

HIGHLAND ESTATES LIMITED

BUSINESS PLAN

FOR

DEVELOPING INTEGRATED STORAGE FACILITIES

1.0 Executive Summary

HIGHLAND ESTATES LIMITED is a company incorporated in Tanzania with Certificate of Incorporation No. 19602 dated January 7th, 1991, the Board of directors are planning to establish an integrated modern storage facility to be located at **Farm No. 355/1 Kingolwila, Morogoro measuring 1571.588ha.** HIGHLAND ESTATES LIMITED will provide an advanced technology infrastructure, including barcode scanning, RFID tracking, and automated inventory management systems, State-of-the-art facility, Highly-skilled team. Clear access to major transportation hubs, Timely entry/exit management, Fulfillment options, Value-added options, Technology-driven security system. These systems will ensure goods are brought in as properly tracked, sorted, managed and, finally, sent out without errors or issues involved.

The company is owned by five Tanzanians Investors who have an extensive experience in various industries such as agro business, real estate, transportation and logistics etc., Over 20 years the board of directors has established strong business networks domestically and internationally; number of customers have appreciated their service in the past fifteen years. The board of directors went out of his way to accommodate the particular and sometimes, unique, needs in providing various services to customers, the board of directors are known in the chain as the “Go To” solution-provider, the following are board of shareholders:

| Name of shareholders | % of shares | Nationality |
|------------------------------|-------------|-------------|
| FAHAD HAROON PIRMOHAMED | 40.13 | Tanzania |
| PIRMOHAMED ABDULHAK MULLA | 10.98 | Tanzania |
| ABDULHAMID HAROON PIRMOHAMED | 10.86 | Tanzania |
| NAWAB ABDULHAK MULLA | 20.02 | Tanzania |
| HAROON MULLA PIRMOHAMED | 18.01 | Tanzania |

1.2 Highland Estates Limited Mission Vision

To be a leader and pioneer in East Africa in providing integrated storage facility and logistics services, delivering customized and unique solutions ensuring time and cost savings for customers.

1.3 Highland Estates Limited Values

HIGHLAND ESTATES LIMITED, we believe the customer comes first; the company management is focused to ensure customer delight, superior quality of delivery and increased customer profitability.

At HIGHLAND ESTATES LIMITED, our operation is based in **Kingolwila, Morogoro measuring 1571.588ha**, we practice an enduring value system based on an open culture, honest and fair business and personal conduct, earning the confidence and trust of our Associates and Customers.

At HIGHLAND ESTATES LIMITED, we practice transparency with all agencies that we are involved with.

At HIGHLAND ESTATES LIMITED, we value the importance of our colleagues, evolving a sense of togetherness and passion to deliver.

1.4 Commitment to Success

Endeavor to find solution and exceed customers' expectations.

1.5 Team Players

Possess positive attitude among ourselves, the customers and adopt company standards and system.

1.6 Success Factors

HIGHLAND ESTATES LIMITED will be able to achieve success by offering the following competitive advantages:

- Uncompromising commitment to the quality of the end product and creativity.
- Successful niche marketing: the project needs to find the quality-conscious customer in the right channels, and the need to make sure that customers can easily seek for the services provided by the project.
- Fully serviced plot with all readymade basic infrastructure and facilities that will make customers feel better about the quality, not worse and also flexibility of term of payment
- Friendly, knowledgeable, and highly-qualified team of HIGHLAND ESTATES limited integrated storage facility project State-of-the-art facility
- Advanced technology infrastructure
- Fulfillment options
- Value-added options
- Technology-driven security system

2.0 Product Offering

The following are the services that HIGHLAND ESTATES LIMITED will provide:

- Grain storage warehouses
- Grain silos
- Petroleum Products Depots and Terminals
- Inland Container Depot (ICD)
- Freight Container Station (FCS)
- Industrial building and offices
- Logistics management etc.

2.1 Customer Focus

HIGHLAND ESTATES LIMITED will target:

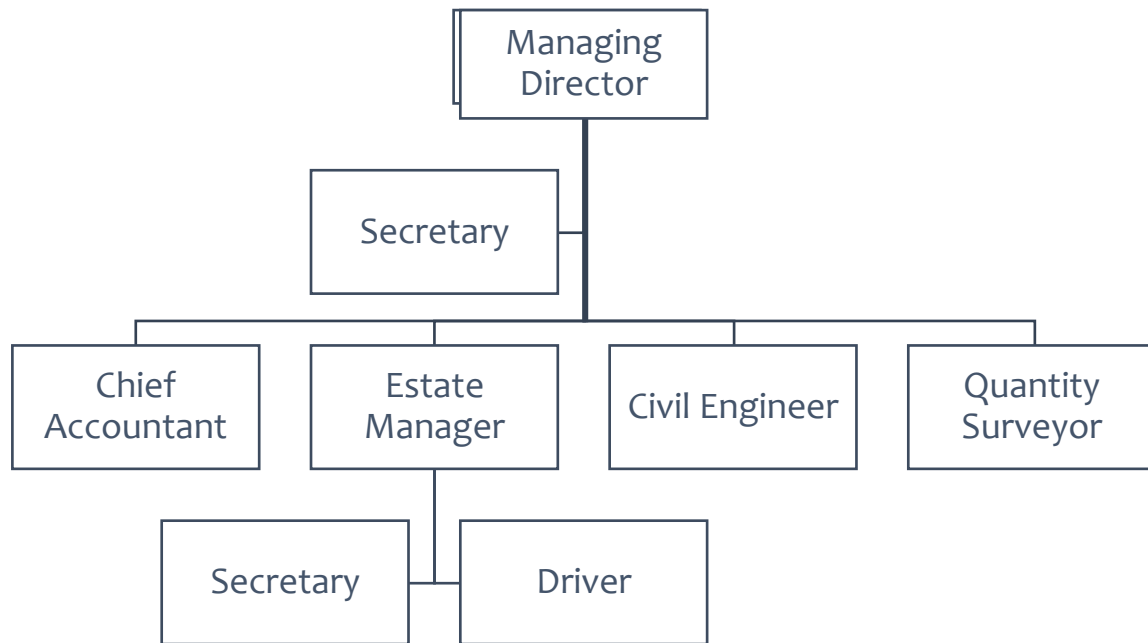
- Dry and wet cargo transportation companies
- Transit and Domestic storage facilities
- Importers and Exporters
- Manufacturers
- Traders
- Other stores needing warehousing for overstocks or ancillary goods.

2.2 Management Team

HIGHLAND ESTATES limited integrated storage facility project will be under the competent logistics management team comprising 100 to be recruited by reputable company.

The Managing Director leads the team of senior staffs designated as Chief Accountant, Estate Manager, Civil Engineer and Quantity Surveyor leading their designated departments under the support of other staff.

Organization Structure



2.3 Governance & Technical Perspective

The company is working under the auspices of the board of directors that oversees the governance and strategic part of the company, with the Managing Director on the ground giving strategic guidance and direction to ensure that the Company achieves its financial vision, mission and long-term goals. The MD is supported by four senior officers who supervise day-to-day operations of the company with the support of other technical and non-technical staff in different functions such as accounting and procurement management, engineering, construction and quantity survey to ensure that company and stakeholder's objectives are fulfilled.

3.0 HIGHLAND ESTATES limited integrated storage facility project

HIGHLAND ESTATES limited integrated storage facility project is a newly established project sitting on a 1571.588hectare piece of land, The project will provide **340,000Sqm** space for leasing for various services ,once operational will help to reduce congestion at Dar Port. This is because it will store on-transit cargo to neighboring countries of Burundi, Rwanda, DR Congo, Uganda, Zambia, Malawi and domestic goods

The board of directors are planning to leverage the underutilized TAZAMA pipeline infrastructure to establish regional oil and distribution hub in Morogoro, the proposed logistics services will facilitate the cost effective and safe transportation of petroleum products to domestic and neighboring countries, the project aligns with the national goal of industrialization, infrastructure modernization, regional integration under frame works such as The African Continental Free Trade Area (AfCFTA) which is the world's largest free trade area bringing together the 55 countries of the African Union (AU) and eight (8) Regional Economic Communities (RECs),

Additionally, a new era of ferrying cargo by train from Dar es Salaam port will be ushered in once the project is implemented. There are long queues of long vehicles that congest Dar es Salaam port every day to load containers. Therefore, HIGHLAND ESTATES limited integrated storage facility project will relieve roads and the Dar es Salaam port and completely handle the traffic menace in the region.

The HIGHLAND ESTATES integrated storage facility project will further create many employment opportunities for the local community in the Morogoro region. Heavy traffic jams in Dar es Salaam city roads will be relieved and thus trade will be highly boosted with less time for transportation and handling of imported goods and exported goods.

The HIGHLAND ESTATES integrated storage facility project will be the most reliable, cost-effective, and efficient choice for commercial enterprises throughout in Tanzania and neighboring countries, the project will provide a comprehensive menu of warehousing and inventory control services for any client to utilize. Their full-service approach includes a comprehensive array of technology-driven processes that guarantee inventory control, logistics movements, and security.

The HIGHLAND ESTATES limited integrated storage facility project will be able to warehouse goods for any small, medium-to-large manufacturer or other entity. The team of professionals is highly qualified and experienced in logistics, inventory control and warehousing solutions. HIGHLAND ESTATES LIMITED removes all headaches and issues of common warehousing issues and ensures service and reliability are included in the best customer service.

3.1 the size of area available for leasing

The size of the area of 340,000 Square meters expected to available for lease and it is estimated that 90% of space will be available for lease and 10% will be utilized by HIGHLAND ESTATES LIMITED,. These facilities are

attractive investors and business community who prefer to lease buildings rather than constructing.

3.2 Power Requirement

The project on completion will require an average of 200 megawatt to be used within the project

3.3 Water Requirement

The management of HIGHLAND ESTATES LIMITED has estimated that 2,000,000 liters of water will be required daily for the project Water, Electricity, Telephone Facilities at Site

The HIGHLAND ESTATES LIMITED will process all applications for utilities' connections at the project premises. HIGHLAND ESTATES LIMITED will facilitate in obtaining electricity, and telephone and water connections by coordinating with utility agencies and keep a follow-up on all matters relating to billing or any other issue.

3.4 One Stop Facilitation Centre

In order to make it efficiency, the management of HIGHLAND ESTATES LIMITED is planning to have on one big building to be used by Government institutions who will be operating and facilitating investment and trade within the project

3.5 Other Service

All facilities like water, electricity, gas and telecommunications will be made available as well as Peaceful, secure, environmentally protected, and pollution-free work area Inter-unit transfer

3.6 Facilitation Desk

This desk will act like a reception center for all enquiries about the HIGHLAND ESTATES LIMITED.

3.7 Clearing/Forwarding Services

The HIGHLAND ESTATES LIMITED will have approved clearing/forwarding agents holding valid Custom House Licenses.

3.8 Issuance of Identification

The identification will ensure to the investors a hassle-free movement in the zone.

3.9 Other Public Services

The project will have Banking, Restaurants, Hotels, Insurance companies, Public Bus stands, Parking lots. Areas of worship, shopping malls, Police posts and hospitals etc.

1.10 Company's Own Business Facilitation Service Centre (BFSC)

In addition to the Government's OSSC, HIGHLAND ESTATES LIMITED plans to establish a BFSC that will offer business facilitation services to investors at the pproject such as accounting services, tax services and facilitation of

various permits, licenses and advising investors on compliance and regulatory requirements.

Continuous services to investors at the park. HIGHLAND ESTATES LIMITED will be offering continuous services to investors at the project such as security services, waste collection, cleaning, and maintenance of public areas, as well as maintenance of the utility connections and other basic onsite infrastructure such as roads, water ways, etc.

4.0 Roles of Parties in The Project

4.1 HIGHLAND ESTATES LIMITED shall:

- Comply with all project consents and approvals from relevant authorities to the extent they are relevant to the works.
- Ensure all approvals and license requirements are valid and up to date
- Wherever possible, use local resources to benefit the local and wider community.
- Work alongside the respective local authorities to ensure timely construction, delivery and connection to statutory services
- Exercise all reasonable skill and care in performing the services and ensure that the services are performed in accordance with Good Industry Practice for residential, commercial and retail mixed-use developments
- Employ and consult with leading market individuals, with the required knowledge and technical experience to deliver this best-in-class development.

4.2 The role of Government

- **Providing electricity required in the industrial park**

TANESCO to install a dedicated power substation for HIGHLAND ESTATES LIMITED project 200MW will be required when the project is fully operational.

- **Provide water utility facility at the park**

The project is estimated that 2,000,000 litres of water will be required daily which need the infrastructure to be developed by the Government and connected to the project

- **Provide sewage system at the park**

The project will need reliable sewage system infrastructure to be developed by the Government up to the project, Sewage infrastructure is public infrastructure which need to be in place so that to facilitate the project to operate efficiently meeting standard requirement

- Customs facilitation through bonded warehouse
- Government to develop infrastructure to connect project site access roads from main road to the park.
- Government's support in the promotion of the project to potential investors locally and internationally.
- One-stop shop, and aftercare services established by the Government at the industrial park including bonded warehouses services

4.3 The role of Government (Fiscal incentives)

| SN | Types of tax | Requested incentives |
|----|------------------------|---|
| 1 | Import and vat | Exemption of import duty and VAT for construction materials to be used in the construction of project infrastructures |
| 2 | Import and Excise Duty | Excise Duty Exemption on Capital Goods, Deemed Capital Goods, and six (6) utility vehicles |
| 3 | Stamp duty | Exemption from payment of stamp duty for 15 years |
| 4 | Property Tax | Exemption from payment of Property Tax for 10 years |

5.0 Financial Appraisal

The company's financial projections have been prepared over the period of 13 years. As mentioned, US\$ 59,059,168 bank loan is expected to be sought from financial institution and US\$ 39,372,778 from shareholders contribution and cashflow generated from business.

5.1 Assumptions

The financial projections to determine the viability of the project by HIGHLAND ESTATES LIMITED are based on the following key assumptions:

- Construction of storage facilities will start immediately.

- The company market will be for foreign and local investors local.
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under review on the assumption that if operation costs change, selling prices will change proportionally to preserve the profit margins

5.2 Financial Review

The financial review as shown on appendices attached to this document of HIGHLAND ESTATES LIMITED business shows that:-

- The project is profitable;
- The liquidity position is sound and that it should be able to meet its financial commitment without any undue difficulty;
- The operations are financially viable;
- The key ratios are acceptable.

6.0 Summary and Conclusion

The Business Plan should be given an opportunity to be implemented as conceived in this presentation.

7.0 Implementation

It is expected that the project will be implemented in 13yearS period that involves storage facilities construction and minor civil works, power and water network. The project is expected to be implemented in 13 years.

8.0 Tanzania's Logistics Landscape

Tanzania, with its breathtaking landscapes and rich cultural heritage, is a key player in East Africa's logistics sector. With bustling ports, an expanding road network, improving rail systems, and a growing number of airports, the nation is positioning itself as a critical logistics hub for the region.

8.1 Cities and Urban Hubs

Tanzania's economic and logistical pulse beats strongest in its largest city, Dar es Salaam. As the primary gateway for goods entering and leaving the country, Dar es Salaam hosts a majority of Tanzania's manufacturing and commercial activities, making it an indispensable hub for logistics operations.

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.

Dodoma, the official capital, while not as commercially vibrant as Dar es Salaam, is gaining importance with significant infrastructure development. Mwanza, strategically located on the shores of Lake Victoria, plays a crucial

role in logistics for goods destined for the western regions and neighbouring countries, enhancing Tanzania's logistical reach.

8.2 Ports

Tanzania's maritime infrastructure is pivotal to its trade dynamics. The Port of Dar es Salaam stands as the busiest and most crucial, handling about 90% of the country's cargo. This port is a linchpin not only for Tanzania but also for landlocked neighbours like Zambia, Malawi, and the Democratic Republic of Congo, facilitating substantial regional trade.

The Port of Mtwara, situated further south, is undergoing expansion to increase its capacity. Originally focused on the cashew industry, it is now broadening its scope to include the burgeoning oil and gas sectors. The Tanga Port, though smaller, is a strategic gateway for the northern regions and neighbouring Kenya, reinforcing Tanzania's maritime logistics network.

8.3 Roads

Tanzania's road network is extensive and crucial for the movement of goods, although it varies in quality. Major highways connecting Dar es Salaam to Dodoma, Arusha, and other key cities are well-maintained, serving as vital arteries for commerce. The Tanzam Highway, linking Dar es Salaam with Zambia, exemplifies a critical route for regional trade.

The government is actively working to improve roads, recognizing their importance in connecting agricultural producers with markets and enhancing the overall logistics network.

8.4 Rail

The Tanzanian railway system is experiencing significant upgrades. The Tanzania-Zambia Railway Authority (TAZARA) line, which connects Dar es Salaam with Kapiri Mposhi in Zambia, has long been a conduit for copper exports and other goods. However, outdated infrastructure has limited its efficiency.

The central line, operated by Tanzania Railways Corporation, is another crucial rail corridor, linking Dar es Salaam with inland regions. Recent investments in Standard Gauge Railway (SGR) projects aim to modernize the rail network, reducing transit times and increasing capacity. Once completed, the SGR will significantly enhance the rail sector's role in regional logistics, offering a reliable alternative to road transport.

8.5 Airports

Air transport is vital for high-value and time-sensitive goods. Julius Nyerere International Airport (JNIA) in Dar es Salaam is the primary international gateway, handling a growing volume of cargo annually. Kilimanjaro International Airport and Mwanza Airport also play

Recent upgrades at these airports aim to increase cargo handling capacity and efficiency, attracting more airlines and boosting Tanzania's aspirations to become a regional air logistics hub. These improvements are critical for enhancing the speed and reliability of air freight services.

8.6 Customs Regulations: Streamlining for Efficiency

Navigating customs regulations in Tanzania can be challenging, but recent reforms have significantly simplified the process. The Tanzania Revenue Authority (TRA) has implemented an electronic single window system, reduced paperwork and expediting clearance times. This system allows traders to submit all necessary documents electronically, facilitating faster and more transparent processing.

Moreover, the adoption of the East African Community (EAC) Single Customs Territory (SCT) framework has harmonized procedures across member states, easing the movement of goods within the region. These improvements are promising, although ongoing efforts are needed to further reduce bottlenecks and enhance efficiency.

8.7 Exports and Imports

Tanzania's economy is deeply intertwined with international trade. The country's main exports include gold, coffee, cashew nuts, and tobacco. Gold, the top export, is predominantly shipped to countries such as India, Switzerland, and South Africa. Coffee and cashew nuts find their markets in Europe, the United States, and Asia, reinforcing Tanzania's agricultural export profile.

On the import side, Tanzania primarily brings in machinery, transport equipment, petroleum products, and consumer goods. Major import partners include China, India, South Africa, and Kenya. These trade relationships are vital for Tanzania's economic stability and growth, underlining the importance of efficient logistics networks.

8.8 Urban Last Mile Delivery

In urban centers like Dar es Salaam, Arusha, and Mwanza, last mile delivery has become increasingly efficient thanks to a proliferation of logistics companies and improved infrastructure. E-commerce is booming. However, challenges such as traffic congestion and inconsistent addressing systems still pose significant hurdles.

8.9 Rural Last Mile Delivery

In rural Tanzania, last mile delivery is more challenging. Poor road conditions and limited infrastructure can delay deliveries, especially during the rainy season. Logistics companies are innovating to overcome these obstacles, utilizing motorbikes and bicycles to reach remote areas. Partnerships with local cooperatives and the use of digital platforms for order tracking and management are helping streamline rural deliveries, ensuring that even the most remote areas are connected.

8.9 The Road Ahead

Tanzania's logistics sector is on an upward trajectory, driven by significant infrastructure investments and regulatory reforms. For freight forwarders and logistics professionals, the country offers both challenges and immense opportunities. Continued development of ports, railways, roads, and airports, coupled with streamlined customs procedures, will be crucial in solidifying Tanzania's position as a logistics powerhouse in East Africa.

9.0 Customer Analysis

HIGHLAND ESTATES LIMITED will target Dry and wet cargo transportation companies, Importers and Exporters, Manufacturers, Traders and Other stores needing warehousing for overstocks or ancillary goods.

9.1 Competitive Analysis

HIGHLAND ESTATES LIMITED will face competition from other companies with similar business profiles such as Grain storage warehouses companies, Grain silos, Petroleum Products Depots and Terminals, Inland Container Depot (ICD), Freight Container Station (FCS), Industrial building and offices, Logistics management

9.2 Competitive Advantage

HIGHLAND ESTATES LIMITED will be able to offer the following advantages over their competition:

- Strategic location
- Friendly,
- knowledgeable, and highly-qualified team,
- State-of-the-art facility
- Advanced technology infrastructure
- Fulfillment options
- Value-added options
- Technology-driven security system

10.0 Marketing Plan

HIGHLAND ESTATES LIMITED will offer the unique value proposition to its clientele:

- Highly-qualified team of skilled employees who are able to provide a comprehensive array of services
- Technology-driven systems that manage inventory, logistics and cost controls throughout the warehousing system
- High-tech security systems that guarantee the safety of warehouse goods
- Fulfillment and upsell options; logistics RFID controls and other options
- Unbeatable pricing to its clients; they will offer the lowest pricing in Dar es Salaam, Coast and Morogoro region.

10.1 Promotions Strategy

The promotions strategy for HIGHLAND ESTATES LIMITED is as follows:

10.1 Word of Mouth/Referrals

HIGHLAND ESTATES LIMITED has built up an extensive list of contacts over the years by providing exceptional service and expertise to their former clients. former clients have following him to the HIGHLAND ESTATES LIMITED new project and will also help spread the word of to potential customers.

10.2 Professional Associations and Networking

HIGHLAND ESTATES LIMITED Management team will be involved in networking during industry associations and trade shows related to warehousing, technology solutions, and related subjects. The team will also offer to speak or exhibit the successful processes of his new project to others to help spread the word of efficiencies that can be offered to all new customers.

10.3 Website/SEO Marketing

HIGHLAND ESTATES LIMITED will extensively utilize their website. The website will be well organized, informative, and list all their services that The HIGHLAND ESTATES limited integrated storage facility project provides. The website will also list their contact information and list their available square footage for rent on any given day and date. The up-to-the-minute information will help clients immediately identify the capabilities they need for warehousing. The website presence will contain SEO marketing tactics so that anytime someone types in the Google or Bing search engine “warehouse company” or “warehouse near me”, HIGHLAND ESTATES LIMITED will be listed at the top of the search results.

10.4 Pricing

The pricing of HIGHLAND ESTATES LIMITED will be moderate and on par with competitors, so customers feel they receive excellent value.

The proposed price for leasing has been estimated to be US\$5 which is very competitive price

10.5 Space for leasing

On completion 340,000 sqm will be available for leasing

10.6 Milestones

HIGHLAND ESTATES LIMITED will have the following milestones completed in the next five years.

- May -December 2025– Finalize Construction contract
- December 2025 – Finalize personnel and staff employment contracts
- May -June 2025-Obtaining TIC Certificate and tax exemption approvals
- January-May 2026 – Finalize contracts for HIGHLAND ESTATES LIMITED clients
- May 2026– Begin networking at industry events
- June 2026 – Begin moving into HIGHLAND ESTATES LIMITED office
- July 2027 – HIGHLAND ESTATES LIMITED opens its office for business.

11.0 Project Investment Cost

The estimated capital investment cost of the project is US \$98,431,946

HIGHLAND ESTATES LIMITED COST STRUCTURE US\$

| PARTICULAR | US\$ |
|-----------------------|-------------------|
| Land and Buildings | 70,000,000 |
| Machinery & Equipment | 6,000,000 |
| Motor Vehicles | 20,000,000 |
| Furniture & Fixtures | 16,946 |
| Pre exp | 400,000 |
| Others | 15,000 |
| Working Capital | 2,000,000 |
| TOTAL | 98,431,946 |

11.1 Financing Pattern

The project will be financed by equity and cash generated from business constituting US\$ 39,372,778 and loan from financial institutions US \$ 59,059,168.

11.2 Project Operating Costs

In order to realize its intended objective, the project will have to meet the following operating costs which have been estimated to be 10 % of total revenue.

11.3 Considerations and Assumptions

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied.

Revenues have been conservatively estimated based on experience of the promoters and trends in the industry.

11.4 Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 8 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. **US \$ (4,850,212.64)** in first year to **US \$ 99,673,951** in the 13th year

11.5 Projected Cash Flows

This is shown in the financial statements. The project has a positive end of year cash flow from 1st year **US\$ 5,370,171** of operation to the 13th year **U S \$ 102,377,843**.

11.6 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholder's equity increases from **US\$ 39,372,778** in the first year of operation to **US \$ 53,967,309** in the 13th year.

11.7 Projected Long Term Loan Repayment

The projected loan is projected to be **US\$ 59,059,168.00** to be repaid within 8 years with bank interest of 15% annual.

11.8 Project Projected Payback Period

The projected Investment Cost is **US\$ 98,431,946** accumulated cash flow in year 9th is **US\$ 152,884,087**, which is greater than initial investment cost, therefore project payback period is within nine years

12.0 Economic Aspects

Implementation of this project will have the following social and economic values

- The project is an ideal option for import substitution project
- The project will create employment for **210 people**.
- The project will reduce congestion at Dar es Salaam Port
- The project will reduce traffic jam in Dar es Salaam City

- Project will contribute increase of transit goods through Dar es Salaam Port
- The project will increase foreign earnings
- It will create more business opportunities to local suppliers which will also have a trickledown effect in the environmental issues.
- It will generate substantial revenue to the government in the form of corporate tax, value added tax and pay as you earn.
- The project will have transfer of knowledge and skills to storage facility industrys
- The project will provide affordable and standard storage facility for domestic and transit goods

13.0 Conclusion & Recommendations

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be issued with industrial license with its associated privileges and benefits.

HIGHLAND ESTATES LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9.00 | 10 | 11 | 12 | 13 |
|---|------------------------|-----------------------|----------------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | 2,400,000.00 | 7,400,000.00 | 13,400,000.00 | 19,400,000.00 | 20,176,000 | 20,983,040 | 21,822,362 | 22,695,256 | 23,603,066 | 24,547,189 | 25,529,077 | 26,550,240 | 27,612,249 |
| Operating Expenses: | 240,000.00 | 740,000.00 | 1,340,000.00 | 1,940,000.00 | 2,017,600 | 2,098,304 | 2,182,236 | 2,269,526 | 2,360,307 | 2,454,719 | 2,552,908 | 2,655,024 | 2,761,225 |
| Profit before Depreciation &Interest | 2,160,000.00 | 6,660,000.00 | 12,060,000.00 | 17,460,000.00 | 18,158,400 | 18,884,736 | 19,640,125 | 20,425,730 | 21,242,760 | 22,092,470 | 22,976,169 | 23,895,216 | 24,851,024 |
| Interest | 8,858,875.20 | 7,751,515.80 | 6,644,156.40 | 5,536,797.00 | 4,429,438 | 3,322,078 | 2,214,719 | 1,107,359 | - | - | - | - | - |
| Depreciation | 4,001,694.50 | 4,001,694.50 | 4,001,694.50 | 4,001,694.50 | 4,001,695 | 4,001,695 | 4,001,695 | 4,001,695 | 4,001,695 | 4,001,695 | 4,001,695 | 4,001,695 | 4,001,695 |
| Gross Profit | (10,700,569.70) | (5,093,210.30) | 1,414,149.10 | 7,921,508.50 | 9,727,268 | 11,560,963 | 13,423,712 | 15,316,677 | 17,241,065 | 18,090,776 | 18,974,474 | 19,893,521 | 20,849,330 |
| Tax (30%) | (3,210,170.91) | (1,527,963.09) | 424,244.73 | 2,376,452.55 | 2,918,180 | 3,468,289 | 4,027,114 | 4,595,003 | 5,172,320 | 5,427,233 | 5,692,342 | 5,968,056 | 6,254,799 |
| Profit After Tax | (7,490,398.79) | (3,565,247.21) | 989,904.37 | 5,545,055.95 | 6,809,088 | 8,092,674 | 9,396,598 | 10,721,674 | 12,068,746 | 12,663,543 | 13,282,132 | 13,925,465 | 14,594,531 |
| Accumulated Profit | (4,850,212.64) | (8,415,459.85) | (7,425,555.48) | (1,880,499.53) | 4,928,588 | 13,021,262 | 22,417,861 | 33,139,534 | 45,208,280 | 57,871,823 | 71,153,955 | 85,079,420 | 99,673,951 |

HIGHLAND ESTATES LIMITED PROJECTED CASH FLOW US\$

| SOURCES: | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|----------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------|-------------|-------------|-------------|-------------|
| Profit before interest and depreciation | 0 | 2,160,000.00 | 6,660,000.00 | 12,060,000.00 | 17,460,000.00 | 18,158,400.00 | 18,884,736.00 | 19,640,125.44 | 20,425,730 | 21,242,760 | 22,092,470 | 22,976,169 | 23,895,216 | 24,851,024 |
| Equity | 39,372,778 | | | | | | | | | | | | | |
| Loan | 59,059,168 | | | | | | | | | | | | | |
| Total Sources | 98,431,946.00 | 2,160,000 | 6,660,000 | 12,060,000 | 17,460,000 | 18,158,400 | 18,884,736 | 19,640,125 | 20,425,730 | | | | | |
| Applications: | | | | | | | | | | | | | | |
| Capital expenditure | 96,016,945.00 | - | - | - | - | - | - | - | - | | | | | |
| working Capital & Others | 2,415,001.00 | | | | | | | | | | | | | |
| Cash | 0 | 5,370,171 | 8,187,963 | 11,635,755 | 15,083,547 | 15,240,220 | 15,416,447 | 15,613,012 | 15,830,727 | | | | | |
| Tax | - | (3,210,171) | (1,527,963) | 424,245 | 2,376,453 | 2,918,180 | 3,468,289 | 4,027,114 | 4,595,003 | 5,172,320 | 5,427,233 | 5,692,342 | 5,968,056 | 6,254,799 |
| Sub total | 98,431,946.00 | 2,160,000 | 6,660,000 | 12,060,000 | 17,460,000 | 18,158,400 | 18,884,736 | 19,640,125 | 20,425,730 | | | | | |
| Total applications | 98,431,946.00 | 2,160,000 | 6,660,000 | 12,060,000 | 17,460,000 | 18,158,400 | 18,884,736 | 19,640,125 | 20,425,730 | | | | | |
| Accumulated cash | | 5,370,171 | 13,558,134 | 25,193,889 | 40,277,437 | 55,517,656 | 70,934,103 | 86,547,115 | 102,377,843 | 102,377,843 | 102,377,843 | 102,377,843 | 102,377,843 | 102,377,843 |

HIGHLAND ESTATES LIMITED PROJECTED BALANCE SHEET USD

| Fixed Assets | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|-------------------------------|----------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Opening balance | - | 96,016,945 | 92,015,251 | 88,014,251 | 84,013,251 | 80,012,251 | 76,011,251 | 72,010,251 | 68,009,251 | 64,008,251 | 60,007,251 | 56,006,251 | 52,005,251 | 48,004,251 |
| Total Long-term Assets | - | 96,016,945 | 92,015,251 | 88,014,251 | 84,013,251 | 80,012,251 | 76,011,251 | 72,010,251 | 68,009,251 | | | | | |
| Less depreciation | - | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 | 4,001,000 |
| Closing balance | - | 92,015,945 | 88,014,251 | 84,013,251 | 80,012,251 | 76,011,251 | 72,010,251 | 68,009,251 | 64,008,251 | | | | | |
| Working capital | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 | 2,415,001 |
| Accumulated cash | - | 5,370,171 | 13,558,134 | 25,193,889 | 40,277,437 | 55,517,656 | 70,934,103 | 86,547,115 | 102,377,843 | 102,377,843 | 102,377,843 | 102,377,843 | 102,377,843 | 102,377,843 |
| Total assets | 2,415,001.00 | 99,801,117 | 103,987,386 | 111,622,141 | 122,704,688 | 133,943,908 | 145,359,355 | 156,971,367 | 168,801,094 | | | | | |
| Financed by | | | | | | | | | | | | | | |
| Equity | 39,372,778.00 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 | 39,372,778 |
| Net profit | - | (7,490,399) | (3,565,247) | 989,904 | 5,545,056 | 6,809,088 | 8,092,674 | 9,396,598 | 10,721,674 | 12,068,746 | 12,663,543 | 13,282,132 | 13,925,465 | 14,594,531 |
| Total equity | 39,372,778.00 | 31,882,379 | 35,807,531 | 40,362,682 | 44,917,834 | 46,181,866 | 47,465,452 | 48,769,376 | 50,094,452 | 51,441,524 | 52,036,321 | 52,654,910 | 53,298,243 | 53,967,309 |
| Long term loan | 59,059,168.00 | 44,294,376 | 36,911,980 | 29,529,584 | 22,147,188 | 14,764,792 | 7,382,396 | - | - | | | | | |
| Total equity and debts | 98,431,946.00 | 76,176,755 | 72,719,511 | 69,892,266 | 67,065,022 | 60,946,658 | 54,847,848 | 48,769,376 | 50,094,452 | 51,441,524 | 52,036,321 | 52,654,910 | 53,298,243 | 53,967,309 |

HIGHLAND ESTATES LIMITED PROJECTED LONG TERM LOAN REPAYMENT US\$

| Year | principle | Loan Interest (15%) | Total Amount Paid | Loan Balance |
|------|-----------|---------------------|-------------------|--------------|
| 0 | | | | |
| 1 | 7,382,396 | 8,858,875 | 16,241,271 | 59,059,168 |
| 2 | 7,382,396 | 7,751,516 | 15,133,912 | 51,676,772 |
| 3 | 7,382,396 | 6,644,156 | 14,026,552 | 44,294,376 |
| 4 | 7,382,396 | 5,536,797 | 12,919,193 | 36,911,980 |
| 5 | 7,382,396 | 4,429,438 | 11,811,834 | 29,529,584 |
| 6 | 7,382,396 | 3,322,078 | 10,704,474 | 22,147,188 |
| 7 | 7,382,396 | 2,214,719 | 9,597,115 | 14,764,792 |
| 8 | 7,382,396 | 1,107,359 | 8,489,755 | 7,382,396 |

HIGHLAND ESTATES LIMITED PROJECT PROJECTED PAYBACK PERIOD US\$

| Year | Profit After Tax | Depreciation | Total Cash Flow | Accumulated Cash Flow |
|------|------------------|--------------|-----------------|-----------------------|
| 1 | (4,850,213) | 4,001,000 | (849,213) | (849,213) |
| 2 | (8,415,460) | 4,001,000 | (4,414,460) | (5,263,672) |
| 3 | (7,425,555) | 4,001,000 | (3,424,555) | (8,688,228) |
| 4 | (1,880,500) | 4,001,000 | 2,120,500 | (6,567,728) |
| 5 | 4,928,588 | 4,001,000 | 8,929,588 | 2,361,861 |
| 6 | 13,021,262 | 4,001,000 | 17,022,262 | 19,384,123 |
| 7 | 22,417,861 | 4,001,000 | 26,418,861 | 45,802,984 |
| 8 | 45,208,280 | 4,001,000 | 49,209,280 | 95,012,264 |
| 9 | 57,871,823 | 4,001,000 | 57,871,823 | 152,884,087 |
| 10 | 71,153,955 | 4,001,000 | 63,728,399 | 216,612,486 |