

ABANOUB GLOBAL INVESTMENT LIMITED

BUSINESS PLAN

FOR

ESTABLISHMENT OF

INTEGRATED FUEL DEPOT FACILITIES

PREPARED BY

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BUSINESS PLAN FOR FUEL DEPOT PROJECT

1. INTRODUCTION

The business plan was prepared by **ABANOUB GLOBAL INVESTMENT LIMITED** for the establishment of integrated fuel depot facilities project in Bagamoyo- Pwani and Dar es salaam. **ABANOUB GLOBAL INVESTMENT LIMITED** is a private company limited by shares, registered in the United Republic of Tanzania with Certificate of Incorporation Number **151638821** dated 16th October 2025. The company plans to commence business promptly in line with **CAP 432** of the Companies Act.

The investment proposal outlines the financial, human, technical, and other resources required for the project, assesses economic and commercial viability, and guides capital allocation for the fuel filling station sector.

The Project qualifies for investment incentives through the **Tanzania Investment and Special Economic Zones Authority (TISEZA)**, including:

- a) Import duty exemption on deemed capital goods
- b) VAT deferment on approved capital equipment
- c) Tax incentives as applicable under the Strategic Investment Act
- d) Access to One-Stop Facilitation for permits, approvals, and work/residence permits

Eligible capital goods for tax incentives include (non-exhaustive):

- a) Storage tanks and accessories
- b) Pipeline systems (above-ground and underground)
- c) Loading and unloading arms
- d) Fire detection and protection systems
- e) Automation, SCADA and control systems
- f) Fuel transfer pumps, compressors and meters
- g) Tanker trucks, prime movers and trailers
- h) Barges and marine handling equipment
- i) Jetty and marine loading systems
- j) Maintenance machinery, cranes and hoists
- k) Electrical systems, generators and UPS
- l) Communication and surveillance systems
- m) Safety and environmental monitoring systems

The Project will be financed primarily through long-term foreign financing complemented by company capital.

2. COMPANY BACKGROUND

ABANOUB GLOBAL INVESTMENT LIMITED is a private company based in **DAR ES SALAAM**. The Company shareholders are **AMINE TEFAGHABIR YOHANNES** as a majority shareholder, **RAHEL MELAKE YOHANNES**, **GIRMAY GEBREMICHAEL YIHDEGO** and **RAMADHAN SABITI** who are minority shareholders. **AMINE TEFAGHABIR YOHANNES** together with **RAHEL MELAKE YOHANNES**, **GIRMAY GEBREMICHAEL YIHDEGO** and **RAMADHAN SABITI** are the directors of the company, who oversee its day-to-day operations. The Board of Directors is responsible for governance, strategic oversight, and policy direction, while management handles day-to-day operations.

ABANOUB GLOBAL INVESTMENT LIMITED seeks to develop, operate, and manage fuel depot facilities in Bagamoyo- Pwani and Dar es salaam designed to serve local, regional, and international markets.

The fuel depot is becoming the most needed project as it is the major component in the country, regional wide and the world. There is a very high demand for such commodity in all around the country, **ABANOUB GLOBAL INVESTMENT LIMITED** will be one of the only few major depot fuels station companies in the country. It is on the basis of the above reasons that the management resolved to invest in establishing and operating a project of fuel business as a business. In setting up the facility, the intended project will be established in three years in setting up facilities for the project and is estimated to be at a cost of USD. **2,000,000,000/=**. as capital investment.

The objective of the project is to enhance accessibility of high-quality petroleum products, support local business growth, and contribute to government revenue through taxes and employment creation.

To reach its objective, the company intends to operate a modern fuel depot in Tanzania to meet high domestic, regional, and international fuel demand, ensuring quality service and client satisfaction. The projected total capital investment is USD. **2,000,000,000**, depending on location, design, and capacity.

The development will be phased over **36 months**, utilizing EPC turnkey delivery, modern standards, and international best practice.

2. PROJECT OVERVIEW

Vision:

To establish a world-class, integrated petroleum storage and distribution hub that enhances Tanzania's energy security and positions the country as a key petroleum gateway for East Africa.

Project Components

1. Bagamoyo Mega Depot (Greenfield)
2. Dar es Salaam Terminal Upgrade and Expansion

3. TARGET MARKET

The demand for fuel in Tanzania is growing due to:

- a) Increasing number of vehicles
- b) Growing logistics and transit trade
- c) Mining, construction, and industrialization growth
- d) Agricultural mechanization and urban expansion

The Project targets both corporate and institutional clients.

5. FUEL DEPOT FACILITIES

Facilities include but are not limited to:

- a) Storage tanks
- b) Pipelines
- c) Loading gantries
- d) Fire & safety systems
- e) SCADA automation
- f) Transport fleet (trucks, trailers, tankers)
- g) Communication & backup power systems

6. OBJECTIVES AND SERVICES

Key Objectives

- a) Provide secure national strategic storage
- b) Improve import logistics
- c) Generate sustainable revenue
- d) Support national development priorities

Services Offered

- a) Storage services (throughput and rentals)
- b) Bulk fuel trading
- c) Retail supply
- d) Lubricants, LPG, convenience services

7. PLAN OR PROSPECTS

- a) To establish a world- class intergrade fuel storage and distribution hub that secure Tanzania's energy supply, reduces logistical inefficiencies and positions the country as a key petroleum products gateway for East Africa.
- b) Smooth running of the **ABANOUB GLOBAL INVESTMENT LIMITED** sector fuel depot station business.
- c) For efficient and effectiveness in operation.
- d) To increase more facilities for the project i.e work machines with introduction of new technology.
- e) To increase the volume of the project or capacity of the project to be processed in the fuel sector.

8. PROJECT PLAN & IMPLEMENTATION

8.1 Implementation Schedule

8.1.1. Phase 1: Mobilization and Design (Pre- Construction- January- April, 2026):

- a) Land acquisition
- b) Feasibility study for project site
- c) Mobilization and design
- d) TISEZA registration and Certificate of Incentives
- e) Application for import duty exemption
- f) Initial procurement.
- g) TBS, OSHA, NEMC, Fire & Safety clearances
- h) Project financing

8.1.2. Phase 2: Implementation Plan / Construction (2–36 months) Q1 2027- Q3 2028

ii) Construction

Site Preparation (Months 1-6)

- a) Land clearing and grubbing
- b) Soil testing and improvement
- c) Temporary facilities establishment
- d) Security perimeter installation

Phase 2: Foundation Works (Months 7-12)

- a) Tank foundations (concrete works)
- b) Road network construction
- c) Underground utilities installation
- d) Bund wall construction

Phase 3: Tank Erection (Months 13-24)

- a) Tank plate fabrication (Chinese prefabrication)
- b) Field assembly and welding
- c) Roof installation
- d) Quality testing (NDT, pressure testing)

Phase 4: Mechanical Completion (Months 25-30)

- a) Piping installation
- b) Equipment installation
- c) Electrical and instrumentation
- d) Painting and coating

Phase 5: Commissioning & Operations (Months 31-36) Q4- 2028

- a) System testing and inspection
- b) Staff recruitment and training
- c) Performance verification
- d) Operator training
- e) Regulatory approvals
- f) Trial operations

9. THE PROJECT PROMOTERS

The shareholders of this project are all entrepreneurs with a diverse professional and business backgrounds. The company is owned by 4 shareholders, namely;

Name	Shares%	Nationality
AMINE TEFAGHABIR YOHANNES	75	ERITREAN
RAHEL MELAKE YOHANNES	10.8	ERITREAN
GIRMAY GEBREMICHAEL YIHDEGO	7.1	ETHIOPIA
RAMADHAN SABITI	7.1	RWANDAN

10. LOCATION:

The project head quarter will be in **DAR ES SALAAM** and the project area will be in **BAGAMOYO** – **PWANI** and **DAR ES SALAAM**.

11. CAPITAL INVESTMENT COST

COSTS AND ESTIMATE VALUE

Investment costs and estimate value

SN	Item	Description	Amount (In USD)
1	Investment Costs	Investment Cost	1,500,000,000
		Working Capital	500,000,000
		Total	2,000,000,000
2	Cost & Estimate Revenue Loss	Estimate of total annual revenue	1,000,000
		Total Operational Expenses of Project (Annual)	100,000,000
		Interest of bank Facilities	2%
		Commissioning cost 10% material Total annual depreciation expenses	
		Annual Income Tax 30%	
		Total Profit & Loss: (Annual)	101,000,000
3.	Project Fixed Capital	The costs before commissioning	100,000
		Land & Landscaping	820,000,000
		Civil & Building Implement (foundation,	120,000,000

		tanks farm, piping trenches, road and drainage	
		Mechanical installation (Machinery, Office, Workshop & Lab Supplies, tank erection, piping network and pump station)	10,000,000
		Vehicles	20,000,000
		Furniture and fixings	9,600,000
		Total	979,700,000
4	Plant (Machinery & Major equipment)	Storage tanks, Pumps and compressors, Pipeline network, Loading gantries, Power generators	520,000,000
5.	The costs before commissioning	Costs before commissioning including feasibility study, periodical visits, acquiring investment permits, technology, TIC License of Incentive, Environment License, EWURA, Port Authority (TPA), Municipality, Road Administrative etc	20,000
		Training Before Commissioning	30,000
		Total	520,050,000
6.	Transport, Work place & Supplies	Fire & safety systems – Foam systems, firewater network, detectors, alarms	20,000
		Utility and Electricity (power distribution SCADA automation, safety systems)	30,000
		Total	50,000

7.	Administrative & Overheads	Salaries and wages	100,000
		Security & CCTV	20,000
		Maintenances	30,000
		License & Misc	30,000
		Marketing	20,000
		Total	200,000

Fixed capital depreciation

S/N	Description	Production (Estimated)	Unit Price (USD)	Amount (USD)
1.	Production Average	750,000 L per year	1000	
Total Cash Income				2,000,000,000
Deduction (Current Costs)				100,000,000
Deduction (Depreciation Costs)				96,000,000
Deduction (Banking Fees 2%)				
Net Profit (USD):				1,803,998,000

Period of Investment & Capital Return

1.	Period of Investment & Capital Return	Purchase of machinery, equipment, transport, set-up and putting into operation	1 year
		Commissioning, trial operation, financing & administrative affairs	1 year
		Settling the principal with interest	1 year
		Capital Annual Rate	1 year

COMPANY FINANCING

Description	Total (USD)	Banking Loan	Customer Share
Fixed Costs of Project		2,000,000,000	140,000
Cost of Circulating Capital 15% of Current Expenses	-	-	-
Total	0	2,000,000,000	140,000

The intended project is to be implemented within 3 years. The company promoters (shareholders) have resorted to register the project with Tanzania Investment Center (TIC) and securing the certificate of incentives.

12. FINANCIAL PLAN (SOURCE OF FUNDS)

COMPANY LIMITED has firmed up finances for the implementation programmed by its fund and Loan.

Foreign loan	<u>USD \$ 2,000,000,000.00</u>
TOTAL	USD \$ 2,000,000,000.00

13. SUBMISSION

ABANOUB GLOBAL INVESTMENT LIMITED submits the investment proposal and it's application to the Tanzania Investment and Special Economic Zones Authority (TISEZA) for registration and award of certificate of Incentives for the commencement of the processing project.

The project will soon commence after the company is registered under Tanzania Investment and Special Economic Zones Authority (TISEZA) and being issued the Certificate of Incentives.

14. ECONOMIC GROWTH

The current economic growth which had been registered in Tanzania, as the result of investment, business, constructing have attracted more investments as well as processing and business in the Tanzania such as the intended fuel business sector project. The economic growth influenced such need of fuel especially business is in demand and are growing day by day for the increased production in oil.

15. COMPETITION OR MARKET

Despite the presence of several fuel companies in Tanzania, the current supply of petroleum products remains insufficient compared to the increasing national demand. The market is competitive, dominated by established oil and gas companies with strong market presence.

Competitive Advantages of the Project

The project is designed to achieve sustainable competitiveness in the market through:

- a) **Strategic location of the depot**
- b) **Modern and efficient equipment**
- c) **Competitive and customer-friendly pricing**
- d) **Excellent customer service standards**
- e) **Multiple service offerings (fuel, lubricants, car wash, tyre services, mini-mart)**
- f) **Reliable transport fleet**, ensuring timely fuel deliveries due to reduced mechanical breakdowns
- g) **Ownership of transportation trucks**, minimizing operational delays and improving reliability
- h) Position to serve landlocked neighboring countries (Rwanda, Burundi, Uganda, DRC) as a reliable fuel supplier.
- i) both sites offer advantages with suitable topography, accessibility and expansion potential.

These strengths position the project to capture meaningful market share and provide consistent value to customers.

16. BUSINESS STRATEGY

In order to meet the current demand and high productivity the management of the company will develop and implement additional strategies which will capture markets.

- a) **Advertisement and promotion (media & street campaigns)**
- b) **Qualified and experienced operators**
- c) **On-the-job training**
- d) **Business discipline**

17. ENVIRONMENTAL ISSUES

Project activities are environmentally friendly, with proper waste management and safety

18. IMPLEMENTATION STRATEGY

18.1. Project Management: ABANOUB GLOBAL INVESTMENT LIMITED will form a Special Purpose Vehicle (SPV) to manage the project. A dedicated, experienced team will oversee all phases.

18.2. Procurement & Construction:

a) **EPC Contractor:** International bidding among pre-qualified top-tier **Chinese EPC companies** (e.g., Sinopec Engineering, China Communications Construction Company) known for integrated solutions in the oil & gas sector.

b) **Materials & Technology:** Primary procurement of storage tanks, pipeline systems, loading arms, fire safety systems, and automation/SCADA controls from certified Chinese manufacturers to ensure compatibility, cost savings, and streamlined logistics.

19. MANPOWER & TECHNOLOGY TRANSFER

- a) Employment of ~100 local and foreign staff (direct and indirect)
- b) On-job training for technical skills
- c) Use of modern fuel storage and distribution equipment's.

20. ECONOMIC & SOCIAL BENEFITS

- a) Job creation
- b) Technology transfer
- c) Government revenue (taxes, licenses, permits)
- d) Support for local businesses and transporters

21. RISK ANALYSIS & MITIGATION

- a) **Completion Risk:** Mitigated via fixed-price, lump-sum EPC contract with strong performance guarantees and liquidated damages from reputable Chinese contractor.
- b) **Off-take & Market Risk:** Active engagement with major oil marketing companies for long-term take-or-pay storage agreements prior to financial close.
- c) **Political & Regulatory Risk:** Strong alignment with Tanzanian government's strategic energy plans; securing necessary guarantees and permits is a priority.
- d) **Currency Risk:** Revenues are USD-denominated; loan is in USD.

22. CONCLUSION & RECOMMENDATION

The project is economically and financially viable, scalable, and aligned with Tanzania's development goals. **TISEZA Certificate of Incentives** is recommended to facilitate duty exemptions and accelerate operations.

The financial evaluation of the project done so far indicates that this project will be profitable both economically and financially viable venture. There are many other benefits direct and indirect of this project. The management being experienced businessmen possesses ample managerial capabilities in various business disciplines.

Based on the above factors, it is recommended that the company should be granted the certificate of incentives for the implementation of the project so that the project will operate and enjoy tax exemption on capital and deemed goods and increase its production capacity.

This project represents a low-risk, high-impact investment in essential national infrastructure, backed by government-prepared land and a secure financing structure. **ABANOUB GLOBAL INVESTMENT LIMITED** is committed to executing this project with operational excellence. We believe the partnership with AIO, under the proposed terms, will yield *significant mutual financial success and substantial socioeconomic benefits for Tanzania.*

2.0 PROFIT & LOSS STATEMENT (USD MILLIONS)

Item	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Revenue	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Operating Costs	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
EBITDA	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
Depreciation & Amortization	(98.67)	(98.67)	(98.67)	(98.67)	(98.67)	(98.67)	(98.67)	(98.67)	(98.67)	(98.67)
EBIT	801.33	801.33	801.33	801.33	801.33	801.33	801.33	801.33	801.33	801.33
Interest Expense	(41.79)	(41.79)	(41.79)	(27.86)	(13.93)	-	-	-	-	-
Profit Before Tax	759.54	759.54	759.54	773.47	787.40	801.33	801.33	801.33	801.33	801.33
Tax Expense (30%)	-	-	-	-	-	(240.40)	(240.40)	(240.40)	(240.40)	(240.40)
Net Profit	759.54	759.54	759.54	773.47	787.40	560.93	560.93	560.93	560.93	560.93

3.0 CASH FLOW STATEMENT (USD MILLIONS)

Item	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Cash Flow from Operations										
EBITDA	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
Interest Paid	(41.79)	(41.79)	(41.79)	(27.86)	(13.93)	-	-	-	-	-
Tax Paid	-	-	-	-	-	(240.40)	(240.40)	(240.40)	(240.40)	(240.40)
Net Operating Cash Flow	858.21	858.21	858.21	872.14	886.07	659.60	659.60	659.60	659.60	659.60
Cash Flow from Financing										
Principal Repayment	-	-	(696.43)	(696.43)	(696.43)	-	-	-	-	-

Item	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
EQUITY											
Current Liabilities	-	-	-	-	-	-	-	-	-	-	-
Non-Current Liabilities											
Long-Term Loan	2,089.29	2,089.29	2,089.29	1,392.86	696.43	-	-	-	-	-	-
Total Liabilities	2,089.29	2,089.29	2,089.29	1,392.86	696.43	-	-	-	-	-	-
Equity											
Share Capital	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings	-	759.54	1,519.08	2,278.62	3,052.09	3,839.49	4,400.42	4,961.35	5,522.28	6,083.21	6,644.14
Total Equity	-	759.54	1,519.08	2,278.62	3,052.09	3,839.49	4,400.42	4,961.35	5,522.28	6,083.21	6,644.14

Ratio	Formula	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Assets (ROA)	Assets	%	%	%	%		%	%	%		
Liquidity Ratios											
Current Ratio	Current Assets/Current Liabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cash Ratio	Cash/Current Liabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Solvency Ratios											
Debt to Equity	Total Debt/Equity	2.75	1.38	0.61	0.23	0.00	0.00	0.00	0.00	0.00	0.00
Debt to Assets	Total Debt/Total Assets	73.3 %	57.9 %	37.9 %	18.6 %	0.0%	0.0%	0.0%	0.0 %	0.0%	0.0%

Item	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total Liabilities & Equity	2,089.29	2,848.83	3,608.37	3,671.49	3,748.53	3,839.50	4,400.43	4,961.36	5,522.29	6,083.22	6,644.15

5.0 FINANCIAL RATIO ANALYSIS

Ratio	Formula	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Profitability Ratios											
Gross Margin	EBITDA/Revenue	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Net Profit Margin	Net Profit/Revenue	75.0%	76.0%	76.0%	77.3%	78.7%	56.1%	56.1%	56.1%	56.1%	56.1%
Return on Equity (ROE)	Net Profit/Equity	100.0%	50.0%	33.3%	25.3%	20.5%	12.7%	11.3%	10.2%	9.2%	8.4%
Return on	Net Profit/Total	25.7	21.0	20.7	20.6	20.5%	12.7	11.3	10.2	9.2%	8.4%