

OSSC COMPANY LIMITED

BUSINESS PLAN

FOR

ESTABLISHMENT OF NATURAL GAS

COMPRESSOR (CNG) AND FILLING STATIONS

1.0 INTRODUCTION

This report has been prepared for **OSSC COMPANY LIMITED** a local registered company under Companies Act, 2002 with certificate of incorporation No.157412698 issued on 17th August ,2022 by BRELA. The project intends to engage in the business of Natural gas compression which is an important part of the natural gas production process. It is a process that involves increasing the pressure of natural gas so it can be moved through pipelines and other transportation networks for use by consumers.

1.1 Technical Regulation

EWURA carries out technical regulation with regard to regulated infrastructure and Services, as well as Health, Safety and Environment (HSE).

Before EWURA came into being, the infrastructure and service standards including the quality of services, specification of pipeline gas, engineering specifications for construction and installations were negotiated between the Government of Tanzania and licences.

In most cases, the utilized engineering specifications are based on a series of American Petroleum Institute (API) Standards, International Standards Organization (ISO), American Society for Testing and Materials (ASTM) International Standards, and American Society of Mechanical Engineers (ASME) Standards,

including the Canadian Standards Association (CSA) Standards, such as CSA Z662-07.

1.3 Safety Regulation

Occupational Health and Safety (OHS) matters are regulated by the Occupational Health and Safety Act, 2003 under Occupational Safety and Health Agency (OSHA). Normally health and safety are monitored by EWURA by applying the best industry practices. Technical regulation focuses on maximum safety.

The main legislation governing OHS practices in Tanzania during construction and operations are:

- The Occupational Health and Safety Act, 2003,
- The Contractors Registration Act, 1997,
- The Workers' Compensation Regulations, 2016 and
- Fire and Rescue Force Regulations, 2007.

EWURA protect and preserve the environment by ensuring that all applicants perform the necessary studies to make an informed decision on the project. The Authority also participates in evaluation of Environmental Impact Assessments (EIA).

1.4 Natural Gas Licensing

EWURA is one the licensing authorities. The licences will be issued under Sections 131 and 133 of the Petroleum Act, 2015 to qualified person who intends to undertake a regulated activity in the mid and downstream segment of natural gas sub-sector and this person

shall apply to EWURA for a licence in the prescribed manner and form, upon payment of a prescribed fee. [Click here to apply licence online using LOIS System.](#)

2.0 Regulatory Tools

2.1 National Energy Policy 2015

In order to address the challenges for mid and downstream natural gas activities in Tanzania, the Government developed the National Energy Policy, 2015 for the purpose of enhancing adequate, reliable and affordable modern energy services to Tanzanians in a sustainable manner. The policy provides comprehensive legal, regulatory and institutional frameworks for petroleum, electricity, renewable energies, energy efficiency as well as local content issues.

2.2 Acts

The Petroleum Act 2015(Cap. 392) is the principal legislation governing upstream, midstream and downstream petroleum operations. Some rights and obligations of the natural gas licensees and operators are enshrined in their respective implementation agreements. Pursuant to Section 30 of the The Petroleum Act 2015 Cap. 392) and Section 7 of the EWURA Act Cap 414-2006 ; and its amendments EWURA Act (Amendments No.6 of 2019); mandates EWURA to carry out a number of functions and discharge its duties.

2.3 Guidelines

Petroleum (Natural Gas) Customer Service Charter Guidelines
2019

2.4 Regulations

- The EWURA (Compounding of Offences) Regulations 2020-SUPP GN . 397
- Petroleum (Natural Gas Pricing) Regulations 2020 GN 353
- The-Petroleum (Natural Gas Midstream and Downstream) General Regulations 2020-GN 270
- The-Petroleum Corporate-Integrity-Pledge-Regulations-2019-GN-782
- The Petroleum (Local Content) Regulations 2017 GN 197 Rules
- The EWURA (Electricity and Natural Gas) (Tariff Application and Rate Setting Rules-2021GN. 396
- The Petroleum Condensate Rules 2021-GN. 395
- The EWURA Consumer Complaints Settlement Rules 2020 -GN 428
- The Petroleum (Natural Gas) (Licensing Fees) Rules, 2020 -GN 301 1
- The Petroleum (Natural Gas) (Processing)Rules 2019- GN 221
- The Petroleum (Compressed Natural Gas) (Supply and Marketing Services) Rules 2019- GN 220
- The Petroleum (Natural Gas) (Supply and Marketing Services) Rules 2019-GN 219

- The National (Petroleum and Natural Gas) (Information System) Rules 2019-GN 184
- The Petroleum (Natural Gas) (Regulatory Accounting and Reporting Standards) Rules 2019-GN 183
- The Petroleum (Natural Gas) (Storage) Rules, 2019- GN 182
- The Petroleum (Natural Gas) (Transmission and Distribution Activities) Rules 2018, GN 176

2.5 Tariff

EWURA is mandated to review the regulatory economics (tariffs, prices, rates and charges) either when the application is lodged by the Applicant or when the Authority finds it necessary to do so as stipulated in section 17 of the EWURA Act, Cap 414. The procedure for Tariff Application is provided under the EWURA Act, Cap 414. The procedure for Tariff Application is provided under the Tariff Application Guidelines for Electricity and Natural Gas (2017), EWURA (Tariff Application and Rate Setting) Rules 2017 GN 452 .The Petroleum (Natural Gas Pricing) Regulations, 2016 is the tool at the moment that used to guide and develop natural gas prices. On 29th December 2016, EWURA set the natural gas prices for Special Strategic Investments. Approved Orders can be accessed [here](#).

2.6 Complaints and Resolution

EWURA attends to complaints against a supplier of regulated goods or services in relation to any matter connected with the supply, possible supply or proposed supply of goods or services.

There is a dedicated unit, under Director of Legal Division which receives and follow up complaints from consumers of regulated goods and services. Disputes are lodged subject to Section 247 of the Petroleum Act, 2015. The Unit which was established under Section 34 of EWURA Act, Cap 414 is known as Customer Service. The major underlying policy on consumer complaints handling procedure canters on:

Consumer Protection- The need for service providers to provide reliable, quality and affordable goods or services;

Preference to amicable complaints settlement procedure as opposed to litigation;

Having a speedier, just and less bureaucratic complaints handling procedure.

3.0 THE PROJECT CONCEPT

Compressed Natural Gas (CNG) has become increasingly popular in recent years due to its environmental friendliness and higher efficiency than traditional fuels like coal, gasoline, and diesel. However, to use CNG, specialized transportation vehicles and equipment are required. Let's explore what is natural gas compression? How CNG is produced, distributed, and transported to the point of consumption.

3.2 Natural gas compression work

Natural gas compression plays a vital role in the overall natural gas production process, encompassing the essential task of elevating the pressure of natural gas. This elevation in pressure facilitates the transportation of natural gas through pipelines and various other networks, ensuring its accessibility for consumer use.

Natural gas compression is typically carried out at natural gas processing plants or compressor stations strategically positioned along pipeline routes. These facilities employ sizable motors and compressors to elevate the pressure of natural gas before it enters the pipeline network. This augmentation in pressure facilitates the smooth flow of gas through the pipelines, ensuring its secure and efficient transit to its designated destination.

The effectiveness of natural gas compression hinges on various factors, such as the size and potency of the compressors in use, along with the compression duration. In general, larger compressors exhibit greater efficiency compared to their smaller counterparts, as they can handle larger volumes of natural gas at elevated pressures within shorter timeframes. Moreover, advancements in technology have ushered in more efficient and cost-effective compression processes than ever before

3.3 The process of extraction and treatment of Incoming Gas

Natural gas is extracted from natural gas fields or associated gas during the process of oil extraction. It is then transported through pipelines to shore and gas processing facilities where the natural gas undergoes various processing stages to meet quality standards.

3.4 The process of compressed natural gas

After being processed, Natural gas undergoes the process of natural gas compression at the compressor station, where it is subjected to pressure elevation from a pressure of 14-22 barg to 200-250 barg into specialized tanks to increase the amount of gas transported for long distances.

Most CNG tanks are designed in a cylindrical shape, ensuring even distribution of pressure and avoiding concentrated forces that could lead to the rupture of the CNG containers. These containers are fixed on iron frames, stacked on top of each other, and connected through pipelines with gas valves, along with safety devices, thermometers, and pressure gauges.

3.5 The process of transporting CNG

After being compressed into specialized tanks made of composite materials or steel, Compress Natural Gas is transported to the customer's consumption points. Both the tanks and the

transportation vehicles must adhere to regulations and safety standards for the storage and transportation of CNG.

3.6 The process of using CNG

The tank trucks take CNG to customer's sites or consumption points, then CNG is taken from tank trucks with the pressure of 200-250 barg going through a Pressure Reducing Unit (PRU) system, pressure is reduced by two stages (Stage 1: pressure reduced to 60 barg, Stage: 2 pressure reduces to 2-7 barg) to supply customers upon request.

The PRU system is designed and installed in compliance with international standards and Vietnam's standards and regulations, ensuring absolute safety. From the pressure reduction station outlet, the gas is conveyed through pipelines and metering systems to the customer's furnace system.

OSSC COMPANY LIMITED has decided to embark on natural gas compressor (CNG) and filling stations. The crux is to exploit the rich experience gathered during last decade and above, keeping in the view the current market trends in CNG **OSSC COMPANY LIMITED** has prompted to acquire machines from China for investment in these products venture.

The machines are planned to be installed at **Plot 03 Block D URSINO Street, Mikocheni Ward, Kinondoni District, Dar es**

Salaam Region. This location is ideal for this kind of business as it easily accessible for delivering raw material to the factory and products to the market. And the location is situated as it is in the business area for the targeted market.

This business plan determines the benefits that will be derived from the proposed business plan. And also shows the promoter's capacity and commitment in financing and developing this proposal.

This document will guide the promoter on how to develop the project and shows his commitment and the benefit to be gained by the TIC accepting this proposal.

3.7 Location

The manufacturing facilities will be located at **Plot 03 Block D URSINO Street, Mikocheni Ward, Kinondoni District, Dar es Salaam Region.** This location is suitable for this business. The location is suitable for this kind of production as the machines are environmentally friendly and the infrastructure for new factory and roads are good to connect to other areas of the city and upcountry.

The communications on the area are quite good to support the development of the business as the factory is close to the main road, spacious that it can accommodate large fleet of Lorries for deliveries of raw materials from the port and the delivery van. Its

strategic location within the consumers' area increases the marketability of the products.

The plant will be powered by TANESCO and a 20 kVa stand by generator will be in place to support the erratic power supply from the giant utility supplier.

The project will acquire some trucks and for the transportation of the CNG filling stations.

The major products will be:

- CNG fillings stations
- CNG cylinder installation
- Other services

The project promoter expects to serve domestic market and later will enter into export markets where they anticipate selling produced products in Malawi, Zambia and in other foreign markets.

3.8 THE SPONSORS

OSSC COMPANY LIMITED will be sponsoring this project. The Company is owned by Tanzanians.

Shareholders name	% of shares	Nationality
LEI GEI	75	China
ELINISIA STEWART TARIMO	25	Tanzania

3.9 PROJECT MANAGEMENT

OSSC COMPANY LIMITED will be under the Management of Managing Director, the Managing Director who has experience in managing various businesses over 10 years,

Under this management which are well qualified individuals in their area of specialization, **OSSC COMPANY LIMITED** is expected to reach highest heights as per planned development proposal. Total 25 people will be employed.

4.0 PRODUCT AND RAW MATERIAL BASE

Tanzania has proven natural gas reserves of 57 trillion cubic feet, with at least 49.5 trillion cubic feet of those reserves far offshore in the Indian Ocean.

5.0 AN OVERVIEW OF CNG INDUSTRY IN TANZANIA.

Growing concerns over environmental sustainability, rising fuel prices, and the need for affordable energy solutions, CNG presents a viable alternative to traditional fuels. The adoption of CNG is expected to significantly impact the transportation, industrial, and energy sectors in Africa, offering both economic and environmental benefits.

5.1 The Rise of CNG in Africa

The push for CNG in Africa is driven by several key factors:

- (i) **Environmental Benefits:** CNG is a cleaner alternative to conventional fuels like petrol and diesel. It emits lower levels of harmful pollutants such as carbon monoxide, nitrogen oxides, and particulate matter. This makes CNG an attractive option for countries like Tanzania, where reducing air pollution and improving public health are major priorities. As African countries, including Tanzania, adopt stricter environmental regulations, CNG offers a solution that aligns with these goals.
- (ii) **Affordable Energy Source:** CNG is often more cost-effective compared to petrol or diesel, especially in countries with abundant natural gas reserves.

In Tanzania, the exploration and development of natural gas resources provide an opportunity to leverage domestic gas for CNG production. As global oil prices fluctuate, CNG offers a more stable and affordable alternative for both consumers and businesses, particularly in the transportation and industrial sectors.
- (iii) **Energy Security and Local Resources:** Africa has significant natural gas reserves, and CNG presents an opportunity to reduce reliance on imported petroleum products. Countries like Tanzania, which are rich in natural gas, can benefit from using their own resources for energy production, ensuring greater energy security and reducing the cost of importing fuels.
- (iv) **Economic Development and Job Creation:** The development of CNG infrastructure, including refuelling stations, distribution

networks, and vehicle conversion services, can create numerous job opportunities and stimulate local economies. Entrepreneurs can capitalize on this growing industry by investing in CNG-related businesses, from fuelling stations to service centers that convert vehicles to run on CNG.

5.2 Opportunities for Entrepreneurs in the CNG Market

The CNG market offers multiple opportunities for entrepreneurs, particularly in Tanzania and Africa. Some of the key areas where entrepreneurs can tap into the market include:

- (i) **CNG Vehicle Conversion Services:** As more vehicles switch to CNG, there is a growing demand for conversion services. Entrepreneurs can set up businesses that specialize in converting petrol and diesel vehicles into CNG-compatible ones. This service is essential for both individual vehicle owners and commercial fleet operators looking to reduce fuel costs and meet environmental standards.
- (ii) **CNG Refuelling Stations:** The establishment of CNG refuelling stations is a key aspect of the infrastructure needed to support the adoption of CNG. Entrepreneurs can invest in setting up fuelling stations, either independently or in collaboration with gas suppliers. These stations are crucial for supporting the growing number of CNG-powered vehicles on the road.
- (iii) **Natural Gas Distribution and Storage:** Setting up distribution networks for natural gas and storage facilities is another opportunity for entrepreneurs. This involves the transportation

and storage of natural gas in compressed form, which can then be supplied to refuelling stations and businesses. Efficient distribution systems will be key to making CNG widely available across Tanzania and other African countries.

(iv) CNG-Powered Transportation Fleets: Entrepreneurs can invest in CNG-powered vehicles, especially for commercial fleets such as taxis, buses, and delivery trucks. CNG-powered vehicles can offer significant savings in fuel costs while contributing to environmental sustainability. Entrepreneurs can also set up car rental businesses that exclusively offer CNG vehicles to customers.

(v) CNG Equipment Manufacturing and Sales: As the demand for CNG increases, there will be a need for equipment such as compressors, storage tanks, and dispensers for refuelling stations. Entrepreneurs can consider manufacturing or distributing these specialized CNG components. This is a niche market with growing potential as more countries and businesses adopt CNG.

(vi) CNG for Industrial Applications: Industrial sectors such as manufacturing, mining, and agriculture are increasingly turning to CNG as a cost-effective energy source. Entrepreneurs can develop businesses that supply CNG to these industries, replacing more expensive and environmentally harmful fuels like diesel and heavy oils.

4.0 SUPPLY POSITION AND COMPETITION

Currently, there are only four operational CNG stations in Tanzania: Tazara (Nric Gas Technology), Airport (TAQA Delbit), Ubungo (Pan African Energy Tanzania), and Mandela Road (Tembo Energies). Over 4,500 vehicles in the country are already using CNG, with demand steadily increasing.

To meet rising demand, TPDC is set to issue licenses to private operators for the construction of gas facilities, including mobile filling stations. A total of 13 new CNG stations are expected to be operational by June next year, expanding access for consumers.

Additionally, TPDC plans to increase natural gas production by 80 million cubic feet (cf) next year. This includes 60 million cf from the Ntorya Ruvuma block and 20 million cf from the Mnazi Bay site.

The aim is to build sufficient capacity to meet domestic needs and supply neighbouring East and Southern African countries,

With the new CNG mother station and increased production, the government aims to support growing industrial and consumer needs while strengthening regional energy partnerships.

4.1 DISTRIBUTION

A well coordinated supply chain will be put in place to make sure all the products are pushed to the market once the production has taken place. The target customers are vehicles owners' individuals and corporate clients

For up country market arrangement is in place to have their orders fulfilled once the payment has been received to our respective bank account. And in turn shipment will be delivered.

4.2 PROMOTION

Appropriate promotion means will be employed after consultations with promotion experts to enable the company properly promote its products to the target market. Generally, the company will put more efforts in promotion by participating in different trade fairs like Sabasaba, Nanenane and any other,

OSSC COMPANY LIMITED will be sponsoring some activities as promotion strategy

4.3 COSTING AND PRICING

From the survey made there are differences in pricing depending on quality of the product, since the company will be using new technology; **OSSC COMPANY LIMITED products** will be market based priced after taking into consideration cost of production, the emphases will be on quality and customized services. The average selling price is US\$ 0.6 per kg and annual production capacity is 3,240 ton of CNG

4.4 ADVERTISING

The company will be using Fm radio and other radio, Television, billboard, Posters, T-shirt etc to promote company's products.

5.0 MANAGEMENT AND MANPOWER REQUIREMENTS

5.1 MANAGEMENT

A Board of Directors will closely supervising the proposed project as it has been mentioned above. The General Manager will be assisted by properly trained managers in areas of Sales and Marketing, Finance and Administration and Production, who will together comprise the management team.

5.2 MANPOWER REQUIREMENTS.

The management team will be supported by a team of **25** local permanent staff in various capacities. Casual laborers will also be employed on a daily or weekly payment basis.

6.0 ASPECTS OF PROJECT SUSTAINABILITY

The project sponsors having studied market environment and the infrastructure in Tanzania are convinced that the project will be able to operate undisturbed taking into consideration that, the management has got vast knowledge and experiences in this sector. The growing demand for quality hygienic products gives them assurance of a steady market. The peace and tranquillity that

exist in Tanzania is another aspect of assured business sustainability.

7.0 MONITORING AND EVALUATION

The monitoring and evaluation tools that have been successful in various hygiene industry will be applied in this project expanded as well, the project sponsors are determined to cooperate fully with the government and other stakeholders for smooth business running.

8.0 PROJECT INVESTMENT COST

The estimated capital investment cost of the project is US \$ 10,020,000

OSSC COMPANY LIMITED COST STRUCTURE US\$

PARTICULAR	US\$
Land and Buildings	3,000,000.00
Machinery & Equipment	4,000,000.00
Motor Vehicles	1,200,000.00
Furniture & Fixtures	5,000.00
Pre exp	10,000.00
Others	5,000.00
Working Capital	1,800,000.00
TOTAL	10,020,000.00

For the project to be a reality a total investment amounting to US \$10,020,000 is needed

8.1 FINANCING PATTERN

The project will be financed by equity constituting US\$ 3,020,000 and loan US \$7,000,000.

8.2 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 60% of total revenue.

9.0 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.

It is assumed that the major raw material will be procured from local market. Revenues have been conservatively estimated based on experience of the promoters and trends in the industry.

9.2 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 \$ 1,834,840** in first year to **US \$ 17,692,096** in the 8th year

9.3 PROJECTED CASH FLOWS

This is shown in the financial statements. The project has a positive end of year cash flow from 1st year **US\$ 2,591,340** of operation to the 8th year **U S \$ 21,504,096**.

9.4 PROJECTED BALANCE SHEET

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholders equity increases from **US\$ 3,020,000** in the first year of operation to **US \$ 20,712,096** in the 10th year.

9.5 PROJECTED LONG TERM LOAN REPAYMENT

The projected loan is projected to be **US\$7,000,000** to be repaid within 7 years with bank interest of 8% annual.

9.6 PROJECT PROJECTED PAYBACK PERIOD

The projected Investment Cost is **US\$10,020,000**, Accumulated cash flow in year 5 is **US\$ 10,319,703**, which is greater than initial investment cost, therefore project payback period is within five years

10.0 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 **25 people**.
- 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 CNG industry
- The project will generate foreign earnings.

11.0 IMPLEMENTATION

Project implementation is expected to be relatively very short once project has been approved it is estimated that renovation and installation of machines will be completed within one year:

Implementation

S/N	ACTIVITY	PERIOD
1	Processing TIC industrial license	March 2025
2	Placing order of machines	June– September 2025
3	Installing machines	October-November 205
4	Recruitment	December 2025
5	In house training	December -February 2026
4	Testing production	March - May 2026
6	Commercial operations	June 2026

12.0 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.

OSSC COMPANY LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT

	1	2	3	4	5	6	7	8
Revenue from CNG	4,536,000	4,989,600	5,488,560	6,037,416	6,641,158	7,305,273	8,035,801	8,839,381
Revenue from installation	2,970,000	3,207,600	3,367,980	3,536,379	3,713,198	3,898,858	4,093,801	4,298,491
Total revenue	7,506,000	8,197,200	8,856,540	9,573,795	10,354,356	11,204,131	12,129,601	13,137,872
Operating Expenses:	4,128,300	5,328,180	5,756,751	6,222,967	6,730,331	7,282,685	7,884,241	8,539,617
Profit before Depreciation &Interest	3,377,700	2,869,020	3,099,789	3,350,828	3,624,024	3,921,446	4,245,361	4,598,255
Interest	560,000	480,000	400,000	320,000	240,000	160000	80000	0
Depreciation	196,500	196,500	196,500	196,500	196,500	196,500	196,500	196,500
Gross Profit	2,621,200	2,192,520	2,503,289	2,834,328	3,187,524	3,564,946	3,968,861	4,401,755
Tax (30%)	786,360	657,756	750,987	850,298	956,257	1,069,484	1,190,658	1,320,527
Profit After Tax	1,834,840	1,534,764	1,752,302	1,984,030	2,231,267	2,495,462	2,778,202	3,081,229
Accumulated Profit	1,834,840	3,369,604	5,121,906	7,105,936	9,337,203	11,832,665	14,610,868	17,692,096

OSSC COMPANY LIMITED PROJECTED CASH FLOW US\$

SOURCES:		1	2	3	4	5	6	7	8
Profit before interest and depreciation	-	3,377,700	2,869,020	3,099,789	3,350,828	3,624,024	3,921,446	4,245,361	4,598,255
Equity	3,020,000								
Loan	7,000,000								
Total Sources	10,020,000	3,377,700	2,869,020	3,099,789	3,350,828	3,624,024	3,921,446	4,245,361	4,598,255
Applications:									
Capital expenditure	8,205,000	-	-	-	-	-			
working Capital & Others	1,815,000								
Cash	-	2,591,340	2,211,264	2,348,802	2,500,530	2,667,767	2,851,962	3,054,702	3,277,729
Tax	-	786,360	657,756	750,987	850,298	956,257	1,069,484	1,190,658	1,320,527
Sub total	10,020,000	3,377,700	2,869,020	3,099,789	3,350,828	3,624,024	3,921,446	4,245,361	4,598,255
Total applications	10,020,000	3,377,700	2,869,020	3,099,789	3,350,828	3,624,024	3,921,446	4,245,361	4,598,255
Accumulated cash		2,591,340	4,802,604	7,151,406	9,651,936	12,319,703	15,171,665	18,226,368	21,504,096

OSSC COMPANY LIMITED PROJECTED BALANCE SHEET USD

Fixed Assets		1	2	3	4	5	6	7	8
Opening balance	-	8,205,000	8,008,500	7,812,000	7,615,500	7,419,000	7,222,500	7,026,000	6,829,500
Total Long-term Assets	-	8,205,000	8,008,500	7,812,000	7,615,500	7,419,000	7,222,500	7,026,000	6,829,500
Less depreciation	-	196,500	196,500	196,500	196,500	196,500	196,500	196,500	196,500
Closing balance	-	8,008,500	7,812,000	7,615,500	7,419,000	7,222,500	7,026,000	6,829,500	6,633,000
Working capital	1,815,000	1,815,000	1,815,000	1,815,000	1,815,000	1,815,000	1,815,000	1,815,000	1,815,000
Accumulated cash	-	2,591,340	4,802,604	7,151,406	9,651,936	12,319,703	15,171,665	18,226,368	21,504,096
Total assets	1,815,000	12,414,840	14,429,604	16,581,906	18,885,936	21,357,203	24,012,665	26,870,868	29,952,096
Financed by									
Equity	3,020,000	3,020,000	3,020,000	3,020,000	3,020,000	3,020,000	3,020,000	3,020,000	3,020,000
Accumulated profit	-	1,834,840	3,369,604	5,121,906	7,105,936	9,337,203	11,832,665	14,610,868	17,692,096
Total equity	3,020,000	4,854,840	6,389,604	8,141,906	10,125,936	12,357,203	14,852,665	17,630,868	20,712,096
Long term loan	7,000,000	6,000,000	5,000,000	4,000,000	3,000,000	2,000,000	1,000,000	0	0
Bank overdraft	-	-	-	-	-	-	-	-	-
Total debts	7,000,000	6,000,000	5,000,000	4,000,000	3,000,000	2,000,000	1,000,000	-	-
Total equity and debts	10,020,000	10,854,840	11,389,604	12,141,906	13,125,936	14,357,203	15,852,665	17,630,868	20,712,096

OSSC COMPANY LIMITED PROJECTED LONG TERM LOAN REPAYMENT US\$

Year	principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	1,000,000.00	560,000.00	1,560,000.00	7,000,000.00
2	1,000,000.00	480,000.00	1,480,000.00	6,000,000.00
3	1,000,000.00	400,000.00	1,400,000.00	5,000,000.00
4	1,000,000.00	320,000.00	1,320,000.00	4,000,000.00
5	1,000,000.00	240,000.00	1,240,000.00	3,000,000.00
6	1,000,000.00	160,000.00	1,160,000.00	2,000,000.00
7	1,000,000.00	80,000.00	1,080,000.00	1,000,000.00

OSSC COMPANY LIMITED PROJECT PROJECTED PAYBACK PERIOD US\$

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	1,834,840	196,500	2,031,340	2,031,340
2	1,534,764	196,500	1,731,264	3,762,604
3	1,752,302	196,500	1,948,802	5,711,406
4	1,984,030	196,500	2,180,530	7,891,936
5	2,231,267	196,500	2,427,767	10,319,703
6	2,495,462	196,500	2,691,962	13,011,665
7	2,778,202	196,500	2,974,702	15,986,368
8	3,081,229	196,500	3,277,729	19,264,096

