



MOTO POA LID

**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\$ 1.5M
- (b) Legal entity has been incorporated under certificate

No. 42102 of 08/07/2006

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. A. Senzla

**DIF**

11<sup>th</sup> March 2009

**EXD**

In response to the TIC letter of registration dated 11<sup>th</sup> March 2009

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from CF UNION Bank Limited
- (c) Lease Agreement to evidence of land

With the above submission EXD is requested to sign Certificate of Incentives No. 041651 herein attached.

20/03/2009



**DIF**



# MOTO POA LTD.

1/3 Mikocheni Industrial Area  
P.O. Box 76633  
Dar es Salaam, Tanzania  
Telephone: +255 22 270 1010  
Facsimile: +255 22 270 1011  
E-mail: motopoa@bol.co.tz

①

18<sup>th</sup> February, 2009

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



## **RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES**

We are applying for project registration, in order to import the projects capital goods to be used for the manufacturing project.

Our project will focus on manufacturing of liquid and gel fuel to be used as source of alternative renewable energy. Our head office is located at plot 1/3 Mikocheni industrial area in Dar es Salaam. Enclosed herewith please find relevant documents for your review and approval of the project.

- Three Copies of TIC application forms
- Copy of the certificate of incorporation
- Copy of the memorandum and articles of association
- Copies of projects business plan
- Certified lease agreement
- Extracts from the Company board resolution

We will appreciate if you will let us know encase you need more clarification on our project.

Sincerely,

**MOTO POA LTD.**  
P.O. Box 76633  
DAR-ES-SALAAM, TANZANIA

**Director**



# MOTO POA LTD.

1/3 Mikocheni Industrial Area  
P.O. Box 76633  
Dar es Salaam, Tanzania  
Telephone: +255 22 270 1010  
Facsimile: +255 22 270 1011  
E-mail: motopoa@bol.co.tz

## EXTRACTS FROM THE BOARD RESOLUTION

During the meeting of the company shareholders and directors, held on 2<sup>nd</sup> January 2009 at the Moto Poa Limited's registered office, the following resolutions were passed:

- To expand company activities and focus on local market services.
- Shareholders to contribute US\$ 900,000.00 to the project and the remaining US\$ 800,000.00 to be a loan facility.
- To register the project through TIC.

Signed by:



**CHAIRMAN**

**MOTO POA LTD.**  
P.O. Box 76633  
DAR-ES-SALAAM, TANZANIA



# CF Union Bank Limited

*"The bank that cares for you"*

Our Ref.: CFU/L.10/TIC/43,

Date: 16<sup>th</sup> February 2009,

M/s Tanzania Investment Centre,  
P.O. Box 938,  
**DAR ES SALAAM**

Dear Sir,

**RE: M/S MOTO POA LTD.**

This is to inform you that the promoters of M/S Moto Poa Ltd are well known to us and banking with us satisfactorily.

They are reputable, hardworking and credit worthy businessmen to deal with.

This information is given at the request of the customer without any guarantee or responsibility on the part of the bank or its officers.

Thanking you,

Yours faithfully,  
For and on behalf of  
**CF Union Bank Ltd.**

  
**T. SRIKANTH**  
**BRANCH MANAGER**

**CF Union Bank Limited**

3

TICC/PP.10/041651/3

11<sup>th</sup> March 2009

Managing Director,  
Moto Poa Ltd,  
P.O. Box 76633,  
**DAR ES SALAAM.**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE  
EXPANSION OF FACILITIES FOR MANUFACTURING OF LIGHT  
(FUEL) JELLY USED TO PRODUCE ENERGY**

We wish to acknowledge receipt of your project proposal to manufacture light (fuel) jelly for energy production as presented in the TIC P.A. 1 Form No. 07716 and Feasibility Study with a projected investment of USD 1.25m.

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 Incentive you will be required to submit the following:-

- Certified document showing evidence of Land ownership for the location of 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. Please also note that a facilitation fee equivalent to US\$ 750.00 is payable at the ruling exchange rate before collection of your Certificate of Incentives. Please arrange to make payments at your earliest convenience.

.../2

TICC/PP.10/041651/3

11<sup>th</sup> March 2009

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

Yours sincerely,  
**Tanzania Investment Centre**



B. D. Chonjo

**Ag. EXECUTIVE DIRECTOR**

Copy to: Permanent Secretary,  
Ministry of Finance and Economic Affairs,  
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**

041651

TFN. 614 (Rev. 8.94)

JAMHURI YA MUUNGANO WA TANZANIA  
THE UNITED REPUBLIC OF TANZANIA  
STAKABADHI YA SERIKALI  
EXCHEQUER RECEIPT

30325186 1

NIMEPOKEA KWA  
Received from

MOTO POA



KIASI  
Amount

Shs.				Cts.
0	5	0	0	0

JUMLA YA SHILINGI (Kwa maneno)  
The Sum of Shillings (Words)

US DOLLAR SEVEN HUNDRED FIFTY ONLY

NA SENTI  
And Cents

KWA MALIPO YA  
In Respect of

CERTIFICATE OF INCENTIVES

KWA FEDHA TASLIM/HUNDI Namba  
By Cash/Cheque No.

CASH

KITUO - Station

SAHIHI YA MPOKAZI - Receiving Officer's  
Signature.

CHEQUE Title

TAREHI - Date

DM

Cost Recs. Dem.



# TIC Evaluation Report

Name of the Company  
Moto Poa Ltd.

Post Box	Mikocheni Light Industrial Area Plot No. 1/3	COI Number	42102-01	Contact	Mr. Jens Hildebrandt
Post Office	76633	COI Date	08/09/2006	Designation	Director
Region	Dar Es Salaam	Application F. No	07716	Phone	022 2701010
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0
		Sub Sector	Manufacturing Of Light Fuel Jelly	Fax	22 2701011
		File No	041651	E-Mail Address	Motopoa@Bol.Co.Tz

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Mikocheni	<table border="1"> <thead> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0.0004</td> <td>0.8</td> <td>0.4496</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.0004	0.8	0.4496			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	0.0004		0.8	0.4496									
Street	Plot No. 1/3 Mikocheni Light Ind. Area												
District	Kinondoni												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)		
Helmut Prast	South African	80	Land/Building	0.25
Jens Hildebrandt	German	20	Plant	0.658
			Vehicles	0.2
			Furniture & Fittings	0.002
			Pre-expenses	0.04
			Others	0
			Working Capital	0.1
			Total	1.25

Employment	33	Evaluated By	Zakaria kingu
Capacity	428,800 ltrs p.a.	Drawn By	Shokko Registry
Project Turn Over			

## Description

To expand manufacturing facilities for light (fuel) jelly used to produce energy

## Recommendations

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

## Decision

*Approved.*  
*Shokko*  
*As Ead*  
*07-03-09*



## LEASE AGREEMENT

This agreement is made on the 01<sup>st</sup> day of January 2008

**Between**

**ESTIM CONTRUCTION CO. LTD** a private company registered in Tanzania under the **Companies Act, (Cap. 212 R.E. 2002)** of P. O. Box 19716, Dar es Salaam, (hereinafter referred to as "the Landlord") of the one part

**And**

**MOTO POA CO. LTD** a private company registered in Tanzania under the **Companies Act, (Cap. 212 R.E. 2002)** of P.O. Box 76633, Dar es Salaam, (hereinafter referred to as "the Tenant") of the other part.

**Drawn by:**

Sylvester Shayo & Co. Advocates,  
Cooperative Building, Lumumba Street,  
P.O. Box 11934,  
Dar es Salaam

## LEASE AGREEMENT

THIS AGREEMENT is made this 01<sup>st</sup> day of January 2008

Between

**ESTIM CONTRUCTION CO. LTD** a private company registered in Tanzania under the **Companies Act, (Cap. 212 R.E. 2002)** of P. O. Box 19716, Dar es Salaam, (hereinafter referred to as "the Landlord") of the one part

**And**

**MOTO POA CO. LTD** a private company registered in Tanzania under the **Companies Act, (Cap. 212 R.E. 2002)** of P.O. Box 76633, Dar es Salaam, (hereinafter referred to as "the Tenant") of the other part.

**WHEREAS** the Landlord is the owner of all that land known as **Plot No. 1/3, Mikocheni Industrial Area**, Dar es Salaam city and he wishes to lease to the Tenant part of the said land containing one thousand two hundred sixty four square meters edged in red on the attached plan comprised under C.T. No. 37831 (hereinafter called the "property"),.

### NOW THEREFORE THIS AGREEMENT WITNESETH AS FOLLOWS:

1. That in consideration of United State Dollars five hundred (**USD 500.00**) including levies being the monthly rental payment the LANDLORD shall let the premises to the TENANT for a period of **forty eight** months commencing on the **1<sup>st</sup> January 2008** until **31<sup>st</sup> December 2011**.
2. That the four yeas Lease Agreement rent shall be United State Dollars twenty four thousand (**USD 24,000.00**) whereby twenty four months rent i.e. United State Dollar twelve thousand (**USD 12,000.00**) shall be paid in advance.
3. The LANDLORD delivers the premises to the TENANT in a clean tenantable state of repair with all the utilities such as water and land rent paid up.

4. The TENANT shall pay to the appropriate authorities charges for Electricity consumed on the premises during the tenancy period.
5. The TENANT undertakes to take all reasonable care not to cause any damage or permit any damage to be caused on the PREMISES during the tenancy period.
6. The TENANT further undertakes to deliver the premises to the LANDLORD in reasonably good condition at the determination on the tenancy.
7. The cleanliness and tidiness of the PREMISES shall be the sole responsibility of the TENANT.
8. The TENANT will permit, by prior appointment, the LANDLORD at all reasonable time to enter upon the PREMISES for the purpose of viewing and inspecting the condition thereof and carry out any repairs.
9. The TENANT shall not make or permit to be made any alterations or addition to the PREMISES without the previous written consent/permission of the LANDLORD.
10. The TENANT shall at all time during the tenancy peacefully hold the PREMISES without any interruptions or harassment by the LANDLORD or her agent.
11. The TENANT shall give the PREMISES in good condition, at the expiration of the tenancy and shall repair any damage of whatsoever nature made during the tenancy period.

IN WITNESS WHEREOF the parties hereto have duly executed these presents on the days and in the manner hereinafter appearing: -

**SEALED** with the **COMMON SEAL** of ]  
**ESTIM CONSTRUCTION CO. LTD** in our ] **SEAL**  
 presence this.. 18<sup>th</sup> day of January, 2008 ]

1. Full Name: JUSHI BANKIM, C.  
 Signature: [Signature]  
 Postal Address: P.O. Box 19716 DAR-ES-SALAAM  
 Qualification: GENERAL MANAGER.
  
2. Full Name: NATVERLAL T. SHAH  
 Signature: [Signature]  
 Postal Address: P.O. Box 1695- DSM  
 Qualification: ADMIN. OFFICER

**SIGNED** and **DELIVERED** at Dar es Salaam ]  
 for and on behalf of **MOTO POA CO. LTD** by ]  
 ..... ]  
 the Director duly authorized this 18<sup>th</sup> day ]  
 of January, 2008 ]

1. Full Name: Jens Hildebrandt  
 Signature: [Signature]  
 Postal Address: P.O. Box 76633 - DSM  
 Qualification: Managing Director
  
2. Full Name: MUUSTAFA F. MAMUTEE  
 Signature: [Signature]  
 Postal Address: P.O. Box 279 DSM  
 Qualification: ACCOUNTANT

**MOTO POA LTD.**  
 P.O. Box 76633  
 DAR-ES-SALAAM, TANZANIA

**Drawn by:**

Sylvester Shayo & Co. Advocates,  
 Cooperative Building, Lunumba Street,  
 P.O. Box 11934,  
 Dar es Salaam



No: 00215440

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041651

**This is to certify that**

MOTO POA LIMITED

of address P.O. BOX 76633

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/expansion~~  
~~or equity of the~~ enterprise known as

MOTO POA LIMITED

Which is located at PLOT NO. 1/3, MIKOCHENI INDUSTRIAL AREA

KINONDONI DISTRICT - DAR ES SALAAM

Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

Executive Director

Tanzania Investment Centre  
P.O. Box 938, Dar es Salaam

Dated 19TH MARCH 2009



This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders
 

	Nationality	Shareholding (%)
Helmut Prast	South African	80
Jens Hildebrandt	German	20
.....	.....	.....
.....	.....	.....
2. Proposed Activities: To expand facilities for manufacturing of light(fuel) jelly used to provide energy
3. Sector: Manufacturing Subsector: Manufacturer of light (fuel) jelly
4. Investment cost:
 

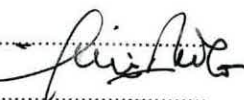
	Foreign USD 0.8m.	Local USD 0.45m.	Total USD 1.25m.
--	-------------------	------------------	------------------
5. Project Financing:
 

Equity USD 0.0004m.	Loans USD 1.2496m.	Total USD 1.25m.
---------------------	--------------------	------------------
6. Source, terms and conditions of loan.....
7. Assets to be invested:
 

Capital items:	Foreign USD 0.8m.	Local USD 0.45m.	Total USD 1.25m.
----------------	-------------------	------------------	------------------
8. Technology Agreement: None
9. Date of TIC Registration: 11th March 2009
10. Implementation period: March 2009 - February 2012
11. Operative date: March 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty <sup>And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997</sup> .....
  - (ii) Applicable with-holding Tax: As per Income Tax Act, 2004 (as amended)
  - (iii) Eligibility of Capital Allowances: As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
  - (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
 

Finished goods are not allowed under this Certificate.....

Signed



Executive Director



# **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 ..... JENS HILDEBRANDT .....  
(director/directors/agent of ..... MOTO POA LTD .....  
(name of business enterprise) apply for registration of CERTIFICATE OF INCENTIVE  
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 ..... MIKOCHENI .....  
LIGHT INDUSTRY AREA 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 NO 1/3 MIKOCHENI DSM .....
4. The Principal Officers of the Company are ..... JENS HILDEBRANDT .....  
HELMUT PRAST .....
5. Auditors of the Company are ..... A I KATRI & COMPANY .....  
CDA .....
6. The authorized share capital of the Company is Tshs. ~~US\$~~ ..... 500 000 000 .....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is ~~Tshs.~~US\$ ..... 1,250,000 .....
8. The month and day of the financial year end is ..... 31<sup>st</sup> DEC .....

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\$ ..... 100 ..... Being the Registration Fees. **In the event this application is unsuccessful we understand that this fee will not be refunded.**

I, JENS H ..... of Post Office Number 76633 .....

..... do solemnly and sincerely declare that I am a director/duly authorized agent of MOTO POA LTD .....

**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 ..... day of Feb ..... 2009 }

.....  
 Applicant

**MOTO POA LTD.**  
 P.O. Box 76633  
 DAR-ES-SALAAM, TANZANIA

Before me:

.....  
 Commissioner for Oaths



APPLICATION SUMMARY

Company Name: MOTO POA LTD

Certificate of Incorporation Number: 42102 Status: EXISTING

Certificate of Incorporation Date: 6th SEPTEMBER 2001

Post Box: 76633

Town: DAR ES SALAAM

Sector: MANUFACTURING Sub-Sector: MANUFACTURING OF FUEL JELLY

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	385	800000	449615

Project Objectives: MANUFACTURING OF LIGHT(FUEL) JELLY USED TO PRODUCE ENERGY AND SELL COOKERS

Capacity: 428,800 LTRS per Annum

Employment: Foreign: 3 Local: 30 Total: 33

Implementation Period: 5 YEARS

Project Location

Site/Plot/Block No.: 1/3 MIKOCHE NI LIGHT INDUSTRY AREA

Street: MIKOCHE NI District: KINONDONI Region: D.S.M.

(Attach sketch map showing project location)

Shareholders	Nationality	%
JENS HILDEBRANDT	GERMAN	20
HELMUT PRAST	SOUTH AFRICAN	80

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

Land/Building	250000
Plant	657700
Vehicles	200,000
Furniture & Fittings	2300
Pre-expenses	40000
Others	-
Working Capital	100000
<b>TOTAL</b>	<b>1250000</b>

**Contact Details:**

Name: JENS HILDEBRANDT Title: DIRECTOR  
Telephone: 022 2701010 Fax: 022 2701011  
Email: motapoa@bd.co.tz

**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**





MOTO POA LIMITED

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH SEPTEMBER, 2007

A. I. KHATRI & CO.  
CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2291,  
DAR ES SALAAM.

*Certified true copy  
of the original*



**MOTO POA LIMITED**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER, 2007**

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**MOTO POA LIMITED**

**DIRECTORS' REPORT FOR THE YEAR ENDED 30TH SEPTEMBER, 2007**

The directors have pleasure in submitting their report together with audited financial statements for the year ended 30th September, 2007

**1 GENERAL:**

Moto Poa Limited is a Limited Liability Company incorporated under the companies ordinance (Cap.212) in the United Republic of Tanzania.

The registered office of the company and the principal place of business is situated at Plot No.1684/4,

**2 PRINCIPAL ACTIVITIES:**

During the year, the undertook the business of Manufacturing of Moto Poa Gel and Accessories.

**3 RESULTS FOR THE YEAR:**

	2007 Tshs
Profit/(Loss) for the period	<u>(4,884,375)</u>

**4 DIRECTORS:**

The directors who held office during the period were:-

Mr. Jens H Hildebrandt

Mr. Helmut Prast

**5 AUDITORS:**

Messrs. A. I. Khatri & Company, Certified Public Accountants, have indicated their willingness to continue in office in accordance with the companies Act 2002. (Cap.212). A motion will be proposed at the Annual General Meeting that they be reappointed and their remuneration be fixed by the directors.

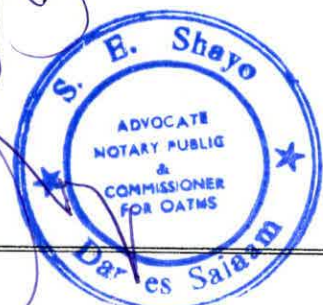
**6 STAFF:**

The directors have much pleasure in once again recording their appreciation for the untiring efforts of all employees throughout the organisation.

BY ORDER OF THE BOARD.

  
DIRECTOR.

*Original of the original*



MOTOPOA LIMITED


STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are required under the Companies Act 2002 to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for the period. The auditors are responsible for reporting on these financial statements.


The Directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made in the preparation of the financial statements for the year ended 30th September, 2007. The directors also confirm that applicable accounting standards and guidelines have been followed and that the financial statements have been prepared on the going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 2002. They are also responsible for safeguarding the assets of the company and hence, for taking reasonable steps for the prevention and detection of fraud, errors and other irregularities.

BY ORDER OF THE BOARD.

  
DIRECTOR.

*certified true copy of the original*



**A. I. KHATRI & Co**  
Certified Public Accountants

1st Floor Diamond Jubilee Bldg  
Jamhuri/Ali Hassan Mwinyi Road  
P.O. Box 2291  
Dar Es Salaam  
Tanzania

Tel . 2118670/1 , 2120475  
Fax . 2115608  
Email. aikhatri@raha.com

**AUDITOR'S REPORT TO THE MEMBERS OF MESSR'S MOTOPOA LIMITED**

We have audited the Financial Statements of Moto Poa Limited which comprises the Balance Sheet as at 30th September, 2007 Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other Explanatory notes as set out on pages 8 to 16.

**Respective Responsibilities of Directors and Auditors**

Under the provisions of the Companies Ordinance (Cap 212), the directors are responsible for the preparation of Financial Statements which give a true and fair view of the company's state of affairs and its operating results. Our responsibility is to express an independent opinion on the Financial Statements based on our audit and to report our opinion to you.

**SCOPE**

We conducted our audit in accordance with International Standards on Auditing. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates and judgements made by the management, as well as evaluating the overall Financial Statements presentation. We believe our audit provides a reasonable basis for our opinion.

**LIMITATION OF SCOPE**

We have relied on the Director's valuation of Closing Stock as at 30th September, 2007 amounting to Tshs 590,075,100/= In absence of a detailed system of internal control, we have typically had to rely on the Director's representations with respect to completeness of income.

**Opinion**

In our opinion, the Financial Statements give a true and fair view of the state of the company's Financial Position as at 30th September, 2007 and of its Financial Performance and Cash Flow for the year then ended in accordance with International Financial Reporting Standards and comply with the companies Ordinance (Cap.212.)

  
.....  
A. I. KHATRI & CO.  
Certified Public Accountants  
Dar es Salaam.

*Copy of the original*  
5 NOV 2008  
Date



**MOTO POA LIMITED**

**INCOME STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER,2007**

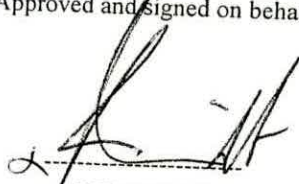
	Note	<u>2006/2007</u> Tshs.	<u>2005/2006</u> Tshs.
Revenue	2	494,183,501	8,302,158
Cost of Sales		<u>(143,209,675)</u>	<u>(39,961,590)</u>
<b>Gross Profit</b>		<b>350,973,826</b>	<b>(31,659,432)</b>
Other Income	3	201,360	2,852,784
Marketing Cost		(13,036,274)	(4,540,204)
Administration Expenses		(343,023,288)	<u>(77,274,685)</u>
Profit/(Loss) from Operating Activities Before Taxation		<b>(4,884,375)</b>	<b>(110,621,537)</b>
Profit/(Loss) from Ordinary Activities After Taxation		<u>(4,884,375)</u>	<u>(110,621,537)</u>
<b>Net Profit/(Loss) for the Year</b>		<b><u>(4,884,375)</u></b>	<b><u>(110,621,537)</u></b>

**MOTO POA LIMITED**

**BALANCE SHEET AS AT 30TH SEPTEMBER, 2007**

ASSETS	Note	2006/2007 Tshs.	2005/2006 Tshs.
<b>Non-Current Assets</b>			
Property, Plant & Equipment	6	<u>163,440,333</u>	<u>137,787,272</u>
<b>Current Assets</b>			
Inventories	7	590,075,100	142,819,756
Trade and Other Receivables	8	251,062,660	70,298,355
Cash and Bank Balances	12	<u>69,674,735</u>	<u>21,642,686</u>
		<u>910,812,495</u>	<u>234,760,797</u>
<b>Total Assets</b>		<u><u>1,074,252,828</u></u>	<u><u>372,548,069</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share Capital	9	500,000	500,000
Loans	10	874,428,473	0
Accumulated Profits		<u>(115,505,912)</u>	<u>(110,621,537)</u>
<b>Total Equity</b>		<u><u>759,422,561</u></u>	<u><u>(110,121,537)</u></u>
<b>Current Liabilities</b>			
Trade and Other Payables	11	<u>314,830,267</u>	<u>482,669,606</u>
Directors Fees		<u>314,830,267</u>	<u>482,669,606</u>
<b>Total Equity and Liabilities</b>		<u><u>1,074,252,828</u></u>	<u><u>372,548,069</u></u>

The Board of Directors is responsible for the preparation and presentation of these financial statements.  
 Approved and signed on behalf of the board.

  
 DIRECTOR

←  
 DIRECTOR



MOTO POA LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH SEPTEMBER,2007

	Share Capital Tshs.	Accumulated Profit Tshs.	Total Tshs.
Balance as at 1 .10.2005	500,000	0	500,000
Loss for the Year ended 30.9.2006	0	(110,621,537)	(110,621,537)
<b>Balance as at 30.9.2006</b>	<b>500,000</b>	<b>(110,621,537)</b>	<b>(110,121,537)</b>
Net Profit for the Year ended 30.9.2007	<u>0</u>	<u>(4,884,375)</u>	<u>(4,884,375)</u>
<b>Balance as at 30.9.2007</b>	<b><u>500,000</u></b>	<b><u>(115,505,912)</u></b>	<b><u>(115,005,912)</u></b>

MOTO POA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER,2007

	Note	<u>2006/2007</u> Tshs.	<u>2005/2006</u> Tshs.
<b>Cash Flows From/(Used in) Operating Activities</b>			
Net Profit/(Loss) before Income Tax Expenses and Extra o		(4,884,375)	(110,621,537)
Adjustment for			
Depreciation	6	<u>26,705,508</u>	<u>23,251,930</u>
		21,821,132	(87,369,607)
<b>Operating Profit before Working Capital Changes</b>			
(Increase)/Decrease in Inventories		(447,255,344)	(142,819,756)
(Increase)/Decrease in Trade and Other Receivables		(180,764,305)	(70,298,355)
Increase/(Decrease) in Trade and Other Payables		<u>(167,839,339)</u>	<u>458,651,606</u>
<b>Cash Generated from Operations</b>		<b>(774,037,856)</b>	<b>158,163,888</b>
Income Tax Paid		0	0
Withholding Tax		<u>0</u>	<u>0</u>
<b>Cash Generated from Operations</b>		<b>(774,037,856)</b>	<b>158,163,888</b>
<b>Cash Flows from/(Used in) Investing Activities</b>			
Acquisition of Property, Plant & Eq	6	(52,718,570)	(140,232,976)
Disposal		<u>360,000</u>	<u>0</u>
		(826,396,426)	17,930,912
<b>Cash Flows from/(Used in) Financing Activities</b>			
Increase/ (Decrease) in Unsecured loans		874,428,473	0
Increase/ )Decrease) in Share Capital		<u>0</u>	<u>0</u>
		874,428,473	0
Net Increase/Decrease in Cash and Cash Equivalents		48,032,047	17,930,912
Cash and Cash Equivalents at the be,	12	<u>21,642,686</u>	<u>3,711,774</u>
<b>Cash and Cash Equivalents at the end of the Year</b>		<b><u>69,674,733</u></b>	<b><u>21,642,686</u></b>

## MOTO POA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER, 2007

#### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 General Policies

###### 1.1.1 Basis of Preparation

The balance sheet, statements of income, changes in equity and cash flow, together with accounting Policies and notes, ("Financial Statements") of the company as at 30th September, 2007 and for the year then ended, have been prepared under historical cost convention.

###### 1.1.2 Comparative Information

The Accounting policies have been consistently applied by the company and, the comparative information has been reinstated to comply with International Financial Reporting Statement.

###### 1.1.3 Foreign Currency Translation

All Foreign exchange transaction are converted to Tanzanian Shillings, which is the reporting currency, at the rates of exchange prevailing at the time the transactions were effected. Monetary assets and liabilities denominated in foreign currencies are re-translated to Tanzania shillings equivalents using year-end spot foreign exchange rates. Non Monetary assets and liabilities are translated using exchange rates that existed when the values were determined. The resulting gains and losses are accounted for in the income statement.

###### 1.1.4 Taxation

###### a) Current Taxes

The provision for income tax is based on the elements of income and expenditure as reported in the Financial statements and computed in accordance with the provisions of the Tanzania Tax Act.

###### 1.1.5 Borrowing Costs

Borrowing cost are recognised as an expense in the period in which they are incurred.

##### 1.2 Valuation of Assets and their Measurement Bases

###### 1.2.1 Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

## MOTO POA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER, 2007

#### 1.2.2 Trade and Other Receivables

Trade receivables are stated at the amounts they are estimated to realise net of provisions for bad and doubtful receivable.

#### 1.2.3 Cash & Cash Equivalents

Cash and cash equivalent are defined as cash on hand, demand deposits and short term highly liquid investment, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent consists of cash on hand and deposits in banks net of outstanding bank overdraft. Investment with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

#### 1.2.4 Property, Plant and Equipment

##### a) Cost

Property, Plant & Equipment is recorded at cost less accumulated depreciation.

##### b) Restoration Costs

Expenditure incurred on repairs or maintenance of Property, Plant and Equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognised as an expense when incurred.

##### c) Depreciation

The provision for depreciation is calculated by using a reducing balance method on the cost or valuation of all property, Plant and Equipment other than freehold land, in order to write off such amounts over the following estimated useful lives by equal installment.

Factory Equipment	12.50%
Motor Vehicle	25.00%
Factory Tools	12.50%
Furniture & Fittings	12.50%
Office Equipments	12.50%
Forklift	25%
Finished Product Storage Tank	12.50%
Raw Materials Storage Tanks	25.0%
Computer Equipments	37.50%
Generator	12.50%
Land and Building	5%
Fire Extinguisher	12.50%

Full Provision is made in the year of purchase and none in the year of sale.

#### 1.3 Income Statement

##### 1.3.1 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and VAT. The following specific criteria are used for the purpose of recognition of revenue.

## MOTO POA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER, 2007

#### a) Sales of Goods

Revenue from sales of goods is recognised when the significant risks and reward of ownership of the goods have; passed to buyer passed to buyer with the company retaining neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

#### b) Rendering of Services

Revenue from rendering of services is recognised in the accounting period which the services are rendered or performed.

#### c) Others

Other income is recognized on an accrual basis.

Gain & Losses arising from incidental activities to main revenue generating activities and of similar transactions which are not material, are aggregated, reported and presented on a net basis.

#### 1.3.2 Expenditure Recognition

a) Expenses are recognised in the income statement on the basis of a direct association between those arising from a group the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the Property, Plant & Equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

b) For the purpose of presentation of the income statement the directors are of the opinion that the function of expenses method present fairly the elements of the Company's performance, and hence such presentation method is adopted.

c) Employees are eligible for National Social Security Fund Contributions in line with the respective statutes and regulations. The company contributes 10% gross emoluments of employees at National Social Security Fund.

### 3 DIRECTORS INTEREST IN CONTRACTORS AND/OR PROPOSED CONTRACTS WITH THE COMPANY

3.1 There were no directors who had interest in contracts with the company.

### 4 CONTINGENCIES AND EVENTS OCCURING AFTER THE BALANCE SHEET DATE

4.1 There were no material events occurring after the balance sheet date and contingencies that require adjustment to or disclosure in the financial statements.

**MOTO POA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER,2007**

	<u>2006/2007</u> Tshs.	<u>2005/2006</u> Tshs.
<b>2. REVENUE</b>		
<b>2.1 Summary</b>		
Sales of Moto Poa Gel and Accessories.	494,183,501	8,302,158
	<u>494,183,501</u>	<u>8,302,158</u>
<b>3 OTHER OPERATING INCOME</b>		
Foreign Currency Gains	201,360	2,736,289
Interest Received	<u>0</u>	116,495
	<u>201,360</u>	<u>2,852,784</u>
<b>4 PROFIT FROM OPERATING ACTIVITIES</b> Stated after Charging/(Crediting)		
Auditors' Remuneration	3,075,000	954,525
Depreciation	26,705,508	19,900
Foreign Currency Gains /(Loss)	201,360	2,736,289
Legal & Secreterial Fees	85,000	20,000
<b>5 INCOME TAX EXPENSES</b>		
Current Income Tax	0	0
Under/(Over) Provision of current taxes in respect of prior years	0	0
Withholding Tax	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

MOTO POA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER,2007

6 PROPERTY, PLANT & EQUIPMENT

6.1 Gross Carrying amounts	Balance as at <u>1.10.2006</u> Tshs.	Additions Tshs.	(Disposal) Tshs.	Balance as at <u>30.9.2007</u> Tshs.
At Cost				
At Cost	0	0	0	0
Furniture & fittings	284,375	14,704,267	0	14,988,642
Factory Equipments	36,978,683	16,241,525	0	53,220,208
Office Equipments	2,395,734	0	0	2,395,734
Motor Vehcile	3,000,000	11,300,000	0	14,300,000
Forklift	3,315,193	0	0	3,315,193
Finished Product Storage Tanks	1,237,500	0	0	1,237,500
Raw materials Storage Tanks	74,118,214	2,664,000	0	76,782,214
Computer Equipments	3,529,307	970,740	(360,000)	4,140,047
Factory Tools	44,891	107,416	0	152,307
Generator	12,883,375	0	0	12,883,375
Land & Building	0	6,480,621	0	6,480,621
Fire Extinguisher	0	250,000	0	250,000
	<b>137,787,272</b>	<b>52,718,570</b>	<b>(360,000)</b>	<b>190,145,842</b>
6.2 Depreciation				
At Cost				
Furniture & fittings	0	1,873,580	0	1,873,580
Factory Equipments	0	6,652,526	0	6,652,526
Office Equipments	0	299,467	0	299,467
Motor Vehcile	0	3,575,000	0	3,575,000
Forklift	0	828,798	0	828,798
Finished Product Storage Tanks	0	309,375	0	309,375
Raw materials Storage Tanks	0	9,597,777	0	9,597,777
Computer Equipments	0	1,552,518	0	1,552,518
Factory Tools	0	50,764	0	50,764
Generator	0	1,610,422	0	1,610,422
Land & Building	0	324,031	0	324,031
Fire Extinguisher	0	31,250	0	31,250
	<u>0</u>	<u>26,705,508</u>	<u>0</u>	<u>26,705,508</u>
Net Book Value	<u>137,787,272</u>	<u>26,013,062</u>	<u>360,000</u>	<u>163,440,334</u>

**MOTO POA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER, 2007**

6.3. During the financial year, the Company acquired Property, Plant and Equipment to the aggregate value of TShs.52,718,570/= (2006 -Tshs. 140,232,976/= ) Cash payments / credit amounting to Shs. 52,718,570/=(2006- Tshs. 140,232,976/=) was made during the year for purchase of Property, Plant Equipment.

	<u>2006/2007</u> TShs.	<u>2005/2006</u> TShs.
<b>7 INVENTORIES</b>		
Raw Materials	403,797,600	123,966,384
Finished Goods	<u>186,277,500</u>	<u>15,123,512</u>
	<u>590,075,100</u>	<u>139,089,896</u>
<b>8 TRADE AND OTHER RECEIVABLES</b>		
Summary		
Debtors and Prepayments		
Trade Debtors	191,023,051	997,250
Suppliers Advances	0	13,952,015
Withholding tax	7,922	7,922
Vat	60,031,687	55,341,168
	<u>251,062,660</u>	<u>70,298,355</u>
<b>9 . SHARE CAPITAL</b>	<b>Per Value Tshs.</b>	<b>At the Beginning of the Year</b>
Authorised		<b>At the End of the of the period</b>
10,000 Shares of Tshs.	50,000/=	500,000,000
		<u>500,000,000</u>
Issued and Fully Paid		
10 Shares of Tshs.	50,000/=	500,000
		<u>500,000</u>
<b>10 LOANS</b>		
Mr. Helmut		874,428,473

MOTO POA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER,2007

	<u>2006/2007</u> Tshs.	<u>2005/2006</u> Tshs.
<b>11 TRADE AND OTHER PAYABLES</b>		
Sundry Creditors Including Accrued Expenses	0	0
Creditors and Accruals	246,142,267	79,880,575
Advance from related parties	0	402,789,031
Directors Fees	<u>68,688,000</u>	<u>0</u>
	<u>314,830,267</u>	<u>482,669,606</u>
<b>12 CASH AND EQUIVALENTS IN CASH FLOW STATEMENT</b>		
Components of Cash and Cash Equivalents		
12.1 Favourable Cash and Cash Equivalents Balances	<u>69,674,735</u>	<u>21,642,686</u>
Cash and Bank Balance		
<b>Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement</b>	<u>69,674,735</u>	<u>21,642,686</u>

MOTO POA LIMITED

MANUFACTURING, TRADING, PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER, 2007

Statement	2006/2007 Tshs.	2005/2006 Tshs.
<b><u>COST OF PRODUCTION</u></b>		
Opening Stock - Raw Materials	123,966,384	0
Purchases - Raw Materials	467,741,647	147,532,917
	591,708,031	147,532,917
Less: Closing Stock - Raw Materials	<u>(403,797,600)</u>	<u>(123,966,384)</u>
	187,910,431	23,566,533
<b>Add: Direct Expenses</b>		
Packing Costs	26,286,318	0
Clearing and Forwarding	0	4,781,530
Transportation Expenses	16,278,829	290,000
Moulds	0	17,945,070
Import duty and other TRA Expenses	0	179,886
Customs duties	0	198,324
Improvement of Godown office	6,710,000	6,855,722
Material testing Expenses	0	903,000
Factory Overheads	22,625,641	62,000
Depreciation	19,404,943	0
Loading and off - loading Expenses	146,000	25,000
Employment Costs	31,901,502	0
Labeling	3,100,000	278,037
Cost of Production	<u>314,363,663</u>	<u>55,085,102</u>
Sales	494,183,501	8,302,158
<b>Less: Cost of Sales</b>		
Opening of Finished Goods	15,123,512	0
Cost of Production	314,363,663	55,085,102
Less: Closing Stock of Finished Goods	<u>(186,277,500)</u>	<u>(15,123,512)</u>
	143,209,675	39,961,590
Gross Profit	350,973,826	(31,659,432)
Loss/gain on Exchange	201,360	2,736,289
Interest Received	0	116,495
	<u>351,175,186</u>	<u>2,641,664</u>

**MOTO POA LIMITED**

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER,2007**

	<u>2006/2007</u> Tshs.	<u>2005/2006</u> Tshs.
<b>STATEMENT -A</b>		
<b>MARKETING COSTS</b>		
Advertisement	13,036,274	4,540,204
	<b>13,036,274</b>	<b>4,540,204</b>
<b>STATEMENT - C</b>		
<b>ADMINISTRATION EXPENSES</b>		
Audit Fees	3,075,000	954,525
Audit Expenses	1,912,500	50,000
Cleaning & Sanitary	377,139	116,600
General Expenses	2,602,652	0
Salaries and wages	0	3,456,000
Directors Drawings	88,560,000	1,500,000
Telephone Fax, Internet , Postages & Courier	5,747,871	2,641,664
Printing & Stationery	11,781,871	636,118
Factory Godown Rent	0	7,297,140
Fair & Exhibition Expenses	2,358,083	0
Consultation Expenses	226,300	1,584,000
Electricity & Water Charges	0	783,333
Business Traveling	2,465,238	19,335,110
News papers & Periodicals	0	148,467
Postal Box Rental Charges	50,000	50,000
Courier & Postage Expenses	0	257,639
Bank Charges & Interest	74,019,367	1,896,872
Generator Running Expenses	0	3,217,633
Medical Expenses	80,500	19,900
Licence Fees	300,000	470,000
Motor Vehicle Running Expenses	0	1,266,833
Repairs & Maintanance	2,432,336	2,903,917
Resident & Work Permit	1,805,012	716,000
Fines & Penalties	85,000	20,000
Secretarial Fees	788,000	0
Security Expenses	0	1,139,000
Insurance	9,056,640	2,381,432
Donations	0	155,100
Office Expenses	747,450	149,292
Internet Expenses	1,261,265	376,180
Transport & Tax charges	3,790,500	0
Legal Fees	0	500,000
Royalties	122,200,000	0
Depreciation	7,300,565	23,251,930
	<b>343,023,288</b>	<b>77,274,685</b>

**MOTO POA LIMITED**

**TAX COMPUTATION FOR THE YEAR ENDED AS AT 30TH SEPTEMBER, 2007**

		<u>2006/2007</u>
		Tshs.
Profit/(Loss) as per Accounts		(4,884,375)
<b><u>Add Back:-</u></b>		
Depreciation	26,705,508	
Fines and Penalties	85,000	
Secretarial Fees	788,000	<u>27,578,508</u>
Less: Wear and Tear (as per schedule below)		22,694,132 <u>(36,891,536)</u>
Taxable Income		<u>(14,197,404)</u> =====

**SCHEDULE OF WEAR & TEAR ALLOWANCE**

	<u>CLASS I</u>	<u>CLASS II</u>	<u>CLASS III</u>	<u>CLASS VI</u>	<u>TOTAL</u>
W.D.V as at 1.10.2006	63,435,137	14,358,086	2,739,026	0	80,532,249
Addition During the year	<u>12,270,740</u>	<u>0</u>	<u>33,967,208</u>	<u>6,480,621</u>	<u>52,718,569</u>
	75,705,877	14,358,086	36,706,234	6,480,621	133,250,818
Less: Wear & Tear	<u>28,389,704</u>	<u>3,589,522</u>	<u>4,588,279</u>	<u>324,031</u>	<u>36,891,536</u>
W.D.V as at 30.09.2007	47,316,173	10,768,564	32,117,955	6,156,590	96,359,282



THE UNITED REPUBLIC OF TANZANIA

The Business Names(Registration) Ordinance (Cap. 213)

Search No \_\_\_\_\_ Fees paid Shs. 1000/= ERV 24066267 of 5/10/2005

Extract from Register

Business Names No 154794 Date of Registration 5/10/2005

1. Name of Business MOTO POA =====

2. Proprietor TRADE NETWORKS LIMITED  
Partners =====

3. Principal Place of Business PLOT NO. 1684/4 SLIPWAY ROAD, MSASANI PENINSULA  
DAR ES SALAAM

4. Authorized to operate Bank Account etc \_\_\_\_\_  
TRADE NETWORKS LIMITED  
=====

DAR ES SALAAM.

17<sup>th</sup>  
..... OCTOBER , 2005

.....  
Deputy Registrar of Business Names

/SK

CERTIFIED TRUE COPY  
OF THE ORIGINAL

Charles L. M. Lugola  
ADVOCATE

28/10/09

CTIN: 00123406



# TANZANIA REVENUE AUTHORITY

## CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

**THIS IS TO CERTIFY THAT**

MOTO POA LIMITED

has been registered with the Tanzania Revenue  
Authority and assigned the Taxpayer  
Identification Number

103-399-335

with effect from 11-Mar-2005

CERTIFIED TRUE COPY  
OF THE ORIGINAL

*Charles L. M. Lugola*  
Charles L. M. Lugola  
ADVOCATE

*Joannes N. A. Mally*  
JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF

**THE UNITED REPUBLIC OF TANZANIA**



**Certificate of Change of Name**

**NO 42102**

**I HEREBY CERTIFY THAT**

**TRADE NETWORKS LIMITED =====**

having, with sanction of a special Resolution of the said Company, and with the approval of the Registrar signified in writing Changed its name, is now called the

**MOTO POA LIMITED =====**

and I have entered such new name on the Register accordingly.

Given under my hand at Dar es salaam

this **8TH** day of **SEPTEMBER**

Two thousand and **SIX**

**CERTIFIED TRUE COPY  
OF THE ORIGINAL**

*Charles L. M. Lugola*  
\_\_\_\_\_  
Charles L. M. Lugola  
ADVOCATE

*[Signature]*  
\_\_\_\_\_  
Asst. Registrar of Companies

*25/02/09*

# TANZANIA



## Certificate of Incorporation

No. 42102

### I HEREBY CERTIFY THAT

TRADE NETWORKS.....

..... 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..... 6TH ..... day of..... SEPTEMBER .....

TWO THOUSAND AND ONE.....

CERTIFIED TRUE COPY  
OF THE ORIGINAL

*Charles L. M. Lugola*  
Charles L. M. Lugola  
ADVOCATE

Asst.

*[Signature]*  
Registrar of Companies

25/02/09



THE UNITED REPUBLIC OF TANZANIA

The National Industries (Licensing and Registration) Act, 1967  
(Sections 11, 12, 15)

INDUSTRIAL LICENCE

Licence No: 00001932

ISIC Class No. 3340/02/20060920

Issued at: DAR ES SALAM

Name of firm and address: MOTO FOR INDUSTRIES

P.O. BOX 76633

DAR ES SALAM

This Licence permits operating a factory to manufacture for sale  
ORGANIC GLASS WET

Subject to the following conditions:

- (i) that the bearer is obliged to submit annual progress reports on the project
- (ii) that the products produced shall conform to the standards accepted by Tanzania Bureau of standards.
- (iii) Others: That locally available materials must be used

Location of the factory Plot Nos 1/2 Msimbazi Industrial Estate, Industrial Area, Dar Es Salaam

25th September 2005  
Date

*Charles L. M. Lugola*  
Registrar, Ministry of Industry and Trade

G.P. Office - Dar es Salaam

CERTIFIED TRUE COPY  
OF THE ORIGINAL

*Charles L. M. Lugola*  
Charles L. M. Lugola  
ADVOCATE

25/02/09

**THE COMPANIES ORDINANCE**

**(CAP. 212 OF THE LAWS)**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**TRADE NETWORKS LIMITED**

Incorporated this ..... day of ....., 2001

**DRAWN BY:**  
JENS HILDBRANDT  
P.O. BOX 76633  
DAR ES SALAAM  
**TANZANIA**

(PROMOTER)

**THE COMPANIES ORDINANCE**

**(CAP. 212 OF THE LAWS)**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**TRADE NETWORKS LIMITED**

Incorporated this ..... day of ....., 2001

**DRAWN BY:**

**JENS HILDBRANDT**

**P.O. BOX 76633**

**DAR ES SALAAM**

**TANZANIA**

**(PROMOTER)**

1200/-

4/19/2008

4812188  


600/-

4/19/2008

4812188  


**COMPANIES ORDINANCE (CAP. 212)  
COMPANY LIMITED BY SHARES**

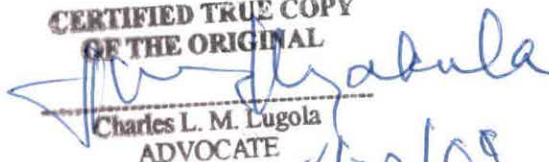
**MEMORANDUM OF ASSOCIATION**

**OF**

**TRADE NETWORKS LIMITED**

1. The name of the Company is **TRADE NETWORKS LIMITED**.
2. The registered office of the Company will be situated in the United Republic of Tanzania.
3. The object for which the Company is established are:
  - a) To carry on the business of commission agents, del cedere agents, manufacturers representatives, Travel agents, transportation agents, estate agents, debt collectors, importers, exporters, wholesalers and retailers of all types of products.
  - b) To purchase, take on lease or otherwise acquire land or any interest therein, and to hold, build upon, work, exercise, develop, finance and turn to account agricultural land, ranches, estates, building plots and lands, forests, or here deterrments of any nature and of any tenure in Tanzania or elsewhere, and to sell, let on lease or otherwise dispose of and grant rights thereover.
  - c) To purchase, take or lease or in exchange or otherwise acquire and hold any estate or interest in any land, buildings, concessions, patent, patent rights, licences, secret processes, machinery, mill, plant stock in trade and real or personal property.
  - d) To carry on the business of freight and transportation of cargo and passengers by water vessels, aircraft and surface means; shipping line agents, omnibus operators, airline agents, cargo clearing and forwarding agents, warehousemen, storers and cargo brokers.
  - e) To carry on the business of agricultural farming and production of all types of cash crops viz. cotton, coffee, sisal, tobacco, silk, flowers and other horticultural products, food crops, seeds development, farming works, commodity brokers, importers and exporters of all types of agricultural commodities in their raw or processed form; To carry on the business of dairy farming, poultry farming, animal farms, and to prepare animal feeds and animal products.
  - f) To carry on the business of financial investment, financial houses, insurance, bureaux de change, shares and stock brokers, commission agent, and other financial business operation, establish banks and all types of financial institutions.
  - g) To do consultancy work in any business or trade what so ever whether be it in commerce, industry, agriculture, mining or in any other field which in the opinion of the company may be advantageous.

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ADVOCATE

25/02/09

- h) To purchase or otherwise acquire all or any part of the business and property and assets or liabilities of any person(s) firm, company, society, association or group of persons carrying on or (in the case of a company) formed to carry on all or any part of such business as is within the objects of this company and in consideration thereof to pay cash or to issue any shares, stock or obligations of this company, and in connection with any such transaction to undertake any liabilities relating to the business or property so acquired.
- i) To amalgamate or enter into partnership or any arrangement whether perpetual or terminable, for sharing profits, union of interest, joint adventure, reciprocal concessions or cooperation with any person, firm society, association or group of persons carrying on or engaged in or about to carry on or (in the case of a company) formed to carry on or engage in any business or transaction within the objects of this company or any business transaction or course of action which may seem to the company capable of being conducted so as directly or indirectly to benefit the company or to prevent or minimise apprehended loss, damage or cost to the company or to such person, firm, society, association or group or persons, and to purchase subscribe for or otherwise acquire and hold shares (fully or partly paid up) or stock in or securities of, or to lend money, to guarantee the contracts of, subsidise or otherwise assist any such person, firm, society, association or group of persons, and to sell, hold, re-issue with or without guarantee or otherwise deal with such shares, stock or securities.
- j) To establish, promote and otherwise assist any company or companies for the purpose of acquiring all or any part of the property furthering any of the objects of this company.
- k) To receive money or deposits or loans and borrow or raise money in such manner as the company shall think fit, and in particular by the issue of debentures, or debenture stock and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future), including its uncalled capital and also by a similar mortgage charge or lien to secure and guarantee the performance by the company or any other person or company of any obligation undertaken by the company or any other person or company as the case may be.
- l) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- m) To establish agencies and local boards in Tanzania and elsewhere, and to regulate and discontinue the same.
- n) To acquire from any sovereign state or authority supreme local or otherwise any concessions, grants, decrees, rights or privileges whatsoever, which may seem to the company capable of being turned to account and to work, develop, carry out, exercise and turn to account the same.

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OF THE ORIGINAL**

  
Charles L. M. Lugola  
ADVOCATE

2/02/09

- o) To procure the Company to be registered or recognised in any foreign country or place.
- p) To capitalise if and when deemed advisable the whole or part of the undivided profits of the company and/or its reserves and to distribute such sum either as bonus or in any other manner and either by way of shares credited as fully paid up or in such other manner as may seem expedient and whether amongst holders or shares in the company or other.
- q) To distribute any of the property of the company among the members in specie and either by way of dividends or upon and return of capital.
- r) To provide for the welfare of persons in the employment of the company, of formerly in the employment of the company or its predecessors in business and the wives, widows and families of such persons by grants of money, pension or other payments.
- s) To form, subscribe to and otherwise aid benevolent, religious, scientific, national charitable or other institutions or objects of a public character or which have moral or other claims to support or aid by the company by reason of the nature or locality of its operations or otherwise.
- t) To invest the moneys of the Company in such manner other than in the shares, of this company, as a may from time to time be determined.
- u) To act as trustees of any person, firm, company or group persons in respect of any business or matter of any nature whatsoever notwithstanding that the company may not be empowered to act as principal in connection therewith.
- v) To apply for, purchase, or otherwise acquire any patents, brevets, invention, licences, trade marks, copy rights, concessions and the like conferring any exclusive or non exclusive of a limited right, to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop, grant licences in respect of, or otherwise turn to account the property, rights and information so acquired.
- w) To carry on, develop, extend and turn to account any trade, business or operation whatsoever which can in the opinion of the company be advantageously or conveniently carried out by the company by way of extension of or in connection with all or any of the trade, business and operations which the Company is authorised to carry on, or is calculated directly or indirectly to develop any branch of the company's business or to increase the value of or turn to account any of the company's assets, property and rights.

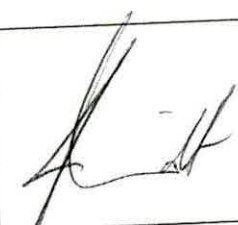
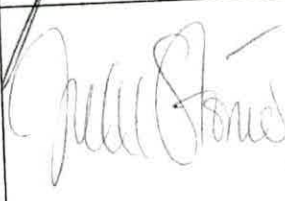
- x) To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the company, which the company shall consider to be in the nature of preliminary expenses including therein the cost of advertising, commissions for underwriting, brokerage, printing and stationery.
- y) To pay for any rights or property acquired by the company, and to remunerate any person or company whether by cash payment or by the allotment of shares, debentures or other securities of the company credited as paid up in full or in part or otherwise.
- z) To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the company.
- aa) To enter into arrangement with any Governments or Authorities or any Company, firms or persons that may seem conducive to the attainment of the Company's objects or any of them and to obtain from any such government, authority, company, firm or person any rights, privileges, licences and concessions which the company may think it desirable to obtain, and to carry out exercise and comply with any such arrangements, rights privileges, licences and concessions.
- bb) To sell and dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares debentures or securities of any other company having objects altogether or in part similar to those of the company.
- cc) To grant and enter into all manner of bonds, obligations, guarantee and indemnities for or in connection with any of the businesses aforesaid.
- dd) To buy, sell, import, export and otherwise deal in all manner of goods, commodities and merchandise, and to carry on and execute all kinds, of financial, commercial, industrial and trading operations in any part of the world.
- ee) To acquire by subscription, purchase of otherwise, and to accept and take, hold and sell, shares or stock in any company, society or undertaking, the objects of which shall, either in whole or in part, be similar to those of this company or such as may be likely to promote or advance the interest of this company.
- ff) To act as managing agents and trustees for any person, firm or company, and to undertake and perform subcontracts and also to act in any of the business of the company through or by means of agents, brokers, sub-contractors or others.
- gg) To do all or any of the matters hereby authorised in any part of the world either alone or in conjunction with or by or through factors, trustees or agents.
- hh) To carry on the business of mining of all types of minerals, smelting, iron and steel mills; dealers and brokers of precious metals, minerals and gemstones; cleaning, cutting and marketing gemstones, to purchase or take on lease option, licence, exchange or otherwise acquire in any part of the world prospecting rights and contracts, leases, options, mineral or other properties, grants, concessions, charter, privileges either absolutely or conditionally.

- ii) To lend and advance money or give credit to or receive money on deposit from such persons, firms or companies and on such terms as may seem expedient and, in particular, to and from customers having dealings with the company and to give guarantees or become security for any such persons, firms or companies.
- jj) To carry on the business of timber making and marketing, furniture makers and upholsters, manufacturers and dealers of and in lime, cement, mortar, concrete stone and building materials of all kinds as builders and contractors for the execution of works and buildings of all kinds.
- kk) To carry on the business of fishing, trading in fish and ocean products, processing and manufacturing of fishmeal and allied products of every description, cold storage keepers, warehouseman, boat builders and owners, boat repairers.
- ll) To carry on the business of manufacturing all types of industrial and agricultural goods and to do any other thing which may be incidental or conducive to the attainment of the above objects or any of them or which may be calculate directly or indirectly to benefit the company or any member thereof.
- mm) To manufacture, buy, sell and generally deal in any plant and machinery, tools, motor vehicles, shipping vessels, locomotives aircrafts, spare parts and components for the above, sports, equipment, shipping gear and office automation equipments.
- nn) To construct and establish buildings, machinery, depots and other facilities for the purpose of processing, manufacturing, storing, marketing, importing, exporting, selling and distributing of any company products in their raw or finished state.
- oo) To carry on the business of hoteliers, caterers, bakers, confectioners and merchants of wines, spirits and beverages, tour operator and car hire and transporter by motor vehicles, aircraft and shipping vessels. To establish garages for repair of motor vehicles.
- pp) To carry on the business of hunting, acquiring trophies, ornaments, jewelery and processing, selling and generally dealing with such products.
- qq) To carry on the business of fumigation and clearance of pests from buildings, farms, premises, crops, agricultural lands, plots, machinery and vessels.
- rr) To carry on business as manufacturers and sellers of medicines detergents, insecticides and other pharmaceutical products.
- ss) To carry on the business of exploration, drilling, refining selling and distribution of petroleum and hydrocarbon products and by-products including storage and transportation.
- tt) To carry on the business of manufacturing and selling of textiles, yarns, fabrics and garments.
- uu) To carry on the business of construction and maintenance of road, railways aerodromes, bridges, calvets, viaducts and passages:-


- vv) To carry on the business of electrical contractors, repairers of electronic machines and systems, general reconditioners, owners of electric powers generating stations, distribution and selling of electricity.
- ww) To carry on the business of printers, engravers, publishers, book and print sellers, bookbinders, journalists, stationers, paper makers and dealers. To carry on the business of manufacturers, distributors and dealers in engravings, prints, pictures, drawings and any written, engraved, printed or painted products.
- xx) To start, acquire, print, publish and circulate or otherwise deal with any newspaper or newspapers or other publications, and generally to carry on the business of newspaper proprietors and general publishers.
- yy) To carry on the business of business consultants, accountants, agents, auditors, advocates, engineers, lawyers, auctioneers, commodity brokers and court brokers.
- zz) It is hereby declared that in the interpretation of the above clauses the meaning of the company's objects shall not be restricted, and in the event of any ambiguity the above clauses shall be construed in such a way as to widen and not to restrict the powers of the company.

4. The liability of the members is limited.
5. The share capital of the Company is Tanzania Shillings 500,000,000/= (Five hundred million only) divided into 10000 shares of T.Shs 50,000/= each with power for the company to increase or reduce such capital and to issue any part of the capital original or increased with or without any preference priority or special privilege or subject to any postponement or rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the power hereinbefore contained.

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

Name, Addresses And Description of Subscribers	Number of shares taken by each Subscriber	Signature of Subscriber
1. Jens Hildebrandt P.O. Box 76633 Dar es Salaam <u>Businessman</u>	8	
2. Julia Christina Stoermer P.O. Box 76633 Dar es Salaam <u>Businesswoman</u>	2	


Dated at Dar es Salaam this 31st day of August 2001

Witness to the above signatures: 

Postal Address: Box 12929 Dsm

Qualification: Advocate



**CERTIFIED TRUE COPY OF THE ORIGINAL**  
  
 Charles L. M. Lugola  
 ADVOCATE  
 28/02/09

1202/= 88621888 4/9/2007  
SPECIALY UJING  
600/= 88621888 4/9/2007

**THE COMPANIES ORDINANCE (CAP. 212)**  
**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**TRADE NETWORKS LIMITED**

**PRELIMINARY**

.....

1. The regulations contained in Table A in the first a schedule to The Companies Ordinance (Cap. 212) (such Table hereinafter called "Table A") shall apply to the company subject to such modifications as are hereafter contained, except regulation 64 and 66.

**PRIVATE COMPANY**

2. The company is registered as a private company and accordingly:
  - a) The right to transfer shares of the company is restricted in manner and to the extent hereafter prescribed.
  - b) The Members of the company (exclusive of persons who are in employment of the company) shall be limited to fifty. Provided that where two or more persons hold one or more shares in the company jointly they shall for the purpose of this regulation be treated as a single member.
  - c) Any invitation to the public to subscribe for any shares or debentures of the company is prohibited.

**SHARES**

3. The initial capital of the company is Tanzania shillings 500,000,000/= divided into 10,000 (ten thousand) shares of T.shs 50,000/= (fifty thousand) each. The shares taken by the subscribers to the Memorandum of Association shall be duly issued by the Directors.
4. The Directors by an unanimous resolution may issue any shares as paid up, in whole or in part of the purchase price of any business, or property acquired, or to be acquired by the company or by way of remuneration for services rendered or otherwise for such consideration as they may think fit.
5. A call shall be deemed to have been made at the resolution of the Directors authorising such call was passed. .

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OF THE ORIGINAL**

  
**Charles L. M. Lugola**  
**ADVOCATE**

25/02/09

6. Any money due from the company to a shareholder may without the consent of such shareholder be applied by the company in or towards payment of any money due from him to the company for calls or otherwise.
7. The company may from time to time by special resolution increase the share capital by such sum to be divided into shares of such amount, as the resolution shall prescribe.
8. The company may, by special resolution, reduce its share capital and capital redemption reserve fund in any manner and with, and subject to, any incident authorised, and consent required by law.
9. Every person whose name is entered as a member in the Register of Members shall be entitled to a certificate under the seal of the company specifying the number of shares, held by him and the amount paid up thereon, provided that in respect of a share or shares, held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one whose name appears first of several joint holders shall be deemed to have been delivered to all. The Register of members shall be kept at the registered office of the company.

#### **FORFEITURE OF SHARES**

10. At the end of Article 23 of Table A. shall be added the following words, namely and all expenses (legal or otherwise) that may have been incurred by the company for reason of such non payment.

#### **TRANSFER OF SHARES**

11. Any share may be transferred at any time by a member to another member or to a spouse or off spring of the transferor member, and any share of a deceased member may be transferred by his/her executors or administrators to such deceased members spouse or off spring or heir (s).
12. The Directors may in their absolute discretion and without assigning any reasons therefore decline to register any transfer of any share whether or not it is a fully paid share.

#### **BORROWING POWERS**

13. To Directors may from time to time, raise or borrow or may themselves lend for the purpose of the Company's business such sum or sums of money or property as they think fit and secure the repayment of or raise any such sum or sums as aforesaid, by mortgage or charge upon the whole or any part of the property and assets of the company, both present and future including its uncalled capital or by the issue at such price as they may think fit, bonds or debentures or both either charged upon the whole or any part of the property and assets or the company, or in such way as the Directors think expedient.

## GENERAL MEETINGS

14. A general meeting shall be held once in every calendar years as the Annual General Meeting. Such meeting shall be additional to any other meetings in the same year and shall be held at such time (not being more than fifteen (15) months) after the holding of the last preceding Annual General Meeting and place as may be determined by the Directors.
15. Twenty one days' notice at least (exclusive of the day on which the notice is served or deemed to be served and of the day for which it is given) in respect of all General Meetings shall be given to the members specifying the date, hour and place of the meeting and in case of special business, the nature of such business either by advertisement or by notice sent by post or otherwise served as hereinafter provided, but with the consent in writing of such percentage of the Members as may from to time be required by law for the purpose, or in the event of there being no requirement by law then of all members entitled to receive notice of the meeting, a meeting may be convened in such manner as the Directors may think expedient.
16. At any General meeting a resolution put to the vote of the members shall be decided on the show of hands unless a poll is demanded by any member present in person or by proxy or attorney (before or on the declaration of the result of the show of hands). Unless a poll is so demanded, declaration by the Chairman that a resolution has, on a show of hands, been carried, or carried unanimously or by a particular majority or lost and an entry 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 of or against such resolution.
17. No meeting shall be valid unless a quorum of Members is present at the time which the meeting proceeds to business. Two members present in person or by proxy or by attorney shall be a quorum for the purpose of this clause.

## VOTES OF MEMBERS

18. On a show of hands every member present in person and every proxy for or attorney or an absent member (if such proxy or attorney is not himself a member and entitled to vote) shall be entitled to one vote. On a poll every member shall have one vote for every share which he is a holder.
19. The instrument appointing a proxy and the power of attorney of or other authority, if any, under which it is signed or a notarilly certified copy of such power or authority shall be deposited at the registered office of the company not less than twenty four (24) hours before the time for holding the meeting or in case of a poll, the time appointed for taking such poll and in default, the instrument shall not be treated as valid.
20.
  - a) Extraordinary meetings shall be held at any time as it may be arranged by the Directors or required by at least one third of the shareholders.
  - b) A member will be allowed to vote only when he/she has paid up all shares called on him/her.

21. The Annual General Meeting shall discuss, among other things as:
- a) Accounts of the company.
  - b) Distribution of dividends and/or interests.
  - c) Election of Directors unless a fixed period is allocated to them.
  - d) Annual Report of Directors.
  - e) Fixing of Income and Expenditure for the current year.
  - f) Appointment of Auditors and their remuneration.
22. The Chairman of the Board of Directors shall preside as Chairman of the General Meeting. In the absence of the Chairman the Delegates may appoint an Interim Chairman.

### **DIRECTORS**

23. The number of Directors shall not exceed six (4) and shall not be less than two (2).
24. The First Directors of the company shall be: -
- JENS HILDEBRANDT  
JULIA CHRISTINA STOERMER
25. The business of the company shall be managed by Directors who may use powers vested to them by the General Meeting.
26. The Directors may appoint one of them to be the Managing Director who will be paid a monthly salary or commission as shall be fixed from time to time by the company in the General Meeting.
- Other Directors may also be paid such remuneration as the company may determine in the General Meeting.
27. The qualification of a Director shall be holding of at least one share in the company.

### **DISQUALIFICATION OF DIRECTORS**

28. The office of Director shall "ipso facto" be vacant:
- i) If he be found lunatic or becomes of unsound mind.
  - ii) If he shall become bankrupt or compound with his creditors.
  - iii) If he, by notice to the company, resigns office.
  - iv) If he ceases to hold the number of shares required to qualify him for office.

- v) If he holds another office of profit without the consent of the company in the General Meeting.
  - vi) If he is punished with imprisonment and is serving a sentence as an inmate for a term exceeding twelve (12) months.
  - vii) If he becomes prohibited from being a Director by reason of provisions of the Ordinances.
  - viii) If he absents himself from the meetings of the Directors during a continuous period six months without special leave from the other Directors and they pass a resolution that he has by reason of such absence vacated office.
29. The period for which a Director may hold office of Directors of the company shall be fixed by the General Meeting.

#### **THE SEAL**

30. The company seal shall not be affixed to any instrument except by the authority of resolution of the Board of Directors and in the presence of a least two Directors or at least one Director and a Secretary or such person as the Directors may appoint for the purpose. The Director and Secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed.

#### **BORROWING POWERS**

31. The Directors may raise, or borrow for the purpose of the Company's business such sums of money or property as they think fit and may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the company, present and future, including its uncalled capital or by the issue at such price as they may think fit of bonds or debentures, either charged upon the whole or part of the property and assets of the company present and future, including its uncalled or unissued capital, or not so charged or in such other way as the Directors may think expedient.

#### **ACCOUNTS**

32. The Directors shall cause proper books of accounts and to be kept with respect to all sums of money received and expended by the company and the matter in respect of which receipt and expenditure takes place.

#### **AUDIT**

33. All accounts books shall be audited by a qualified Auditor who will be appointed by the company at each annual general meeting and that it will be the duty of the Directors to furnish the Auditor with all information and documents he or they want. The Directors shall lay before the General Meeting, at least once in every year the Auditor's report together with the accounts for the preceding period within six months of the end of the year.

**PRELIMINARY EXPENSES**

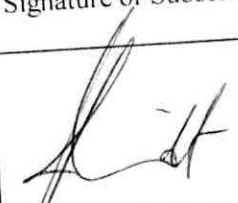
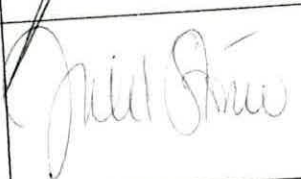
34. In order to meet the preliminary expenses, the share holders shall contribute shillings 200,000/= (two hundred thousand) in form of entrance fees which will not be refundable.

**WINDING UP**


35. In winding up the liquidator may, with the sanction of an Extraordinary Resolution distribute all or any of the assets in specie among Members in such proportion and manner as may be determined by such Resolution provided always that if any such distribution is determined to be made otherwise than in accordance with existing rights of the members, every member shall have the same rights of dissent and other ancillary right as if such resolution were a Special Resolution passed pursuant to section 230 of the Ordinance.

**IDEMNITY**

36. Every Director, or other officer of the company shall be entitled to be indemnified out of the assets of the company against all losses or liabilities (including any such liability as in mentioned in paragraph (a) of the provisory to section 153 of the Ordinance) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the company in the execution of the duties of his office or in relation thereto. This Article shall only have effect in so far as its provisions are not avoided by the said section.

Name, Addresses And Description of Subscribers	Number of shares taken by each Subscriber	Signature of Subscriber
1. Jens Hildebrandt P.O. Box 76633 Dar es Salaam Businessman	8	
2. Julia Christina Stoermer P.O. Box 76633 Dar es Salaam Businesswoman	2	

Dated at Dar es Salaam this 31<sup>st</sup> day of August 2001


Witness to the above signatures: 

Post Address: Box 12929, D.S.M

Qualification: ADVOCATE



**CERTIFIED TRUE COPY  
OF THE ORIGINAL**

  
Charles L. M. Lugola  
ADVOCATE  
25/02/09

# MOTO POA LIMITED

## *BUSINESS PLAN FOR MANUFACTURING*

**Presented for:**

Moto Poa Ltd,

P.O. Box 76633,

**Dar es Salaam**

**FEBRUARY, 2009**

# MOTO POA LIMITED

## *BUSINESS PLAN FOR MANUFACTURING*

**Presented for:**

Moto Poa Ltd,  
P.O. Box 76633,  
**Dar es Salaam**

**FEBRUARY, 2009**

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## ***Executive Summary***

### **1.0 Executive Summary**

Moto poa limited is a manufacturing company which manufactures jelly used for cookers as source of heat. The product idea is adapted from South Africa and is used to produce the product using the local resources including labour and minerals.

The company does its presence in Tanzania for some years now and has its major market segment in South Africa and Democratic Republic of Congo.

The company owners provided the capital to cover the start-up expenses and have obtained enough financing to run the manufacturing of the product. Currently the company is planning for expanding its business in East Africa as it has not been the its major market since the start of the company.

The company will soon through TIC facilitation acquire land ownership which will help project continuation and success.

### **1.1 Objectives**

The company objectives are:

- To be a top energy jelly exporter in the regional market.
- To increase revenue to 10% each year starting 2009 to 2013
- Aim to have 20% of sales in high-end residential customer segment.

### **1.2 Mission**

To deliver a high-quality product, on time and within budget and serve our customers with satisfaction

### **1.3 Location**

The company office is located at Mikocheni light industry area, plot 1/3 Dar es Salaam.

## Company Summary

### 2.0 Company Summary

Moto Poa Limited is a company that provide quality product in the jelly manufacturing and supply market while meeting the demanding organizational, scheduling, and quality needs of export market.

### 2.1 Investment costs

The investment cost will be done in stages for three consecutive years, and will be down as shown below, with usd 1,010,000 is invested first year, Usd 160,000 will be invested in second year which is 2010, and Usd 80,000 will be invested third year of operation and this will mainly be in form of motor vehicles.

PROJECT COST SUMMARY	2009	2010	2011	TOTAL
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Land & Buildings	200,000	50,000	0	250,000
Plant Machinery & Equipments	607,700	50,000	0	657,700
Motor Vehicles	80,000	60,000	60,000	200,000
Furniture & Fittings	2,300	0	0	2,300
Pre operational Expenses	20,000	0	0	40,000
<b>Total Capital Cost</b>	<b>910,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,130,000</b>
Working Capital	100,000	0	20,000	120,000
<b>TOTAL PROJECT COST</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,250,000</b>

The project is mainly financed mainly by the loan from a foreign bank and a loan facility from a local bank. The project financial have already issued out the amount required and the project has already takeoff.

FINANCING PLAN	2009	2010	2011	TOTAL
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
EQUITY	385	0	0	0.00
LOAN	1,009,615	160,000	80,000	100.00
<b>TOTAL FINANCING</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>100.0</b>

## ***Products***

### **3.0 Products**

Our product is in form of jelly and is used as fuel for cooking. It is used in cookers especially for home use. The product goes parallel with cooker which is the secondary product but not produced by the company. Performance of the secondary product has not been performing well in the Tanzanian market. The company would like to have focus on the secondary product to ensure product and the secondary product do parallel performed in the market.

## *Market Analysis Summary*

### **4.0 Market Analysis Summary**

Moto Poa Limited has been focusing on export market. The major market segment is South Africa and Democratic Republic of Congo. The company will under this project put more focus on the local market and expect the local market will grow substantially over five years.

### **4.1 Target Market Segment Strategy**

Moto Poa Limited will be focused in increasing the Tanzanian market by improving its customer services to reach more customers with quality product.

There are plans to upgrade office space to a showroom in a high visibility location. This will give us exposure to some of the customers who would like to visit our showroom and see how the product perform, as it still the new product. The company will also be participating in various trade shows in East Africa.

### **4.2 Industry Analysis**

The company is still the only supplier of the product in the market. This still gives room for the company to build a fortress in its consumers mind and further growth is expected in years to come. The company is well supported by the local authorities and the government. The environment is favourable for the business.

## ***Strategy and Implementation Summary***

### **5.0 Strategy and Implementation Summary**

The company has been experiencing steady growth and there is a general consensus of continued growth in the country. Taking part in this growth, while providing attention to the design development, ordering process, project management, and installation will put us on the road to success. The company is focusing on improving parallel product i.e. cookers which have not performed well on the market.

### **5.1 Competitive Edge**

Our competitive edge is our ability to provide high volumes and flexibility in style, while maintaining a quality product backed by excellent service. The company is competing against other source of energy namely electricity, kerosene and natural gas

### **5.2 Sales Strategy**

Our sales strategy is to make ourselves known through mailings, print advertising, and personal contact to major suppliers and customers

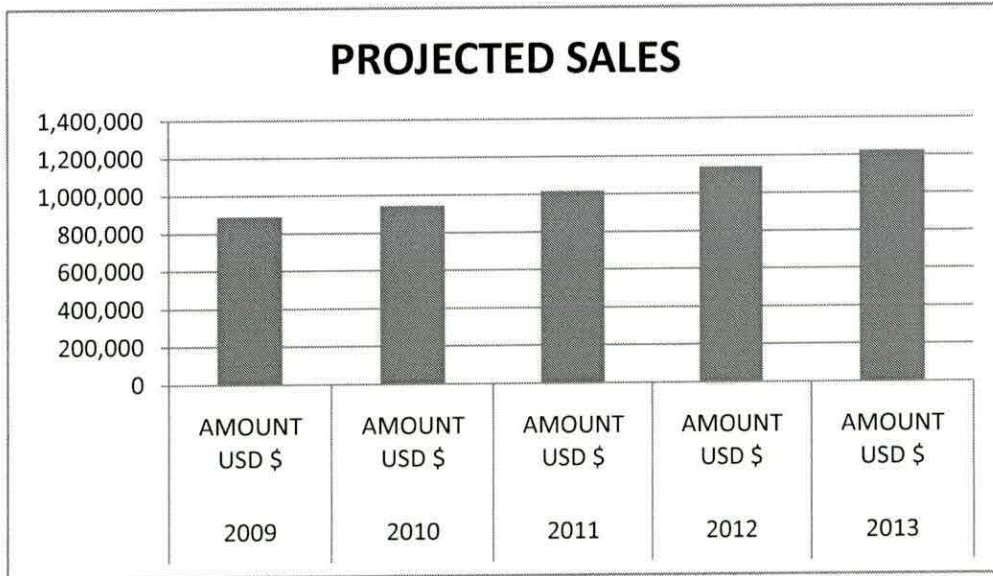
Having a showroom will be a sales tool in itself. A showroom will give us exposure to the general public, new arrivals to the area, and construction professionals.

#### **5.2.1 Sales Forecast**

The following table shows projected cabinet sales. As the company gets established in the market, we anticipate strong sales growth over the next five years.

### PROJECTED SALES

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
SALES	889,358	944,943	1,018,063	1,140,357	1,222,582



### 5.3 Milestones

The project has already started and is at advanced stage. The company has already obtained loans for the project finances this year 2009 will have land bought and incentives will further facilitate the company to expand further in coming years.

## Management Summary

### 6.0 Management Summary

Moto Poa Limited operates as an limited company business. The company has a well organised program where new staff will be employed under the current project.

The new team will be composed of specialized and well-experienced consultants in their respective fields of work. We work together to make sure that we live up to our promise to customers, ensuring that the local market is well served.

The company leadership is one of the best in the industry, despite that the company will also employ a new managers who will strengthen company marketing programs and management that experts to have a strong focus on the local market.

We also work closely with our customers to achieve the best possible solution for their energy optimal costs.

As the company grows, we will take on an administration/showroom assistant.

### 6.1 Personnel Plan

This table shows salaries for the whole company. Salary increases are kept to a minimum to help the growth of the company. An administrative assistant will be hired later in the year.

#### Personnel

SALARIES & WAGES	NUMBER	MONTHLY PAY	MONTHS	ANNUAL PAY
Director	2	1500	12	36,000
Production Managers	2	1000	12	24,000
Officer	3	850	12	30,600
Salesmen	4	250	12	12,000
Production Engineer	4	800	12	38,400
Machine operators	10	70	13	9,100
Drivers	5	200	12	12,000
Secretary	1	150	12	1,800
Watchmen	6	50	12	3,600
	<b>33</b>	<b>13,958</b>	<b>12</b>	<b>167,500</b>
Add Allowances 30%		4188		50,250
Sub -Total	<b>33</b>	<b>18146</b>		<b>217,750</b>
<b>GRAND TOTAL SALARIES</b>				<b>217,750</b>

## **Financial Plan**

### **7.0 Financial Plan**

Below are the initial financial goals for the company:

- Continue to obtain an operating line of credit from a financial institution.
- Finance growth through retained earnings.
- Operate on a 10-15% gross margin.

The financial plan for Moto Poa Limited is outlined in the following sections.

### **7.1 Important Assumptions**

The key underlying assumptions of our financial plan shown in the following general assumption table are:

- 1 We assume access to the funding necessary to re-shape the company, and to provide adequate initial capitalization for a wider range of demonstration equipment.
- 2 We assume realistic to minimum sales, against highest expenses.
- 3 The financial statements are presented in American USD (\$)
- 4 The financial statements and projection have been prepared on going concern basis under historical cost convention
- 5 The financial statements have been prepared starting on month of January to December
- 6 Depreciation is provided so as to write off the cost of fixed assets on straight line basis over the expected useful economic lives of the assets concerned. The principle annual rates for this purpose are:

Land and Building	3%
Machinery, tools & Equipment	12.5%
Motor vehicle	20%
Furniture & Fixture	12.5%

### **7.2 Break-even Analysis**

As the business settles in and start-up/showroom costs are met, average monthly operating costs will increase and then stabilize. This table shows we need to sell 676 a month to break even.

## Break-even Analysis

<b>BREAK EVEN ANALYSIS</b>						
	2008	2009	2010	2011	2012	2013
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
Sales Revenue		916,864	974,168	1,083,046	1,200,376	1,260,394
Variable Costs		302,795	320,953	338,692	357,277	365,356
Contribution Margin		614,069	653,215	744,354	843,099	895,038
Fixed Costs		543,974	564,576	575,188	570,790	565,392
Contribution Margin Ratio %		66.97	67.05	68.73	70.24	71.01
Break even Sales		8,122	8,420	8,369	8,127	7,962
Break even Point (%)		0.89	0.86	0.77	0.68	0.63

MOTO POA LIMITED  
FINANCIAL PROJECTION FOR THE PERIOD  
2009 TO 2013

## MOTO POA LTD

### PROJECTED PROFIT AND LOSS STATEMENTS FOR THE PERIOD

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
Sales Revenue	916,864	974,168	1,083,046	1,200,376	1,260,394
Less: Cost of Sales	302,795	320,953	338,692	357,277	365,356
<b>Gross Profit</b>	614,069	653,215	744,354	843,099	895,038
Administration Expenses	376,340	378,210	381,499	384,820	386,369
<b>Operating Profit</b>	237,729	275,005	362,855	458,279	508,669
Capital & Financial Charges					
Depreciation	92,250	107,000	116,500	116,500	116,500
Loan Interest	75,385	79,366	77,190	69,471	62,524
Sub Total	167,635	186,366	193,690	185,971	179,024
<b>Profit before Tax</b>	70,094	88,639	169,166	272,309	329,646
Taxable Income	70,094	88,639	169,166	272,309	329,646
<i>Tax (30%)</i>	21,028	26,592	50,750	81,693	98,894
<b>Profit After Tax</b>	49,066	62,047	118,416	190,616	230,752
Profit brought Forward	0	49,066	105,557	212,775	383,221
Profit for Appropriation	49,066	111,113	223,973	403,391	613,973
APPROPRIATION ACCOUNT					
Dividends Rate	0	5%	5%	5%	5%
Amount	0	5,556	11,199	20,170	30,699
Revenue Reserve	49,066	105,557	212,775	383,221	583,275
<b>Total</b>	49,066	111,113	223,973	403,391	613,973

## MOTO POA LTD

### PROJECTED CASH FLOW STATEMENTS FOR THE PERIOD

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
<b>CASHFLOW FROM OPERATIONS</b>					
Sales	889,358	944,943	1,018,063	1,140,357	1,222,582
<b>Subtotal Cash Received</b>	<b>889,358</b>	<b>944,943</b>	<b>1,018,063</b>	<b>1,140,357</b>	<b>1,222,582</b>
<b>Expenditures from Operations:</b>					
Cost of Sales	302,795	320,953	338,692	357,277	365,356
Administrative expenses	394,845	404,134	441,057	462,799	483,198
<b>Subtotal Cash payment</b>	<b>697,640</b>	<b>725,087</b>	<b>779,749</b>	<b>820,076</b>	<b>848,555</b>
<b>Cashflow From Operations</b>	<b>191,718</b>	<b>219,856</b>	<b>238,314</b>	<b>320,281</b>	<b>374,028</b>
<b>CASH FROM INVESTMENTS:</b>					
Investments Outflow	-1,010,000				
Re-Investment		-160,000	-80,000		
<b>Cash from Investment</b>	<b>-1,010,000</b>	<b>-160,000</b>	<b>-80,000</b>	<b>0</b>	<b>0</b>
<b>CASH FLOW FROM FINANCING:</b>					
Owners Equity	385	0	0		
Bank Loan	1,009,615	160,000	80,000		
Bank Loan repayment	-67,308	-110,231	-107,208	-96,487	-86,838
Interest on Loan	-75,385	-79,366	-77,190	-69,471	-62,524
Dividends	0	-5,556	-11,199	-20,170	-30,699
<b>Cash from Financing</b>	<b>867,308</b>	<b>-35,153</b>	<b>-115,596</b>	<b>-186,127</b>	<b>-180,060</b>
<b>NET CASHFLOW FOR PERIOD</b>	<b>49,026</b>	<b>24,703</b>	<b>42,718</b>	<b>134,154</b>	<b>193,968</b>
<b>CASHFLOW AT START OF YEAR</b>		49,026	73,729	116,447	250,601
<b>CASHFLOW AT THE END OF YEAR</b>	<b>49,026</b>	<b>73,729</b>	<b>116,447</b>	<b>250,601</b>	<b>444,568</b>

## MOTO POA LTD

### PROJECTED BALANCE SHEET FOR THE PERIOD

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
<b>NON CURRENT ASSETS</b>					
Land & Buildings	200,000	250,000	250,000	250,000	250,000
Plant Machinery& Equipments	607,700	657,700	657,700	657,700	657,700
Motor Vehicles	80,000	140,000	200,000	200,000	200,000
Furniture & Fittings	2,300	2,300	2,300	2,300	2,300
Pre operational Expenses	20,000	20,000	40,000	40,000	40,000
<b>Total</b>	<b>910,000</b>	<b>1,070,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>
Less Accumulated Depreciation	92,250	199,250	315,750	352,250	468,750
<b>Non Current Assets</b>	<b>817,750</b>	<b>870,750</b>	<b>834,250</b>	<b>797,750</b>	<b>681,250</b>
<b>CURRENT ASSETS</b>					
Stocks	57,245	34,397	20,490	17,573	29,215
Debtors	40,633	23,450	-17	12,023	25,624
Cash and Bank Balance	49,026	73,729	116,447	250,601	444,568
<b>Total Current Assets</b>	<b>146,904</b>	<b>131,576</b>	<b>136,919</b>	<b>280,196</b>	<b>499,407</b>
<b>CURRENT LIABILITIES</b>					
Creditor	28,287	36,157	75,669	106,984	90,926
Tax Payable	2,523	23,191	34,096	29,803	31,867
<b>Total Current Liabilities</b>	<b>30,810</b>	<b>59,348</b>	<b>109,765</b>	<b>136,787</b>	<b>122,793</b>
<b>NET CURRENT ASSETS</b>	<b>116,094</b>	<b>72,228</b>	<b>27,154</b>	<b>143,409</b>	<b>376,614</b>
<b>TOTAL NET ASSETS</b>	<b>991,758</b>	<b>1,098,019</b>	<b>1,178,029</b>	<b>1,251,988</b>	<b>1,365,203</b>
<b>FINANCED BY</b>					
Share Capital	385	385	385	385	385
Revenue Reserve	49,066	105,557	212,775	383,221	583,275
Net worth	49,450	105,942	213,159	383,606	583,659
Loan	942,308	992,077	964,869	868,382	781,544
<b>TOTAL</b>	<b>991,758</b>	<b>1,098,019</b>	<b>1,178,029</b>	<b>1,251,988</b>	<b>1,365,203</b>

# MOTO POA LTD

## CAPITAL INVESTMENT COSTS

1

<b>FINANCING PLAN</b>	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	TOTAL AMOUNT USD \$
EQUITY	385	0	0	0.00
LOAN	1,009,615	160,000	80,000	100.00
<b>TOTAL FINANCING</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>100.0</b>

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<b>PROJECT COST SUMMARY</b>	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	TOTAL AMOUNT USD \$
Land & Buildings	200,000	50,000	0	250,000
Plant Machinery & Equipments	607,700	50,000	0	657,700
Motor Vehicles	80,000	60,000	60,000	200,000
Furniture & Fittings	2,300	0	0	2,300
Pre operational Expenses	20,000	0	20,000	40,000
<b>Total Capital Cost</b>	<b>910,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,150,000</b>
Working Capital	100,000	0	0	100,000
<b>TOTAL PROJECT COST</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,250,000</b>

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<b>COST OF CARS</b>	QTY	PRICE USD \$	AMOUNT USD \$
Toyota Fusso	2	40000	80,000
Truck	2	50,000	100,000
Pick up	1	20,000	20,000
<b>TOTAL COST OF CARS</b>			<b>200,000</b>

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**DEPRECIATION & AMORTISATION SCHEDULE**

GROSS FIXED ASSETS		2009	2010	2011	2012	2013
		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Land & Buildings		200,000	250,000	250,000	250,000	250,000
Plant Machinery & Equipments		607,700	657,700	657,700	657,700	657,700
Motor Vehicles		80,000	140,000	200,000	200,000	200,000
Furniture & Fittings		2,300	2,300	2,300	2,300	2,300
Pre operational Expenses		20,000	20,000	40,000	40,000	40,000
<b>TOTAL</b>		<b>910,000</b>	<b>1,070,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>
ANNUAL DEPRECIATION	RATE	AMOUNT				
Land & Buildings	<b>2%</b>	4,000	5,000	5,000	5,000	5,000
Plant Machinery & Equipments	<b>12.50%</b>	75,963	82,213	82,213	82,213	82,213
Motor Vehicles	<b>12.50%</b>	10,000	17,500	25,000	25,000	25,000
Furniture & Fittings	<b>12.50%</b>	288	288	288	288	288
Pre operational Expenses	<b>10%</b>	2,000	2,000	4,000	4,000	4,000
<b>Total Annual Depreciation</b>		<b>92,250</b>	<b>107,000</b>	<b>116,500</b>	<b>116,500</b>	<b>116,500</b>
Accumulated Depreciation		92,250	199,250	315,750	352,250	468,750
<b>NET FIXED ASSETS</b>		<b>817,750</b>	<b>870,750</b>	<b>834,250</b>	<b>797,750</b>	<b>681,250</b>

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LOAN REPAYMENT SCHEDULE		2009	2010	2011	2012	2013
ITEM		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Opening Balance		1,009,615	1,102,308	1,072,077	964,869	868,382
<b>Repayments</b>		<b>67,308</b>	<b>110,231</b>	<b>107,208</b>	<b>96,487</b>	<b>86,838</b>
Closing Balance		942,308	992,077	964,869	868,382	781,544
<b>Interest (8%p.annum)</b>	<b>8.0%</b>	<b>75,385</b>	<b>79,366</b>	<b>77,190</b>	<b>69,471</b>	<b>62,524</b>
<b>Total Annual Payment</b>		<b>142,692</b>	<b>189,597</b>	<b>184,397</b>	<b>165,958</b>	<b>149,362</b>

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<b>REVENUE ESTIMATES</b>		2009	2010	2011	2012	2013
<b>ITEM</b>		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Daily installed Capacity Ltr		1235	1290	1345	1400	1450
Annual working Days		320	320	320	320	320
Annual Installed Capacity Ltr		395,200	395,200	395,200	395,200	395,200
Production Target %ageof Capacity		80%	85%	90%	95%	95%
Planned Production Ltr		316,160	335,920	355,680	375,440	375,440
Planned Extraction Recovery Rate	0.250%	0.00225	0.00225	0.00225	0.00225	0.00225
Average Price per Ltr	Us\$	2.90	2.90	3.05	3.20	3.30
Planned Revenue Export Sales	Us\$	916,864	974,168	1,083,046	1,200,376	1,260,394
VAT		20%	20%	20%	20%	20%
Value of Tax Us\$		183,373	194,834	216,609	240,075	252,075
<b>Net Sales Revenue</b>		<b>916,864</b>	<b>974,168</b>	<b>1,083,046</b>	<b>1,200,376</b>	<b>1,260,394</b>

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<b>COST OF SALES</b>	2009	2010	2011	2012	2013
<b>ITEM</b>	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Output in Ltr	316,160	335,920	355,680	375,440	375,440
Cost of Raw Materials					
Average cost@Ltr of materials \$	0.5	0.5	0.5	0.5	0.5
Cost of Materials \$	165,984	176,358	186,732	197,106	197,106
Packing materials (1% Sales)	9,169	9,742	10,830	12,004	12,604
Sub Total Cost Us\$	175,153	186,100	197,562	209,110	209,710
Utilities	5,312	5,591	5,763	6,166	6,635
Consumables	13,154	13,812	14,502	15,227	15,989
Oil & lubricants	16,443	17,265	18,128	19,034	19,986
Repair & Maintenance	43,712	46,297	48,487	50,786	53,201
<b>Total inputs</b>	253,772	269,064	284,442	300,324	305,520
<i>Capacity Utilisation</i>	80%	85%	90%	95%	95%
<i>Cost of Electricity kwh</i> 90	94	99	95	99	104
<i>Estiamted cost@kwh</i> \$	0.07	0.07	0.07	0.07	0.08
<i>Cost of Electricity Power</i>	3,846	4,048	4,048	4,452	4,921
	0	0	0	0	0
Sub Total Energy cost (\$ )	3,846	4,048	4,048	4,452	4,921
<i>Water Requirement ( Litres)</i> 12000	10260	10800	12000	12000	12000
<i>Cost@ Litres</i> \$	0.14	0.14	0.14	0.14	0.14
Total Cost of Water	1,466	1,543	1,714	1,714	1,714
<b>Total Utilities Cost</b>	5,312	5,591	5,763	6,166	6,635
Consumables Spares (2%Machinery value)	13,154	13,812	14,502	15,227	15,989
Oils/lubricants(10%Machinery value )	16,443	17,265	18,128	19,034	19,986
Maintenance Productive Assets					
Buildings(1%of value) 1%	2,000	2,500	2,500	2,500	2,500
Motor Vehicles (15%of value) 15%	12,000	12,600	13,230	13,892	14,586
Furniture& Fittings (5%of value) 5%	115	121	127	133	140
<b>Sub Total Maintenance cost</b>	43,712	46,297	48,487	50,786	53,201
<b>COST OF SALES</b>	<b>302,795</b>	<b>320,953</b>	<b>338,692</b>	<b>357,277</b>	<b>365,356</b>

<b>ADMINISTRATION EXPENSES</b>	2009	2010	2011	2012	2013	
<b>ITEM</b>	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	
Salaries & Wages	217,750	217,750	217,750	217,750	217,750	
Nssf	21,775	21,775	21,775	21,775	21,775	
Insurance	75,000	75,000	75,000	75,000	75,000	
Audit Fees	2,000	2,000	2,500	2,500	2,500	
Telephone Fax Charges	1,595	1,675	1,758	1,846	1,939	
Printing & Stationery	2,655	2,735	2,817	2,901	2,988	
Travelling Expenses	5,000	5,150	5,305	5,464	5,628	
Motor Vehicle Running Expenses	4%	3,200	3,296	3,395	3,497	3,602
Marketing & Advertising	1%	9,169	9,742	10,830	12,004	12,004
Godown Rent	12,000	12,000	12,000	12,360	12,360	
Director's Housing Rent	6,000	6,000	6,000	6,000	6,000	
Government I Fees(Permits)	3,000	3,000	3,100	3,100	3,200	
Uniforms	500	500	500	600	600	
Miscellaneous Expenses	12,112	12,717	13,353	14,021	14,722	
Management Fees(3%Turnover)	4,584	4,871	5,415	6,002	6,302	
<b>Total Admin Expenses</b>	<b>376,340</b>	<b>378,210</b>	<b>381,499</b>	<b>384,820</b>	<b>386,369</b>	

### INTERNAL RATE OF RETURN

	0	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
<b>INFLOWS</b>						
Operating Profit		237,729	275,005	362,855	458,279	508,669
Residual Value						
Recoupment of Working Capital						
<b>Total</b>		<b>237,729</b>	<b>275,005</b>	<b>362,855</b>	<b>458,279</b>	<b>508,669</b>
<b>OUTFLOWS</b>						
Investments	<b>1,010,000</b>					
Re -Investments		0	160,000	80,000	0	0
Taxation		21,028	26,592	50,750	81,693	98,894
Change in Working Capital		82,034	67,995	55,575	37,234	26,264
<b>Total</b>		<b>103,062</b>	<b>254,587</b>	<b>186,325</b>	<b>118,927</b>	<b>125,158</b>
<b>NET CASHFLOW</b>		<b>134,667</b>	<b>20,418</b>	<b>176,531</b>	<b>339,352</b>	<b>383,512</b>
DCF (15%)	0.15	0.870	0.756	0.658	0.683	0.621
<b>NPV AT (15%DCF)</b>		<b>117,102</b>	<b>15,439</b>	<b>116,072</b>	<b>231,778</b>	<b>238,161</b>
<b>Total NPV at 20% DCF</b>	<b>718,551</b>					
DCF(10%)	0.1	0.909	0.826	0.751	0.683	0.621
<b>NPV AT (10%DCF)</b>		<b>122,424</b>	<b>16,874</b>	<b>132,630</b>	<b>231,778</b>	<b>238,161</b>
<b>Total NPV at 10% DCF</b>	<b>741,867</b>					
<b>IRR=</b>	<b>12.54</b>					

### PAYBACK PERIOD ANALYSIS

	YEAR 0	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Profit After Tax		49,066	62,047	118,416	190,616	230,752
Depreciation		92,250	107,000	116,500	116,500	116,500
Total		141,316	169,047	234,916	307,116	347,252
Discounted Cash flow		130,848	156,525	217,515	284,367	321,530
Capital Cost	1,010,000					
Remaining amount		-879,152	-722,627	-505,112	-220,745	100,784
<b>Pay Back Period</b>						<b>5</b>

### BREAK EVEN ANALYSIS

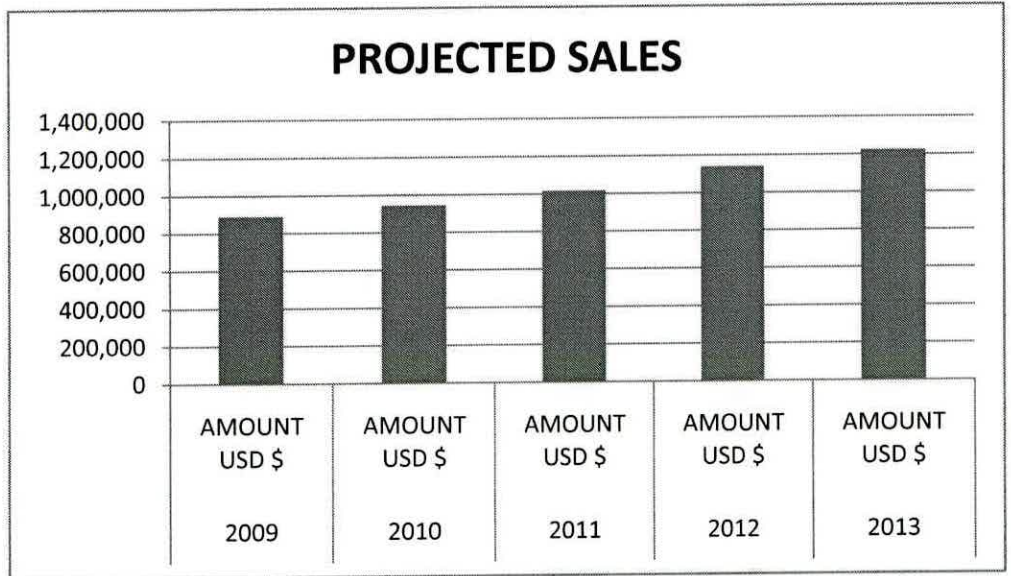
	2008	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Sales Revenue		916,864	974,168	1,083,046	1,200,376	1,260,394
Variable Costs		302,795	320,953	338,692	357,277	365,356
Contribution Margin		614,069	653,215	744,354	843,099	895,038
Fixed Costs		543,974	564,576	575,188	570,790	565,392
Contribution Margin Ratio %		66.97	67.05	68.73	70.24	71.01
Beak even Sales		8,122	8,420	8,369	8,127	7,962
Break even Point (%)		0.89	0.86	0.77	0.68	0.63

### ANALYSIS OF KEY FINANCIAL RATIOS

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
<b>A SOLVENCY LIQUIDITY</b>					
1 Current Ratio	4.77	2.22	1.25	2.05	4.07
2 Quick Acid Test Ratio	2.91	1.64	1.06	1.92	3.83
3 Liquid Ratio	1.59	1.24	1.06	1.83	3.62
4 Debtors/Sales Ratio	0.04	0.02	0.00	0.01	0.02
<b>B PROFITABILITY</b>					
5 Return on Investment(%)	5.25	6.58	13.75	20.25	21.81
6 Return on Net Assets(%)	5.25	6.58	13.75	20.25	21.81
7 Return on Fixed Asset(%)	6.00	7.13	14.19	23.89	33.87
8 Return on Fixed Capital(%)	6.00	7.13	14.19	23.89	33.87
9 Return on Sales(%)	5.35	6.37	10.93	15.88	18.31
10 Return/Current Assets (%)	33.40	47.16	86.49	68.03	46.21
11 Sales/Debtors Ratio	27.92	47.91	-62723.40	115.72	67.50
12 Cost of Sales /Sales Ratio(%)	33.03	32.95	31.27	29.76	28.99
13 Fixed Assets/ Total Assets	87.57	92.34	96.85	84.76	64.40
14 Period cost/Sales Ratio(%)	59.33	57.95	53.11	47.55	44.86
15 Gross Profit/Sales Ratio(%)	66.97	67.05	68.73	70.24	71.01
16 Return on Net worth(%)	20.64	22.56	32.63	41.59	45.36
17 Growth in Profits		26.46	90.85	60.97	21.06
<b>C EFFICIENCY</b>					
18 Debtors Turnover	22.56	41.54	-62734.34	99.84	49.19
19 Average Collection Period	16.18	8.79	-0.01	3.66	7.42
20 Inventory /Current Assets Ratio(%)	38.97	26.14	14.96	6.27	5.85
21 Inventory Turnover	16.02	28.32	52.86	68.31	43.14
22 Fixed Assets Turnover	1.12	1.12	1.30	1.50	1.85
23 Total Assets Turnover	0.98	1.03	1.26	1.28	1.19
24 Working Capital Turnover	7.90	13.49	39.89	8.37	3.35
25 Sales Growth (Annual)		6.25	11.18	10.83	5.00
<b>D LEVERAGE</b>					
26 Total Debt Ratio (%)	100.9	105.2	112.0	92.3	73.9
27 Debt Service Coverage Ratio	158.2	134.6	103.8	90.3	96.8
28 Burden Coverage	1.42	1.48	1.87	2.46	2.84
29 Debt /Equity Ratio	1967.86	992.45	504.15	262.03	154.94

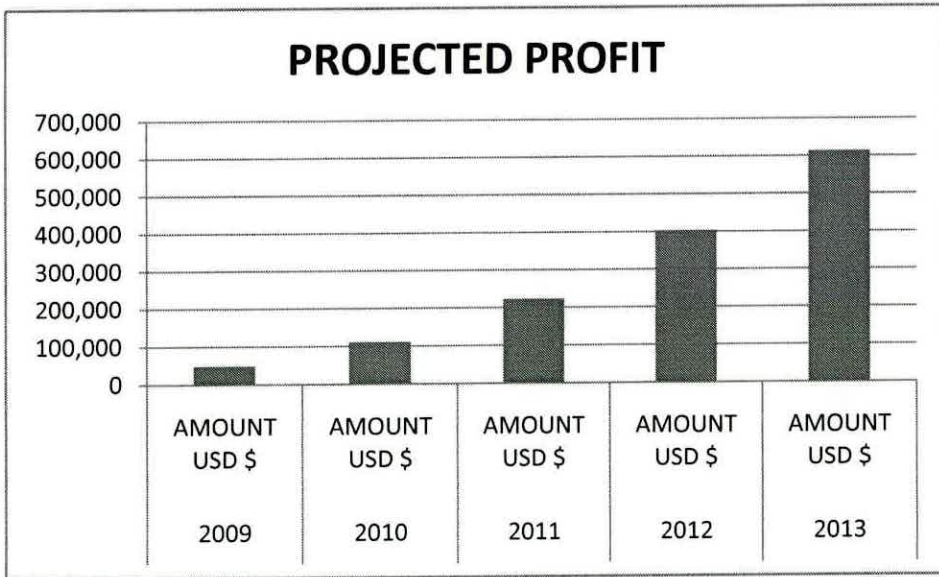
### PROJECTED SALES

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
SALES	889,358	944,943	1,018,063	1,140,357	1,222,582



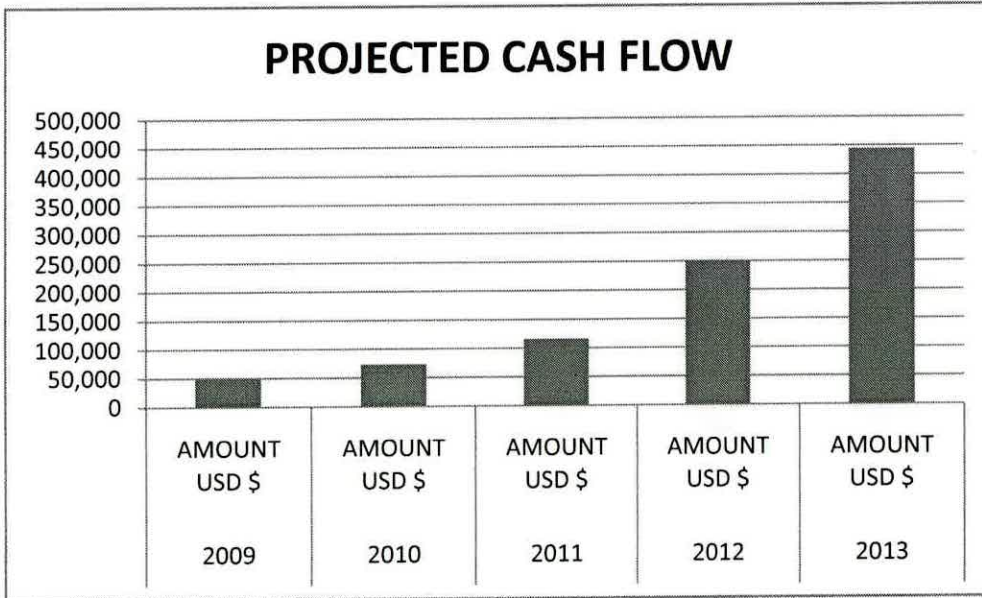
### PROJECTED PROFIT

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
PROFIT	49,066	111,113	223,973	403,391	613,973



## CASH FLOW PROJECTION

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
CASH FLOW	49,026	73,729	116,447	250,601	444,568



# MOTO POA LIMITED

## *BUSINESS PLAN FOR MANUFACTURING*

**Presented for:**

Moto Poa Ltd,  
P.O. Box 76633,  
Dar es Salaam

**FEBRUARY, 2009**

# MOTO POA LIMITED

## *BUSINESS PLAN FOR MANUFACTURING*

**Presented for:**

Moto Poa Ltd,

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**Dar es Salaam**

**FEBRUARY, 2009**

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## *Executive Summary*

### **1.0 Executive Summary**

Moto poa limited is a manufacturing company which manufactures jelly used for cookers as source of heat. The product idea is adapted from South Africa and is used to produce the product using the local resources including labour and minerals.

The company does its presence in Tanzania for some years now and has its major market segment in South Africa and Democratic Republic of Congo.

The company owners provided the capital to cover the start-up expenses and have obtained enough financing to run the manufacturing of the product. Currently the company is planning for expanding its business in East Africa as it has not been the its major market since the start of the company.

The company will soon through TIC facilitation acquire land ownership which will help project continuation and success.

### **1.1 Objectives**

The company objectives are:

- To be a top energy jelly exporter in the regional market.
- To increase revenue to 10% each year starting 2009 to 2013
- Aim to have 20% of sales in high-end residential customer segment.

### **1.2 Mission**

To deliver a high-quality product, on time and within budget and serve our customers with satisfaction

### **1.3 Location**

The company office is located at Mikocheni light industry area, plot 1/3 Dar es Salaam.

## Company Summary

### 2.0 Company Summary

Moto Poa Limited is a company that provide quality product in the jelly manufacturing and supply market while meeting the demanding organizational, scheduling, and quality needs of export market.

### 2.1 Investment costs

The investment cost will be done in stages for three consecutive years, and will be down as shown below, with usd 1,010,000 is invested first year, Usd 160,000 will be invested in second year which is 2010, and Usd 80,000 will be invested third year of operation and this will mainly be in form of motor vehicles.

PROJECT COST SUMMARY	2009	2010	2011	TOTAL
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Land & Buildings	200,000	50,000	0	250,000
Plant Machinery & Equipments	607,700	50,000	0	657,700
Motor Vehicles	80,000	60,000	60,000	200,000
Furniture & Fittings	2,300	0	0	2,300
Pre operational Expenses	20,000	0	0	40,000
<b>Total Capital Cost</b>	<b>910,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,130,000</b>
Working Capital	100,000	0	20,000	120,000
<b>TOTAL PROJECT COST</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,250,000</b>

The project is mainly financed mainly by the loan from a foreign bank and a loan facility from a local bank. The project financial have already issued out the amount required and the project has already takeoff.

FINANCING PLAN	2009	2010	2011	TOTAL
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
EQUITY	385	0	0	0.00
LOAN	1,009,615	160,000	80,000	100.00
<b>TOTAL FINANCING</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>100.0</b>

## *Products*

### **3.0 Products**

Our product is in form of jelly and is used as fuel for cooking. It is used in cookers especially for home use. The product goes parallel with cooker which is the secondary product but not produced by the company. Performance of the secondary product has not been performing well in the Tanzanian market. The company would like to have focus on the secondary product to ensure product and the secondary product do parallel performed in the market.

## **Market Analysis Summary**

### **4.0 Market Analysis Summary**

Moto Poa Limited has been focusing on export market. The major market segment is South Africa and Democratic Republic of Congo. The company will under this project put more focus on the local market and expect the local market will grow substantially over five years.

### **4.1 Target Market Segment Strategy**

Moto Poa Limited will be focused in increasing the Tanzanian market by improving its customer services to reach more customers with quality product.

There are plans to upgrade office space to a showroom in a high visibility location. This will give us exposure to some of the customers who would like to visit our showroom and see how the product perform, as it still the new product. The company will also be participating in various trade shows in East Africa.

### **4.2 Industry Analysis**

The company is still the only supplier of the product in the market. This still gives room for the company to build a fortress in its consumers mind and further growth is expected in years to come. The company is well supported by the local authorities and the government. The environment is favourable for the business.

## *Strategy and Implementation Summary*

### **5.0 Strategy and Implementation Summary**

The company has been experiencing steady growth and there is a general consensus of continued growth in the country. Taking part in this growth, while providing attention to the design development, ordering process, project management, and installation will put us on the road to success. The company is focusing on improving parallel product i.e. cookers which have not performed well on the market.

### **5.1 Competitive Edge**

Our competitive edge is our ability to provide high volumes and flexibility in style, while maintaining a quality product backed by excellent service. The company is competing against other source of energy namely electricity, kerosene and natural gas

### **5.2 Sales Strategy**

Our sales strategy is to make ourselves known through mailings, print advertising, and personal contact to major suppliers and customers

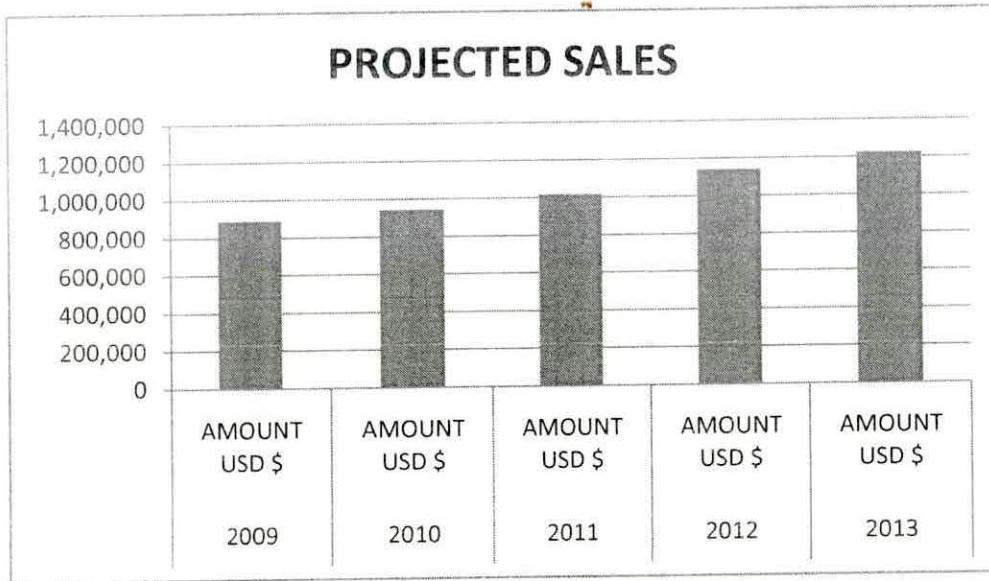
Having a showroom will be a sales tool in itself. A showroom will give us exposure to the general public, new arrivals to the area, and construction professionals.

#### **5.2.1 Sales Forecast**

The following table shows projected cabinet sales. As the company gets established in the market, we anticipate strong sales growth over the next five years.

### PROJECTED SALES

	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
SALES	889,358	944,943	1,018,063	1,140,357	1,222,582



### 5.3 Milestones

The project has already started and is at advanced stage. The company has already obtained loans for the project finances this year 2009 will have land bought and incentives will further facilitate the company to expand further in coming years.

## Management Summary

### 6.0 Management Summary

Moto Poa Limited operates as an limited company business. The company has a well organised program where new staff will be employed under the current project.

The new team will be composed of specialized and well-experienced consultants in their respective fields of work. We work together to make sure that we live up to our promise to customers, ensuring that the local market is well served.

The company leadership is one of the best in the industry, despite that the company will also employ a new managers who will strengthen company marketing programs and management that experts to have a strong focus on the local market.

We also work closely with our customers to achieve the best possible solution for their energy optimal costs.

As the company grows, we will take on an administration/showroom assistant.

### 6.1 Personnel Plan

This table shows salaries for the whole company. Salary increases are kept to a minimum to help the growth of the company. An administrative assistant will be hired later in the year.

#### Personnel

<b>SALARIES &amp; WAGES</b>	<b>NUMBER</b>	<b>MONTHLY PAY</b>	<b>MONTHS</b>	<b>ANNUAL PAY</b>
Director	2	1500	12	36,000
Production Managers	2	1000	12	24,000
Officer	3	850	12	30,600
Salesmen	4	250	12	12,000
Production Engineer	4	800	12	38,400
Machine operators	10	70	13	9,100
Drivers	5	200	12	12,000
Secretary	1	150	12	1,800
Watchmen	6	50	12	3,600
	<b>33</b>	<b>13,958</b>	<b>12</b>	<b>167,500</b>
Add Allowances 30%		4188		50,250
Sub -Total	<b>33</b>	<b>18146</b>		<b>217,750</b>
<b>GRAND TOTAL SALARIES</b>				<b>217,750</b>

## *Financial Plan*

### **7.0 Financial Plan**

Below are the initial financial goals for the company:

- Continue to obtain an operating line of credit from a financial institution.
- Finance growth through retained earnings.
- Operate on a 10-15% gross margin.

The financial plan for Moto Poa Limited is outlined in the following sections.

### **7.1 Important Assumptions**

The key underlying assumptions of our financial plan shown in the following general assumption table are:

- 1 We assume access to the funding necessary to re-shape the company, and to provide adequate initial capitalization for a wider range of demonstration equipment.
- 2 We assume realistic to minimum sales, against highest expenses.
- 3 The financial statements are presented in American USD (\$)
- 4 The financial statements and projection have been prepared on going concern basis under historical cost convention
- 5 The financial statements have been prepared starting on month of January to December
- 6 Depreciation is provided so as to write off the cost of fixed assets on straight line basis over the expected useful economic lives of the assets concerned. The principle annual rates for this purpose are:

Land and Building	3%
Machinery, tools & Equipment	12.5%
Motor vehicle	20%
Furniture & Fixture	12.5%

### **7.2 Break-even Analysis**

As the business settles in and start-up/showroom costs are met, average monthly operating costs will increase and then stabilize. This table shows we need to sell 676 a month to break even.

Break-even Analysis

**BREAK EVEN ANALYSIS**

	2008 AMOUNT USD \$	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
Sales Revenue		916,864	974,168	1,083,046	1,200,376	1,260,394
Variable Costs		302,795	320,953	338,692	357,277	365,356
Contribution Margin		614,069	653,215	744,354	843,099	895,038
Fixed Costs		543,974	564,576	575,188	570,790	565,392
Contribution Margin Ratio %		66.97	67.05	68.73	70.24	71.01
Break even Sales		8,122	8,420	8,369	8,127	7,962
Break even Point (%)		0.89	0.86	0.77	0.68	0.63

MOTO POA LIMITED  
FINANCIAL PROJECTION FOR THE PERIOD  
2009 TO 2013

## MOTO POA LTD

### PROJECTED PROFIT AND LOSS STATEMENTS FOR THE PERIOD

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
Sales Revenue	916,864	974,168	1,083,046	1,200,376	1,260,394
Less: Cost of Sales	302,795	320,953	338,692	357,277	365,356
<b>Gross Profit</b>	614,069	653,215	744,354	843,099	895,038
Administration Expenses	376,340	378,210	381,499	384,820	386,369
<b>Operating Profit</b>	237,729	275,005	362,855	458,279	508,669
Capital & Financial Charges					
Depreciation	92,250	107,000	116,500	116,500	116,500
Loan Interest	75,385	79,366	77,190	69,471	62,524
Sub Total	167,635	186,366	193,690	185,971	179,024
<b>Profit before Tax</b>	70,094	88,639	169,166	272,309	329,646
Taxable Income	70,094	88,639	169,166	272,309	329,646
Tax (30%)	21,028	26,592	50,750	81,693	98,894
<b>Profit After Tax</b>	49,066	62,047	118,416	190,616	230,752
Profit brought Forward	0	49,066	105,557	212,775	383,221
Profit for Appropriation	49,066	111,113	223,973	403,391	613,973
APPROPRIATION ACCOUNT					
Dividends Rate	0	5%	5%	5%	5%
Amount	0	5,556	11,199	20,170	30,699
Revenue Reserve	49,066	105,557	212,775	383,221	583,275
<b>Total</b>	49,066	111,113	223,973	403,391	613,973

## MOTO POA LTD

### PROJECTED CASH FLOW STATEMENTS FOR THE PERIOD

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
<b>CASHFLOW FROM OPERATIONS</b>					
Sales	889,358	944,943	1,018,063	1,140,357	1,222,582
<b>Subtotal Cash Received</b>	<b>889,358</b>	<b>944,943</b>	<b>1,018,063</b>	<b>1,140,357</b>	<b>1,222,582</b>
<b>Expenditures from Operations:</b>					
Cost of Sales	302,795	320,953	338,692	357,277	365,356
Administrative expenses	394,845	404,134	441,057	462,799	483,198
<b>Subtotal Cash payment</b>	<b>697,640</b>	<b>725,087</b>	<b>779,749</b>	<b>820,076</b>	<b>848,555</b>
<b>Cashflow From Operations</b>	<b>191,718</b>	<b>219,856</b>	<b>238,314</b>	<b>320,281</b>	<b>374,028</b>
<b>CASH FROM INVESTMENTS:</b>					
Investments Outflow	-1,010,000				
Re-Investment		-160,000	-80,000		
<b>Cash from Investment</b>	<b>-1,010,000</b>	<b>-160,000</b>	<b>-80,000</b>	<b>0</b>	<b>0</b>
<b>CASH FLOW FROM FINANCING:</b>					
Owners Equity	385	0	0		
Bank Loan	1,009,615	160,000	80,000		
Bank Loan repayment	-67,308	-110,231	-107,208	-96,487	-86,838
Interest on Loan	-75,385	-79,366	-77,190	-69,471	-62,524
Dividends	0	-5,556	-11,199	-20,170	-30,699
<b>Cash from Financing</b>	<b>867,308</b>	<b>-35,153</b>	<b>-115,596</b>	<b>-186,127</b>	<b>-180,060</b>
<b>NET CASHFLOW FOR PERIOD</b>	<b>49,026</b>	<b>24,703</b>	<b>42,718</b>	<b>134,154</b>	<b>193,968</b>
<b>CASHFLOW AT START OF YEAR</b>		<b>49,026</b>	<b>73,729</b>	<b>116,447</b>	<b>250,601</b>
<b>CASHFLOW AT THE END OF YEAR</b>	<b>49,026</b>	<b>73,729</b>	<b>116,447</b>	<b>250,601</b>	<b>444,568</b>

## MOTO POA LTD

### PROJECTED BALANCE SHEET FOR THE PERIOD

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
<b>NON CURRENT ASSETS</b>					
Land & Buildings	200,000	250,000	250,000	250,000	250,000
Plant Machinery& Equipments	607,700	657,700	657,700	657,700	657,700
Motor Vehicles	80,000	140,000	200,000	200,000	200,000
Furniture & Fittings	2,300	2,300	2,300	2,300	2,300
Pre operational Expenses	20,000	20,000	40,000	40,000	40,000
<b>Total</b>	<b>910,000</b>	<b>1,070,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>
Less Accumulated Depreciation	92,250	199,250	315,750	352,250	468,750
<b>Non Current Assets</b>	<b>817,750</b>	<b>870,750</b>	<b>834,250</b>	<b>797,750</b>	<b>681,250</b>
<b>CURRENT ASSETS</b>					
Stocks	57,245	34,397	20,490	17,573	29,215
Debtors	40,633	23,450	-17	12,023	25,624
Cash and Bank Balance	49,026	73,729	116,447	250,601	444,568
<b>Total Current Assets</b>	<b>146,904</b>	<b>131,576</b>	<b>136,919</b>	<b>280,196</b>	<b>499,407</b>
<b>CURRENT LIABILITIES</b>					
Creditor	28,287	36,157	75,669	106,984	90,926
Tax Payable	2,523	23,191	34,096	29,803	31,867
<b>Total Current Liabilities</b>	<b>30,810</b>	<b>59,348</b>	<b>109,765</b>	<b>136,787</b>	<b>122,793</b>
<b>NET CURRENT ASSETS</b>	<b>116,094</b>	<b>72,228</b>	<b>27,154</b>	<b>143,409</b>	<b>376,614</b>
<b>TOTAL NET ASSETS</b>	<b>991,758</b>	<b>1,098,019</b>	<b>1,178,029</b>	<b>1,251,988</b>	<b>1,365,203</b>
<b>FINANCED BY</b>					
Share Capital	385	385	385	385	385
Revenue Reserve	49,066	105,557	212,775	383,221	583,275
Net worth	49,450	105,942	213,159	383,606	583,659
Loan	942,308	992,077	964,869	868,382	781,544
<b>TOTAL</b>	<b>991,758</b>	<b>1,098,019</b>	<b>1,178,029</b>	<b>1,251,988</b>	<b>1,365,203</b>

# MOTO POA LTD

## CAPITAL INVESTMENT COSTS

1

FINANCING PLAN	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	TOTAL AMOUNT USD \$
EQUITY	385	0	0	0.00
LOAN	1,009,615	160,000	80,000	100.00
<b>TOTAL FINANCING</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>100.0</b>

2

PROJECT COST SUMMARY	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	TOTAL AMOUNT USD \$
Land & Buildings	200,000	50,000	0	250,000
Plant Machinery & Equipments	607,700	50,000	0	657,700
Motor Vehicles	80,000	60,000	60,000	200,000
Furniture & Fittings	2,300	0	0	2,300
Pre operational Expenses	20,000	0	20,000	40,000
<b>Total Capital Cost</b>	<b>910,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,150,000</b>
Working Capital	100,000	0	0	100,000
<b>TOTAL PROJECT COST</b>	<b>1,010,000</b>	<b>160,000</b>	<b>80,000</b>	<b>1,250,000</b>

3

COST OF CARS	QTY	PRICE USD \$	AMOUNT USD \$
Toyota Fusso	2	40000	80,000
Truck	2	50,000	100,000
Pick up	1	20,000	20,000
<b>TOTAL COST OF CARS</b>			<b>200,000</b>

4

**DEPRECIATION & AMORTISATION SCHEDULE**

GROSS FIXED ASSETS		2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
Land & Buildings		200,000	250,000	250,000	250,000	250,000
Plant Machinery & Equipments		607,700	657,700	657,700	657,700	657,700
Motor Vehicles		80,000	140,000	200,000	200,000	200,000
Furniture & Fittings		2,300	2,300	2,300	2,300	2,300
Pre operational Expenses		20,000	20,000	40,000	40,000	40,000
<b>TOTAL</b>		<b>910,000</b>	<b>1,070,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>
ANNUAL DEPRECIATION	RATE	AMOUNT				
Land & Buildings	2%	4,000	5,000	5,000	5,000	5,000
Plant Machinery & Equipments	12.50%	75,963	82,213	82,213	82,213	82,213
Motor Vehicles	12.50%	10,000	17,500	25,000	25,000	25,000
Furniture & Fittings	12.50%	288	288	288	288	288
Pre operational Expenses	10%	2,000	2,000	4,000	4,000	4,000
<b>Total Annual Depreciation</b>		<b>92,250</b>	<b>107,000</b>	<b>116,500</b>	<b>116,500</b>	<b>116,500</b>
Accumulated Depreciation		92,250	199,250	315,750	352,250	468,750
<b>NET FIXED ASSETS</b>		<b>817,750</b>	<b>870,750</b>	<b>834,250</b>	<b>797,750</b>	<b>681,250</b>

5

LOAN REPAYMENT SCHEDULE		2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
Opening Balance		1,009,615	1,102,308	1,072,077	964,869	868,382
<b>Repayments</b>		<b>67,308</b>	<b>110,231</b>	<b>107,208</b>	<b>96,487</b>	<b>86,838</b>
Closing Balance		942,308	992,077	964,869	868,382	781,544
<b>Interest (8%p.annum)</b>	<b>8.0%</b>	<b>75,385</b>	<b>79,366</b>	<b>77,190</b>	<b>69,471</b>	<b>62,524</b>
<b>Total Annual Payment</b>		<b>142,692</b>	<b>189,597</b>	<b>184,397</b>	<b>165,958</b>	<b>149,362</b>

7

<b>REVENUE ESTIMATES</b>		2009	2010	2011	2012	2013
<b>ITEM</b>		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Daily installed Capacity Ltr		1235	1290	1345	1400	1450
Annual working Days		320	320	320	320	320
Annual Installed Capacity Ltr		395,200	395,200	395,200	395,200	395,200
Production Target %ageof Capacity		80%	85%	90%	95%	95%
Planned Production Ltr		316,160	335,920	355,680	375,440	375,440
Planned Extraction Recovery Rate	0.250%	0.00225	0.00225	0.00225	0.00225	0.00225
Average Price per Ltr	Us\$	2.90	2.90	3.05	3.20	3.30
Planned Revenue Export Sales	Us\$	916,864	974,168	1,083,046	1,200,376	1,260,396
VAT		20%	20%	20%	20%	20%
Value of Tax Us\$		183,373	194,834	216,609	240,075	252,075
<b>Net Sales Revenue</b>		<b>916,864</b>	<b>974,168</b>	<b>1,083,046</b>	<b>1,200,376</b>	<b>1,260,396</b>

<b>COST OF SALES</b>		2009	2010	2011	2012	2013
<b>ITEM</b>		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Output in Ltr		316,160	335,920	355,680	375,440	375,440
Cost of Raw Materials						
Average cost@Ltr of materials	\$	0.5	0.5	0.5	0.5	0.5
Cost of Materials	\$	165,984	176,358	186,732	197,106	197,106
Packing materials (1% Sales)		9,169	9,742	10,830	12,004	12,604
Sub Total Cost Us\$		175,153	186,100	197,562	209,110	209,710
Utilities		5,312	5,591	5,763	6,166	6,635
Consumables		13,154	13,812	14,502	15,227	15,989
Oil & lubricants		16,443	17,265	18,128	19,034	19,986
Repair & Maintenance		43,712	46,297	48,487	50,786	53,201
<b>Total inputs</b>		253,772	269,064	284,442	300,324	305,520
<i>Capacity Utilisation</i>		80%	85%	90%	95%	95%
<i>Cost of Electricity kwh</i>	90	94	99	95	99	104
<i>Estiamted cost@kwh</i>	\$	0.07	0.07	0.07	0.07	0.08
<i>Cost of Electricity Power</i>		3,846	4,048	4,048	4,452	4,921
		0	0	0	0	0
Sub Total Energy cost	(\$ )	3,846	4,048	4,048	4,452	4,921
<i>Water Requirement ( Litres)</i>	12000	10260	10800	12000	12000	12000
<i>Cost@ Litres</i>	\$	0.14	0.14	0.14	0.14	0.14
Total Cost of Water		1,466	1,543	1,714	1,714	1,714
<b>Total Utilities Cost</b>		5,312	5,591	5,763	6,166	6,635
Consumables Spares (2%Machinery value)		13,154	13,812	14,502	15,227	15,989
Oils/lubricants(10%Machinery value )		16,443	17,265	18,128	19,034	19,986
Maintenance Productive Assets						
Buildings(1%of value)	1%	2,000	2,500	2,500	2,500	2,500
Motor Vehicles (15%of value)	15%	12,000	12,600	13,230	13,892	14,586
Furniture& Fittings (5%of value)	5%	115	121	127	133	140
<b>Sub Total Maintenance cost</b>		43,712	46,297	48,487	50,786	53,201
<b>COST OF SALES</b>		<b>302,795</b>	<b>320,953</b>	<b>338,692</b>	<b>357,277</b>	<b>365,356</b>

<b>ADMINISTRATION EXPENSES</b>	2009	2010	2011	2012	2013
<b>ITEM</b>	<b>AMOUNT</b>	<b>AMOUNT</b>	<b>AMOUNT</b>	<b>AMOUNT</b>	<b>AMOUNT</b>
	<b>USD \$</b>	<b>USD \$</b>	<b>USD \$</b>	<b>USD \$</b>	<b>USD \$</b>
Salaries & Wages	217,750	217,750	217,750	217,750	217,750
Nssf	21,775	21,775	21,775	21,775	21,775
Insurance	75,000	75,000	75,000	75,000	75,000
Audit Fees	2,000	2,000	2,500	2,500	2,500
Telephone Fax Charges	1,595	1,675	1,758	1,846	1,939
Printing & Stationery	2,655	2,735	2,817	2,901	2,988
Travelling Expenses	5,000	5,150	5,305	5,464	5,628
Motor Vehicle Running Expenses	4%	3,200	3,296	3,395	3,497
Marketing & Advertising	1%	9,169	9,742	10,830	12,004
Godown Rent	12,000	12,000	12,000	12,360	12,360
Director's Housing Rent	6,000	6,000	6,000	6,000	6,000
Government I Fees(Permits)	3,000	3,000	3,100	3,100	3,200
Uniforms	500	500	500	600	600
Miscellaneous Expenses	12,112	12,717	13,353	14,021	14,722
Management Fees(3%Turnover)	4,584	4,871	5,415	6,002	6,302
<b>Total Admin Expenses</b>	<b>376,340</b>	<b>378,210</b>	<b>381,499</b>	<b>384,820</b>	<b>386,369</b>

### INTERNAL RATE OF RETURN

	0	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
<b>INFLOWS</b>						
Operating Profit		237,729	275,005	362,855	458,279	508,669
Residual Value						
Recoupment of Working Capital						
Total		237,729	275,005	362,855	458,279	508,669
<b>OUTFLOWS</b>						
Investments	<b>1,010,000</b>					
Re -Investments		0	160,000	80,000	0	0
Taxation		21,028	26,592	50,750	81,693	98,894
Change in Working Capital		82,034	67,995	55,575	37,234	26,264
Total		103,062	254,587	186,325	118,927	125,158
<b>NET CASHFLOW</b>		134,667	20,418	176,531	339,352	383,512
DCF (15%)	0.15	0.870	0.756	0.658	0.683	0.621
<b>NPV AT (15%DCF)</b>		<b>117,102</b>	<b>15,439</b>	<b>116,072</b>	<b>231,778</b>	<b>238,161</b>
<b>Total NPV at 20% DCF</b>	<b>718,551</b>					
DCF(10%)	0.1	0.909	0.826	0.751	0.683	0.621
<b>NPV AT (10%DCF)</b>		<b>122,424</b>	<b>16,874</b>	<b>132,630</b>	<b>231,778</b>	<b>238,161</b>
<b>Total NPV at 10% DCF</b>	<b>741,867</b>					
<b>IRR=</b>	<b>12.54</b>					

### PAYBACK PERIOD ANALYSIS

	YEAR 0	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Profit After Tax		49,066	62,047	118,416	190,616	230,752
Depreciation		92,250	107,000	116,500	116,500	116,500
Total		141,316	169,047	234,916	307,116	347,252
Discounted Cash flow		130,848	156,525	217,515	284,367	321,530
Capital Cost	1,010,000					
Remaining amount		-879,152	-722,627	-505,112	-220,745	100,784
<b>Pay Back Period</b>						<b>5</b>

### BREAK EVEN ANALYSIS

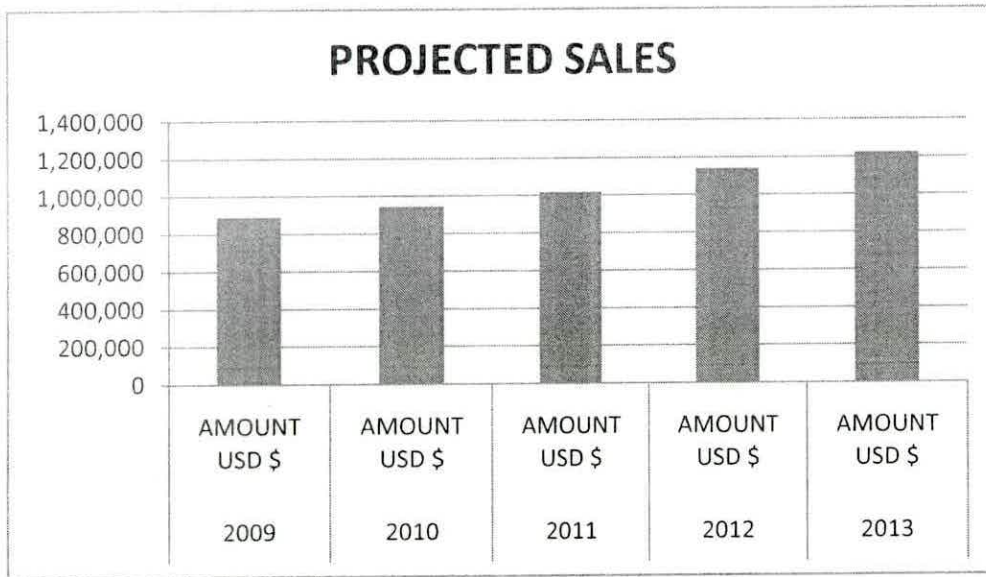
	2008	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Sales Revenue		916,864	974,168	1,083,046	1,200,376	1,260,394
Variable Costs		302,795	320,953	338,692	357,277	365,356
Contribution Margin		614,069	653,215	744,354	843,099	895,038
Fixed Costs		543,974	564,576	575,188	570,790	565,392
Contribution Margin Ratio %		66.97	67.05	68.73	70.24	71.01
Beak even Sales		8,122	8,420	8,369	8,127	7,962
Break even Point (%)		0.89	0.86	0.77	0.68	0.63

### ANALYSIS OF KEY FINANCIAL RATIOS

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
<b>A SOLVENCY LIQUIDITY</b>					
1 Current Ratio	4.77	2.22	1.25	2.05	4.07
2 Quick Acid Test Ratio	2.91	1.64	1.06	1.92	3.83
3 Liquid Ratio	1.59	1.24	1.06	1.83	3.62
4 Debtors/Sales Ratio	0.04	0.02	0.00	0.01	0.02
<b>B PROFITABILITY</b>					
5 Return on Investment(%)	5.25	6.58	13.75	20.25	21.81
6 Return on Net Assets(%)	5.25	6.58	13.75	20.25	21.81
7 Return on Fixed Asset(%)	6.00	7.13	14.19	23.89	33.87
8 Return on Fixed Capital(%)	6.00	7.13	14.19	23.89	33.87
9 Return on Sales(%)	5.35	6.37	10.93	15.88	18.31
10 Return/Current Assets (%)	33.40	47.16	86.49	68.03	46.21
11 Sales/Debtors Ratio	27.92	47.91	-62723.40	115.72	67.50
12 Cost of Sales /Sales Ratio(%)	33.03	32.95	31.27	29.76	28.99
13 Fixed Assets/ Total Assets	87.57	92.34	96.85	84.76	64.40
14 Period cost/Sales Ratio(%)	59.33	57.95	53.11	47.55	44.86
15 Gross Profit/Sales Ratio(%)	66.97	67.05	68.73	70.24	71.01
16 Return on Net worth(%)	20.64	22.56	32.63	41.59	45.36
17 Growth in Profits		26.46	90.85	60.97	21.06
<b>C EFFICIENCY</b>					
18 Debtors Turnover	22.56	41.54	-62734.34	99.84	49.19
19 Average Collection Period	16.18	8.79	-0.01	3.66	7.42
20 Inventory /Current Assets Ratio(%)	38.97	26.14	14.96	6.27	5.85
21 Inventory Turnover	16.02	28.32	52.86	68.31	43.14
22 Fixed Assets Turnover	1.12	1.12	1.30	1.50	1.85
23 Total Assets Turnover	0.98	1.03	1.26	1.28	1.19
24 Working Capital Turnover	7.90	13.49	39.89	8.37	3.35
25 Sales Growth (Annual)		6.25	11.18	10.83	5.00
<b>D LEVERAGE</b>					
26 Total Debt Ratio (%)	100.9	105.2	112.0	92.3	73.9
27 Debt Service Coverage Ratio	158.2	134.6	103.8	90.3	96.8
28 Burden Coverage	1.42	1.48	1.87	2.46	2.84
29 Debt /Equity Ratio	1967.86	992.45	504.15	262.03	154.94

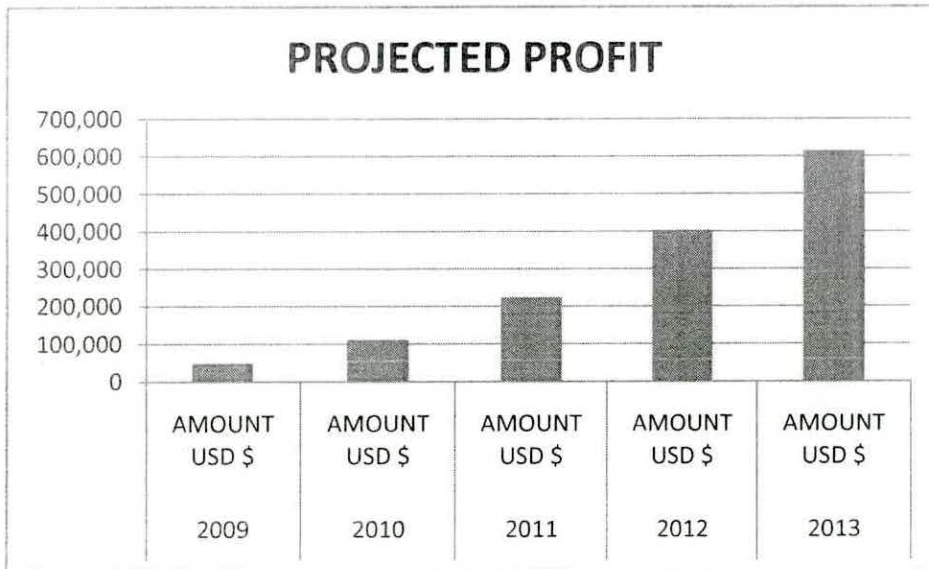
### PROJECTED SALES

	2009	2010	2011	2012	2013
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
SALES	889,358	944,943	1,018,063	1,140,357	1,222,582



## PROJECTED PROFIT

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
PROFIT	49,066	111,113	223,973	403,391	613,973



### CASH FLOW PROJECTION

	2009 AMOUNT USD \$	2010 AMOUNT USD \$	2011 AMOUNT USD \$	2012 AMOUNT USD \$	2013 AMOUNT USD \$
CASH FLOW	49,026	73,729	116,447	250,601	444,568

