



# CHAI LEO LTD

## Progress Report: Chai Leo Limited

Black Tea Blending Plant Project and construction of warehousing facilities.  
Project Name: Construction of warehouse and Black Tea Blending Machine  
Location: Bagamoyo Urban, Kimele Plot No. 220 Block "Y", Tanzania

Report Date: 1st Oct 2024

Reporting Period: 1st Oct 2024

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### 1. Project Overview

Objective:

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

Start Date: 10/05/2022

Expected Completion Date: 01/03/2024

### 2. Current Status

Overall Progress: 100%

### 4. Current Activities

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

### 5. Challenges Encountered

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

## 6. Financial Overview

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

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

## 8. Projected Timeline

Project took two and half years to complete.

## 9. Conclusion

The Project was completed successfully.

## Appendices

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