



THE UNITED REPUBLIC OF TANZANIA  
 PRIME MINISTER'S OFFICE  
 TANZANIA INVESTMENT CENTRE

FILE BEGINS

ENDS

PART

FILE NUMBER  
 TICC

FILE TITLE

**CONFIDENTIAL**

PP 10 / 04  
~~061211~~  
 042435

INDEX HEADINGS

PART  
 FILE NUMBER  
 TICC  
 PP 10 / 061211  
 042435

Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M
DIF	F1	HPmy	18/04/13	6					
Datta	F1	6	22/4/13	WKS					
			21/5/13						

# PRINTECH COMPANY LIMITED

## BUSINESS PLAN

2013 – 2018

**Prepared by :**

D.L. Mgeta

Private Sector Development

Consultant,

P.O.Box 76340,

Dar es Salaam

Email: [dlngeta@yahoo.co.uk](mailto:dlngeta@yahoo.co.uk)

Cell: 0719- 593 665

0754 – 958617

March, 2013

**Table of contents**

- 1.0 Executive summary
- 2.0 The Project Promoter
- 3.0 The project
- 4.0 The Market
- 5.0 Capital cost of the project and financing
- 6.0 The Project Management
- 7.0 Financial Analysis
- 8.0 Economic Evaluation
- 9.0 Conclusion and Recommendations

**Attachment**

- a. Appendix I: Projected Profit and Loss Statement
- b. Appendix II Projected Cash Flows
- c. Appendix III: Projected Balance Sheets
- d. Annex I: Working Capital schedule

## 1.0 Executive summary

---

Printech Company Limited PCL) is a limited liability company that was incorporated on June, 28<sup>th</sup>, 1996 for the purpose printing titles under Habari Cooperation.

In 2004 the company secured a loan from South Africa Media Development Finance (SAMDEF) for purchasing modern printing press and pre-press machines. The company subsequently relocated to rented factory premises at the Millennium Industrial Park in Ubungo, Dar es Salaam and has since September 2005 been printing various titles including daily, weekly, bi-weekly as well as monthly newspapers.

Printech has since become a popular brand name in the country. In spite of its challenges, briefly mentioned below, Printech has captured a reasonable market share of 17<sup>th</sup> in the industry and its desire to acquire a new press is based on the aim of protecting and growing this market share to 25% in a foreseeable future.

### **Formidable challenges affecting Printech include, in a nutshell,**

- i. Machinery configuration – Printech's printing press can print only 8 pages colour, whereas the market is in demand of full colour on 20 pages.
- ii. Inability to invest – the limited revenue generation does not allow the company to re-invest.
- iii. The company also experiences a severe liquidity problem due to high cost of service and slow collection problems.
- iv. A weak customer base – a strong customer base is a function of a performing printing machine. Constant breakdowns of the machinery, poor registration and inability to meet deadlines has caused an equally strong migration of customers to competitors.
- v. Corporate development – the business has been reactive rather than proactive in the manner it carries out its business. The company has not had medium and long term business plans.

Printech's Board and management has recently resolved to face these challenges by adopting short and long term approaches in planning. Hence this business plan which highlights the various measures aimed at revamping the Printech activities over the next five coming years.

### **Major objectives of Printech are to:**

- Develop a strong business model with short term and long term solutions;
- Carry out commercial printing services which are cost effective,
- Generate sufficient cash flow to cover operating costs and allow for future growth,
- Control operating costs so that the overall objective of creating value to shareholders can be reached;
- Build a strong customer base by identifying how new customers can come in while retaining the old customers, and to
- Be competitive in whatever undertaking the company does.

This objectives will be met by installing and operating a new printing machine which will squarely meet the demand of the customers in terms price, colour and quality. Upon introduction of the new, state-of-the-art, printer Printech will be second, if not first, rated printer in terms of competitiveness as can be seen in the table below:

**Competitors' comparison in terms of business and machine technology:**

No.	Company	Type of Printer	Black	Colour	Total	Age	Waste	Competitor rate
1	Business Printers	SOLNA DISTRIBUTOR	20	4	24	32	30%	2
2	Modern Printers	SOLNA DISTRIBUTOR	28	4	32	0	30%	1
3	Jamana Printers	GOSS COMMUNITY	16	16	32	35	8%	7
4	The Guardian	GOSS COMMUNITY	16	32	48	40	30%	4
5	Mwananchi	HILINE		40	40	5	5%	9
6	POA Printers	GOSS COMMUNITY	8	8	16	3	4%	7
7	Standard Printers	GOSS COMMUNITY	16	8	24	6	6%	6
8	Printech	NESWFASTER	16	8	24	7	23%	5
9	<b>Printech - New</b>	<b>FASTREK-3</b>		<b>32</b>	<b>32</b>	<b>1</b>	<b>3%</b>	<b>9</b>

**Printech's Mission** is to create wealth for shareholders and other stakeholders through the provision of printing services with price, quality and capacity as a core to the mission.

**The company vision** is to be the market leader in the printing industry in Tanzania. The aims of the vision for Printech Company limited is "to achieve growth as a successful, vibrant, dynamic, diversified and sustainable printing company which optimizes shareholders value and contributes to promotion and development of media in Tanzania and Africa. The Company aims to be the industry leader at all times hiring top class talented individuals capable of coping with ever changing printing technology and to deliver beyond expectations"

**Printech's promise** to the market is in its slogan "for better quality and value for money today and tomorrow" which defines what company really seeks to endeavor. Printech want to serve and appeal to all its stakeholders with equality.

**The Company's Core Values**

In defining and executing the desired direction, Printech will continually rely on its core values when making decisions. These are the shared values founded on excellence to which the company aspires. Printech decisions and actions will demonstrate these values to create long-term benefits for shareholders, customers, employees and suppliers.

- Publishers are the centre of everything the company does;
- Customer service is key in Printech strategy;
- Quality is everyone's responsibility;
- Printech employees are its most important resource in place and define its future;
- Printech thrives to work as a team;
- Printech accepts personal accountability for its actions and results;
- Printech believes in integrity and openness in all its undertakings.

Printech's current management team consist of :

SN	NAME	DESIGNATION
1	Mr. Zwide Mbulawa	General Manager
2	Mrs. Mateni	Finance & Admin Manger
3	Mr. Bwire	Corporate & Marketing Services Manager
4	To be filled	Production Manager
5	To be filled	Legal & Human Resources Manager

### **Market Penetration**

In the new Printech model, the company desires a machine that will allow it to make a huge market penetration. The ability to print 32 pages will be a major boost to company customers, and will create the needed perception that Printech is developing the company to address their needs.

The penetration strategy is; the CTP gives an accurate registration Printech needs, the machine gives PCL the colour advantage and the price advantage.

In 2012, Printech undertook a successful marketing drive that saw it working at full capacity for the first time. However, the old printing machine could not cope. With the company's knowledge of the market and new printing machine, this is again possible and achievable.

## 2.0 The Project Promoters

---

### 2.1 The Company Background

The Printech Company Limited (PCL) is a Private Limited Liability Company incorporated on 28<sup>th</sup> June, 1996 for purpose of carrying on the business of the printing newspapers, magazines, books brochures and journals.

### 2.2 Address Of The Company

PCL registered offices are at Millennium Business Park No. 7, Shekilango/Morogoro Road

P.O. BOX 556, Dar Es Salaam, Tanzania

Tell. +255 22 2400615/24

Cell: +255 756 701 147 / +255 655 412 152

Email:printech.tz@gmail.com

### 2.3 Certificate of incorporation

PCL is incorporated and registered in Tanzania as a limited liability company under Certificate of Incorporation number 30242, dated 28<sup>th</sup> June, 1996

### 2.4 The authorized share capital

- The authorized share capital of the company is currently Tsh. 600,000,000/= dividend into 10,000/= each (60,000shares)
- The issued and fully paid up shares are 22,421 share worth T.sh 224,210,000/= of Tsh. 10,000/= each. (source PCL's Financial Statements for the year ended 31<sup>st</sup> December,2010).

### 2.5 The shareholders/ownership

The shareholding of Printech Company limited is as follows:-

Shareholders	% shares
1. Habari Corporation Ltd	9%
2. SAMDEF	25%
3. Unallocated	20%
4. On issue	46%

\* SAMDEF is South African Media Development Finance, of South Africa.

## 2.6 Directors

The directors of Printech Company Limited are:

• Dr. Gideon Shoo	Chairman
• Shaaban Kanuwa	Director
• Sadler Kamudyariwa	Director
• Johnson Mbwambo	Director
• Salvator Rweyemamu	Director

## 2.7 Sponsors/promoters

The project is being sponsored by M/s Printech Company limited which was incorporated to engage primarily in promotion and operation of commercial printing.

## 2.8 Shareholders resolution

In recognition of the need for company growth and adoption of statement of the art technology it has recently resolved that management assisted by external consultant(s) should prepare a business plan and subsequently use it for mobilization of funds for acquisition of anew print press and construction of company's own factory on a suitable location.

## 3.0 The Project

---

### 3.1 Project Description

The project entails setting up a new state-of- the art, printing press to be located on a new site in Dar es Salaam. To meet one of the major challenges that has affected the company in a significant way namely: MACHINE CONFIGURATIONS.

The current printing press, 'a Newfaster' type of machine, does not have the capacity, diversity and flexibility and narrows the PCL's business opportunities and also causes loss of customers. Research conducted by both external consultant and management has revealed that there is only one feasible solution of buying new machine that fits PCL'S business profile and business objectives. The current 'Newfaster' Machine, in short, does not have the type of specification and configurations to make it competitive in the market. The main challenge is that the machine can only print 8 pages colour, whereas the market is now going full colour on 24-32 pages.

### 3.2 The new Printech Model

The New Printech Model will have the following advantages vis-a-vis Old Printech Model:

- Market penetration – the ability to print 32 pages will be a major boost to the company customers and will create the perception that PCL is developing its operations to address the customers' needs.
- Reliability – the new press will be reasonably priced and will deliver in time frame of ten years all the company strategic needs.
- Economic configuration – speed is critical in printing operations; however experience now show that configuration has higher priority.

The following comparison table shows the advantages of the new Printech Model vis-à-vis the old Printech Model

Old Printech Model	New Printech Model
Waste at 20 - 25%	Waste at 3-5%
8 full colour pages	32 full colour pages
Capacity for 4 dailies 2 volume weeklies (has one folder Cannot handle EMS Challenge)	Capacity for 8 Dailies 16 weeklies (because it has two folders) Can handle EMS Challenge
Poor machine configuration (can only produce one product)	Well planned machine Configuration (can reduce several products )
Not tower configuration Breakdown is stoppage	Tower configuration no down time
Machine expensive to upgrade	Machine in-expensive to upgrade
<b>RESULT</b> <b>WEAK CUSTOMER BASE</b>	<b>RESULT</b> <b>STRONG CUSTOMER BASE</b>

- **Cost effectiveness.** Printech wants a cash cow. The company is very clear on this objective. A machine that is too expensive may be profitable and address a lot of the short terms goals, both this time PLC needs to have a machine that can bring about further growth and investment in the company within a ten year period. This can only happen if it has the ability to turn the company into a cash cow, the margin being reasonable wide for any eventuality. Cost effectiveness is addressed by issues such as waste, short make ready, low power consumption, and minimum Human resources requirements. The ability for the machine to produce different types of products also makes it more cost effective.
- **Overcoming EMS bottleneck.** This is a defining parameter for competition in printing that many overlook because most of the people selling printing machines don't know much about it. But dealing with this is to the customer's delight, it is a great contributor to customer retention strategies.

Here the proper configuration of the machine can solve some of the EMS issues.

- **Reduced waste.** This is where the profit lies. About 80% of the printing cost comes from using newsprint, which implies that about 15-20% of profit loss comes from waste. The investment of the new machine depends directly on having low waste levels, and gives the company the ability to maintain good prices for the customers.
- **Corporate development.** In order to brand the company effectively, there is need to establish a better HR strategy that can handle the challenges that the company comes across. The company will be run using a business plan and an annual budget. Corporate development will also include investment strategies such as acquiring company's own plot for the factory.

### 3.3 Location of the project

Due to increase of annual rent, the company has decided to reallocate to a new site. A plot size about 3 acres has been identified. It is located in Mabibo areas, Kinondoni Municipality of Dar es Salaam City, close to the National Institute of Transport. The area is easily accessible to publishers.

### 3.4 Printing capacity and capability

The first priority is that the company aims at having a business model that will be able to generate sufficient revenue. The assets must therefore possess that capability.

The new machine

- The machine has been considered for two folders to offer the flexibility the company seeks for its customers.
- PCL will be able to print using Unit 1x2 for 16 pages full colour,
- PCL will further be able to print using unit 1, 2 and 3 for 24 pages full colour.
- The company will be able to printing using all units for 32 pages full colour.

If one of the units will not be working, that will not affect the whole machine. Other units can be used. It will be like the PCL has two a machine in one; that is unit 1&2 is one machine and unit 3&4 is another.

### 3.5 Raw materials /availability & acquisition

The basic materials used in news printing are

- The new prints
- Black and other types of inks
- Films
- Plates and
- Various consumables.

These materials are outsourced locally from importing agents. In future the company will purchase directly from the suppliers abroad.

### 3.6 Project Implementation Schedule

According to the various offers being considered from the printing press equipment/machinery suppliers and factory construction contractor, the implementation of the project is expected to be accomplished by Nov/Dec 2013. The following implementation schedule is therefore envisaged:

	Activities	Time in month	Duration (in months)
1	Preparation of a Business Plan, February	1	1
2	Fund mobilization: March, April, May, 2013	3	4
3	Factory construction (June, July, Aug)	4	7
4	Placement of plant order, and delivery	Aug, Sept	8
5	Installment and training of operators	1	9
6	Material procurement /etc	1	10
7	Start of operations		Nov, Dec, 2013

## 4.0 The Market

---

### 4.1 Services being provided

The major services being provided by Printech company ltd is printing, various newspaper /publications. The company will continue to operate under this segment in the future though the intention is to enter into the commercial printing market.

Currently Printech Company Limited prints the following papers:

Paper printed by Printech

#### A. EXISTING CUSTOMERS

s/n	Title	Weekly	Print run	Total weekly
1	Tanzania Daima	7	15,000	105,000
2	Uhuru	7	6,000	42,000
3	Mzalendo	1	6,000	6,000
4	Zanzibar Leo	7	3,000	21,000
5	Burudani	1	6,000	6,000
6	Mseto	1	6,000	6,000
7	Zaspoti	1	6,000	6,000

#### B. EXPECTED CUSTOMERS

8	Mchambuzi	1	10,000	10,000
9	Mwanahalisi	1	50,000	50,000
10	Mwanahalisi II	1	10,000	10,000
11	Wasaa	1	10,000	10,000

### C. NEW HABARI LIMITED

12	Mtanzania	7	15,000	105,000
13	Bingwa	1	15,000	15,000
14	Dimba 5	1	30,000	30,000
15	Dimba 2	1	50,000	50,000

### D. OTHER PRINTING FACILITIES

Sn	Printer	Owner	Paper printed	Weekly	Print run	Total weekly
1	Jamana Printer Ltd	Mr. Kazim (private)	1. Mtanzania	7	10,000	70,000
			2. Bingwa	5	35,000	175,000
			3. Dimba	2	35,000	70,000
			4. Rai	1	15,000	15,000
			5. Kiu	1	25,000	25,000
			6. Ijumaa	1	50,000	50,000
			7. Risasi	1	50,000	50,000
			8. Champion	1	45,000	45,000
			9. Uwazi	1	40,000	40,000
			10. Amani	1	40,000	40,000
			11. Sani	1	35,000	35,000
				<b>Total</b>		
2	Mwananch communication Ltd	Mwananchi communication ltd	1. Mwananchi	7	45,000	315,000
			2. The citizens	1	7,000	49,000
			3. The east Africa	1	7,000	7,000
			4. Mwanaspoti	1	90,000	90,000
			5. Fahamu	1	6,000	6,000
			6. Lete habari	1	6,000	6,000
			7. Jibu	1	4,000	4,000
			8. Family mirror	1	4,000	4,000
			9. Upendo	1	5,000	5,000
				<b>Total</b>		
3	Poa Printing Co. Ltd	Mr. Barwani(Private)	1. Jamhuri	1	6,000	6,000
			2. Dira ya Mtanzania	2	10,500	21,000
			3. Tazama	1	10,000	10,000
			4. Spoti starehe	1	19,500	19,500
			5. Jamo leo	7	5,000	35,000
			6. Jangwani	1	8,000	8,000
			7. changamoto	1	6,000	6,000
				<b>Total</b>		
4	Business printers	Business times	1. Majira	7	15,000	105,000

	ltd	ltd (private)	2. Business times	1	6,000	6,000
			3. Msimbazi	1	15,000	15,000
			4. Msemakweli	1	6,000	6,000
			5. Mwanasoka	1	4,500	4,500
			<b>Total</b>			<b>136500</b>
5	Tanzania standards Printers	Tanzania standards newspapers (Govt)	1. Daily news	7	10,000	70,000
			2. Habari Leo	7	15,000	105,000
			3. Spoti Leo	1	20,000	20,000
			4. Kiongozi	1	5,000	5,000
			5. Nyakati	1	6,500	6,500
			6. Hoja	1	3,000	3,000
			<b>Total</b>			<b>209,500</b>

The total of newspapers printed on weekly bases by the seven (7) printing facilities amount to 2,035,500:-

### Market Position from New Printing Press

Printech Company limited will acquire a high quality printing press. This machinery will be highly versatile capable of handling larger volume, multipurpose colour printing tasks. Apart for one competitor as evidenced from the technical specs of the available presses, most are on the verge of collapse and provide poor quality of print and substandard services especially in terms of meeting delivery deadlines and colour quality. Most equipment is old and they cannot handle large volumes. They have very limited capacity. In addition the company will benefit for all the economies of scale that result from large-scale commercial production and have a positive impact on competitive pricing policy. Printech will able to print advertising inserts for South Africa chain stores like game stores who currently print in South Africa or printers that are not happy with due to poor quality.

The company will set its prices based on what competitors are offering and beating that price by at least 10%. This will entail strictly cost control guidelines that have to be rigorously enforce. It is important to mention that discounts will be offered on repeat business including quantity discounts. As the company develops new products and markets, the pricing strategy will play a pivotal role in influencing customers to choose to do their printing with Printech rather than the next best competitor.

Printech's current pricing structure is high due to the fact that it has to accommodate high percentage waste. Therefore getting a new and efficient press will dramatically reduce waste, and offer the customer a competitive pricing structure.

The advantage of the new press to the customer will be flexibility, the strategy to accommodate low print runs as well as large print runs, and a favourable pricing structure. The target gross profit for Printech business model is 40%, and the new press will be able to give the company leverage in this area through the reduction of waste. Waste is the key factor in this scenario because the greatest cost to printing is the newsprint

	Waste at 20%-25%		Waste at 3%		New price structure	
	Current press		New press		New press	
Revenue	170	100%	170	100%	16	100%
Direct cost	112	66%	90	53%	90	55%
Gross profit	58	34%	80	47%	75	45%

If a waste adjustment is made in regard to the new press, this reduces the direct cost from Tsh. 112 to Tsh 90 that is a level for 53%. The gross profit shoots up to 47% which is 7% above the target figure. This gives a leeway to apply a customer drive strategy by offering a slight decrease in price, or a good discount for big customers. For example, dropping by an average of Tsh. 5 per copy in direct cost still puts us above the target level for direct cost.

**Besides the pricing structure, the key success factors of investment will be:**

- An appropriately capitalized and financially vibrant Printech
- A strong marketing and sales culture
- Cultivating in printing marketing inters for chain store
- A strong, innovative and focused management team;
- Low cost of production
- Competitive technology;
- A skilled workforce;
- An ability to compete in the newspaper print and commercial print market segment;
- A superior service delivery culture

One of the considerations being made is to put the new press on premises owned by Printech. This will be a major advantage in terms of corporate development of the company that will inspire customer confidence.

### **Productions and /or services**

The future company will offer a unique service of printing compared to other competitors in Tanzania. The company will differentiate its product from its competitors through quality of service and delivery, as well as folding options for paper design. The company will also build brand recognition by promoting its product/service through diverse marketing channels. Other important aspects are exposing customers to product/services that most closely meet their needs.

The new printing press is versatile enough to be adapted to produce new products that will be developed alongside the newspaper market. The press could be used to print marketing materials during election period and inters for chain stores. Such diversification will spread the company business risk and will enable the company to take advantage of opportunities that arise in all the market segments.

### **The printing business – marketing plans**

The new press need to be marketed to the chain stores who would like to print their marketing inserts to be distributed as drop offs or through the daily circulated paper at cost. The companies can be approached through Africa Media ventures ltd in South Africa

The quality of prints will also contribute a lot to the marketing efforts as the newspaper quality will be show cased in the publication out there.

### **Target market with sales strategies**

on commencement of new web press operations, Printech immediate objective and challenge will be to penetrate the market grow the business to all level that by the end of 2016 it will secure and dominate at least 50% of the newspaper printing market. Other revenue streams will be from non-newspaper printing products/services. The following activities will be taking place to achieve the above described objective;

- Strategic partnerships – agreements will be entered into with raw material input suppliers that will provide assurance and guarantees of continuity of supply. The company will only seek those suppliers that have highly quality of customer service and retention;
- Create new services – capitalize on being one of printing press business to target the chain stores inserts market.
- Build brand recognition – build brand recognition by promoting the Printech brand through diverse marketing channels.

### **Business network**

The main objective of the establishment of a network is accelerating customer acquisition and increase usage of the printing capacity. To achieve that goal Printech will perform the following activities:

- Expand the company's marketing relationships by aggressively developing new relationships with media companies. The leader position of Printech is a key factor of success of this task;
- Cooperation in activities such as bulk buying and outsourcing consumables to strategic suppliers;

Such networking relationships will have a positive impact on cost control and price efforts.

### **Communication**

A promotion activity will be held by discounts to customers for repeat business including volume discounts. The communication plan also includes the use of sales representative to communicate price, quality and service delivery advantages of doing business with the company. Finally, the sponsorship of community based activities to raise corporate profile in the immediate community and county as a whole.

## 5.0 Capital Cost of the Project & Financing

### 5.1 Fixed Capital Costs

Fixed capital costs of the project is currently estimated at USD 2,590,503 equivalent to Tsh 4,196,613,000/= broken down as follows:-

Cost component	In USD	In Tsh. '000
1. Land & building	747,553	1,211,034
2. 48 page Tabloid Machine	1,792,950	2,904,579
3. Pre- operational expenses	50,000	81,000
<b>Total</b>	<b>2,590,503</b>	<b>4,196,613</b>

### 5.2 Cost assumption

The above fixed costs of the project have been estimated on the basis of the following assumptions:

#### 5.2.1 Exchange rate base

Foreign currency conversion of the project cost has been computed based on an exchange rate of USD = Tsh. 1620/=

#### 5.2.2 Land and buildings

Cost of land USD 450,000, is based on quotation of a seller of the plot.  
Development of factory and offices set – up

##### Factory

Average cost per M <sup>2</sup>	65 USD
Total factory space	500 M <sup>2</sup>
<b>Total cost is</b>	<b>32,500 USD</b>

##### Office Set Up

Average cost per sq. Meter	380USD
Total office space	300M <sup>2</sup>
<b>Total building costs</b>	<b>146,500 USD</b>

##### Add

Contingency items	14,650 USD
Vat, Port charges, others	56,403
<b>Total</b>	<b>217,553</b>
Set up labor	25,000
Electricity & water	30,000
Drainage & ground works	25,000
	80,000

##### Factory & office

<b>Total factory and office</b>	
<b>Development costs</b>	<b>297,553</b>

### 5.3 pre – operational cost: 50USD

These have been estimated as follows:

<b>Cost items</b>	<b>USD</b>
Fee commission (loan documentation etc)	20,000
Market survey expenses	14,075
Business plan	925
Funds mobilization	25,000
<b>Total</b>	<b>50,000</b>

### 5.4 Financing Plan USD

Equity: 30%	1,258,984
Term loan: 70%	<u>2,937,629</u>
<b>100%</b>	<b><u>4,196,613</u></b>

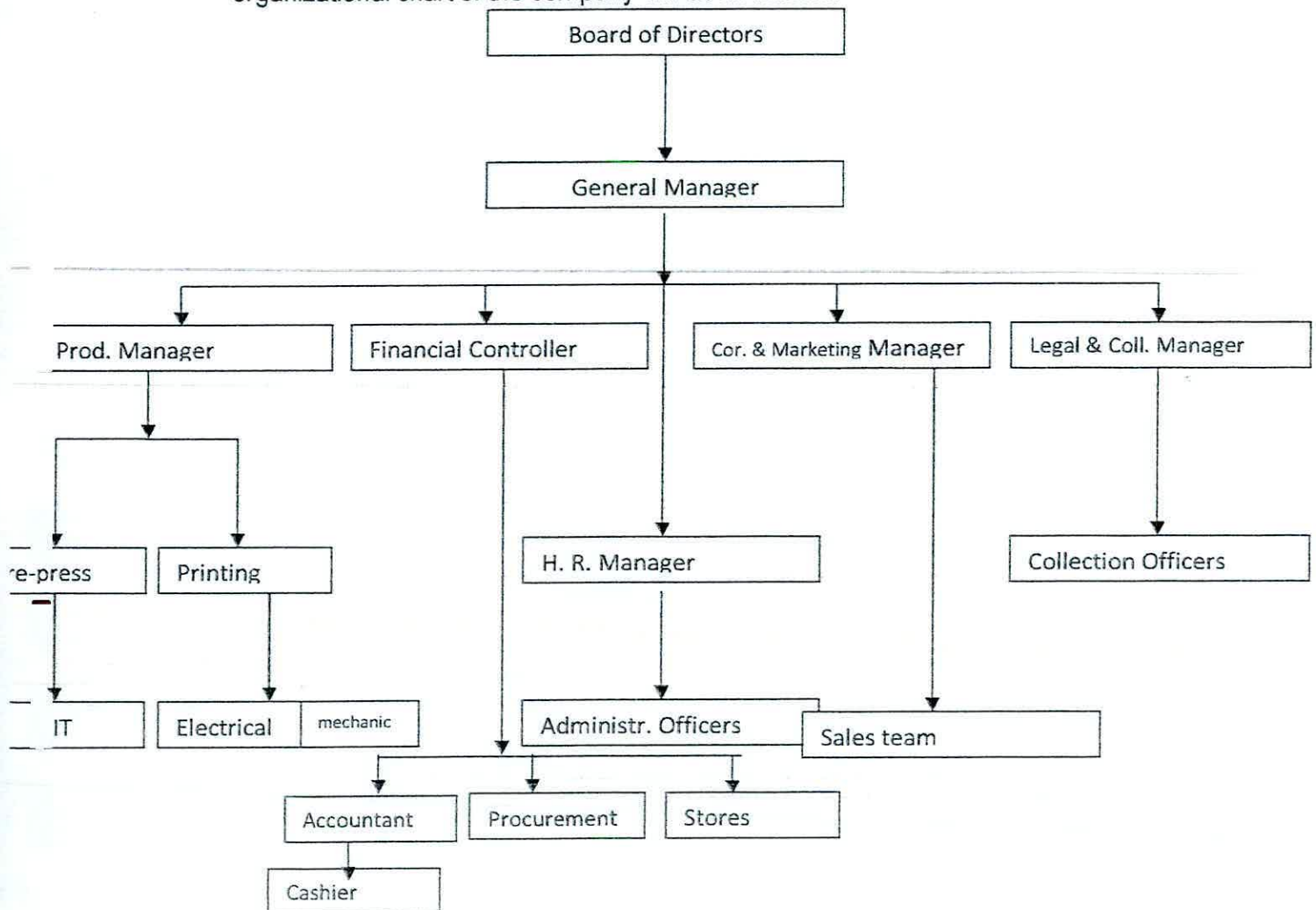
## 6.0 Project Management

### 6.1 Implementation Management (construction)

The construction of the factory will be managed by a general manager appointed by the sponsors. He has hands on experience having supervised similar projects elsewhere in southern African countries. His CV is attached to his report. He will appoint experienced and qualified local contractors who will be responsible for all aspects of civil work construction in liaison with project's architects and quantity surveyors and other personnel.

### 6.2 Operational Management

The general manager, appointed by the company directors will be responsible for the day to day operations of the printing plant. He will be assisted by qualified managers who will comprise of production Manager, financial controller, corporate and marketing manager, legal and collection manager and human resources manager. The organizational chart of the company will be as follows:



### 6.3 The Board

Being a private company, the above stated management of the project will be exercised through a Board of Directors representing shareholders and lenders. The general manager to be responsible for the day-to – day operations will be implementing the Board decisions and reporting to the Board of Directors for strategic decisions.

### 6.4 employment

The project is expected to generate direct employment opportunities for about 60 employees

### 6.5 Linkage With Publishers

The project will have a direct linkage with about 40-50 publishers in DSM and Zanzibar.

## 7.0 Financial Analysis

---

### 7.1 Basic assumptions

Basic assumptions underlying the financial and economic evaluation of Printech Company Ltd's project are summarized as follows

- Currency used: Tsh. And USD
- Exchange rate: Tsh. 1620 = 1\$
- Period of evaluation: 6years
- Inflationary effects have not been taken into consideration
- The printing business /firm will be managed by a competent general manager assisted by qualified assistant manager and experienced managers who in turn will be assisted by competent line managers.

### 7.2 Revenue assumption

- The new Printech model will commence business in yr 2014, i.e. after a year of factory construction and new printing press acquisition /installation.
- Present level of runs per title will be maintained throughout the yr 2013, but with increase after acquisition of the new printing press, in year 2014
- Importation of newsprint and consumables like inks, plates and films will be handled directly by the company starting from March, 2013
- Key clients like Tanzania Daima will be sustains,
- The acquisition of the CPT system of pre-printing with enable the company to compete effectively with any upcoming printing houses that are installing CPT systems
- The prevailing social economic and political enabling environment in Tanzania are likely to be sustained and will lead to an increased number of news readers, in the foreseeable future.
- The company's own factory premises will be cheaper to operate in than the rented factory.
- Prices of printing will be kept competitive on account of use of new press.

Based on the above assumptions, sales revenue have been calculated as follows:

**A. EXISTING CUSTOMERS**

TITLE	Year 1	Year 2	Year 3	Year 4	Year 5
Zanzibar Leo	419,932,500	461,925,750	508,118,325	558,930,158	614,823,173
Uhuru	754,105,040	829,515,544	912,467,098	1,003,713,808	1,104,085,189
Tanzania Daima	1,450,820,250	1,595,902,275	1,755,492,503	1,931,041,753	2,124,145,928
Super star	630,544,800	693,599,280	762,959,208	839,255,129	923,180,642
Mzalendo	133,217,280	146,539,008	161,192,909	177,312,200	195,043,420
Mseto	78,163,200	85,979,520	94,577,472	104,035,219	114,438,741
Burudani	115,970,400	127,567,440	140,324,184	154,356,602	169,792,263
Zaspoti	66,098,880	72,708,768	79,979,645	87,977,609	96,775,370
Sub total	3,648,852,350	4,013,737,585	4,415,111,344	4,856,622,478	5,342,284,726

**B. EXPECTED NEW CUSTOMERS**

TITLE					
Mchambuzi	98,400,000	108,240,000	119,064,000	130,970,400	144,067,440
Mwanahalisi	367,200,000	403,920,000	444,312,000	488,743,200	537,617,520
Mwanahalisi II	98,400	108,240	119,064	130,970	144,067
Wasaa	98,400,000	108,240,000	119,064,000	130,970,400	144,067,440
Sub total	564,098,400	620,508,240	682,559,064	750,814,970	825,896,467

**C. ANCHOR CLIENT**

TITLE	1423513660	1,565,865,026	1,722,451,529	1,894,696,681	2,084,166,350
<b>GRAND TOTAL</b>	<b>5,636,464,410</b>	<b>6,200,110,851</b>	<b>6,820,121,936</b>	<b>7,502,134,130</b>	<b>8,252,347,543</b>
Less 18% VAT	1,014,563,594	1,116,019,953	1,227,621,948	1,350,384,143	1,485,422,558
Gross revenue net of VAT	4,621,900,816	5,084,090,898	5,592,499,988	6,151,749,986	6,766,924,985
Total Direct cost	2,773,140,490	3,050,454,539	3,355,499,993	3,691,049,992	4,060,154,991
Gross profit	1,848,760,326	2,033,636,359	2,236,999,995	2,460,699,995	2,706,769,994

**7.3 Operating cost assumptions**

**7.3.1 Cost of sales (Total Direct Cost)**

The cost of sales comprises mainly costs of new prints, plates, inks, consumables and other printing materials and also production labor salaries and wages. Electricity and water is also included in this group as well as repair and maintenance.

**7.3.2 Operating expenses**

- Administrative salaries and wages have been taken at a level of 1/3 of total salaries and wages
- Marketing and selling expenses have been calculated based on past experiences and depending on volume of business.

- Depreciation and amortization.  
The capital cost, depreciation rate and depreciation expenses are shown as follows:

No	Asset description	Total cost in Tsh. '000	Depr. Rate	Amount
1	Land and building	1,211,034	4%	48,441
2	Printing press	2,904,579	12.5%	366,072
3	Pre operational expenses	81,000	20%	16,200
	<b>Total costs</b>	<b>4,196,613</b>	-	<b>427,713</b>

- **Interest and loan payment**

The financing plans assumes in foreign currency loan of USD 2,937,629 Equivalent to Tsh. 4,096,613,000/= for financing the cost components outlined in 7.3.2 above.

Financial institution(s) loan term and conditions

Principal amount = (TSH): 2,937,629,000

Interest rate: 16%

Repayment period: 7yrs including two years of grace

On bases of these terms and conditions, the interest repayments and principal installments will be as follows:

Tsh '000			
Year	Amount outstanding	Annual installment	Annual interest
1	2,937,629	-	470,021
2	2,937,629	-	470,021
3	2,447,629	490,000	391,621
4	1,957,629	490,000	313,221
5	1,467,629	490,000	234,821
6	977,629	490,000	156,421
7	489,629	490,000	78,021
8		487,629	-

#### 7.4 Projected Profit and Loss Account

##### (Appendix 1)

The above basic revenue and cost assumption have been summarized and presented in appendix 1 – Projected Profit and Loss Accounts. The projected accounts show that the new printing press (the project) will make a pre-tax profit Tsh. 454,808,000/= in year

one of its operations. By year three the project will realize a pre - tax profit of Tsh. 913,983,000 rising to Tsh. 1,242,566,000/= by year five of operation, Dividends, although not shown, can be declared and paid from forth year on wards.

### 7.5 Projected Cash Flows – Appendix 2

Appendix 2 presents the projects cash flows for the next five years. It can be seen that the project will be able to repay the proposed loan within the period of six years, after a 2 year grace period. Net cash flow balance will accumulate to Tsh. 3,317,980,000/= over the initial period of six years. Cash flow confirms further that the proposed project is highly commercially attractive.

### 7.6 Projected Balance Sheets – Appendix 3

The liabilities of the company will be covered adequately by net fixed assets over the period under review. Similarly, the contribution of the operations of the project to the company's net worth will reach about Tsh. 4,321,065,000/= over the period under review,

7.7 The payback period of the initial investment in the project of Tsh. 4,196,615,000/= is 4 years, calculated as follows:

Tsh '000			
Year	Profit Before Tax	Add Depreciation	Cummulative
-	-	-	(4,196,615)
1	454,808	427,713	(4,187,190)
2	596,205	427,713	(3,163,272)
3	913,983	427,713	(1,028,424)
<b>4</b>	<b>1,166,840</b>	<b>427,713</b>	<b>566,129</b>
5	1,242,566	427,713	2,236,409
6	1,242,566	427,713	3,906,681

## 8.0 Economic evaluation

---

### 8.1 Value added

The project's contribution to the gross domestic product (GDP) as measured by the value added method is about Tsh.2, 275,422,000/=

**This works out as follows: Tsh. '000**

Average salaries & wages	
Profit before tax	874,880
Depreciation	427,713
Laon / interest	422,829
<b>Total</b>	<b>2,275,422</b>
Average annual income	5,520,394

### 8.2 Employment effects

The project will provide employment opportunities to about 60 people

### 8.3 Government Taxes

Since the project is profitable throughout the period under review, substantial revenue will accrue to government by way of various taxes especially corporate tax which will amount to Tsh1, 313,057,000/= over the project five years.

### 8.4 Environmental effect

There will be no serious environmental impact associated with the printing press operations. Any solid waste materials will be handled in a usual municipal way.

## 9.0 Conclusion And Recommendations

---

### 9.1 Conclusion

The analysis and evaluation of the project shows that:

- The projects aims at eliminating the current business challenges that are affecting the company in a significant way, namely;
  - a. Machine configurations – company limited to printing only 8 pages color whereas the marketing in now going full colour 24-32 pages.
  - b. Cash flow issues – Company's production costs and prices are high visa-vis competitors on account of using twice as many plates.
  - c. Weak customer base – a strong customer base is a function of performing machine / press.
  - d. Corporate development – the business has been reactive rather than proactive in the manner it carries out its business.
- The project is highly profitable and is posed to contribute substantial sums to the government by way of taxes and other levies;
- The project is financially an economically viable.

**PRINTECH COMPANY LTD**

**APPENDIX 1: PROJECTED PROFIT AND LOSS STATEMENT  
BASED ON NEW TECHNOLOGY**

Tsh. '000

YEAR	2014	2015	2016	2018	2019
Projected sales	4,621,901	5,084,091	5,592,500	6,151,750	6,151,750
less: Cost of sales					
1. R.M Prints					
2. Consumables					
3. Electricity					
4. 2/3 Prodn. Salaries & wages					
<b>Subtotal cost sales</b>	<b>2,773,140</b>	<b>3,050,455</b>	<b>3,355,500</b>	<b>3,691,050</b>	<b>3,691,050</b>
<b>GROSS PROFIT</b>	<b>1,848,761</b>	<b>2,033,636</b>	<b>2,237,000</b>	<b>2,460,700</b>	<b>2,460,700</b>
<b>LESS:</b>					
<b>Cost of Operat. &amp; Fin. Capital</b>					
1. Adm. Salaries & wages	153,027	169,077	185,985	204,584	204,584
2. Adm. Expenses	231,095	254,205	299,625	307,588	307,588
3. Marketing and selling	15,000	20,000	25,000	30,000	30,000
4. Depreciation	427,713	427,713	427,713	427,713	427,713
5. Interest on T. Loan	470,021	470,021	391,621	313,221	234,821
6. Interest on O/D	44,415	11,073	8,754	11,428	-
7. Bank Charges	2,000	2,000	2,000	2,000	2,000
<b>Total operating Cost</b>	<b>1,343,271</b>	<b>1,354,089</b>	<b>1,340,698</b>	<b>1,296,534</b>	<b>1,206,706</b>
Profit/(loss) before Tax	454,808	596,205	913,983	1,166,840	1,242,566
Taxation @30%	136,442	178,862	274,195	350,052	372,770
Profit/(loss) after Tax	318,366	417,343	639,788	816,788	869,796
Profit Brought forward	-	318,366	735,709	1,375,497	2,198,285
Profit for appropriation	318,366	738,709	1,375,497	2,192,285	3,062,081
<b>Appropriation</b>					
Dividends - Rate	-	-	-	-	-
- Amount	-	-	-	-	-
Revenue Reserve	318,366	738,709	1,375,497	2,192,285	3,062,081

PRINTECH COMPANY LTD

APPENDIX 2: PROJECTED CASH FLOWS

Tsh. '000

YEAR	0	1	2	3	4	5
<b>Capital Inflows</b>						
Share capital	1,258,984	-				
Term Loan	2,937,629	-				
<b>Total</b>	<b>4,196,613</b>	<b>-</b>				
<b>Operational Inflows</b>						
Profit/(loss) Before Tax	-	454,808	596,205	913,983	1,166,840	1,242,566
Depreciation	-	427,713	427,713	427,713	427,713	427,713
<b>Total op. Inflows</b>	<b>-</b>	<b>882,521</b>	<b>1,023,918</b>	<b>1,341,696</b>	<b>1,594,553</b>	<b>1,670,279</b>
<b>Total Capital Inflows</b>	<b>4,196,613</b>	<b>882,521</b>	<b>1,023,918</b>	<b>1,341,696</b>	<b>1,594,553</b>	<b>1,670,279</b>
<b>Capital outflows</b>						
Investment/re-inv.	4,196,613					
Loan repayment	-	-	-	490,000	490,000	490,000
<b>Total Cap. Outflow</b>	<b>4,196,613</b>					
<b>Oper. Outflows</b>						
Taxation	-		136,442	178,862	274,195	350,052
Dividentds	-	-	-	-	-	-
Change in W. C		590,095	69,204	54,714	71,423	-
<b>Total Oper. Outflows</b>		<b>590,095</b>	<b>205,646</b>	<b>723,576</b>	<b>835,618</b>	<b>840,052</b>
<b>Total outflows</b>	<b>4,196,613</b>	<b>590,095</b>	<b>205,646</b>	<b>723,576</b>	<b>835,618</b>	<b>840,052</b>
<b>Net cash flow</b>	<b>-</b>	<b>292,426</b>	<b>818,272</b>	<b>618,120</b>	<b>758,935</b>	<b>830,227</b>
Opening balance	-	-	292,426	1,110,698	1,728,818	2,487,753
Closing balance	-	292,426	1,110,698	1,728,818	2,487,753	3,317,980

PRINTECH COMPANY LTD

APPENDIX 3: PROJECTED BALANCE SHEETS

YEAR	1	2	3	4	5
Gross assets	4,196,613	4,196,613	4,196,613	4,196,613	4,196,613
Accum. Depreciation	427,713	855,426	1,283,139	1,710,852	2,138,565
<b>Net Fixed Assets</b>	<b>3,768,900</b>	<b>3,341,187</b>	<b>2,913,474</b>	<b>2,485,761</b>	<b>2,058,048</b>
<b>Current Assets</b>					
Stock	251,000	276,100	303,710	334,000	334,000
Debtors	385,158	433,868	466,038	512,646	512,646
Cash/Bank	292,426	1,110,698	1,728,818	2,487,753	3,317,980
<b>Total</b>	<b>928,584</b>	<b>1,820,666</b>	<b>2,498,566</b>	<b>3,334,399</b>	<b>4,164,626</b>
<b>Current Liabilities</b>					
Creditors	46,063	50,669	55,735	61,210	61,210
Tax payable	136,442	178,862	274,195	350,052	372,770
<b>Total</b>	<b>182,505</b>	<b>229,531</b>	<b>329,930</b>	<b>411,262</b>	<b>433,980</b>
<b>Net Current assets</b>	<b>746,079</b>	<b>1,591,135</b>	<b>2,168,636</b>	<b>2,923,137</b>	<b>3,730,646</b>
<b>Total Assets</b>	<b>4,514,979</b>	<b>4,932,322</b>	<b>5,082,110</b>	<b>5,408,898</b>	<b>5,788,694</b>
<b>Represented by:</b>					
Sharecapital	1,258,984	1,258,984	1,258,984	1,258,984	1,258,984
Revenue reserves	318,366	735,709	1,375,497	2,192,285	3,062,081
<b>Net worth</b>	<b>1,577,350</b>	<b>1,994,693</b>	<b>2,634,481</b>	<b>3,451,269</b>	<b>4,321,065</b>
Term loan	2,937,629	2,937,629	2,447,629	1,957,629	1,467,629
<b>Total Financing</b>	<b>4,514,979</b>	<b>4,932,322</b>	<b>5,082,110</b>	<b>5,408,898</b>	<b>5,788,694</b>

PRINTECH COMPANY LTD

ANNEX 1: WORKING CAPITAL REQUIREMENTS

YEAR	2014	2015	2016	2017	2018
1. Stock of					
- Newsprint (2m)	151,000				
- Consumables	100,000				
- Plates					
- Inks					
- Films					
- Other Printing Materials					
<b>Total Stocks</b>	<b>251,000</b>	<b>276,100</b>	<b>303,710</b>	<b>334,000</b>	<b>334,000</b>
2. Debtors/Receivables (1m of sales)	385,158	433,868	466,038	512,646	512,646
<b>Total Current assets</b>	<b>636,158</b>	<b>709,968</b>	<b>769,748</b>	<b>846,646</b>	<b>846,646</b>
3. Less: Creditors					
One Month Salaries & wages	7,547	8,302	9,131	10,045	10,045
One month Electricity	38,516	42,367	46,604	51,265	51,265
<b>Total creditors</b>	<b>46,063</b>	<b>50,669</b>	<b>55,735</b>	<b>61,210</b>	<b>61,210</b>
Net W. Capital	590,095	659,299	714,013	785,436	785,436
Change in W. Capital	590,095	69,104	54,714	71,423	-





# MINUTE SHEET

Dokezo  
No.

1.0

Ag: **EXD**



The approved project has fulfilled the investment requirements, which are: -

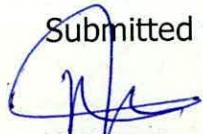
(a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 2.8m.....

(b) Legal entity has been incorporated under certificate

No. 30242..... of 28/06/96.....

Based on the above, the letter of approval is hereby submitted for signature in order for the project to comply with the requirements of Section 17 of Tanzania Investment Act, 1997.

Submitted for signature.



N. Senzia

**DIF**

8<sup>th</sup> May, 2013

**MINUTE SHEET**

Dokozo  
No.

TICC/PP.10/042435/3

8<sup>th</sup> May, 2013

Managing Director,  
Printech co. Ltd,  
P.O. Box 9378,  
**DAR ES SALAAM**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE  
ESTABLISHMENT AND OPERATING A COMMERCIAL PRINTING  
SERVICES**

We wish to acknowledge receipt of your project proposal to establish and Operate a commercial printing services as presented in the TIC P.A. 1 Form No. 10952 and Feasibility Study with a projected investment of USD 2.8m.

We have studied your project proposal and are pleased to inform you that your investment proposal is now officially registered and therefore your project will be granted a CERTIFICATE OF INCENTIVES, given under authority conferred upon TIC under Part III, Section 17 (1-8) of the Tanzania Investment Act, 1997. In order to enable TIC prepare your Certificate of Incentives, You will be required to submit the following:-

- Company Board Resolution accompanied by Bank Reference for equity funding or a letter from Bank/Financial Institution that a loan is granted or is under consideration as required by Section 17(3) (f) of Tanzania Investment Act,1997.
- Certified document showing evidence of Land ownership for the location of the project.

You will also be required to submit to the Centre a Progress Report on the implementation of the project after every six months for our information and review. Guidelines for the preparation of the report are contained in annexure 2 also attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises.

TICC/PP.10/042435/3

8<sup>th</sup> May, 2013

Please also note that a facilitation fee equivalent to US\$ 1000.00 is payable at the ruling exchange rate before your Certificate of Incentives is prepared. Please make deposit direct to the bank as per bank details below:-

*Tanzania Investment Centre  
Standard Chartered Bank(T) Ltd  
US Dollar A/C 8702006002000  
T.Shs A/C 0102006002000*

We wish you every success in the implementation of the project.

Yours sincerely,

**Tanzania Investment Centre**



B.D. Chonjo

**FOR: EXECUTIVE DIRECTOR**

**Copy to:** Permanent Secretary,  
Ministry of Finance,  
P. O. Box 9111,  
**DAR ES SALAAM**

Permanent Secretary,  
Ministry of Industry, Trade and Marketing,  
P.O. Box 9503,  
**DAR ES SALAAM**

Commissioner General,  
Tanzania Revenue Authority,  
P. O. Box 11491,  
**DAR ES SALAAM**



# TIC Evaluation Report

Name of the Company  
Printech Co. Ltd

Post Box	Mabibo Road	COI Number	30242	Contact	Zidwe Mbulawa
Post Office	9378	COI Date	28/06/96	Designation	General Manager
Region	Dar Es Salaam	Application F. No	10952	Phone	
Country	Tanzania	Status	New	Direct Phone	2400615
		Sector	Manufacturing	Cell Phone	2400624
		Sub Sector	Printing	Fax	
		File No	042435	E-Mail Address	Printech.Tz@Gmail.Com

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	PLOT NO. 2/2, 3/2, BLOCK 'F'	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Mabibo Road	0	0.84	0	1.96
District	Kinondoni				
Region	Dar es Salaam				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.75
Salvatory Rweyemamu	Tanzania	20	Plant	1.5
Johnson Mbwambo	Tanzanian	20	Vehicles	0
Shaban Kanuwa	Tanzania	20	Furniture & Fittings	0
Dr. Gideon j. Shoo	Tanzania	20	Pre-expenses	0.05
Jenerali Ulimwengu	Tanzania	20	Others	0
			Working Capital	0.5
			Total	2.8

Employment	67	Evaluated By	wf officer3
Capacity	8 dailies and 16 weeks lies, 32 full colour pages	Drawn By	wf registry2
Project Turn Over		Project Type	Local

### Description

To establish and Operate a commercial printing services

### Recommendations

Be approved subject to providing evidence as required by section 17 of Tanzania Investmnet Act, 1997

Decision

*Approved as recommended*  
*Shauyo*  
*AB ED*  
*HS*

D.L. MGETA  
P.O.BOX 76340,  
DAR ES SALAAM.  
CELL: 0719 – 593665  
0754 – 958617.

1

11<sup>th</sup>/04/2013.

The Executive Director,  
Tanzania Investment Centre,  
P.O.BOX 938,  
Dar es Salaam.



Dear Sir,

**Re: Request for TIC Certificate of Incentives**

We shall be grateful if your esteemed Investment Centre would grant a Certificate of Incentives to our Client called Printech Company Limited. Printech Company Limited (PCL) is a limited liability company that was incorporated on June 28<sup>th</sup>, 1996 for the purpose of printing various titles including daily, weekly, bi-weekly as well as monthly newspapers. Popular dailies and weekly papers being printed by PCL include: Uhuru, Tanzania Daima a Zanzibar paper, etc.

We enclose a Business Plan (2013 – 2018) which provides details on the project. The salient features of the venture can however be summarized as follows:

A

1. The Company is currently faced with formidable challenges emanating from use of an outdated model printing machine.
2. The rented premises are getting more and more expensive and the business needs to be located in its own constructed premises.
3. PLC now desires to have a printing machine which will allow it to make a substantial market penetration.
4. The 2012 Printech's market survey reveals that with a new, state – of-the art printing machine, the company will definitely carry out its printing business at a considerable comfortable margin so as to meet its lenders /investors obligations.

B.

The Fixed and Working capital of the project is currently estimated at USD 2,800,000 broken down as follows:

	USD
- Land and Buildings -	750,000
- 48 pages tabloid printing Press	1,500,000
- Pre - operational expenses	<u>50,000</u>
Sub - total	<b>2,300,000</b>
<b>Add:</b>	
<b>Working capital</b>	<b>500,000</b>
<b>Total Investment</b>	<b>2,800,000</b>

The following capital Structure is envisaged

	USD
• Equity -	840,000
• Long Term Loan	1,960,000
<b>Total investment</b>	<b>2,800,000</b>

We close the Basic required documents for your information and retention. We however wish to make some comments on items (vii) and (viii) as follows:

Item (vii) Evidence of sufficient financial

Capital available to implement the project

Investors will endeavor to raise USD 840,000 as their equity contribution; It term loan of USD 1,960,000 has been requested from TIB Development Bank and investors stand a good chance of accessing the term loan funds through leasing.

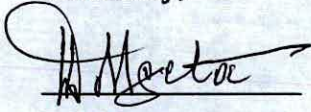
Item (viii) - evidence of land ownership for location of the project.

As started in the Business Plan, the project is currently located in a rented building at the Millennium Industrial park, No 7 Ubungo - Shekilango /Morogoro Roads , DSM. Investors have resolved to relocate the factory at company's owned premises. Measures have therefore been taken to identity a suitable new site in Mabibo area opposite the former Textile factories and not far from the National Institute of Transport. The process to purchase Plot 2/2/, 3/2 in block "E" with a total area of 1,129m<sup>2</sup> is in an advanced stage. The plot belongs to a one Mr. Adam Haji Mkumba of P.O.Box 3544, Dar es Salaam. Possibilities of securing the plot are high.

The project implementation schedule is indicated in the Business Plan.

We shall appreciate your prompt reaction to our Client's application.

Sincerely,

A handwritten signature in black ink, appearing to read 'D.L. Mgeta', written over a horizontal line.

D.L.Mgeta

The Project's Consultant.



# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

## CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,  
and the Investment Regulations:  
Regulation 42, Government Notice No. 318A of 2002)**

**Tanzania Investment Centre**  
9A & B Shaaban Robert Street  
P. O. Box 938  
**DAR ES SALAAM**  
Tel. 022 2116328  
Fax. 022 2118253  
e-mail: [information@tic.co.tz](mailto:information@tic.co.tz)  
Website: [www.tic.co.tz](http://www.tic.co.tz)

**(Please fill the form in duplicate)**

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT  
(No. 26 of 1997)

APPLICATION FOR REGISTRATION  
(Made under Regulation 42)

To: The Executive Director  
Tanzania Investment Centre  
P. O. Box 938  
DAR ES SALAAM  
Tanzania

1. I/We DONAT LAWRENCE MGETA  
(director/directors/agent of PRINTECH COMPANY LIMITED  
(name of business enterprise) apply for registration of TIC CERTIFICATE OF INCENTIVES  
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at MILLENNIUM BUSINESS PARK  
NO 7, SHERILANGU/MOROGORO ROADS, DSM.

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement ✓
- (ii) Certificate of Incorporation/Registration ✓
- (iii) A copy of the Project Profile or Feasibility Study showing the **implementation period**, programme of implementation and operative date ✓
- (iv) Evidence of financing and evidence of land ownership **for the project** ✓

3. The Head Office of the Company will be situated at PLOT 7 <sup>212 & 312</sup> ~~MILLENNIUM PARK~~ BLOCK 'F' MABIBO DSM.

4. The Principal Officers of the Company are MR ZIDWE MBALAWA G.M.  
MRS. TUNSUBILESE J.K. MATENI - FINANCE & OPERATIONS  
MR. J. N. BWIRE - CORPORATE & MARKETING MANAGER

5. Auditors of the Company are A. J. KHATRI & CO.

6. The authorized share capital of the Company is Tshs./US\$ 224,210,000/=

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ ..... 2,800,000.

8. The month and day of the financial year end is ..... 31/12 (December)

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the Tanzania Investment Centre for Tshs./US\$ ..... 1,000 ..... Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, D. L. MGETA ..... of Post Office Number 76340,

DARESSALAAM do solemnly and sincerely declare that I am a director/duly authorized agent of PRINTTECH COMPANY LIMITED

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, AND I make this solemn declaration conscientiously believing the same to be true.

Declared at Dar es Salaam }  
..... }

The 10<sup>th</sup> day of APRIL 2013 }  
..... }

Applicant

Before me: PIUS LAZARUS CHABRUMA

Commissioner for Oaths



**APPLICATION SUMMARY**

Company Name: PRINTECH COMPANY LIMITED

Certificate of Incorporation Number: 30242 Status: ON GOING/VALID

Certificate of Incorporation Date: 28th JUNE, 1996

Post Box: 9378

Town: DARES-SALAAM

Sector: INDUSTRIAL

Sub-Sector: PRINTING

**Investment Financing Plan in Million US\$/Tshs.**

Foreign Equity	Local Equity	Foreign Loan	Local Loan
—	1,258,984	—	2,937,629

Project Objectives: Develop a strong business model with short term & long term solutions. Carry out commercial printing services which are cost effective. Build a strong customer base.

Capacity: To handle 8 Dailies & 16 weeklies; 32 full colour pages

Employment: Foreign: 2 Local: 65 Total: 67

Implementation Period: The whole of 2013.

Project Location New Site

Site/Plot/Block No.: 2/2, 3/2, BLOCK F'

Street: MABIBORD District: KINONDONI Region: DARESSALAAM

(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>1) HABARI CORP. Ltd</u>	<u>TZ</u>	<u>9%</u>
<u>2) SAMDEF*</u>	<u>SA</u>	<u>25%</u>
<u>3) Unallocated</u>	<u>—</u>	<u>20%</u>
<u>4) On Issue</u>	<u>—</u>	<u>46%</u>

\* Samdef = South African Media Development Finance of South Africa

**Investment Breakdown**      **US\$/Tshs.M**

Land/Building	..... 750,000
Plant	..... 1,500,000
Vehicles	..... -
Furniture & Fittings	..... -
Pre-expenses	..... 50,000
Others	..... -
Working Capital	..... 500,000
<b>TOTAL</b>	..... 2,800,000

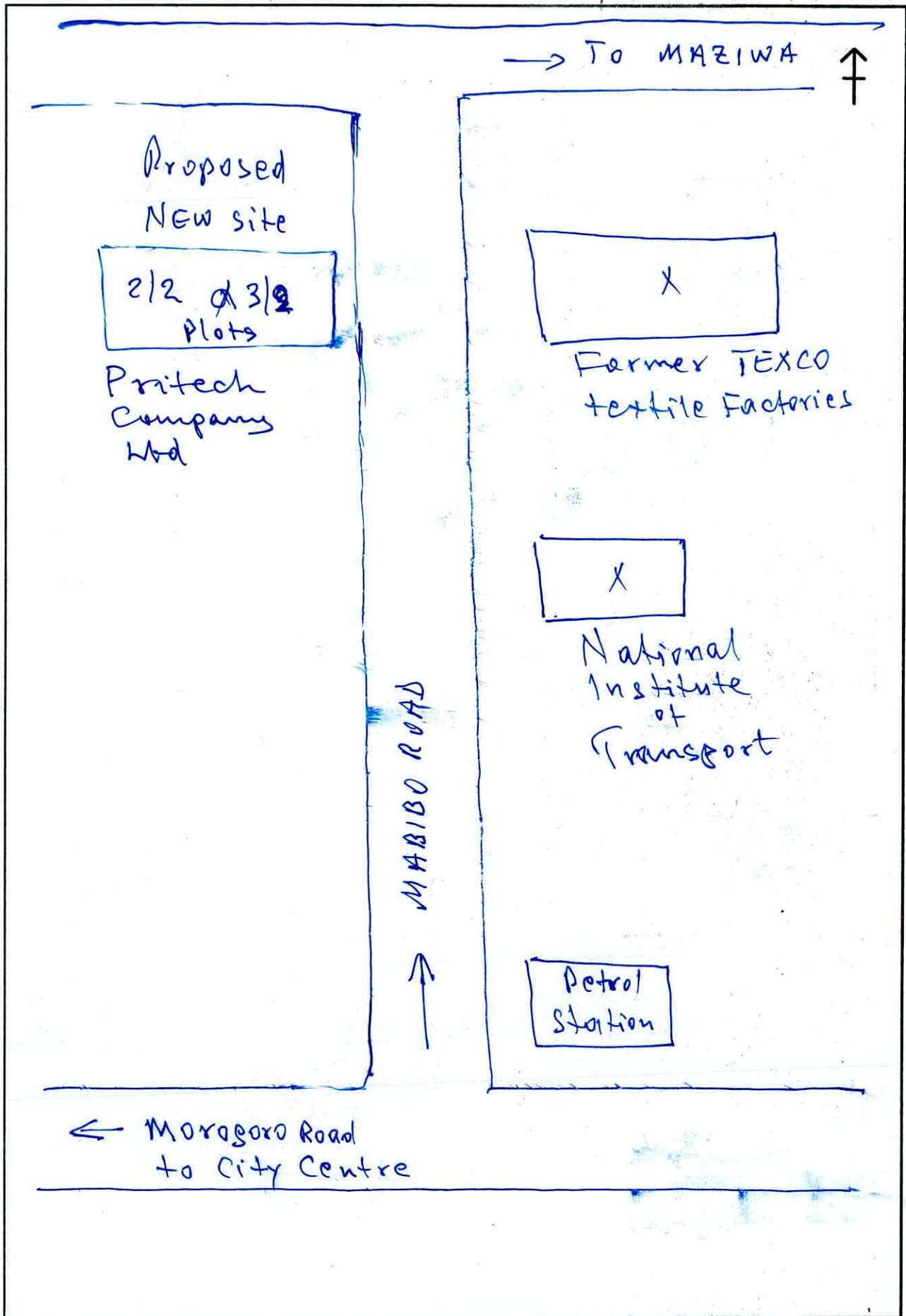
**Contact Details:**

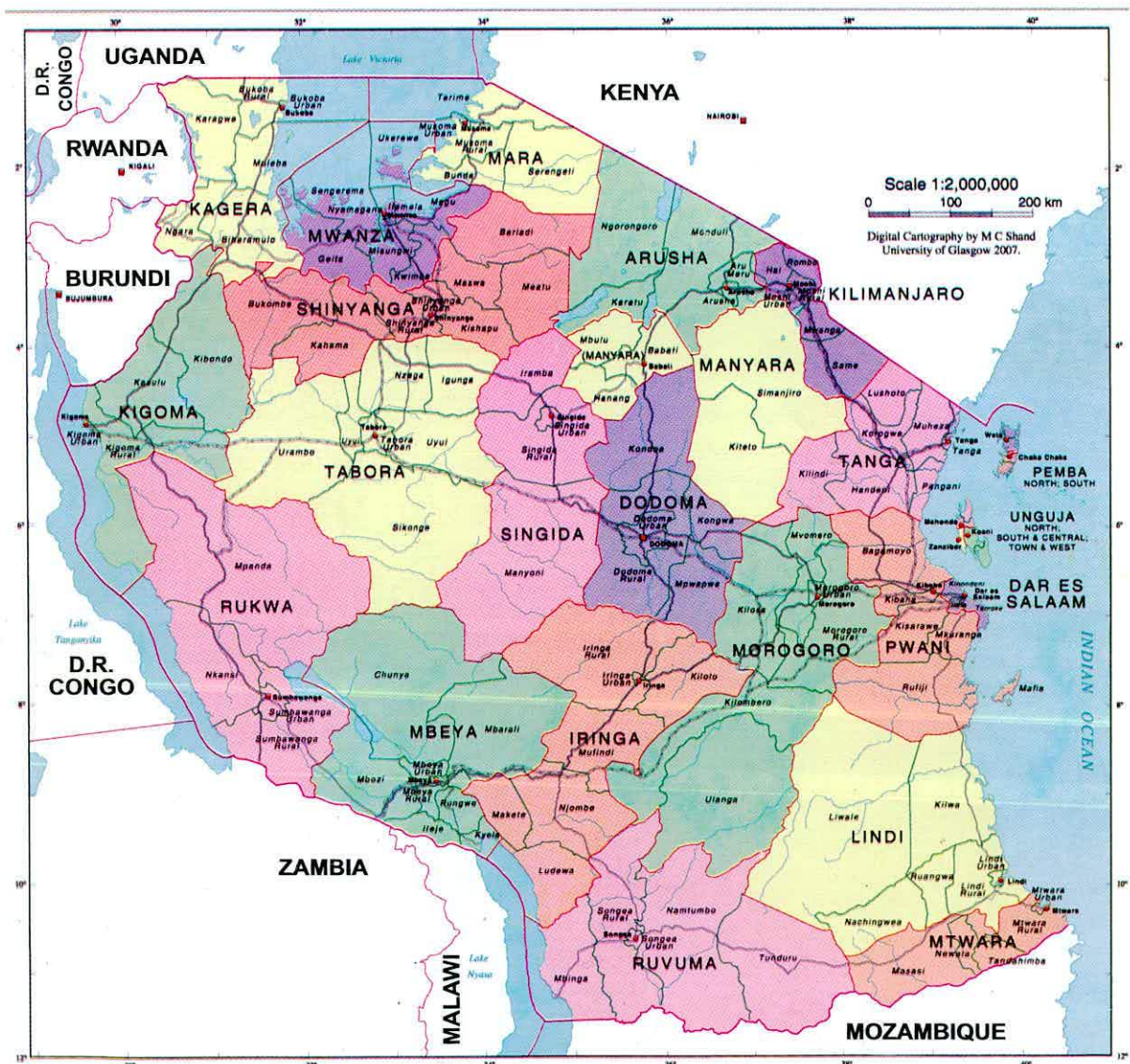
Name: ZIDWE MBULAWA      Title: General Manager  
Telephone: +255-22 2400615/24      Fax: -  
Email: printech.tz@gmail.com

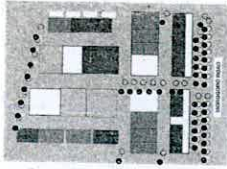
**Payments to be made payable to:**

TANZANIA INVESTMENT CENTRE  
STANDARD CHARTERED BANK TANZANIA LTD.  
SWIFT ADDRESS: **SCBLTZTX**  
ACCOUNT NO.: **8702006002000**

# SKETCH MAP SHOWING PROJECT LOCATION







# THE UBUNGO BUSINESS PARK

WAREHOUSING | INDUSTRIAL UNITS | SHOP UNITS

## RECEIPT

VAT NO.: 40-010701-B

TIN NO.: 115-479-016

No.: **0414**

Date: 19.3.13

RECEIVED from M/S Printech Company Ltd.  
WH BT.

Being Payment in respect of Rent/sc/VAT for Nov 2012.

Amount Tsh. Five million two hundred ninety seven thousand <sup>only</sup>  
two Only.

Tshs/US\$

5,297,052/=

Rate: 1630/-

For and on Behalf of  
The Ubungo Business Park Ltd.

[Signature]



(EX)

# **PRINTECH Company Limited**

## **COMPANIES ACT, 2002**

**PRIVATE COMPANY LIMITED BY SHARES**

**A WRITTEN RESOLUTION OF**

**PRINTECH COMPANY LIMITED**

**4 MARCH, 2013**

### **LETTER FOR AUTHORIZATION**

This taken in regard to the investment and growth strategy of the company for 2013 to 2018 approved by the Board on the 18<sup>th</sup> November, 2012.

It is hereby notified that Mr. -Zwile Mbulawa be authorized on behalf of Printech Company Limited in carrying out his duties as Chief Executive Officer of the company to discuss and negotiate, to represent the company in all forms in regard to the negotiation of an instrument for investment or loan facility, to sign on behalf of the company, and to execute the necessary steps that see the negotiation and agreements being timeously implemented.

The amount of investment should not exceed **USD 5,500,000** (say five million five hundred thousand).

Duly authorized on behalf of the Board by

**Dr. Gideon Shoo**

**Printech Board Chairperson**

(ii)

C.1

# TANZANIA



## Certificate of Incorporation

No. 30242.....

### I HEREBY CERTIFY THAT

..... P R I N T E C H . C O . ..... Limited

is this day incorporated under the Companies Ordinance (Cap. 212) and that the Company is Limited.

Given under my hand at Dar es Salaam this..... 28th ..... day of..... JUNE .....

One thousand nine hundred and..... NINETY..SIX.....

.....  
Asst: Registrar of Companies

THE COMPANIES ORDINANCE

(CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM

and

ARTICLES OF ASSOCIATION

OF

PRINTECH CO. LIMITED

-----

Incorporated ..... day of ..... 19...

-----

Drawn by:

G.J. Shoo  
(Subscriber)  
PO Box 40310  
DAR ES SALAAM

THE COMPANIES ORDINANCE

(CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM

and

ARTICLES OF ASSOCIATION

OF

PRINTECH CO. LIMITED

-----

Incorporated ..... day of ..... 19...

-----

Drawn by:

G.J. Shoo  
(Subscriber)  
PO Box 40310  
DAR ES SALAAM

**THE COMPANY ORDINANCE (CAP 212) COMPANY LIMITED BY SHARE**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**PRINTECH CO. LTD**

The name of the Company is: PRINTECH COMPANY LIMITED.

The registered office of the Company shall be situated in the United Republic of Tanzania

3. The objectives for which the company is established are:

- a. To carry on the business of commercial printing.
  - b. To carry on the business of printing newspapers, magazines, books, brochures and journals.
  - c. To print calendars, and other stationery for commercial purposes.
  - d. To print textbooks, exercise books and other stationery for schools and colleges.
  - e. To prepare, print and distribute printed matter both in the country and abroad;
  - f. To collect, process and print documents and related products for public and private consumption;
  - g. To carry on the business of printing on a commercial basis the same purposes;
  - g. To print for advertisers and advertising companies;
  - i. To enter with contracts, agreements and arrangement with any other company, whether in Tanzania or elsewhere, for the purpose of carrying out by such objects for which the company is formed;
  - j. To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest, any land, buildings, rights, privileges, concessions, patents, patent rights, licenses, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the company's business or any branch or department thereof;
  - k. To borrow or raise or secure the payment or money for the purpose of or in connection with the company's business;
  - l. To provide services for state organizations of Tanzania and any other interested companies, organizations and private persons as in Tanzania and in other countries in the sphere of printing;
  - m. To train local staff and specialists for the company
  - n. To carry on any other business of a similar nature, or any business which may in the opinion of the directors be conveniently carried on by this company;
  - o. To obtain all powers and authorities necessary to carry out or extend any of the above object set forth in any sub-clause of this clause shall not except when the context expressly so required, be in anyway limited or restricted by reference to or inference from the terms of any sub-clause or by the name of the company. None of such sub-clause or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects but the company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the word and notwithstanding that the business undertaking, property or acts propose be transacted, acquired, dealt with or performed do not fall within the objects of first sub-clause of this clause;
- AND it is hereby declared that the word "COMPANY" in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in Tanzania or elsewhere and the intention is that the objects specified in each paragraph or this clause shall except where express in such paragraph be independent

TANZANIA  
Stamp Duty Shs. 50/-  
Stamp No. 266-96  
Stamp No. 23915028




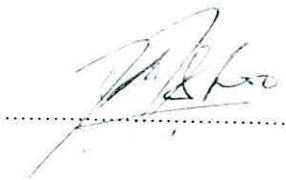
Stamp Duty Shs. 25/-  
Receipt No. 23915028 of 26-6-96

main objects and shall in no wise be limited or restricted by a reference to or inference from the terms of any other paragraph or name of any other paragraph or the name of the Company.

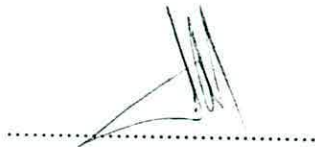
4. The liability of the members is limited.

5. The share capital of the company is shillings one million(1,000,000/=) divided into 100 ordinary shares of 10,000/= each subject and without prejudice to the rights attached to any class of shares for the time being carrying special rights attached to any class of shares for the time being carrying special rights the shares of the company whether part of the original or any increased capital of the company may be issued with any special, qualified, preferred or deferred rights and privileges or conditions shall not be altered or modified except in accordance with the Article of Association of the company for the time being in force.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association and we respectively agree to take the number of shares in capital of the company set opposite to our respective names.

<u>NAME AND ADDRESS</u>	<u>SHARES</u>	<u>SIGN</u>
1. MR. SALVATOR RWEYEMAMU, MWINJUMA ROAD, HOUSE NO.30 BLOCK 15B, KINONDONI DISTRICT, P.O BOX 4793, D'SALAAM, TANZANIA.	10	
2. MR. JENERALI ULIMWENGU, SINZA AREA, NEAR MUGABE PRIMARY SCHOOL, KINONDONI DISTRICT, P.O. BOX 4793, D'SALAAM, TANZANIA.	10	
3. MR. JOHNSON MBWAMBO, MWINJUMA ROAD, HOUSE NO. P.O BOX 4793, D'SALAAM, TANZANIA.	10	
4. DR. GIDEON J. SHOO, VINGUNGUTI AREA, HOUSE NO. V-2365, ILALA DISTRICT, P.O BOX 40310, D'SALAAM, TANZANIA.	10	

5. SHAABANI KANUWA,  
 MABIBO AREA,  
 HOUSE NO.  
 ILALA DISTRICT,  
 P.O BOX 4793,  
 D'SALAAM,  
 TANZANIA.



TANZANIA  
 RECEIVED  
 26-6-96  
 0720  
 Stamp Daily Office

SIGNED AT D'SALAAM  
 THIS 15<sup>th</sup> DAY OF JUNE 1996.

WITNESS TO the above signatures:

Signature: \_\_\_\_\_  
 Full Name: \_\_\_\_\_  
 Postal Address: \_\_\_\_\_  
 Qualification: \_\_\_\_\_

TANZANIA  
 RECEIVED  
 40/- Paid  
 Receipt No: 03395026  
 26-6-96  
 Ass. Registrar

**PRINTECH COMPANY LIMITED  
 PRELIMINARY**

1. The regulations contained in table "A" in the first schedule to the companies ordinances, chapter 212 ( which shall be referred to herein after as "the Act") shall apply to the company.
2. The company is a private company within the earning of section of the companies act and accordingly:-
  - a) No invitation shall be issued to the public to subscribe for any shares or debentures of the company.
  - b) The number of members of the company (not including employees of the company) shall be limited to twelve, provided for the purpose of this paragraph where two or more persons hold one or more shares in he company jointly they shall be treated as single member.
  - c) The right to transfer shares of the company is restricted in a manner and to the extent herein after appearing.
  - d) The company shall not have power to issue share warrants to the bearer.

**SHARE CAPITAL AND VARIATION OF RIGHTS**

3. The authorized share capital of the company is Tshs 1,000,000.00 divide or subdivide the shares in the capital whether original or increased into several classes and to attached thereto

13. The new shares shall be subject to the same provisions with reference to the payment of call, lien transfer, transmission, forfeiture and otherwise as the shares in the original shares capital.

14. Subject to the provisions of these Articles, the company may from time to time by special resolution:-

- a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- b) By subdivision of its existing shares or any of them, divide the whole, or any part, of its share capital into shares of smaller amount than is fixed by the memorandum of Association, subjects to the provisions of 14 (1) (a) of the Act.
- c) In the future, it is supposed to increase the authorised share capital of the company to Tshs.100bn.
- d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any persons.
- e) Reduce its share capital in any manner and with, and subject to any incident authorized, and concert required by law.

#### **LIEN**

15. The Company shall have a lien on every share for all the money called or payable at a fixed time in respect of that share and it shall also have a lien on all shares standing registered in the name of a single member for all moneys presently payable by him or his estate to the Company, but the Company may sell in any manner any shares in which it has a lien but no sale shall be made unless some in respect of which the lien exists is presently payable.

#### **TRANSFER AND TRANSMISSION OF SHARES**

16. All transfer of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer may be signed by or on behalf of the holder of the shares concerned until the name of the transferor is entered in the Register of Members in respect thereof.

17. The registration of members may be suspended at such times and for such periods as the Directors may from time to time prescribe or determine and either generally or in respect of any class of shares. The Register of members shall not be closed for more than thirty days in any year.

18. The directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares whether fully paid or not.

19. If the directors refuse to register a transfer of shares they shall within one month after the date on which the transfer was lodged with the Company send to the transferor notice of the refusal.

20. The Directors may decline to recognize any assignment of transfer unless such instrument is in respect of only on class of share and is deposited at the office of the relevant transfer office accompanied by the appropriate share certificate and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

21. All instruments of transfer which are registered may be retained by the company and shall not be used to finance projects and objects of the Company, dividends and other types of payments and shall remain (not to be touched) it is fixed.

22. In the case of the death of the member, the survivor(s) where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only persons recognized by the company as having any title to his interest in the shares but nothing contained herein shall release the estate of a deceased holder from any liability in respect of any share which had been held by him.

23. The instrument of transfer of any share in the company shall be exempted both by the transferor and transferee, and the transfer shall be deemed to remain a holder of he share until the name of the transferee is entered in the Register of members in respect thereof.

24. The Directors may decline to register any transfer of shares, not being fully paid shares, to a person of whom they do not approve, and may also decline to register any transfer of shares on which the company has a lien.

25. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon satisfactory evidence, have the right, either to be registered as a member in respect of the share, or instead of being registered himself to make such transfer of the share as the deceased or suspend the registration as they would have in the case of a transfer by the deceased or bankrupt before the death or bankruptcy.

26. Any person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which be entitled as if he were the registered holder.

#### **SHARE CERTIFICATES**

27. Every share certificate shall be issued under the seal and shall specify the number and class of shares to which it relates and the amount paid upon it. No certificates shall be issued representing shares of more than one class.

28. Any person whose name is entered in the Register of Members in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefore, within one month after allotment or within one fourteen days after lodgement of transfer.

#### **GENERAL MEETINGS**

29. The statutory meeting of the company shall be held within six months after the date of which the company shall be entitled to commence business and at such place as the Directors may determine.

30. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it, and not more than fifteen Meeting shall be held at such time and place as the Directors shall appoint.

All other General Meetings shall be called Extraordinary General meetings.

31. The Directors may, whenever they think fit, convene an Extra-ordinary General Meeting, and they shall on the requisition of members of the Company representing not less than one-fifty of the issued share capital of the company upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting. If at any time

there are not within Tanzania sufficient Directors capable of acting to form quorum, any Director or any two members of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may convened by the Directors. The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the office of the company and may consist of several documents in like form each signed by one or more of the requisitionist.

32. If the Directors do not convene the meeting or if the meeting is not held within thirty days from the date of the requisition being so deposited, the requisitionists, or majority of them in value, may themselves convene the meeting.

33. Any meeting convened under these provisions by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.

34. Seven days notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying other place, the day and the hours of meeting and in case of special business, the general nature of that business shall be given in a manner herein regulations of the company entitled to receive such notice from the company; but the non receipt of the notice by any member shall not invalidate the proceedings at any General Meeting.

#### PROCEEDINGS AT GENERAL MEETING

35. No meeting shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceed to business, save as herein provided two thirds members present person shall be a quorum for all purposes.

36. If within half an hour from the time appointed for the meeting a quorum is not present the Meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and such time and place as the Chairman of the meeting may determine, and if at the adjourned meeting a quorum is not present within thirty minutes from the time appointed for the meeting the members present in person shall form a quorum.

37. The Chairman, if any, of the Board of Directors shall preside a Chairman at ever General Meeting of the Company, or if there is no such Chairman or if at any meeting he is not present within thirty minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the Directors present shall elect one of their number to be Chairman of the meeting. If at any meeting no Director is willing to act as Chairman or if no Director is present within thirty minutes after the time appointed for holding the meeting, the members present shall choose one of the member to be Chairman of the meeting.

38. The Chairman of the meeting may, with the consent of any meeting which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the

business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, seven clear days notice at the least of the adjourned meeting shall be given specifying the place and time of the adjourned meeting as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

39. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on declaration of the result of the show of hands) demanded by the Chairman of the meeting or by any member present in person and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried, or carried unanimously or by a particular majority if lost and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against that resolution.

40. If a poll is duly demanded it shall be taken in such a manner as the Chairman may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

41. In the case of an equality of votes whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hand takes place or at which the poll is demanded shall be entitled to a second or casting vote.

42. A poll demanded on election of a Chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken immediately or at such subsequent time (not being Chairman of the meeting may direct and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

#### **VOTES OF MEMBERS**

43. On a show of hands every present in person shall have one vote and a poll every member present in person shall have one vote for each share of which he is the holder. On a poll, a member entitled to more than one vote need not if he votes, use all his votes or cast all the votes he uses in the same way in the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the other joint holders.

44. No member shall, unless the Directors otherwise determine, be entitled to vote at any general meeting unless a call (or other sums payable in respect of the shares in the company have been paid).

#### **DIRECTORS**

45. Subject as herein provide and until otherwise determined by the company in general meeting the number of the directors shall not be less than two and not more than eight. The names of the first directors of the company shall be as follows:

1. Mr. Salvator Rweyemamu

2. Mr. Jenerali Ulimwengu
3. Mr. Johnson Mbwambo
4. Dr. Gideon Shoo
5. Mr. Shabaani Kanuwa

46. The Company may from time to time at the general meeting increase or reduce the number of directors.

47. The Company may by ordinary resolution remove any director and may by ordinary resolution appoint another person in his place.

48. It shall be necessary for a director to have at least one share in order to qualify as a director and shall comply with section 65 of the act.

49. The remuneration of the directors shall from time to time be determined by the company at or in general meeting.

#### **ALTERNATE DIRECTORS**

50. A director may by instrument in writing signed by him appoint any person of or above the age of twenty one to his alternate, and likewise revoke such appointment. Before acting as a director such alternative must receive the unanimous approval of all directors all powers, privileges authorities and duties devolving upon a director pursuant to these articles shall be had by and devolve upon his alternate when acting in constituents place. Such alternate shall require no qualification. He shall, however, not be entitled to vote at any meeting of the directors if and during such time as his constituent shall be present at such meeting.

51. The Directors may exercise all the powers of the company to borrow money for the purpose of the Company and uncalled capital, or any part thereof and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

#### **POWERS AND DUTIES OF DIRECTORS**

52. The business of the company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not by the act or by these articles required to be exercised or done by the Company in General Meeting, subject to any regulations under these Articles. The Directors may do all such acts and things as are necessary to carry into effect all the objects, purposes, powers and discretion provided in the Memorandum of Association.

53. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit.

54. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors.

55. A Director may hold any other office or place of profit under the Company in conjunction with his office of Director for such period and on such terms as the directors may determine

and no director shall be disqualified by his office from contracting with the company with regard to his tenure of any such other office or place or profit.

56. Any Director may act by himself or his firm in a professional capacity for the Company and he and his firm shall be entitled to enumeration for professional services as if he were not a Director, but nothing herein provided shall authorize a Director or his firm to act as Auditor of the company.

57. The Directors shall cause minutes to be made in the books provided for the purposes:-

- a) of all appointments of officers made by the Directors;
- b) of all the names of Directors present at each meeting of the Directors and of any committee of the Directors;
- c) of all resolutions and proceedings at all meetings of the company and of the Directors and of the committees of Directors.

#### **APPOINTMENT AND REMOVAL OF DIRECTORS**

58. The company by ordinary resolution may appoint any person to be a Director and may remove and Director before the expiration of his period of office.

59. The Directors shall have power at any time to appoint any person to be a director either to fill a casual vacancy or as a addition to the existing Directors provided the number does not exceed the number fixed in according with these Articles.

#### **DISQUALIFICATION OF DIRECTORS**

60. The office of Directors shall be vacated if the Directors:

- a) Becomes prohibited by law from acting as a Director;
- b) Is convicted of any offence under the Act;
- c) Is convinced of any offence involving fraud or dishonesty or is convicted and sentenced to imprisonment;
- d) Becomes bankrupt or makes any arrangement or composition with his creditors or generally;
- e) Becomes of unsound mind; and
- f) Resigns his office by notice in writing to the company.

61. The Directors shall meet together as a single Board of Directors for the despatch of business and may

adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. Each Director shall have one vote save that in the case of equality of votes the Chairman laugh the meeting shall have a second or casting vote. A Director may, and the secretary on the requisition of a Director, at anytime summon a meeting. Notices of meetings shall be given to the Directors and their alternates, if any, at their respective addresses as from time to time notified to the company but for not other purposes.

62. The quorum necessary for the transaction of business of the Directors may be fixed by the Directors, and unless so fixed by these Articles as the necessary quorum purposes of increasing the number of Directors to that number or of summoning a General Meeting of the company but for no other purposes.

63. The Director may be elected as Chairman of their meetings and determine the period for which he holds office; but if no such Chairman is elected or if a any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Director present may choose one of their number to be Chairman of their meeting.

64. Any acts done by any meeting of directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such directors or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

65. The company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors.

66. The Directors may from time to time pay to the member such interim dividends as appear to the Directors to be justified by the profits of the company.

67. No dividends shall be paid otherwise than out of profits.

68. Subject to the rights of members, if any entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amount of the shares. No amount paid and paid on a share in advance of calls shall while carrying interest, be treated for the purposes of this Articles as paid on the share.

69. The Directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalizing dividends, or for any other purpose to which the profits of the company may be properly applied, and pending such application may at the like discretion, either be employed in the business of the company or be invested in such investments as the Directors may from time to time think fit.

70. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

71. No dividend shall bear interest against the company.

#### ACCOUNTS

72. The Directors shall cause true accounts to be kept:-

- a) Of the sums of money received and expended by the company and the matter in respect of which such receipt and expenditure takes place; and
- b) Of the assets and liabilities of the company.

73. The books of account shall be kept at the registered office of the company or at such other place or places as Directors think fit, and shall always be open to the inspection of the directors. For carrying out any bank operation it is necessary to be signatures of two directors or signatures of their approved representatives.

74. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions regulations the accounts and inspection of members not being a director shall have any right of inspection any account or book or

document of the company except as conferred by law or authorized by the Directors or by the company in General Meeting.

75. Once at least in every year the Directors shall lay before the company in General Meeting a profit and loss account for the period since the proceeding account of (in the case of the first account) since the incorporation of the company, made up to a date not more than six months before such meeting.

76. A balance sheet shall be made out in every year and laid before the company in General Meeting made up to a date not more than six months before such meeting. The balance sheet shall be accompanied by report of the Directors as to the state of the company's affairs and the

amount which they recommend to be paid by way of dividend and the amount, if any, which they propose to carry to a reserve fund.

77. A copy of the balance sheet and report shall, fifteen days before the meeting, be sent to the members entitled to receive notices of General Meeting in the manner in which notices are to be given hereunder.

78. Once at least in every year the accounts of the company shall be examined, and the correctness of the statement and balance sheet as ascertained by one or more auditors.

79. The first auditors shall be appointed, by the Director, subsequent auditors shall be appointed by the company in General Meeting.

80. If one auditor only is appointed, all the provisions herein contained relating to auditors shall apply to him.

81. The election of auditors shall be made by the company at their Annual General Meeting in each year.

82. The enumeration of the auditors shall be fixed by the Directors, that of subsequent auditors shall be fixed by the Company in General Meeting.

83. Any auditor shall be-eligible on his vacating or quitting office.

84. If any casual vacancy occurs in the office of any auditor appointed by the Company the Directors shall forthwith call an Extraordinary General Meeting for the purpose of filling the same. No dividends shall be paid in any way other than from the profit of concrete projects and objects after the final calculations (accounts) with creditors and investors of these concrete projects and objects of the company.

85. Every auditor shall be supplied with a copy of the balance sheet, and it shall be his duty to examine the same, with the accounts and vouchers relating thereto.

86. Every auditor shall have a list delivered to him of all books kept by the company and shall at all reasonable times have access to the books and accounts of the company, and he may in relation to such accounts examine the Directors or any other officers or servant of the company.

87. The auditors shall make a report to the members upon the balance sheet and accounts and in every such report they shall state whether, in their opinion, the balance sheet is a full and fair balance sheet and properly drawn up so as to exhibit or reflect a true and correct view of the state of the company's affairs, and in case they have called for explanations or information from the Directors, whether such explanations or information have been given by the Directors and whether they have been satisfactory and such report shall be read, together with the report of directors, at an ordinary meeting.

88. A notice may be given by the company to any member either personally or by sending it by post to him to his registered address (or if he has no registered address in Tanzania supplied by him to the company for the giving of notices to him).

89. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

90. A notice may be given by the company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a pre-paid letter addressed to him by name or by title of the representative of the deceased or the address, if any, in Tanzania supplied or the purpose by the persons claiming to be so entitled by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

91. Notice of every General Meeting shall be given in same manner herein before authorized to:-  
 a) Every member of the company; and  
 b) Every person entitled to a share in consequence of the death or bankruptcy of a member; who, but for his death or bankruptcy would be entitled to receive notice of the meeting.

#### INDEMNITY





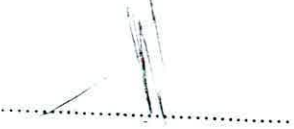
92. Subject to the provisions of the Act and of other relevant legislation in force from time to time, every Directors, Manager, Secretary, Auditor and other by the company against losses, costs, expenses and other liability of any nature which any such officer or servant may incur or become liable to by reason of any contract entered into or act or deed done by him as such officer or servant or in any way in the discharge of his duties. PROVIDED that such indemnity shall not apply to any loss, costs, expenses or other liability which by virtue of any law would otherwise attach to any such Director, Manager, Secretary, Auditor or other officer or servant in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the company.

#### ARBITRATION

93. Whenever any difference shall arise between the company and the directors on the one hand and any of the members or their representatives on the other hand or between members of classes of members or between Directors with regard to the true construction of these presents or with regards to anything done, executed, omitted or suffered in pursuance of these presents or the companies Act or with regards to any breach or alleged breach of these presents or any claim on account of any such breach or alleged breach or otherwise relating to the premises or these presents or to any affairs of the Company, every such difference shall be referred for decision, to an arbitrator to be appointed by the parties in difference or if they cannot agree than such the parties in difference shall be referred, for decision to two arbitrators to the

appointed by each of the parties in difference and any such reference shall be subject to all the 14 provisions of the arbitration (act) Cap.

94. The company shall present the documents for registration only when there shall be a complete set of documents on the first planned project including technical and economical calculations the scheme of carrying our operations (work) legal documents and guarantee (including) official registered laws on the carrying out of running work on concrete areas, notarially or their officially approved positions on the structure and volume/amount of taxes and others.

Name and Address	Share	Sign
1. Mr Salvator Rweyemamu, Mwinjuma Road, Kinondoni Area, House No.31,Block 15B, P.O Box 4793, D'salaam.	10	
2. Mr. Jenerali Ulimwengu, Sinza Area, Near Mugabe Primary School, P.O Box 4793, DAR ES SALAAM.	10	
3. Mr. Johnson Mbwambo, Barabara ya Mwinjuma, Nyumba Na. P.O. Box 4793, DAR ES SALAAM.	10	
4. Dr. Gideon J.Shoo, Vingunguti Area, House V-2365, P.O. Box 40310, DAR ES SALAAM.	10	
5. Shaaban Kanuwa, Mabibo Area, House No. P.O. Box 4793, DAR ES SALAAM.	10	

SIGNED at Dar es Salaam this <sup>15<sup>th</sup></sup> day of ~~04/05/1994~~ 1994,

Witness to the above signature: .....

*[Handwritten signature]*

Full Name: .....

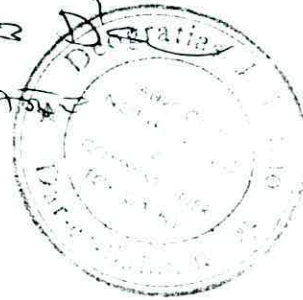
DIOCRATIAS J. SIMO

Postal Address: .....

P.O. Box 2203

Qualification: .....

Advocate





## TIC Evaluation Report

**Name of the Company**  
**Printech Co. Ltd**

Post Box	Mabibo Road	COI Number	30242	Contact	Zidwe Mbulawa
Post Office	9378	COI Date	28/06/96	Designation	General Manager
Region	Dar Es Salaam	Application F. No	10952	Phone	
Country	Tanzania	Status		Direct Phone	2400615
		Sector	Manufacturing	Cell Phone	2400624
		Sub Sector	Printing	Fax	
		File No	042435	E-Mail Address	Printech.Tz@Gmail.Com

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	PLOT NO. 2/2, 3/2, BLOCK F'	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Mabibo Road	0	0.84	0	1.96
District	Kinondoni				
Region	Dar es Salaam				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.75
Salvatory Rweyemamu	Tanzania	20	Plant	1.5
Johnson Mbwambo	Tanzanian	20	Vehicles	0
Shaban Kanuwa	Tanzania	20	Furniture & Fittings	0
Dr. Gideon j. Shoo	Tanzania	20	Pre-expenses	0.05
Jenerali Ulimwengu	Tanzania	20	Others	0
			Working Capital	0.5
			Total	2.8

Employment	67	Evaluated By	,wf officer4
Capacity	8 dailies and 16 weeks lies, 32 full colour pages	Drawn By	wf registry2
Project Turn Over		Project Type	Local

### Description

To establish and Operate a commercial printing services

### Recomendations

Be approved subject to providing evidence as required by section 17 of Tanzania Investmnet Act, 1997

### Decision