

DELTA LUBRICANTS & GREASES TANZANIA LIMITED

FEASIBILITY STUDY FOR A STATE-OF-ART LUBE OIL BLENDING GREASING PLANT

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PART I

1. EXECUTIVE SUMMARY

1.1. Preamble

Delta Lubricants is a newly established entity and is expected to be one of the leading manufacturers of high quality Automotive, Marine, Industrial, and specialty lubricant products in Tanzania.

The directors of Delta Lubricants have vast knowledge and managerial experience in petroleum and lubricant products which will smoothly grow the business.

The members are committed to continuously invest in skills, manpower, technologies, and facilities to meet the rapidly changing demand of the industry and to achieve the highest product quality and service to meet their customers' needs and expectations.

They are committed to ensuring that only the highest quality products are being produced in the facility and best customer services are being offered.

Delta as a group covers every stage of the supply chain, including transportation, and route optimization, fuel and lubricant supply and management of logistics assets.

In addition, Delta Lubricants & Greases Tanzania Ltd in in the process of acquiring a state-of-art lube oilblending plant in Mbagala Industrial Area, Dar es Salaam, Tanzania within built capacityof 15,000MT Per Annum blending and filling of various lubricants with ultra-modern in-house laboratory facility in compliance with various international and local regulatory authorities.

1.2. Vision

Delta Lubricants & Greases Tanzania Limited's Goal is to be an innovative, can-do organization, that constantly evolves by exploring new ideas, new methods and seeking new opportunities with Trust & Integrity. We remain resolute in our commitment to conducting business in an honorable, responsible, and respectful manner reflective of our corporate vision and values.

1.3. Mission

Delta Lubricants & Greases Tanzania Limited's mission is to manufacture and sell high quality lubricants products to satisfy customer needs and constantly thrive to conduct business in a transparent, trustworthy, and safe manner through teamwork, integrity, and innovation.

1.4. Products and Services

Delta Lubricants & Greases Tanzania Limited manufacture range of lubricants of services for its clients among others are:-

- Heavy Duty Diesel Oil
- Passenger Vehicle motor Oil
- Automotive Transmission and gear Oil
- Industrial Hydraulic Oil
- Industrial Gear Oil
- Greases
- Specialty Products

“Delta Lubricants & Greases Tanzania Limited technical division offers a variety of services for its clients, including:”

- Consultation on lubricants and lubrication 24/7.
- In-house advanced technical training conducted by top certified engineers.
- Plant/Site lubrication surveys and lubrication chart development.
- Site technical troubleshooting.
- Interpretation of used oil analysis

This document has been prepared to serve as a Feasibility Study for Delta Lubricants & Greases Tanzania Limited with a purpose of the following goals:

- To facilitate action plans on establishment of lubricants blending facility and greasing manufacturing plant.
- To facilitate the application for Tanzania Investment Centre (TIC) Certificate of Incentives to access exemptions on duties, VAT deferments and other benefits and protections as statutorily provided for under Tanzania Investment Act (2021) for the Project.
- Second is to determine the viability of the proposed project.

The proposed project is estimated to cost about USD 3,077,110.33 over a period of five years. Out of this 1,000,000 USD is estimated to be value of the land and building. The sum of 1,783,833.7 USD is anticipated on Plant and Machinery whereas the sum of a total of 293,276.63\$ is made to be provision for working capital. The project promoters are planning to finance the project cost with 5% Owners’ Equity Contribution and 95% will be a loan from financial institutions.

1.5. PROJECT PROMOTERS

Delta Lubricants & Greases Tanzania Limited is founded and owned by the following Entities from Mauritius with diverse business in Mauritius and India:

NAME OF DIRECTORS	NATIONALITY	NUMBER OF SHARES %
Delta Corp (Mauritius) Limited	Mauritius	99
Delta Energies (Mauritius) Limited	Mauritius	1

1.6. LOCATION

The registered office is located at Mbagala Industrial Area, Dar es Salaam. The project is located few Kilometers from Dar es Salaam Ports which has reduced logistics cost. The site has spacious area which accommodate this proposed project.

1.7. TARGET MARKET

The project target markets will include all users of the following products in EAC countries and SADC countries.

- Heavy Duty Diesel Oil
- Passenger Vehicle motor Oil
- Automotive Transmission and gear Oil
- Industrial Hydraulic Oil
- Industrial Gear Oil
- Greases

1.8. PROJECT INVESTMENT PLAN

The project promoters will build a lubricant blending plant with production capacity of 15,000MT per Annum blending and filling of various lubricants with ultra-modern in-house laboratory facility in compliance with various international and local regulatory authorities. Planned activities that will be undertaken to this business project include:-

- The project is expected to produce finished products of varying grades & approved standards of Engine Oils (Diesel & Petrol) and Automotive & Industrial Greases.
- The Services will include Toll Blending and decanting/refilling for major customers.
- The major raw materials to be used will be various grades of base oils and additives and other chemicals.

- The markets for finished products will be tapped through setting up distribution network in major geographies through stockiest/wholesaler/distributor and directly through retailers.
- Raw Materials' availability will be arranged locally either through intermediary or directly via importing.
- Finished Products will be locally produced in Tanzania.
- Major raw materials will also be imported to Tanzania.
- Packing materials will be procured locally.

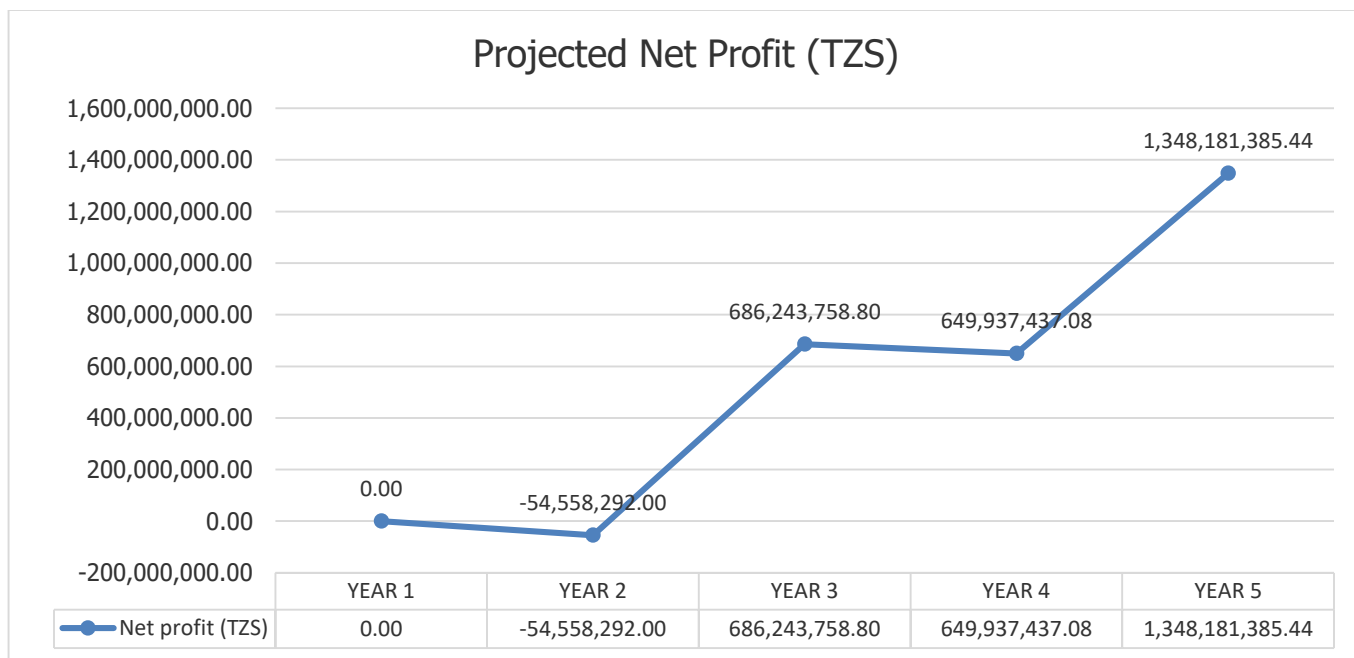
Capital investment plan is shown here below:-

INVESTMENT COST STRUCTURE	USD	TZS
Current assets		
Working capital	193,276.63	512,183,070
Opening inventory	100,000.00	265,000,000
Sub Total	293,276.63	777,183,070
Property and equipment		-
Land	200,000.00	530,000,000
Building	800,000.00	2,120,000,000
Equipment	183,833.70	487,159,305
Furniture and fixtures	10,000.00	26,500,000
Plant	1,600,000.00	4,240,000,000
Motor Vehicles	33,961.53	89,998,055
Sub Total	2,827,795.23	7,493,657,360
Total assets	3,121,071.86	8,270,840,429
		-
Financing	\$	
Long-term liabilities		-
Long-term loan	3,000,000.00	7,950,000,000
		-
Owner's equity		-
Cash	121,072.86	320,843,079
Total	3,121,072.86	8,270,843,079

1.9. PROFITABILITY

The projected profits and income taxes are shown in the table below:

Planning years	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Net profit	0.00	-54,558,292.00	686,243,758.80	649,937,437.08	1,348,181,385.44



PART II

2. PROJECT CONCEPT AND PROJECT RATIONALE

2.1. LUBRICANT INDUSTRY

In 2021, a total of 55.52 million liters of lubricants entered the Tanzanian market. Whereas 85% was blended locally and 15% was imported. In comparison, a total of 51.77 million liters of lubricants entered the Tanzanian market in 2020, of which 84% was locally blended and 16% imported.

The lubricants business in Tanzania; play a crucial role in maintaining the smooth functioning of machinery and vehicles, which are vital for the growth of the industrial and transportation sectors in Tanzania. The lubricants market in Tanzania is growing, with a projected growth rate of 3-4% annually. The major players in the Tanzanian lubricants market are international oil companies such as Total, Mobil, and Castrol, as well as local players such as Tanzania Petroleum Development Corporation (TPDC). Lubricants are mainly distributed through a network of dealers and distributors, as well as directly to end-users such as industrial and automotive customers. The market in Tanzania is regulated by the government through the Energy and Water Utilities Regulatory Authority (EWURA). The registered lubricants blending companies include:-

- i. Oryx Service and Specialties Ltd
- ii. Total (T) Ltd
- iii. Mineral Oil Ltd
- iv. General Petroleum Ltd
- v. Lake Lubes Ltd and Mogas (T) Ltd
- vi. Mogas (T) Ltd

The lubricants market is estimated to have accounted for USD 144.45 Billion in 2015 and is projected to reach USD 166.59 Billion by 2021, registering a CAGR of 2.4% between 2016 and 2021. In 2015 was considered as the base year and forecast period is between 2016 and 2021. The global lubricants market has been segmented on the basis of type, application, and region. Transportation is expected to play a key role in fueling the growth of the overall lubricants market, owing to the increased number of on road vehicles. It accounted for the largest market

share in the global lubricants market in 2015. However, the industrial machinery & equipment is projected to be the fastest-growing application between 2016 and 2021. Mineral oil lubricants are the major type of lubricants owing to its low cost and easy availability.

In Tanzania all Manufactures of blended lubricants do import Base oil from UAE and Pakistan. Thereafter base oil is processed by adding chemical lubes additives depend on the use of the lubricants. Currently Energy and Water Utilities Regulatory Authority (EWURA) has issued 8 lubricant license, Storage license 1,

2.2. RATIONALE OF THE PROJECT

Delta Lubricants & Greases Tanzania Limited has decided aggressively to invest into this project of establishing lubricants and grease manufacturing plant, the Company has been impressed by the Government of Tanzania's realization of the important role played by the private sector in investment in the country's economic and social development especially on job creation and improvement of lively hood of Tanzania Community.

2.3. SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The proposed project will result into the following social and economic impacts:

- Increase the provision of high-quality distribution lubricants products.
- The project will provide employment for more than 100 people being direct employment.
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by Lake lubes Limited

2.4. TECHNICAL IMPLEMENTATION OF THE PROJECT

The implementations of this project with involve the following.

- Construction of bulk storage facility for Base oil products, with holding capacity of 15,000 MT/Annual. The Base Oil Tanks will be serviced with all required infrastructure from receiving ship area.
- Installation of lubricants blending plant
- Installation of lubricants automated packaging and labelling plant
- Installation of Standby generator
- Equipping the project with all necessary facilities such as security facilities, utility vehicles, etc

PART III

3. MARKETING INFORMATION

Alongside its stellar oil products consumption growth rate of roughly 6.2% per year on average over the past decade, East Africa (Kenya, Uganda, Tanzania, Rwanda and Burundi), is also home to a liberalized and vibrant lubricants market that has attracted myriad brands from multinational, Middle Eastern and indigenous lubricant operators. Formal estimates put the annual market size at roughly 80,000 mt, however industry sources suggest that lubricant volumes are in fact around 30% higher. Regional demand is concentrated among larger and coastal economies of Kenya and Tanzania, while nearly two-thirds of total sales take place in the automotive sector.

However lubricant quality remains very low in relation to global standards and the American Petroleum Institute's latest engine oil specifications. This is particularly true at retail level where price plays a major role in the choice of a lubricant; there are roughly 30 lubricant brands sold in the region and vehicles are mostly aged. The region has thus seen an increase in lubricants produced from recycled base oils as market operators without reputable brands target and exploit retail clients' price sensitivity as well as the old vehicle fleet.

In 2015, Tanzania's net refined fuels imports totaled 56,000 barrels per day (b/d). We forecast a strong rise in net fuels imports, reaching 112,000b/d by 2025. Tanzania also re-exports a significant portion of fuels around 30,000b/d - largely to Malawi, Kenya, Rwanda, Burundi, the Democratic Republic of the Congo and Zambia.

All refined fuels are imported via the bulk procurement system (BPS). Under the BPS, the Petroleum Importation Coordinator (PIC) collates orders from the various oil marketing companies (OMCs) and issues a monthly bulk tender, awarded by competitive bidding process. According to the PIC, cargoes are delivered on a cost, insurance and freight (CIF) or delivered at place (DAP) basis.

The port at Dar es Salaam is the main entry point for fuels and lubricants, accounting for around 99% of all imports in 2014, with the remainder transiting the Sirari border. In 2012, the Tanzania Port Authority replaced the aging oil terminal at the Dar es Salaam port with a Single Point Mooring (SPM) system. The SPM has capacity to accept larger vessels, of up to 150,000 deadweight tonnes (DWT), and has eased tanker congestion at the port. The government has also been extending domestic storage capacity, including an additional 100,000 cubic metres at the mothballed TIPER refinery in Dar es Salaam.

3.1. TARGET MARKET

Base oil depots facilities which will be constructed in at Kigamboni will be providing a reliable supply of production inputs to the lubricants blending plants. The project target markets will include all users of the following products in EAC countries and SADC countries.

- Heavy Duty Diesel Oil
 - Passenger Vehicle motor Oil
 - Automotive Transmission and gear Oil
 - Industrial Hydraulic Oil
 - Industrial Gear Oil
 - Greases

The Company will supply its products through its network of affiliates and commercial partners, which deploy smaller storage units and professional logistics networks, to ensure lubricants reach consumers and industries across the targeted clients. The advantage of this model is our ability to ensure both the reliability and quality of the products and services the company provides, in a region where the company knows that availability, quality and prices are key.

3.2. PRICING

The company is out to give its customer competitive pricing. The current existing prices differ from market to market depending on location of storage facilities. The pricing strategy will take care the ceiling and lead price decreed by EWURA.

3.3. SWOT ANALYSIS

3.3.1. STRENGTH

The strengths of Delta Lubricants & Greases Tanzania Limited are as follows:

- Sound and credible management and financial policies.
- All incredible determination and perseverance of the directors against immense odds.
- A fairly well skilled, committed and efficient labour force.
- A quality product of the proposed project

3.3.2. WEAKNESS

Shortcoming that might hold the company back from progress, the following rank highest:
Limited resources for marketing program which is quite expensive and demanding

3.3.3. OPPORTUNITIES

Lake lubes Limited is focused to take optimum possible advantage on the following:

- The introduction of investor friendly government policies including: -
- Market liberalization

- Lucrative investment incentive package
- Provision of land and on and off-site infrastructure.
- Duty exemption on capital goods
- A stable economic and political environment
- Heavy investments in infrastructural development in roads (all weather)
- Access to computers (tax free) and the international network – internet – in major towns and cities.

3.3.4. THREATS

These are many and profound and the most vicious to the company's wellbeing includes;

- Unfair competitive practices among stakeholders such as negative publicity and skilled manpower draining.
- There exists, albeit in small scale a threat of officialdom /bureaucracy.
- The taxation regime is rather intricate; there is still duplicity of taxes although the government is working to eliminate the anomaly, step by step.

PART IV

4. MANAGEMENT AND STAFF

To perform a professional job in this Project the company requires a team of skilled and well-motivated personnel.

- Staff with relevant and adequate skills and experience in logistics warehousing supervision capable of strategizing and operational sing growth and profit oriented marketing and operational plans and strategies. The local labour market has enough personnel with relevant skills and experience in the fields of marketing, operations and information technology; however, no effort will be spared in looking for requisite skills elsewhere including the international labour market.

- Motivation and retention scheme: Continuity being a vital element in any efficient operation, focus will be given to minimize frequent manpower turn over. In order to achieve this, an attractive incentive package will be part of the new project. The objective is to attract the best-qualified personnel to the company labour force and to retain them for a reasonable period of service in order to achieve continuity and harmony in the company's operations.

PART V

5. PROJECTED FINANCIAL STATEMENTS

PROJECTED PROFITABILITY STATEMENT						
Production Mix (Ltr)			2024	2025	2026	2027
Engine Oil	70%		630,000.00	1,008,000.00	1,470,000.00	1,680,000.00
Hydraulics	10%		90,000.00	144,000.00	210,000.00	240,000.00
Gear oil	10%		90,000.00	144,000.00	210,000.00	240,000.00
Grease	10%		90,000.00	144,000.00	210,000.00	240,000.00
Total		-	900,000.00	1,440,000.00	2,100,000.00	2,400,000.00
Cost/Ltr						
Engine Oil	4,000.00	-	2,520,000,000.00	4,233,600,000.00	6,482,700,000.00	7,779,240,000.00
Hydraulics	5,100.00	-	459,000,000.00	771,120,000.00	1,180,777,500.00	1,416,933,000.00
Gear oil	5,500.00	-	495,000,000.00	831,600,000.00	1,273,387,500.00	1,528,065,000.00
Grease/Kg	6,400.00	-	576,000,000.00	967,680,000.00	1,481,760,000.00	1,778,112,000.00
Total		-	4,050,000,000.00	6,804,000,000.00	10,418,625,000.00	12,502,350,000.00
Price/Ltr/Kg						
Engine Oil	5,700.00	-	3,591,000,000.00	6,147,792,000.00	8,965,530,000.00	10,963,562,400.00
Hydraulics	5,600.00	-	504,000,000.00	862,848,000.00	1,258,320,000.00	1,538,745,600.00
Gear oil	6,000.00	-	540,000,000.00	924,480,000.00	1,348,200,000.00	1,648,656,000.00
Grease/Kg	6,900.00	-	621,000,000.00	1,063,152,000.00	1,550,430,000.00	1,895,954,400.00
Total		-	5,256,000,000.00	8,998,272,000.00	13,122,480,000.00	16,046,918,400.00
Gross Profit		-	1,206,000,000.00	2,194,272,000.00	2,703,855,000.00	3,544,568,400.00

OPERATING COSTS:		2024	2025	2026	2027
Manpower Cost					
Overseas		299,520,000.	348,480,000.	529,516,800.	622,638,720.
Local Salary		177,012,000.	194,713,200.	239,384,520.	263,322,972.
NSSF Contribution		17,701,200.	19,471,320.	23,938,452.	26,332,297.20
SDL@3.5%		6,195,420.	6,814,962.	9,575,380.80	10,532,918.88
WCF@0.6%		1,062,072.	1,168,279.20	1,436,307.12	1,579,937.83
Wages		24,000,000.	26,400,000.	36,000,000.	36,000,000.
Permit Cost		39,390,000.		69,600,000.	
Overseas Travelling		10,400,000.	12,100,000.	11,600,000.	12,400,000.
Sub-Total	-	575,280,692.	609,147,761.20	921,051,459.92	972,806,845.91
Residence Expenses					
Residential Rent		62,400,000.	65,520,000.	108,108,000.	113,513,400.
Electricity @ Residences		6,240,000.	6,552,000.	10,810,800.	11,351,340.
Internet / Sat TV @ Residences		3,120,000.	3,276,000.	5,405,400.	5,675,670.
Extra Parking		840,000.	882,000.	1,940,400.	2,037,420.
Sub-Total	-	72,600,000.	76,230,000.	126,264,600.	132,577,830.
Premises Expenses					
Office Rent		-	-	60,000,000.	60,000,000.
Security Expenses - @Mbagala		39,324,000.	41,290,200.	45,419,220.	47,690,181.
@Filling Stations		-	-	-	-
@Office		-	-	21,696,000.	22,780,800.
Electricity Bill		60,000,000.	63,000,000.	72,000,000.	78,000,000.
Sanitation Fees		1,200,000.	1,260,000.	1,386,000.	1,455,300.
Water		1,500,000.	1,575,000.	1,819,125.	2,206,143.84
Sub-Total	-	102,024,000.	107,125,200.	202,320,345.	212,132,424.84
Insurance:					
Fire & Theft		41,650,000.	41,650,000.	57,000,000.	60,000,000.
Medical		17,000,000.	18,700,000.	20,570,000.	20,570,000.
Vehicles		6,000,000.	6,000,000.	7,000,000.	7,000,000.
Marine		6,240,000.	12,512,500.	20,300,000.	26,040,000.
Sub-Total	-	70,890,000.	78,862,500.	104,870,000.	113,610,000.

Communication Expenses		2024	2025	2026	2027
Mobile		6,000,000.00	7,200,000.00	12,000,000.00	14,400,000.00
Broadband @ Mbagala		8,283,600.00	8,697,780.00	9,567,558.00	10,524,313.80
Broadband @Office		-	-	8,283,600.00	8,283,600.00
Sub-Total	-	14,283,600.00	15,897,780.00	29,851,158.00	33,207,913.80
Repairs & Maintenance					
Plant & Machinery		46,800,000.00	52,800,000.00	52,200,000.00	55,800,000.00
Office Building		4,680,000.00	4,950,000.00	6,960,000.00	5,592,000.00
Vehicles		15,600,000.00	15,600,000.00	26,100,000.00	20,970,000.00
Tank Caliberation & Cleaning		30,000,000.00			30,000,000.00
Sub-Total	-	97,080,000.00	73,350,000.00	85,260,000.00	112,362,000.00
Regulatory Levies					
BRELA		2,400,000.00	2,400,000.00	2,400,000.00	2,400,000.00
TBS		12,000,000.00	12,000,000.00	12,000,000.00	12,000,000.00
EWURA - Lubricant Wholesale			200,000,000.00		
Fire & Safety		4,200,000.00	4,200,000.00	5,000,000.00	5,000,000.00
OSHA		6,400,000.00	6,400,000.00	8,000,000.00	8,000,000.00
EIA Impact Assessment		10,500,000.00	10,500,000.00	10,500,000.00	10,500,000.00
Sub-Total	-	35,500,000.00	235,500,000.00	37,900,000.00	37,900,000.00
Administrative Overhead					
Office Expenses		15,000,000.00	15,750,000.00	17,000,000.00	20,000,000.00
Factory Canteen		14,400,000.00	15,120,000.00	14,400,000.00	14,400,000.00
Consultancy Charges		18,000,000.00	18,900,000.00	18,000,000.00	18,000,000.00
Audit Fees		23,300,000.00	24,465,000.00	43,500,000.00	34,950,000.00
Fuel & Conveyance		36,000,000.00	37,800,000.00	36,000,000.00	36,000,000.00
Printing & Stationery		3,600,000.00	3,780,000.00	4,800,000.00	6,000,000.00
Bank Charges		6,000,000.00	6,300,000.00	9,600,000.00	12,000,000.00
Sub-Total	-	116,300,000.00	122,115,000.00	143,300,000.00	141,350,000.00

Marketing & Distribution Expenses:		2024	2025	2026	2027
Salary (DSM)		24,000,000.00	26,400,000.00	64,800,000.00	71,280,000.00
Transportation (DSM)		15,600,000.00	17,160,000.00	45,500,000.00	52,000,000.00
Communication (DSM)		1,200,000.00	1,440,000.00	4,200,000.00	4,800,000.00
Per Diem (DSM)		1,300,000.00	1,300,000.00	3,250,000.00	3,250,000.00
Stationery & Misc.		1,200,000.00	1,200,000.00	3,000,000.00	3,000,000.00
Salary (Upcountry)		24,000,000.00	24,000,000.00	60,000,000.00	60,000,000.00
Transportation (Upcountry)		15,600,000.00	15,600,000.00	39,000,000.00	39,000,000.00
Communication (Upcountry)		1,200,000.00	1,200,000.00	3,000,000.00	3,000,000.00
Per Diem (Upcountry)		1,300,000.00	1,300,000.00	3,250,000.00	3,250,000.00
Stationery & Misc. (Upcountry)		1,200,000.00	1,200,000.00	3,000,000.00	3,000,000.00
Salary (Kenya)		-	-	18,000,000.00	18,000,000.00
Transportation (Kenya)		-	-	7,800,000.00	7,800,000.00
Communication (Kenya)		-	-	600,000.00	600,000.00
Per Diem (Kenya)		-	-	650,000.00	650,000.00
Stationery & Misc. (Kenya)		-	-	600,000.00	600,000.00
Salary (Uganda)		-	-	18,000,000.00	18,000,000.00
Transportation (Uganda)		-	-	7,800,000.00	7,800,000.00
Communication (Uganda)		-	-	600,000.00	600,000.00
Per Diem (Uganda)		-	-	650,000.00	650,000.00
Stationery & Misc. (Uganda)		-	-	600,000.00	600,000.00
PROMOTION/INCENTIVES		90,000,000.00	99,000,000.00	118,800,000.00	142,560,000.00
Sub-Total	-	176,600,000.00	189,800,000.00	403,100,000.00	440,440,000.00
Operating Expenses	-	1,260,558,292.00	1,508,028,241.20	2,053,917,562.92	2,196,387,014.56
EBITDA	-	54,558,292.00	686,243,758.80	649,937,437.08	1,348,181,385.44

		2024	2025	2026	2027
Interest on WC Loan		57,188,942.31	154,317,565.38	241,756,052.16	640,109,967.98
Interest on Term Loan		41,430,860.63	56,047,175.25	49,878,925.50	34,100,301.00
Total Financial Cost		98,619,802.93	210,364,740.63	291,634,977.66	674,210,268.98
EBDT	-	153,178,094.93	475,879,018.17	358,302,459.42	673,971,116.46
Depreciation and Amortization Costs		520,841,312.51	555,698,062.51	565,528,125.01	565,528,125.01
PBT	-	674,019,407.45	79,819,044.35	207,225,665.60	108,442,991.45
PROJECTED CAPEX STATEMENT					
		2024	2025	2026	2027
CAPEX					
Vehicles (Sale Staff)		48,000,000.00	48,000,000.00	36,000,000.00	
Fork Lift (Repair)		7,000,000.00			
Fork Lift (New)			72,000,000.00		
Delivery Vehicle		12,000,000.00			
Laptops		8,155,000.00	6,524,000.00	4,893,000.00	
Printers/Powerbank		2,912,500.00	2,330,000.00	1,747,500.00	
Generator		20,000,000.00			
Pumps		40,000,000.00			
Major Repair/Refurbishment		116,500,000.00			
Furniture & Fixture			30,000,000.00		
Total CAPEX	-	254,567,500.00	158,854,000.00	42,640,500.00	-

PROJECTED WORKING CAPITAL STATEMENT						
		2023	2024	2025	2026	2027
Working Capital Requirement:						
Debtors	30days		438,000,000.00	749,856,000.00	1,093,540,000.00	1,337,243,200.00
Inventory-RM	30 days	1,206,000,000.00	337,500,000.00	567,000,000.00	868,218,750.00	1,041,862,500.00
Inventory-FG	10 days		129,807,692.31	218,076,923.08	333,930,288.46	400,716,346.15
Inventory-WIP	2day		25,961,538.46	43,615,384.62	66,786,057.69	80,143,269.23
GROSS WC		1,206,000,000.00	931,269,230.77	1,578,548,307.69	2,362,475,096.15	2,859,965,315.38
Vendors	15 days	30,300,000.00	168,750,000.00	283,500,000.00	434,109,375.00	520,931,250.00
NET WC	TSh	1,175,700,000.00	762,519,230.77	1,295,048,307.69	1,928,365,721.15	2,339,034,065.38
	USD (\$)	470,280.00	293,276.63	498,095.50	741,679.12	899,628.49
STATEMENT OF INITIAL INVESTMENT		2023	2024	2025	2026	2027
Initial Investment:	Valuation					
Buildings	1,225,336,770.00	869,130,936.45				
Land	1,760,000,000.00	1,248,367,375.89				
Plant & Machinery	4,754,335,251.76	3,372,248,308.15				
Motor Vehicles	8,300,000.00	62,631,158.69				
Battery CWIP	77,967,560.00	339,022,220.82				
	8,305,939,581.76	5,891,400,000.00				
Inventory	450,000,000.00	450,000,000.00				
	8,755,939,581.76	6,341,400,000.00				
Price Paid	6,341,400,000.00					
Related Party Accounts/Equity	6,341,400,000.00					
Bank Borrowing @ 15% p.a.	Overdraw Facility		762,519,230.77	1,295,048,307.69	1,928,365,721.15	2,339,034,065.38
	Term Loan (Repayable over 5 years)		254,567,500.00	158,854,000.00	42,640,500.00	-

PROJECTED CASHFLOW STATEMENT					
	2023	2024	2025	2026	2027
Cash from Operating Activities:					
Cash Profit	- 290,000,000.00	153,178,094.93	475,879,018.17	358,302,459.42	673,971,116.46
WC Adjustment	- 1,175,700,000.00	413,180,769.23	- 532,529,076.92	- 633,317,413.46	- 410,668,344.23
Cash from Operations:	- 1,465,700,000.00	260,002,674.30	- 56,650,058.76	- 275,014,954.05	263,302,772.23
Cash from Financing Activities:					
Related Party Loans	7,373,820,113.62	-	-	-	-
Term Loan	-	254,567,500.00	158,854,000.00	42,640,500.00	-
WC Loan	-	762,519,230.77	532,529,076.92	633,317,413.46	410,668,344.23
Repayment of Term Loan	-	- 50,913,500.00	- 82,684,300.00	- 91,212,400.00	- 91,212,400.00
Cash from Financing Activities:	7,373,820,113.62	966,173,230.77	608,698,776.92	584,745,513.46	319,455,944.23
Cash from Investment Activities:					
Capex	- 5,891,400,000.00	- 254,567,500.00	- 158,854,000.00	- 42,640,500.00	-
Cash from Investing Activities:	- 5,891,400,000.00	- 254,567,500.00	- 158,854,000.00	- 42,640,500.00	-
Net Cash Flow	16,720,113.62	971,608,405.07	393,194,718.17	267,090,059.42	582,758,716.46
Opening Balance	-	16,720,113.62	988,328,518.69	1,381,523,236.85	1,648,613,296.27
Closing Balance	16,720,113.62	988,328,518.69	1,381,523,236.85	1,648,613,296.27	2,231,372,012.73

PROJECTED STATEMENT OF FINANCIAL POSITION					
Assets	2023	2024	2025	2026	2027
Plant Property & Equipments	5,891,400,000.00	5,625,126,187.49	5,228,282,124.97	4,705,394,499.96	4,139,866,374.95
Net Current Assets:					
Debtors		438,000,000.00	749,856,000.00	1,093,540,000.00	1,337,243,200.00
Inventory	1,206,000,000.00	493,269,230.77	828,692,307.69	1,268,935,096.15	1,522,722,115.38
Cash & Bank	16,720,113.62	988,328,518.69	1,381,523,236.85	1,648,613,296.27	2,231,372,012.73
Total	1,222,720,113.62	1,919,597,749.46	2,960,071,544.55	4,011,088,392.42	5,091,337,328.12
Creditors	30,300,000.00	168,750,000.00	283,500,000.00	434,109,375.00	520,931,250.00
Net Current Assets:	1,192,420,113.62	1,750,847,749.46	2,676,571,544.55	3,576,979,017.42	4,570,406,078.12
Total Assets	7,083,820,113.62	7,375,973,936.94	7,904,853,669.52	8,282,373,517.38	8,710,272,453.06
Liabilities					
External Borrowing	0	966,173,230.77	1,574,872,007.69	2,159,617,521.15	2,479,073,465.38
Related Party Loan/Equity	7,373,820,113.62	7,373,820,113.62	7,373,820,113.62	7,373,820,113.62	7,373,820,113.62
Retained Earning/Loss c/fd	- 290,000,000.00	- 964,019,407.45	- 1,043,838,451.79	- 1,251,064,117.39	- 1,142,621,125.94
Total Liabilities	7,083,820,113.62	7,375,973,936.94	7,904,853,669.52	8,282,373,517.38	8,710,272,453.06
Quick Ratio (Cash+Receivable/Current Liabilities)	55%	153%	135%	116%	125%

Year-wise Monthly Volume:		
	2024	75,000.00
	2025	120,000.00
	2026	175,000.00
	2027	200,000.00

Base Cost/Ltr/Kg	
Engine Oil	4,000.00
Hydraulics	5,058.92
Gear oil	5,500.00
Grease/Kg	6,422.18
Base Price/Ltr/Kg	
Engine Oil	5,700.00
Hydraulics	5,600.00
Gear oil	6,000.00
Grease/Kg	6,900.00
Sales Price increases COGS increases	7% p.a. after 2025 5% p.a. after 2025
Salary review from the year 2025 @ 10%	
Manpower Cost reflect one more position in Production & Planning from 2026	
All regulatory levies are estimated from the latest cost incurred	
Interest on WC Loan - Overdraft @15% p.a. Interest on Term Loan - 18% p.a.	
Average USD Rate -	TZS 2600
	2750
	2900
	3100
Working Capital Assumptions: Debtors	30days
Inventory-RM Inventory-FG Inventory-WIP Vendors	30 days 10 days 2day 15 days

Interest & Loan Repayment Schedule:

	2023	2024	2025	2026	2027	2028	2029	2030 Total
Interest		- 41,430,860.63	- 56,047,175.25	- 49,878,925.50	- 34,100,301.00	- 17,682,069.00	- 5,464,200.75	- 831,489.75 - 205,435,021.88
Term Loan Repayment		- 50,913,500.00	- 82,684,300.00	- 91,212,400.00	- 91,212,400.00	- 91,212,400.00	- 40,298,900.00	- 8,528,100.00 - 456,062,000.00
Total Cash Flow		- 92,344,360.63	- 138,731,475.25	- 141,091,325.50	- 125,312,701.00	- 108,894,469.00	- 45,763,100.75	- 9,359,589.75 - 661,497,021.88

2023	- 254,567,500.00	Loan b/fd	Interest@18%p.a	Repayment	Total Repayment	Loan c/fd	
2024	1.00		- 3,818,512.50	- 4,242,791.67	- 8,061,304.17	- 250,324,708.33	
2024	2.00	- 250,324,708.33	- 3,754,870.63	- 4,242,791.67	- 7,997,662.29	- 246,081,916.67	
2024	3.00	- 246,081,916.67	- 3,691,228.75	- 4,242,791.67	- 7,934,020.42	- 241,839,125.00	
2024	4.00	- 241,839,125.00	- 3,627,586.88	- 4,242,791.67	- 7,870,378.54	- 237,596,333.33	
2024	5.00	- 237,596,333.33	- 3,563,945.00	- 4,242,791.67	- 7,806,736.67	- 233,353,541.67	
2024	6.00	- 233,353,541.67	- 3,500,303.13	- 4,242,791.67	- 7,743,094.79	- 229,110,750.00	
2024	7.00	- 229,110,750.00	- 3,436,661.25	- 4,242,791.67	- 7,679,452.92	- 224,867,958.33	
2024	8.00	- 224,867,958.33	- 3,373,019.38	- 4,242,791.67	- 7,615,811.04	- 220,625,166.67	
2024	9.00	- 220,625,166.67	- 3,311,451.88	- 4,242,791.67	- 7,561,243.54	- 216,382,375.00	
2024	10.00	- 216,382,375.00	- 3,245,735.63	- 4,242,791.67	- 7,488,527.29	- 212,139,583.33	
2024	11.00	- 212,139,583.33	- 3,182,093.75	- 4,242,791.67	- 7,424,885.42	- 207,896,791.67	
2024	12.00	- 207,896,791.67	- 3,118,451.88	- 4,242,791.67	- 7,361,243.54	- 203,654,000.00	
2025	13.00	- 158,854,000.00	- 203,654,000.00	- 3,054,810.00	- 6,890,358.33	- 9,945,168.33	- 355,617,641.67
2025	14.00		- 355,617,641.67	- 5,334,264.63	- 6,890,358.33	- 12,224,622.96	- 348,727,283.33
2025	15.00		- 348,727,283.33	- 5,230,909.25	- 6,890,358.33	- 12,121,267.58	- 341,836,925.00
2025	16.00		- 341,836,925.00	- 5,127,553.88	- 6,890,358.33	- 12,017,912.21	- 334,946,566.67
2025	17.00		- 334,946,566.67	- 5,024,198.50	- 6,890,358.33	- 11,914,556.83	- 328,056,208.33
2025	18.00		- 328,056,208.33	- 4,920,843.13	- 6,890,358.33	- 11,811,201.46	- 321,165,850.00
2025	19.00		- 321,165,850.00	- 4,817,487.75	- 6,890,358.33	- 11,707,846.08	- 314,275,491.67
2025	20.00		- 314,275,491.67	- 4,714,132.38	- 6,890,358.33	- 11,604,490.71	- 307,385,133.33
2025	21.00		- 307,385,133.33	- 4,610,777.00	- 6,890,358.33	- 11,501,135.33	- 300,494,775.00
2025	22.00		- 300,494,775.00	- 4,507,421.63	- 6,890,358.33	- 11,397,779.96	- 293,604,416.67
2025	23.00		- 293,604,416.67	- 4,404,066.25	- 6,890,358.33	- 11,294,424.58	- 286,714,058.33
2025	24.00		- 286,714,058.33	- 4,300,710.88	- 6,890,358.33	- 11,191,069.21	- 279,823,700.00
2026	25.00	- 42,640,500.00	- 279,823,700.00	- 4,197,355.50	- 7,601,033.33	- 11,798,388.83	- 314,863,166.67
2026	26.00		- 314,863,166.67	- 4,722,947.50	- 7,601,033.33	- 12,323,980.83	- 307,262,133.33

Interest & Loan Repayment Schedule:

2026	27.00	- 307,262,133.33	- 4,608,932.00	- 7,601,033.33	- 12,209,965.33	- 299,661,100.00
2026	28.00	- 299,661,100.00	- 4,494,916.50	- 7,601,033.33	- 12,095,949.83	- 292,060,066.67
2026	29.00	- 292,060,066.67	- 4,380,901.00	- 7,601,033.33	- 11,981,934.33	- 284,459,033.33
2026	30.00	- 284,459,033.33	- 4,266,885.50	- 7,601,033.33	- 11,867,918.83	- 276,858,000.00
2026	31.00	- 276,858,000.00	- 4,152,870.00	- 7,601,033.33	- 11,753,903.33	- 269,256,966.67
2026	32.00	- 269,256,966.67	- 4,038,854.50	- 7,601,033.33	- 11,639,887.83	- 261,655,933.33
2026	33.00	- 261,655,933.33	- 3,924,839.00	- 7,601,033.33	- 11,525,872.33	- 254,054,900.00
2026	34.00	- 254,054,900.00	- 3,810,823.50	- 7,601,033.33	- 11,411,856.83	- 246,453,866.67
2026	35.00	- 246,453,866.67	- 3,696,808.00	- 7,601,033.33	- 11,297,841.33	- 238,852,833.33
2026	36.00	- 238,852,833.33	- 3,582,792.50	- 7,601,033.33	- 11,183,825.83	- 231,251,800.00
2027	37.00	- 231,251,800.00	- 3,468,777.00	- 7,601,033.33	- 11,069,810.33	- 223,650,766.67
2027	38.00	- 223,650,766.67	- 3,354,761.50	- 7,601,033.33	- 10,955,794.83	- 216,049,733.33
2027	39.00	- 216,049,733.33	- 3,240,746.00	- 7,601,033.33	- 10,841,779.33	- 208,448,700.00
2027	40.00	- 208,448,700.00	- 3,126,730.50	- 7,601,033.33	- 10,727,763.83	- 200,847,666.67
2027	41.00	- 200,847,666.67	- 3,012,715.00	- 7,601,033.33	- 10,613,748.33	- 193,246,633.33
2027	42.00	- 193,246,633.33	- 2,898,699.50	- 7,601,033.33	- 10,499,732.83	- 185,645,600.00
2027	43.00	- 185,645,600.00	- 2,784,684.00	- 7,601,033.33	- 10,385,717.33	- 178,044,566.67
2027	44.00	- 178,044,566.67	- 2,670,668.50	- 7,601,033.33	- 10,271,701.83	- 170,443,533.33
2027	45.00	- 170,443,533.33	- 2,556,653.00	- 7,601,033.33	- 10,157,686.33	- 162,842,500.00
2027	46.00	- 162,842,500.00	- 2,442,637.50	- 7,601,033.33	- 10,043,670.83	- 155,241,466.67
2027	47.00	- 155,241,466.67	- 2,328,622.00	- 7,601,033.33	- 9,929,655.33	- 147,640,433.33
2027	48.00	- 147,640,433.33	- 2,214,606.50	- 7,601,033.33	- 9,815,639.83	- 140,039,400.00
2028	49.00	- 140,039,400.00	- 2,100,591.00	- 7,601,033.33	- 9,701,624.33	- 132,438,366.67
2028	50.00	- 132,438,366.67	- 1,986,575.50	- 7,601,033.33	- 9,587,608.83	- 124,837,333.33
2028	51.00	- 124,837,333.33	- 1,872,560.00	- 7,601,033.33	- 9,473,593.33	- 117,236,300.00
2028	52.00	- 117,236,300.00	- 1,758,544.50	- 7,601,033.33	- 9,359,577.83	- 109,635,266.67
2028	53.00	- 109,635,266.67	- 1,644,529.00	- 7,601,033.33	- 9,245,562.33	- 102,034,233.33
2028	54.00	- 102,034,233.33	- 1,530,513.50	- 7,601,033.33	- 9,131,546.83	- 94,433,200.00
2028	55.00	- 94,433,200.00	- 1,416,498.00	- 7,601,033.33	- 9,017,531.33	- 86,832,166.67
2028	56.00	- 86,832,166.67	- 1,302,482.50	- 7,601,033.33	- 8,903,515.83	- 79,231,133.33
2028	57.00	- 79,231,133.33	- 1,188,467.00	- 7,601,033.33	- 8,789,500.33	- 71,630,100.00
2028	58.00	- 71,630,100.00	- 1,074,451.50	- 7,601,033.33	- 8,675,484.83	- 64,029,066.67

Interest & Loan Repayment Schedule:

2028	59.00	-	64,029,066.67	-	960,436.00	-	7,601,033.33	-	8,561,469.33	-	56,428,033.33
2028	60.00	-	56,428,033.33	-	846,420.50	-	7,601,033.33	-	8,447,453.83	-	48,827,000.00
2029	61.00	-	48,827,000.00	-	732,405.00	-	3,358,241.67	-	4,090,646.67	-	45,468,758.33
2029	62.00	-	45,468,758.33	-	682,031.38	-	3,358,241.67	-	4,040,273.04	-	42,110,516.67
2029	63.00	-	42,110,516.67	-	631,657.75	-	3,358,241.67	-	3,989,899.42	-	38,752,275.00
2029	64.00	-	38,752,275.00	-	581,284.13	-	3,358,241.67	-	3,939,525.79	-	35,394,033.33
2029	65.00	-	35,394,033.33	-	530,910.50	-	3,358,241.67	-	3,889,152.17	-	32,035,791.67
2029	66.00	-	32,035,791.67	-	480,536.88	-	3,358,241.67	-	3,838,778.54	-	28,677,550.00
2029	67.00	-	28,677,550.00	-	430,163.25	-	3,358,241.67	-	3,788,404.92	-	25,319,308.33
2029	68.00	-	25,319,308.33	-	379,789.63	-	3,358,241.67	-	3,738,031.29	-	21,961,066.67
2029	69.00	-	21,961,066.67	-	329,416.00	-	3,358,241.67	-	3,687,657.67	-	18,602,825.00
2029	70.00	-	18,602,825.00	-	279,042.38	-	3,358,241.67	-	3,637,284.04	-	15,244,583.33
2029	71.00	-	15,244,583.33	-	228,668.75	-	3,358,241.67	-	3,586,910.42	-	11,886,341.67
2029	72.00	-	11,886,341.67	-	178,295.13	-	3,358,241.67	-	3,536,536.79	-	8,528,100.00
2030	73.00	-	8,528,100.00	-	127,921.50	-	710,675.00	-	838,596.50	-	7,817,425.00
2030	74.00	-	7,817,425.00	-	117,261.38	-	710,675.00	-	827,936.38	-	7,106,750.00
2030	75.00	-	7,106,750.00	-	106,601.25	-	710,675.00	-	817,276.25	-	6,396,075.00
2030	76.00	-	6,396,075.00	-	95,941.13	-	710,675.00	-	806,616.13	-	5,685,400.00
2030	77.00	-	5,685,400.00	-	85,281.00	-	710,675.00	-	795,956.00	-	4,974,725.00
2030	78.00	-	4,974,725.00	-	74,620.88	-	710,675.00	-	785,295.88	-	4,264,050.00
2030	79.00	-	4,264,050.00	-	63,960.75	-	710,675.00	-	774,635.75	-	3,553,375.00
2030	80.00	-	3,553,375.00	-	53,300.63	-	710,675.00	-	763,975.63	-	2,842,700.00
2030	81.00	-	2,842,700.00	-	42,640.50	-	710,675.00	-	753,315.50	-	2,132,025.00
2030	82.00	-	2,132,025.00	-	31,980.38	-	710,675.00	-	742,655.38	-	1,421,350.00
2030	83.00	-	1,421,350.00	-	21,320.25	-	710,675.00	-	731,995.25	-	710,675.00
2030	84.00	-	710,675.00	-	10,660.13	-	710,675.00	-	721,335.13	-	0.00
Interest on WC Loan	57,188,942.31		154,317,565.38		241,756,052.16		640,109,967.98				
Total Interest Cost	- 98,619,802.93		- 210,364,740.63		- 291,634,977.66		- 674,210,268.98				