclusive of payroll details is listed below



S/No	Position	Number of Employees	Gross Salary	Total Gross Salary
01	Managing Director	1	2,000,000	2,000,000.00
02	Warehouse & Logistics Manager	1	1,000,000	1,000,000.00
03	Human Resource Manager	1	1,000,000	1,000,000.00
04	Training Manager	1	1,000,000	1,000,000.00
05	Security Manager	1	800,000	800,000.00
06	Technicians	6	600,000	3,600,000.00
07	HSE and Staff Development Team	9	600,000	4,500,000.00
08	Warehouse and Logistics Team	15	500,000	7,500,000.00
04	Assistant Technicians	4	400,000	1,600,000.00



05	Cashiers	2	200,000	400,000.00
06	Accountant	1	1,000,000	1,000,000.00
07	Drivers	2	500,000	1,000,000.00
08	Marketing Officer	1	500,000	500,000.00
09	Sanitation/Cleaners	7	300,000	2,100,000.00
	Gross Salary Expenses			28,000,000.00
	NSSF Liability			2,800,000.00
	WCF Liability			280,000.00
	SDL Liability			1,120,000.00
			Total Salary and Wages Cost	32,200,000.00

- **CASH FLOW FORECAST ONCE OPERATIONAL**

Based on projected production figures; our cash flow forecast for the project in its initial year of operations has been split into 4 stages to match accommodation capacity.

Quarter 4 – Year 2025 (October to December)

BAOHOON COMPANY LIMITED						
PROJECTED CASHFLOW FOR FINANCIAL YEAR 2025 – QUARTER 4 (OCT - DEC 2025)						
SPACE UTILIZATION – 35% CAPACITY						
	Quarter 4 Year 2025 October	Quarter 4 Year 2025 November	Quarter 4 Year 2025 December			QUARTER 4 YEAR 2025 YTD
Revenue						
Unit Selling Price	2000.00	2,000.00	2,000.00			2,000.00
Capacity in CBM	48,300	48,300	48,300			48,300
Expected Sales p/month	96,600,000	96,600,000	96,600,000			289,800,000.00
LESS: Direct Costs Allocation	63,000,000	63,000,000	63,000,000			189,000,000.00



Gross Profit	33,600,000	33,600,000	33,600,000			100,800,000.00
Payroll	32,200,000	32,200,000	32,200,000			96,600,000.00
Admin Costs	2,500,000	2,500,000	2,500,000			7,500,000.00
Electricity	5,000,000	5,000,000	5,000,000			15,000,000.00
Finance Costs	4,000,000	4,000,000	4,000,000			12,000,000.00
Net Profit before Tax	(10,100,000.00)	(10,100,000.00)	(10,100,000.00)			(30,300,000.00)
Corporate Tax @ 30 Percent						
Net Loss	(10,100,000.00)	(10,100,000.00)	(10,100,000.00)			(30,300,000.00)

Quarter 1 – Year 2026 (January to March)

BAOHOON COMPANY LIMITED						
PROJECTED CASHFLOW FOR FINANCIAL YEAR 2026 – QUARTER 1 (JAN TO MARCH 2026)						
SPACE UTILIZATION – 55% CAPACITY						
	Quarter 1 Year 2026 January	Quarter 1 Year 2026 February	Quarter 1 Year 2026 March			QUARTER 1 YEAR 2026 YTD
Revenue						
Unit Selling Price	2000.00	2,000.00	2,000.00			2,000.00
Capacity in CBM	75,900	75,900	75,900			75,900
Expected Sales p/month	151,800,000	151,800,000	151,800,000			455,400,000.00



LESS: Direct Costs Allocation	63,000,000	63,000,000	63,000,000			189,000,000.00
Gross Profit	88,800,000	88,800,000	88,800,000			266,400,000.00
Payroll	32,200,000	32,200,000	32,200,000			96,600,000.00
Admin Costs	2,500,000	2,500,000	2,500,000			7,500,000.00
Electricity	5,000,000	5,000,000	5,000,000			15,000,000.00
Finance Costs	4,000,000	4,000,000	4,000,000			12,000,000.00
Net Profit before Tax	45,500,000.00	45,500,000.00	45,500,000.00			136,500,000.00
PROJECT BREAK EVEN & PROFITABILITY BY Q1 2026						
Corporate Tax @ 30 Percent	13,650,000	13,650,000	13,650,000			40,950,000.00
Net Profit	31,850,000	31,850,000	31,850,000			95,550,000.00

Quarter 2 – Year 2026 (April to June)

BAOHOON COMPANY LIMITED						
PROJECTED CASHFLOW FOR FINANCIAL YEAR 2026 – QUARTER 2 (APRIL TO JUNE 2026)						
SPACE UTILIZATION – 55% CAPACITY						
	Quarter 2 Year 2026 April	Quarter 2 Year 2026 May	Quarter 2 Year 2026 June			QUARTER 2 YEAR 2026 YTD
Revenue						
Unit Selling Price	2000.00	2,000.00	2,000.00			2,000.00
Capacity in CBM	75,900	75,900	75,900			75,900



Expected Sales p/month	151,800,000	151,800,000	151,800,000			455,400,000.00
LESS: Direct Costs Allocation	63,000,000	63,000,000	63,000,000			189,000,000.00
Gross Profit	88,800,000	88,800,000	88,800,000			266,400,000.00
Payroll	32,200,000	32,200,000	32,200,000			96,600,000.00
Admin Costs	2,500,000	2,500,000	2,500,000			7,500,000.00
Electricity	5,000,000	5,000,000	5,000,000			15,000,000.00
Finance Costs	4,000,000	4,000,000	4,000,000			12,000,000.00
Net Profit before Tax	45,500,000.00	45,500,000.00	45,500,000.00			136,500,000.00
Corporate Tax @ 30 Percent	13,650,000	13,650,000	13,650,000			40,950,000.00
Net Profit	31,850,000	31,850,000	31,850,000			95,550,000.00

Quarter 3 – Year 2026 (July to September)

BAOHOON COMPANY LIMITED					
PROJECTED CASHFLOW FOR FINANCIAL YEAR 2026 – QUARTER 3 (JULY TO SEPTEMBER 2026)					
SPACE UTILIZATION – 55% CAPACITY					
	Quarter 3 Year 2026 July	Quarter 3 Year 2026 August	Quarter 3 Year 2026 September		QUARTER 3 YEAR 2026 YTD
Revenue					
Unit Selling Price	2000.00	2,000.00	2,000.00		2,000.00



Capacity in CBM	75,900	75,900	75,900			75,900
Expected Sales p/month	151,800,000	151,800,000	151,800,000			455,400,000.00
LESS: Direct Costs Allocation	63,000,000	63,000,000	63,000,000			189,000,000.00
Gross Profit	88,800,000	88,800,000	88,800,000			266,400,000.00
Payroll	32,200,000	32,200,000	32,200,000			96,600,000.00
Admin Costs	2,500,000	2,500,000	2,500,000			7,500,000.00
Electricity	5,000,000	5,000,000	5,000,000			15,000,000.00
Finance Costs	4,000,000	4,000,000	4,000,000			12,000,000.00
Net Profit before Tax	45,500,000.00	45,500,000.00	45,500,000.00			136,500,000.00
Corporate Tax @ 30 Percent	13,650,000	13,650,000	13,650,000			40,950,000.00
Net Profit	31,850,000	31,850,000	31,850,000			95,550,000.00

Quarter 4 – Year 2026 (October to December)

BAHOON COMPANY LIMITED					
PROJECTED CASHFLOW FOR FINANCIAL YEAR 2026 – QUARTER 4 (OCTOBER TO DECEMBER 2026)					
SPACE UTILIZATION – 75% CAPACITY					
	Quarter 4 Year 2026 July	Quarter 4 Year 2026 August	Quarter 4 Year 2026 September		QUARTER 4 YEAR 2026 YTD
Revenue					
Unit Selling Price	2000.00	2,000.00	2,000.00		2,000.00



Capacity in CBM	103,500	103,500	103,500		103,500
Expected Sales p/month	207,000,000	207,000,000	207,000,000		621,000,000.00
LESS: Direct Costs Allocation	63,000,000	63,000,000	63,000,000		189,000,000.00
Gross Profit	144,000,000	144,000,000	144,000,000		432,000,000.00
Payroll	32,200,000	32,200,000	32,200,000		96,600,000.00
Admin Costs	2,500,000	2,500,000	2,500,000		7,500,000.00
Electricity	5,000,000	5,000,000	5,000,000		15,000,000.00
Finance Costs	4,000,000	4,000,000	4,000,000		12,000,000.00
Net Profit before Tax	100,300,000.00	100,300,000.00	100,300,000.00		300,900,000.00
Corporate Tax @ 30 Percent	30,090,000	30,090,000	30,090,000		90,270,000.00
Net Profit	70,210,000	70,210,000	70,210,000		210,630,000.00

Baohoon Company Limited



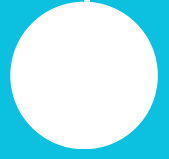
5 Year Financial Projections



BAOHOON COMPANY LIMITED 5 YEAR FINANCIAL PROJECTIONS

BAOHOON COMPANY LIMITED						
5 YEAR FINANCIAL PLANNING – PROFORMA PROFIT & LOSS						
BAOHOON WAREHOUSE AND LOGISTICS CENTER – PLOT 67 - BUGURUNI						
	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029	YTD 5+
Revenue						
Unit Selling Price	2000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Capacity sold in CBM	144,900	993,600	1,242,000	1,242,000	1,242,000	4,864,500
Expected Sales	289,800,000	1,987,200,000	2,484,000,000	2,484,000,000	2,484,000,000	9,729,000,000.00
LESS: Direct Costs Allocation	189,000,000	252,000,000	252,000,000	252,000,000	252,000,000	1,197,000,000.00
Gross Profit	100,800,000	1,735,200,000	2,232,000,000	2,232,000,000	2,232,000,000	8,532,000,000.00
Payroll	96,600,000	386,400,000	386,400,000	386,400,000	386,400,000	1,642,200,000.00
Admin Costs	7,500,000	30,000,000	30,000,000	30,000,000	30,000,000	127,500,000.00
Electricity	15,000,000	60,000,000	60,000,000	60,000,000	60,000,000	255,000,000.00
Finance Costs	12,000,000	48,000,000	48,000,000	48,000,000	48,000,000	204,000,000.00
Net Profit/Loss before Tax	(30,300,000.00)	1,210,800,000	1,707,600,000	1,707,600,000	1,707,600,000	6,303,300,000.00
Corporate Tax @ 30 Percent		363,240,000	512,280,000	512,280,000	512,280,000	1,890,990,000.00
Net Profit	(30,300,000.00)	847,560,000	1,195,320,000	1,195,320,000	1,195,320,000	4,412,310,000.00

Baohoon Company Limited



Legal Commitment to Finance the Project

UNITED REPUBLIC OF TANZANIA

**THE OATHS (JUDICIAL PROCEEDINGS) AND STATUTORY
DECLARATIONS ACT, CAP. 34 RE 2002**

**AFFIDAVIT IN SUPPORT OF CAPITAL RAISING AND FUNDS PROVISION
BY DIRECTORS AND SHAREHOLDERS OF BAOHOON COMPANY
LIMITED.**

I, **WEIMIN ZHANG** an adult, Chinese National of Passport Number **EA3562050** and Shareholder/Director of Baohoon Company Limited, Body Corporate, incorporated in the United Republic of Tanzania, **Brela Registration Number 167-607-284**, do hereby **SOLEMNLY AFFIRM** and state that,

1. I am the deponent herein as such I am conversant with the facts I am about to depone hereunder.

1. I am a Director and Shareholder of **M/s Baohoon Company Limited** a Limited Liability Company registered and incorporated under the laws of the Tanzania, with its principal place of business located at **Oysterbay area, Kinondoni District within Dar es salaam City.**

2. I certify that on **20th May, 2024**, the shareholders/members/board of directors of **M/s Baohoon Company Limited** passed a resolution in accordance with the governing documents of the company, approving amongst other things the Application for Certificate of Incentives as issued by the Tanzania Investment Center for project known and styled as **Baohoon Warehouse and Logistics Center** located at Plot 67, Buguruni, off Mandela Road, Dar es Salaam, Tanzania.

3. I certify that on **20th May, 2024**, the shareholders/members/board of directors of **M/s Baohoon Company Limited** passed a resolution in accordance with the governing documents of the company, approving amongst other things that the Shareholders and Directors of the Company have agreed to provide funds, finance and implement project known as **"Baohoon Warehouse and Logistics Center"** located at Plot 67, Buguruni, off Mandela Road, Dar es Salaam, Tanzania.

4. I certify that I have the necessary means to raise the aforementioned funds which shall be invested in the project known and styled as **Baohoon Warehouse and Logistics Center** located at Plot 67, Buguruni, off Mandela Road, Dar es Salaam, Tanzania.

5. I certify that I shall personally ensure that the project known and styled as **Baohoon Warehouse and Logistics Center** located at Plot 67, Buguruni, off Mandela Road, Dar es Salaam, Tanzania is completed as per project plan to the full satisfaction of the company as well as all relevant stakeholders in the project including the Tanzania Investment Center.

6. The affidavit is made in good faith and is not detrimental to any other businesses or institutions.
7. I further affirm that all the information provided in this affidavit is true, accurate, and complete to the best of my knowledge.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the *Oaths (Judicial Proceedings) and Statutory Declarations Act, Cap. 34 RE 2002*.

VERIFICATION

I, the said **WEIMIN ZHANG**, do verify that, what is stated above is true according to my own knowledge.

Dated and Declared at Dar Es Salaam this 24th day of May, 2024.

Zhang Weimin

WEIMIN ZHANG

AFFIRMED at Dar Es Salaam by)
 the said **WEIMIN ZHANG**)
 who is known/identified to by me)
 *Congpei Lou*)
 in my presence this 24th day of May, 2024)

Zhang Weimin

DEPONENT

WITNESS:

Name: *ARMANDO SWENYA*

Signature: *[Signature]*

Address: *80686 DSM*

Qualification: *ASSOCIATE*



DRAWN BY:

LexiForte Law Firm (Advocates)
 Mwalimu Julius Nyerere Pension Tower, 2nd Floor,
 Morogoro Road/Bibi Titi Mohamed Street,
 P. O. Box 77123,
DAR ES SALAAM

UNITED REPUBLIC OF TANZANIA

**THE OATHS (JUDICIAL PROCEEDINGS) AND STATUTORY
DECLARATIONS ACT, CAP. 34 RE 2002**

**AFFIDAVIT IN SUPPORT OF CAPITAL RAISING AND FUNDS PROVISION
BY DIRECTORS AND SHAREHOLDERS OF BAOHOON COMPANY
LIMITED.**

I, **LONGFEI LOU** an adult, Chinese National of Passport Number **E96893056** and Shareholder/Director of **Baohoon Company Limited**, Body Corporate, incorporated in the United Republic of Tanzania, **Brela Registration Number 167-607-284**, do hereby **SOLEMNLY AFFIRM** and state that,

1. I am the deponent herein as such I am conversant with the facts I am about to depone hereunder.
1. I am a Director and Shareholder of **M/s Baohoon Company Limited** a Limited Liability Company registered and incorporated under the laws of the Tanzania, with its principal place of business located at **Oysterbay area, Kinondoni District within Dar es salaam City**.
2. I certify that on **20th May, 2024**, the shareholders/members/board of directors of **M/s Baohoon Company Limited** passed a resolution in accordance with the governing documents of the company, approving amongst other things the Application for Certificate of Incentives as issued by the Tanzania Investment Center for project known and styled as **Baohoon Warehouse and Logistics Center** located at Plot 67. Buguruni, off Mandela Road, Dar es Salaam, Tanzania.
3. I certify that on **20th May, 2024**, the shareholders/members/board of directors of **M/s Baohoon Company Limited** passed a resolution in accordance with the governing documents of the company, approving amongst other things that the Shareholders and Directors of the Company have agreed to provide funds, finance and implement project known as "**Baohoon Warehouse and Logistics Center**" located at Plot 67, Buguruni, off Mandela Road, Dar es Salaam, Tanzania.
4. I certify that I have the necessary means to raise the aforementioned funds which shall be invested in the project known and styled as **Baohoon Warehouse and Logistics Center** located at Plot 67. Buguruni, off Mandela Road, Dar es Salaam, Tanzania.
5. I certify that I shall personally ensure that the project known and styled as **Baohoon Warehouse and Logistics Center** located at Plot 67. Buguruni, off Mandela Road, Dar es Salaam, Tanzania is completed as per project plan to the full satisfaction of the company as well as all relevant stakeholders in the project including the Tanzania Investment Center.

6. The affidavit is made in good faith and is not detrimental to any other businesses or institutions.
7. I further affirm that all the information provided in this affidavit is true, accurate, and complete to the best of my knowledge.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the *Oaths (Judicial Proceedings) and Statutory Declarations Act, Cap. 34 RE 2002*.

VERIFICATION

I, the said **LONGFEI LOU**, do verify that, what is stated above is true according to my own knowledge.

Dated and Declared at Dar Es Salaam this 24th day of May, 2024.

Lou Longfei

LONGFEI LOU

AFFIRMED at Dar Es Salaam by)
 the said **LONGFEI LOU**)
 who is known/identified to by me)
 *Wenmin Zhang*)
 in my presence this 24th day of May, 2024)

Lou Longfei

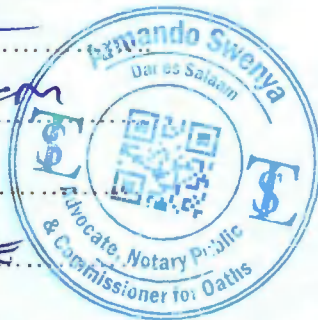
DEPONENT

WITNESS:
 Name: *ARMANDO SWENYA*

Signature: *[Signature]*

Address: *80886 DPM*

Qualification: *ADVOCATE*



DRAWN BY:
 LexiForte Law Firm (Advocates)
 Mwalimu Julius Nyerere Pension Tower, 2nd Floor,
 Morogoro Road/Bibi Titi Mohamed Street,
 P. O. Box 77123,
DAR ES SALAAM

Baohoon Company Limited



Site Construction Progress to date (May 2024)









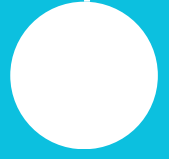








Baohoon Company Limited



Copy of Long Term Lease Agreement

**LEASE
AGREEMENT
LEASE OF COMMERCIAL PROPERTY LOCATED AT
PLOT NO. 67, BUGURUNI AREA, OFF
MANDELA ROAD, DAR ES SALAAM,
TANZANIA**

THIS LEASE AGREEMENT entered into on this 01 day ofDecember 2023.

BETWEEN

Bahdela Company of P.O. Box 5550, Dar es Salaam, Tanzania,
(hereinafter referred to as "the Landlord" which expression shall where the context so admits include
its successors and assigns) of the one part,

And

Bahoon Company Limited of TIN Number 167-607-284 and P.O. Box Number 999, Dar Es Salaam
(hereinafter called "the Tenant") of the other part.

WITNESSETH that:

In consideration of the covenants and provisions hereinafter contained or implied and on the part of
the Tenant to be performed and observed, the Landlord **DOETH HEREBY DEMISE** unto the Tenant all
that part of Plot No. 67, Buguruni Area, Off Mandela Road, Dar Es Salaam, Tanzania, comprising of
partly finished godown and general area including parking, fence and general amenities (hereinafter
referred to as "the demised premises")

TO HOLD the same unto the Tenant for the term of **.....5 years (after every three years
where by $\pm 12\%$ Depending the market rate).....** commencing from the
...March 01st day of ... 2024 **YIELDING AND PAYING THEREFORE** the monthly rent of USD 8,000
Per month as per below agreed Schedule of payment.

- a) Rent charge shall start on the 01st March, 2024 until the 28th February, 2025 at set price of
USD 96,000 to be paid to construction company;
- b) From 01st March, 2025 until the 28th February, 2026 at set price of USD 96,000 to be paid in
the sum of 24,000 USD to construction company and 72,000 USD to be paid to Bahdela
Company;
- c) From 01st March, 2027 until the 28th February, 2028 at set price of USD 96,000 to be paid to
Bahdela Company,
- d) From 01st March, 2028 until the 28th February, 2029 at set price of USD 96,000 ($\pm 12\%$) to
be paid to Bahdela Company,
- e) From 01st March, 2029 until the 28th February, 2030 at set price of USD 96,000 to be paid to
Bahdela Company,

1. It is also agreed that the Tenant - Bahoon Company Limited shall have first right of
renewal on expiry of the Lease Agreement.

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2. It is also agreed that the Tenant - Baohoon Company Limited or his clients shall not store any alcoholic, flammable, dangerous goods or contraband/illegal items on the premises.
3. It is also agreed that the Tenant - Baohoon Company Limited shall have full rights to enjoy the use of the property for commercial purposes. As such people are not allowed to live or cook at the premises. This is a commercial property and not for residential purposes.

The tenant with intent that the obligations hereinafter set out may continue throughout the continuance of the terms hereby granted covenants and agrees with the Landlord as follows:-

- (a) To pay the rent reserved on the days and in manner aforesaid without any deductions whatsoever.
- (b) Rent shall be paid per year in advance as per above agreed schedule;
- (c) Baohoon Company Limited agrees to keep the demised premises in good and tenable repair and condition (fair wear and tear and damage by accidental fire or act of God or force majeure being excepted).
- (d) Baohoon Company Limited agrees to pay and discharge all charges in respect of telephones, electricity and water used in the demised premises.
- (e) Baohoon Company Limited agrees to not to do or permit to be done anything in, or upon the demised premises, or any part thereof which may be or become a nuisance to occupiers of other property in the neighbourhood.
- (f) Baohoon Company Limited agrees that upon the expiration or sooner determination of the term hereby granted to peacefully yield up the demised premises and all fittings therein to the Landlord or its duly authorized agent in such condition as shall be in compliance with the foregoing covenants.

2. The Landlord HEREBY COVENANTS with the Tenant as follows:

- (a) To effect all repairs due to inherent faults in the structure of the demised premises and materials therein.
- (b) To keep in good tenable repair the roof and outside walls of the premises hereby demised.
- (c) To bear, pay and discharge all existing and future taxes and charges (except those payable by the Tenant)
- (d) That the Tenant having paid the rent reserved and observing and performing the several covenants and stipulations herein on his part contained shall hold and have peaceful enjoyment of the demised premises during the said term without any interruption by the Landlord or any person rightfully claiming under, or in trust for it.
- (e) To carry out and effect both minor and major repairs on the premises as shall be required by landlord

3. PROVIDED, AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that

- (a) If at any time during the term hereby granted the demised premises or any part thereof shall be destroyed or damaged by fire (not occasioned by the willful act, neglect or default of the Tenant or his servants or agents) or of God or force majeure or if the demised premises have become



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unfit for commercial use due to any cause whatsoever not caused by the fault of the Tenant, then, in any such case and so often as the same shall happen the rent herebefore reserved or a fair and just proportion thereof according to the extent the demised premises have become unfit for commercial use hereby shall cease and be suspended during the period when the premises hereby demised remains destroyed or damaged. In case of disagreement as to the cause, extent of destruction or damage, the amount to be abated, or period for which said rent or any part thereof shall be suspended or otherwise in relation thereto, the same shall be referred to arbitration by two arbitrators, one to be appointed by each party or their umpire under the provisions of the arbitration law for the time being in force in the United Republic of Tanzania PROVIDED THAT in the event of any destruction or damage to the demised premises or the demised premises becoming unfit for commercial use to the satisfaction of both parties, the tenant shall be entitled to determine this lease if within three months from the date of such damage destruction or the demised premises have not been rendered fit for commercial use.

(b) That acceptance at any time by the Landlord of any rent payable hereunder shall not operate or be construed or take effect as a waiver by the Landlord of any antecedent or then existing breach by the Tenant of any of the covenants, provisions, agreements, conditions and restrictions herein contained or implied and on the part of the tenant to be performed and observed or of any right or remedy of the Landlord by virtue of any such breach.

IN WITNESS WHEREOF the parties hereto have executed this deed the day and the year first above mentioned.

SIGNED AND DELIVERED BY

Name: ALI OMAR BAHDEZI

Signature: [Signature]

Postal Address: 5750, DSM

Qualification: LANDLORD

IN MY PRESENCE:

Name: LUCY FABIAN

Signature: [Signature]

Postal Address: 62222 DCU

Qualification: ADVOCATE



SIGNED and DELIVERED BY

Name: [Signature] on behalf of Buhoon Company Limited

Signature: [Signature] 2023/12/33

Postal Address: DARES SALAAM

Qualification: TENANT



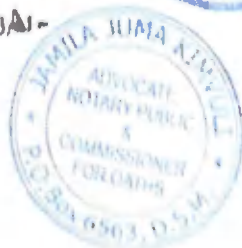
IN MY PRESENCE:

Name: Jamila Suma Kinyuli

Signature: [Signature]

Postal Address: Box 6503A1

Qualification: Advocate



[Handwritten mark]
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