



BXC TANZANIA LIMITED BUSINESS PLAN

Solar Power Project



CONTENTS

1. PROJECT INTRODUCTION
2. PROJECT FINANCE ANALYSIS
3. PROJECT OPERATION PLAN
4. ORGANIZATION CHART



1. PROJECT INTRODUCTION

- Following the guidance of Tanzania Electricity Rules of 2020, BXC TANZANIA LIMITED has been searching for strategic locations to develop small power project, and to follow to procedure to sign the SPPA (Standard Power Purchase Agreement) with Tanzania Electric Supply Company Limited (TANESCO) .
- The development of small power project is governed by Small Power Project (SPP) Rules issued by Eenergy and Water Utility Regulatory Authority (EWURA) in July 2020. In accordance with the SPPs Rules, the renewable power projects ranging from 100kW to 10MW are supposed to be developed in strategic areas only. The SPP Rules article (4) provides that “An area deemed to be of strategic in nature should provide technical benefits to a Distribution Network Operator (TANESCO) ” and that :
 - a. The proposed project will improve the voltage profile towards the standard nominal voltage or to bring it within the standard tolerance levels of +/- 10% of the standard nominal voltage; or
 - b. The proposed project will reduce Distribution Network Operator's system losses by at least 10% of the existing losses.
 - c. The power genrated must be consumed within local distribution feeder.



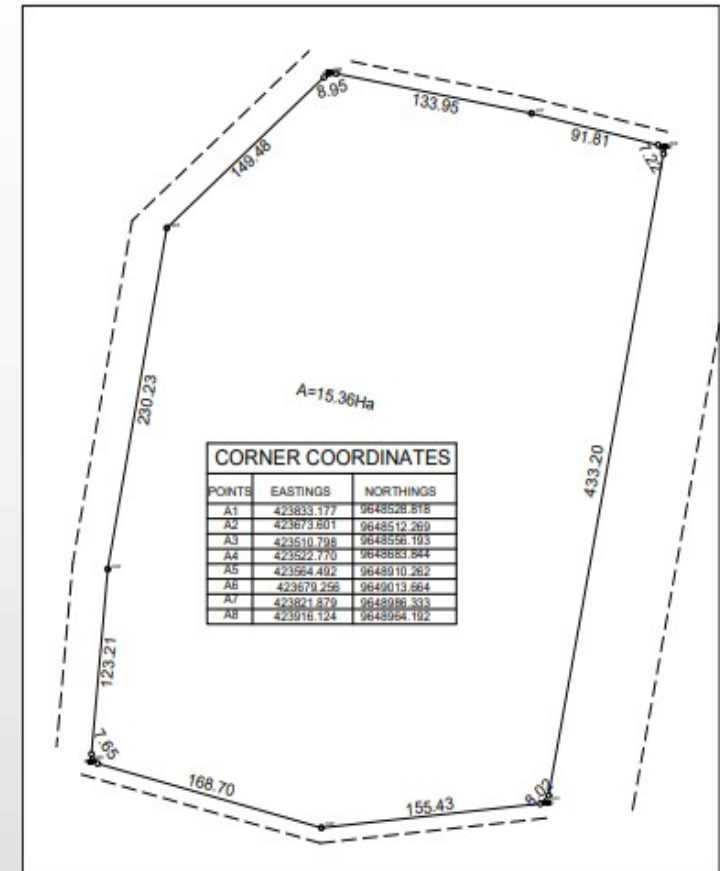
1. PROJECT INTRODUCTION

After thorough searching and study, we have located a 38acre land seated at Ikina Village, Geita district, Geita Region.

We have submitted a complete Feasibility Study report to TANESCO, including detailed design, interconnection and load flow study, architecture and civil drawing, geophysical survey report, geotechnical report, metereogical data, environmental and social impact assessment, and financial analysis.

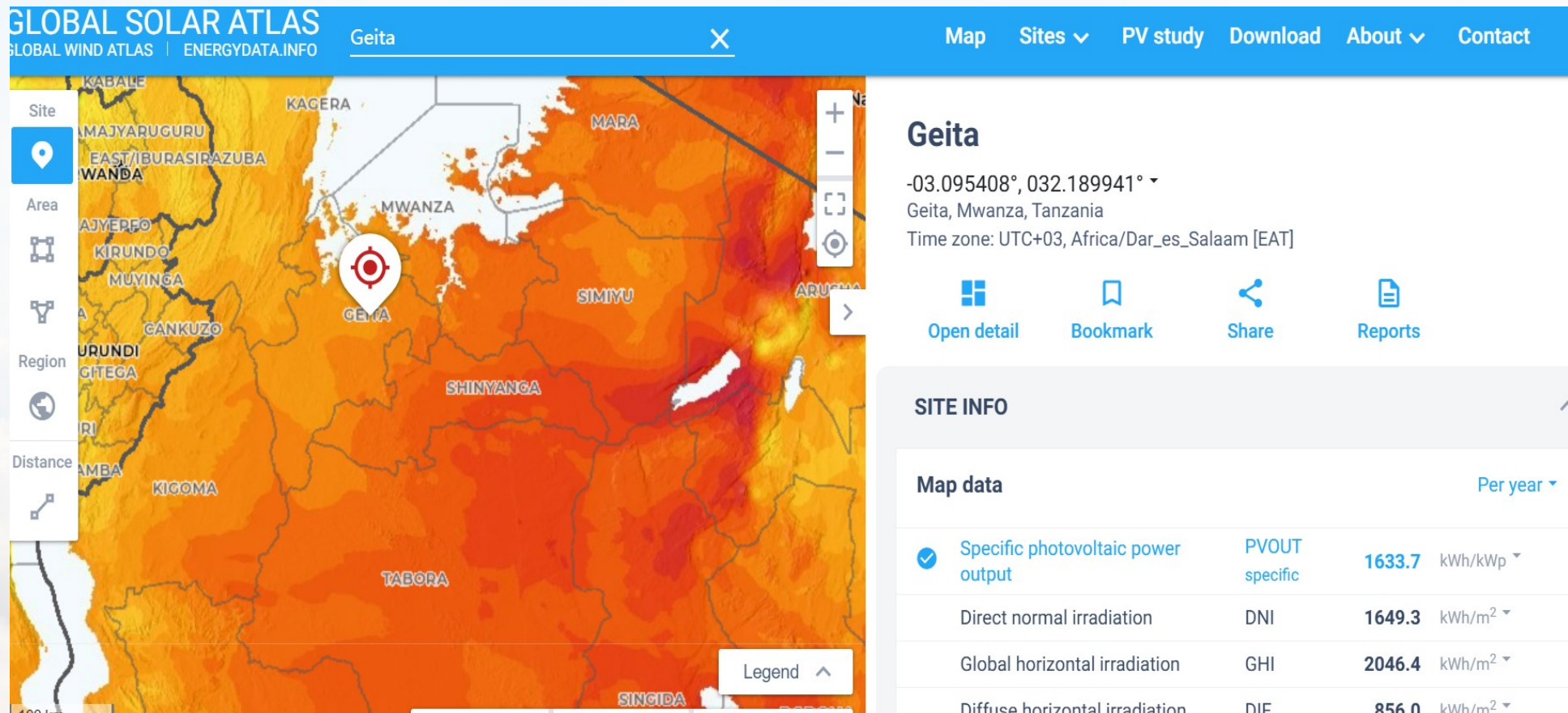
We have signed the 10MW Ikina Geita Solar Power Plant SPPA with TANESCO in September 2024. We have started implementing the project.

The Standard Power Purchase Agreement (SPPA) will last for 20 years. During the 20years, all the electricy power generated in the solar power plant will be sold to TANESCO solely.



1. PROJECT INTRODUCTION

The solar irradiation could reach around 1700hours per year at Ikina Geita Region.





2. PROJECT FINANCIAL PROJECTION

Here is the summary of the finance analysis for the 10MW solar power plant at Ikina Geita:

Ikina Geita Investment Breakdown	
Investment breakdown	USD
Building	200,000
Plant (Solar pannels, invertors, pannel footholds,transformer,cctv,control room, etc)	8,000,000
Civil Work	600,000
Vehicles	150,000
Furniture&Fittings	100,000
Pre-expenses	200,000
Working Capital	200,000
Total (USD)	9,450,000

Financial Projection		
PV Size	kWp	10,000
Energy purchase (SPPA)	kWh/year	17,000,000
Energy purchase (SPPA)	US Cent	7
Annual Income	USD	1,190,000
Capital investment	USD	9,450,000
IRR	%	12.77%
Discount rate	%	8%
NPV	USD	3,848,465
TAX	%	30%

Base on the assumption of :

1. the tariff is USD7cent/kwh;
2. the SPPA will be valid for 20 years;
3. it's grid connected solar power plant.



2. PROJECT FINANCIAL PROJECTION

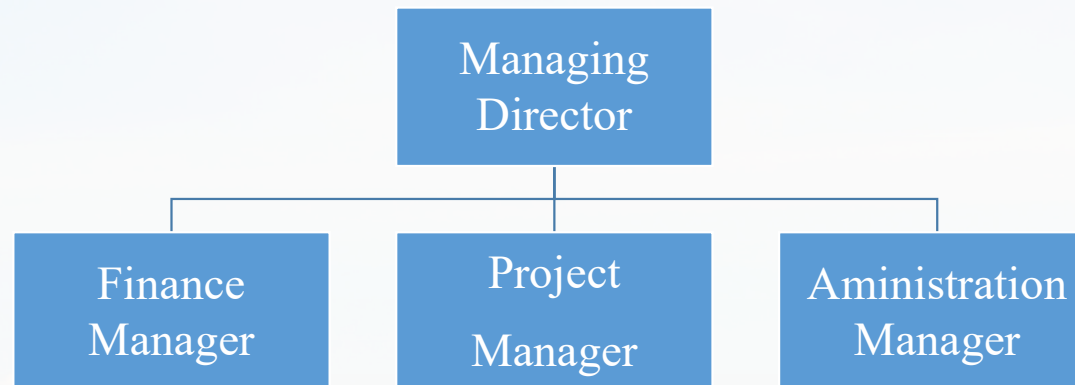
Here is the 5 years financial projection for the 10MW solar power plant at Ikina Geita:

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
energy generated	kwh/year		17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
Energy purchase (SPPA)	0.07 \$ /kwh						
Annual Income	\$		1,190,000	1,190,000	1,190,000	1,190,000	1,190,000
Operation cost/year	\$		30,000	30,000	30,000	30,000	30,000
(EBITDA)	\$		1,160,000	1,160,000	1,160,000	1,160,000	1,160,000
Depreciation(Depreciate in 5 years)	\$		-1,890,000	-1,890,000	-1,890,000	-1,890,000	-1,890,000
EBIT	\$	-	-730,000	-730,000	-730,000	-730,000	-730,000
Interest	\$		-	-	-	-	-
EBT		0	-730,000	-730,000	-730,000	-730,000	-730,000
Tax (30%)		0	-	-	-	-	-
Net income	\$	0	-730,000	-730,000	-730,000	-730,000	-730,000
Cashflow Projection							
EBITDA	\$	-	1,160,000	1,160,000	1,160,000	1,160,000	1,160,000
TAX	\$	-	-	-	-	-	-
Interest	\$	-	-	-	-	-	-
Principal	\$						
TOTAL CAPEX	\$	-9,450,000					
Net Cashflow		-9,450,000	1,160,000	1,160,000	1,160,000	1,160,000	1,160,000
Discount Rate	%	0.10	0.10	0.10	0.10	0.10	1.10
Discount Factor	#	0.95	0.87	0.79	0.72	0.65	0.31
Discounted Cashflow		-9,010,221	1,005,470	914,063	830,967	755,424	359,726

4. ORGANIZATION CHART



Here is the planned organization Chart for BXC Tanzania Ltd.



In charge of the daily operation on the Finance section, to follow the Compliance Guide line for c o m p a n y operation.

In charge of installation of the solar power plant, and the daily operation of the solar power plant when it's commissioned.

Assisting MD to practice the daily o p e r a t i o n , including HR management, all kinds of licences, permit, and other matters.

1. During the instalation of the project, around 70 workers will be recruited;

2. During the operation of the project, around 10 workers will be recruited for the daily operation and maintenance of the solar power plant.

3. All the workers will work under Project Manager.



THANKS

Looking forwards to move to next step with you!

BXC TANZANIA LIMITED