

Ref. No. KSC/CA/09/2025

29th January 2025

Executive Director
Tanzania Investment Centre
P.O. Box 938,
DAR ES SALAAM

Dear Sir,

RE: RENEWAL OF CERTIFICATE OF INCENTIVE

The heading above is concerned.

Kilombero Sugar Company Limited (KSCL) is a limited company incorporated in Tanzania in which 75% of the shareholding is owned by Kilombero Holdings and the balance of 25% is owned by the Government of the United Republic of Tanzania.

The company was granted a Certificate of Incentives **No. 024457** issued on the 27th November 2019 to build a 420tch Sugar Mill - K4 and an automated world-class packaging, storage and dispatch facility. The Expansion Project is worth TZS 732.8 billion and will double Kilombero Sugar Company's sugar production from 127,000 tons annually to 271,000 tons upon steady performance.

Due to various challenges including the global economic pandemic – COVID – 19, the Russia – Ukraine war and piracy in the Red Sea which together with high rainfall in 2023 affected the procurement and supply of equipment from abroad, we experienced significant delays in site construction and are forced to request an extension of the Certificate of Incentives which was granted up until 13th January 2025.

In view of the above reasons, we hereby submit a request to renew the Certificate of Incentives to the 30th January 2026:

We also request replacement of the following paragraphs/items in the TIC Certificate.

- **Paragraph 3 - Sector**
 - Sector: Sugar Manufacturing
 - Subsector: Agriculture

- **Paragraph 4 - Investment cost**
 - Foreign: USD 119.42 million
 - Local: USD 186.63 million
 - Total: USD 306.05 million

- **Paragraph 5 - Financing**
 - Equity: USD 13.07 million
 - Loans: USD 219.6 million

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- Balance: USD 73.38 million (Cash from existing operations)
- Total: USD 306.05 million

- **Paragraph 7 - Capital Items**
 - Foreign: USD 70.07 million
 - Local: USD 235.98 million
 - Total: USD 306.05 million

- **Paragraph 10 - Implementation period**
 - May 2021 to January 2026

- **Paragraph 11 - Operative date**
 - January 2026

We believe that the extension will avail us time to complete the project whilst continuing to benefit from the incentives granted under the said Certificate of Incentive currently in effect.

Attached with this letter is the project progress report as well as the previous Certificate of Incentives issued for your reference.

Submitted in anticipation on your continued support.

Yours sincerely,



Guy Williams
MANAGING DIRECTOR