OGTL Five-year Plan

Forecasts of Profit and Loss, Balance Sheet and assumptions for 2025 - 2029

ORYX ENERGIES

Part of AOG

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Executive summary

Business Overview

- **Vision**

“Oryx Gas Tanzania is committed to supply LPG to households and businesses of Tanzania. Oryx Gas Tanzania is aiming to contribute to the supply of at least one gas cylinder per Tanzanian dwelling over 10 years”

- **Mission**

“Oryx Gas Tanzania is supplying daily and safely, sustainable, affordable, portable and environmentally friendly LPG.”

- **Strategy**

“Until 2034, capturing profitable growth from branded sales segments and implementing clean cooking strategy nationwide”.

- **Summary**
  - Tanzania LPG market attractiveness / Market Size: 403KT import incl 202KT local sales / 3.0 Kg /y/cap.8 Kg/y/cap by 2034.
  - 84.8 M USD Capex needed 2025-2028, infrastructure (28.5 M USD) and cylinders (56.2M USD) to support growth strategy.
  - Proven track record since 2018 / Continuous branded sales development.

- **Business Environment**
  - Challenging yet conducive for the implementation of the above and below
  - Business opportunities in all segments.

Our Presence in Tanzania

MARKET LEADER IN LIQUEFIED PETROLEUM GAS (LPG)

- **LPG market entry** in 2001
- **Oryx Gas Tanzania Limited,** incorporated in 2006 with an initial investment of US$ 70 million, is safely supplying daily, sustainable, affordable, portable and environmental friendly LPG.
- **Tanzania Market leader** in LPG Supply and Distribution
- **Pioneering the implementation** of the Clean Cooking programme in Tanzania. Having invested in excess of US$ 3 million to convert more than 100,000 wood and charcoal users to LPG since 2022.

Key Assets:

LPG Terminals in Kigamboni and Mangapwani, 8 depots and LPG filling plants upcountry and Zanzibar.

The only cylinder revalidation plant in Tanzania with a capacity of 40,000 cylinders / month since 2021.

4.16 million LPG cylinders injected in the nation via 57 Distributors retailing through 15,000 retailers' points of sales.

Kigamboni

High-level infrastructure terminal, pipelines and filling facility

One sphere butane rated at 6,370 m^3 (i.e. 3,000 MT) rotating more than 3 times / month.

Two butane tanks rated at 200 m^3 each i.e. 190 MT total.

A 10 inch sub-sea pipeline connected from KOJ2 Kurasini to Kigamboni Plant offering a MAX flow rate at 170 tons / hour.

A stand-by 6 inch sub-sea pipeline connected from KOJ2 Kurasini to Kigamboni Plant allowing a MAX flow rate at 80 tons / hour.

A cylinder filling facility delivering 4,000 MT / month.

Strategic Financial Goals

Short-term (1-2yrs)

- Continue heavy investment in metals (cylinders) at least 480K to 500K cylinders a year
- Onboarding new consumer clients
- Continue improvement of consumer facilities
- Upgrades of our depots to increase capacity and HSSEQ compliance.

Long-term Goals

- Investment in 2nd sphere

Capex and working capital Financing

- Sphere will be financed exclusively by loan (11M USD)
- Additional working capital to 37bn TZS

SWOT – Overall Business

Opportunity

- Rapid market expansion fueled by clean cooking government agenda
- Government policies back up - public institution to use LPG for cooking and discourage biomass (Charcoal and wood)
- Low LPG penetration rate est. below 10%
- Dynamic economic growth estimated at 5.7% GDP
- Opportunity to expand SD and Dealers geographical coverage
- Room to develop strategic alliance with private and public stakeholders.
- Untapped market segment such as power generation, Autogas…..
- Population and urbanization growth in favor of LPG
- Increase awareness of the use of LPG as a cleaner energy.
- Zanzibar archipelago fast development.
- Technological development such as cylinder tracking, home deliveries, innovative applications, metered installation, “pole pole payment”…….
- New investments attracting LPG consumption.
- Talent management and development program.

Threat

- Tax policies; pressure from authorities, taxes on LPG appliances
- Aggressive increase in Interest rates currently amounting 14% Vs 10% in 2023.
- P&L damaged by forex losses increase.
- The gap between the product cost vs affordability is increasing.
- Illegal refiling and malpractices such as cross-filling.
- Substandard practices from some players.
- Employees union pressure - Increases in demand
- Increase on international logistics costs (Freight)
- Dependence to one LPG supplier
- Weak security of judiciary.
- Unpredictability of the policies.
- Mismatch between long term investment vs short term facilities.
- Possible regulator intervention impacting business profitability.

Project Plan and Financial Analysis

Project Team and Contractors

PROJECT AUDIT TEAM

Name	Position
Abele Emmanuel	Group Project Manager
Sidy Bane	East Africa Downstream Manager
Benoit Araman	Managing Director
Joseph Soka	Project Manager
Jean-Chartin Phillipe	Project Supervisor
Ashery Mbasha	Finance Manager

Contractors

PARESA

SALTA ENERGY

WCL

Project Duration 24 months

Project Plan and Financial Analysis

Project Cash Flow Generation

US$000	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
7. CASH FLOW STATEMENT																
Result before tax		99	7,623	8,599	12,084	15,628	19,238	23,209	27,578	32,385	37,672	43,034	49,641	52,554	55,555	59,014
Lease upfront payment 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lease upfront payment 2		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cylinder Deposit		(288)	(893)	(1,559)	(2,291)	(2,809)	(3,090)	(3,399)	(3,738)	(4,112)	(4,523)	(4,602)	(4,296)	(3,921)	(3,469)	(3,302)
Depreciation & Amortization	0	189	349	1,046	1,788	2,607	3,507	4,497	5,586	6,784	8,102	9,633	10,361	11,198	12,077	13,000
Cash flows from activities	0	0	7,079	8,087	11,581	15,426	19,655	24,308	29,426	35,057	41,251	48,065	55,706	59,831	64,163	68,712
Debtors	0	0	(35)	(28)	(30)	(33)	(37)	(40)	(44)	(49)	(54)	(59)	(65)	(36)	(37)	(39)
Debtors Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Stocks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Customs Duties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes on product	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Working Capital variance	0	0	(35)	(28)	(30)	(33)	(37)	(40)	(44)	(49)	(54)	(59)	(65)	(36)	(37)	(39)
Corporate Tax	0	(30)	(2,287)	(2,580)	(3,625)	(4,688)	(5,771)	(6,963)	(8,273)	(9,715)	(11,302)	(12,910)	(14,892)	(15,766)	(16,666)	(17,704)
Net cash flows from operating activities	0	(30)	4,757	5,479	7,926	10,704	13,847	17,305	21,108	25,293	29,896	35,096	40,749	44,029	47,460	50,969
Investments	(7,823)	(6,450)	(10,895)	(11,159)	(12,274)	(13,502)	(14,852)	(16,337)	(17,971)	(19,768)	(22,105)	(11,960)	(12,558)	(13,186)	(13,845)	(14,537)
Lease upfront payment 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lease upfront payment 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cylinders Deposit	0	1,153	2,421	2,663	2,929	3,222	3,544	3,899	4,289	4,717	5,189	4,213	3,065	3,218	3,379	3,548
Cash flows from investing activities	(7,823)	(5,297)	(8,474)	(8,496)	(9,345)	(10,280)	(11,308)	(12,439)	(13,682)	(15,051)	(16,916)	(7,747)	(9,493)	(9,968)	(10,466)	(10,989)
Exit value based on Enterprise Book Value	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	129,081
Exit value based on EBV and inflated Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	129,081
Exit value based on x EBITDA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	446,629
CF (Exit Value = Enterprise Book Value)	(7,823)	(5,327)	(3,717)	(3,016)	(1,420)	424	2,539	4,866	7,426	10,242	12,980	27,349	31,256	34,062	36,993	169,060
CF (Exit Value = EBV + inflated Land)	(7,823)	(5,327)	(3,717)	(3,016)	(1,420)	424	2,539	4,866	7,426	10,242	12,980	27,349	31,256	34,062	36,993	169,060
CF (Exit Value = x EBITDA)	(7,823)	(5,327)	(3,717)	(3,016)	(1,420)	424	2,539	4,866	7,426	10,242	12,980	27,349	31,256	34,062	36,993	486,608

IRR Project based on:		**- Enterprise book val**	**27.07%**
		- EBV + inflated Land	**27.07%**
		- x EBITDA	**31.76%**
NPV discounted @	**14.5%**	**based on: - Enterprise book val**	**40,103**
		- EBV + inflated Land	**40,103**
		- x EBITDA	**81,950**

Project Plan and Financial Analysis

Financial assessment and sensitivities

IRR SENSITIVITY

		VOLUMES -20%	-10%	-5%	0%	5%	10%
CAPEX	-10%	24.68%	27.53%	28.91%	30.28%	31.62%	32.94%
	-5%	23.21%	25.95%	27.29%	28.60%	29.90%	31.17%
	0%	21.86%	24.51%	25.80%	27.07%	28.32%	29.56%
	5%	20.64%	23.19%	24.43%	25.66%	26.87%	28.07%
	10%	19.51%	21.97%	23.18%	24.37%	25.54%	26.70%
	20%	17.52%	19.82%	20.95%	22.06%	23.16%	24.25%

NPV SENSITIVITY (USD'000)

		VOLUMES -20%	-10%	-5%	0%	5%	10%
CAPEX	-10%	28,619	37,294	41,632	45,970	50,307	54,645
	-5%	25,686	34,361	38,699	43,036	47,374	51,712
	0%	22,752	31,428	35,766	40,103	44,441	48,779
	5%	19,819	28,495	32,832	37,170	41,508	45,845
	10%	16,886	25,561	29,899	34,237	38,574	42,912
	20%	11,019	19,695	24,032	28,370	32,708	37,045

		VOLUMES -20%	-10%	-5%	0%	5%	10%
FIXED EXPENSES	-10%	21.89%	24.53%	25.82%	27.09%	28.35%	29.58%
	-5%	21.87%	24.52%	25.81%	27.08%	28.33%	29.57%
	0%	21.86%	24.51%	25.80%	27.07%	28.32%	29.56%
	5%	21.85%	24.50%	25.79%	27.06%	28.31%	29.54%
	10%	21.84%	24.48%	25.78%	27.05%	28.30%	29.53%
	20%	21.82%	24.46%	25.75%	27.02%	28.28%	29.51%

		VOLUMES -20%	-10%	-5%	0%	5%	10%
FIXED EXPENSES	-10%	22,816	31,491	35,829	40,167	44,504	48,842
	-5%	22,784	31,460	35,797	40,135	44,473	48,810
	0%	22,752	31,428	35,766	40,103	44,441	48,779
	5%	22,721	31,396	35,734	40,071	44,409	48,747
	10%	22,689	31,364	35,702	40,040	44,377	48,715
	20%	22,625	31,301	35,638	39,976	44,314	48,651

Financing	75% Debt / 25% Equity
Project Financial Projections	
IRR	27%
NPV (k$)	40,103

Five-year Plan

Five years' P&L projection

	Oryx Gas Tanzania Ltd						
TZS'000	Actual 2024	Forecast 2025	Budget 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029
Product volumes (MT)	101,270	102,512	107,832	117,045	131,689	148,443	154,381
Total revenue	**287,303,118**	**289,536,492**	**309,901,870**	**290,450,153**	**297,326,537**	**304,522,838**	**316,703,751**
Gross Profit	64,078,001	79,091,842	69,145,716	78,965,875	85,903,379	93,173,748	96,900,698
Direct Operating Fixed expenses	(12,140,388)	(13,762,377)	(13,483,944)	(13,612,735)	(14,095,392)	(14,557,292)	(15,139,584)
Direct Commercial Fixed expenses	(6,859,180)	(8,212,067)	(6,935,966)	(7,316,114)	(7,956,849)	(8,494,588)	(8,834,372)
Forex	(1,482,345)	(3,297,706)	(823,679)	(244,439)	(249,077)	(261,531)	(271,993)
Turnover & other taxes	102,216	-	(9,239)	(406,000)	(422,240)	(439,130)	(456,695)
Business margin	**43,698,304**	**53,819,692**	**47,892,887**	**57,386,587**	**63,179,821**	**69,421,206**	**72,198,055**
Administrative Fixed expenses	(7,979,616)	(8,294,891)	(7,651,884)	(8,361,176)	(8,682,576)	(9,004,827)	(9,365,020)
Other operating expenses	553,550	163,405	302,926	-	-	-	-
Statutory EBITDA (incl. FX)[2]	**36,272,238**	**45,688,205**	**40,543,929**	**49,025,411**	**54,497,245**	**60,416,380**	**62,833,035**
Depreciation	(15,354,327)	(17,731,935)	(19,189,331)	(21,274,887)	(25,213,180)	(29,420,188)	(30,596,996)
Cylinders deposits amortization	6,945,805	6,788,740	7,022,685	6,705,862	6,936,978	7,093,110	7,376,835
Financial income / expenses third (excl. FX)	(2,739,532)	(3,923,532)	(4,844,715)	(5,368,979)	(8,712,684)	(12,742,758)	(13,252,468)
Financial expenses Group (Int. + PCG)	(825,652)	(913,608)	(267,537)	(1,234,858)	(840,580)	(650,682)	(676,709)
Taxes	(8,046,584)	(9,874,261)	(7,911,083)	(9,268,849)	(8,889,723)	(8,258,713)	(8,589,061)
Net Profit before MI	**16,251,948**	**20,033,608**	**15,353,949**	**18,583,701**	**17,778,055**	**16,437,150**	**17,094,636**

Comments

- Market is expected to fully recover from the USD scarcity by 2025.
- New storage expansion to cater for increased demand, market growth
- Costs will grow with the increase in inflation
- Depreciation will increase from 2025 till 2029 due to increased investment.

Balance Sheet

Five-year Balance Sheet projection

	Oryx Gas Tanzania Ltd					
TZS'000	**Actual 31.12.2024**	**Forecast 31.12.2025**	**Plan 31.12.2026**	**Plan 31.12.2027**	**Plan 31.12.2028**	**Plan 31.12.2029**
Cash	2,773,102	3,392,956	2,522,128	1,852,351	3,587,897	3,731,412
Trade & other receivable net (third)	5,601,144	5,677,743	6,115,503	6,492,752	6,932,980	7,210,300
Trade & other receivable net (group)	3,952,347	2,765,619	2,081,076	1,154,723	1,232,528	1,281,829
Inventories	6,121,495	9,651,978	10,024,030	10,848,769	12,435,099	12,932,503
Income tax receivable	-	-	-	-	-	-
Current assets	**18,448,088**	**21,488,297**	**20,742,736**	**20,348,595**	**24,188,503**	**25,156,043**
Property, plant and equipment (net)	191,481,419	212,278,345	262,678,812	293,985,961	322,327,961	335,221,080
Deferred income tax	(411,230)	283,628	271,634	259,640	247,646	257,552
Non-current assets	**191,070,189**	**212,561,973**	**262,950,446**	**294,245,601**	**322,575,607**	**335,478,632**
Total assets	**209,518,277**	**234,050,270**	**283,693,182**	**314,594,196**	**346,764,111**	**360,634,675**
Bank overdrafts and short-term loans	27,734,748	10,049,079	30,418,775	42,739,592	47,075,455	48,958,473
Current portion of long-term debts	-	4,428,616	7,971,516	10,279,962	19,120,610	19,885,435
Trade & other payable (third)	22,152,918	23,151,463	22,504,190	24,230,246	26,211,857	27,260,331
Trade & other payable (group)	24,116,320	28,856,992	23,856,992	23,856,992	18,856,992	19,611,272
Income tax payable	2,108,561	2,482,941	2,331,588	2,236,807	2,079,054	2,162,216
Current liabilities	**76,112,547**	**68,969,091**	**87,083,061**	**103,343,599**	**113,343,968**	**117,877,727**
Long term debt (third)	-	27,825,888	39,954,573	35,279,709	38,766,398	40,317,054
Other non-current liabilities (third)	28,683,922	28,232,645	29,118,698	30,725,480	33,040,685	34,362,312
Deferred income tax	8,949,710	9,416,941	9,347,444	9,277,947	9,208,450	9,576,788
Non-current liabilities	**37,633,632**	**65,475,475**	**78,420,716**	**75,283,137**	**81,015,533**	**84,256,154**
Equity	95,772,096	99,605,704	118,189,405	135,967,460	152,404,610	158,500,794
Total liabilities	**209,518,275**	**234,050,270**	**283,693,182**	**314,594,196**	**346,764,111**	**360,634,675**

Comments

Main assumptions:

- Solid Balance Sheet reflecting the Company's business strength and resilience
- Current assets growing in line with company's growth
- PPE growth a reflection of the capex investments
- Long term debt to finance growth projects on 70/30 basis

Thank you