

TANZANIA INVESTMENT CENTRE

DAR ES SALAAM

PROGRESS REPORT

(Information required for the project's progress report after every six months or for amendment of Certificate of Incentives)

1. Planned activities for the period
2. Achievements made on the project implementation to date
(i.e. from the date the project was approved to the date of writing the report)

Describe the status of activities that have already been undertaken e.g. construction of buildings, acquisition of supplies, installation of equipment, etc.

3. Provide updated information on the following aspects:

S/No.	Information	Description	Current Project Status
1	Shareholder's Information	<p>Current Shareholders</p> <p>1.Names: XU WENJIE Nationality: Chinese Percentage of ownership: 90</p> <p>2. Name: LIANG WEILUN Nationality: Chinese Percentage of ownership:5</p> <p>3 Names: XU YUYONG Nationality: Chinese Percentage of ownership: 5</p>	<p>The project experienced unavoidable delays due to the COVID-19 pandemic, which impacted supply chain operations and project timelines.</p> <p>However, the situation has since improved, and the required accessories and components are currently in transit. The project is now progressing toward the next implementation phase upon receipt of the remaining materials.</p>
2	Company communication Information	<p>Email address: salalas2021@163.com</p> <p>Mobile Number: 0747054323</p> <p>Land Line Telephone Number: NIL</p> <p>Physical Address (Plot No.50 Block No. Q, Nyasubi Street,</p>	

		Kahama District, Shinyanga Region	
3	Contact Person	Name: XU WENJIE Position: Director & Shareholder Communication details (Email: salalas2021@163.com , Mobile: 0742 818 888	
4	Incorporation	Certificate of Incorporation Number: 154274561	
5	TIN Information	TIN Certificate No. 154-274-561	
6	Project Objective	Project Core Activity: Motorcycle and vehicle assembly	
7	Capacity	Project capacity per year: 30000 units	
8	Direct Employment	Local Men & Local Women	
9	Indirect employment	Type/areas of Indirect employment: consultancy	

4. Project Financing Expenditure todate (USD)

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings		260 million Tshs	
Plant and machinery		650 million Tshs	
Vehicles/Aircrafts		200 million TZS (light vehicles)	
Furniture		78 million tshs	
Office equipment		Included in furniture	
Insurance Cover		52 million tshs	
Pre-operational expenses		52 million tshs	
Working sub-total capital		390 million tshs	
Grand Total		1.8 billion TSHS	

5. Project Financing

Explain how the project is being financed e.g equity, loans, sources of loans, conditions etc. see table below:- **Own Source**

	Amount (USD)	Source Country
Local equity	Nil	
Local loans	Nil	
Foreign equity	Nil	
Foreign Loans	Nil	
Total Investment	Nil	

6. Problems and Solutions

Explain problems, which the management is encouraging in executing the project and the steps being taken to solve them

The management is currently facing several challenges in executing the motorcycle assembling project, including delays in the delivery of imported machinery and accessories due to global supply chain disruptions, cash flow constraints arising from slow loan disbursements, a shortage of skilled technical labor locally, delays in obtaining land title registration and utility connections, and increased costs of imported components due to exchange rate fluctuations. To address these issues, the management has taken several corrective steps such as engaging local freight agents and regional suppliers to mitigate import delays, securing short-term bridge financing from a local bank, partnering with vocational training institutions (e.g., VETA) for workforce development, liaising with local authorities and the TIC facilitation desk to expedite regulatory processes, and renegotiating supplier contracts to manage price volatility. Additionally, a dedicated project oversight team has been established to monitor progress, resolve bottlenecks, and ensure timely implementation of each project phase.

7. Future Plans

Explain future plans for the next coming six months and planned financial commitments

Over the next six months, the project management plans to complete the installation and commissioning of all remaining machinery and equipment, initiate full-scale motorcycle assembly operations, and expand local workforce capacity through structured technical training programs. Focus will also be placed on strengthening supply chain partnerships to ensure consistent availability of components and accessories, as well as formalizing distribution channels across key regions in Tanzania. In parallel, the company intends to launch marketing and brand awareness campaigns to support product rollout. Planned financial commitments during this period include an estimated TZS 1.2 billion allocated to working capital for procurement of raw materials and operational expenses, TZS 400 million for employee recruitment and training, TZS 300 million for facility upgrades and utility connections, and TZS 200 million for marketing and logistics. These investments are aimed at achieving operational stability, market entry, and long-term sustainability of the project.

8. Recommendations and any other comments

NIL