



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

FILE BEGINS ENDS PART

FILE TITLE FILE NUMBER
TICC

CONFIDENTIAL

PP. 10
042157

INDEX HEADINGS

Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M

PART FILE NUMBER

PP. 10 042157

KMM (2006) ENTREPRENEURS

LTD

MINUTE SHEET

Dokezo
No.

MINUTE SHEET

Dokezo
No.

1.0

Ag. EXD

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


(a) Minimum finance investment threshold has been exceeded, the project expects to invest USD 4.6M.....

(b) Legal entity has been incorporated under certificate

No. 55710-01..... of 22/02/2010

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. Senzia

DIF

20th January, 2012

Ag. EXD

In response to the TIC letter of registration dated 20th January 2012

The project has submitted the required document namely:-

(a) Company Board Resolution

(b) Reference letter/Financing from CRDB Bank Ltd

(c) Sales Agreement to Swire of land

With the above submission EXD is requested to sign Certificate of

Incentives No. 042157 herein attached.

15/08/2012



DIF


KMM (2006) ENTREPRENEURS LIMITED
P.O. BOX 276
SUMBAWANGA

BOARD RESOLUTION

The following resolutions
were passed at the Board meeting that was held at our
registered company office in Sumbawanga on the 14th July
2011

- To establish a project for manufacturing of Ready Mix Concrete for the construction Industry.
- To register the project with Tanzania Investment Centre (TIC) in order to enjoy facilitation and tax Incentives as provided for under the TIA of 1997
- To mobilize financial resources for project Implementation

(Certified as a true extract)



Chairman



Secretary

TANZANIA

Certified true copy of the original



Muzi
5/1/2012



Certificate of Incorporation

No 55710

I HEREBY CERTIFY THAT

KMM (2006) ENTREPRENEURS =====

_____ 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 22ND day of FEBRUARY

TWO THOUSAND AND SIX

[Signature]
.....
Asst. Registrar of Companies

CTIN.: 00292610



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

M/S KMM (2006) ENTREPRENEURS LTD

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

106-319-219

with effect from 03-01-2008

Certified true copy of the original

Juzi 5/1/2012



JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

KMM (2006) ENTREPRENEURS LIMITED

**A
PROPOSED PROJECT FOR MANUFACTURING
OF READY MIX CONCRETE FOR THE
CONSTRUCTION INDUSTRY**

**PREPARED BY
KMM (2006) ENTREPRENEURS LTD
BOX 276
SUMBAWANGA**

NOVEMBER, 2011

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1.0 EXECUTIVE SUMMARY

1.1 Introduction

M/S KMM (2006) Entrepreneurs Limited herein referred as **the company** is a locally incorporated company under the company registration ordinance (CAP 212) of the United Republic of Tanzania with a Certificate of Incorporation No. 55710 dated 22nd February 2006. The company has its registered office at Plot No. 23 Mazwi Industrial area within Sumbawanga Municipality.

The construction industry in developing countries is growing at a promising rate. In Tanzania the growth rate was 10.2% in 2010 compared to 7.5% in 2009 and the sector contribution to GDP was 8.0% in 2010. The higher growth rate for the construction industry is attributed to increased activities in the sector due to increasing demand for commercial and residential housing; Government commitment to improve infrastructure particularly roads and high returns in the sector. This high growth rate provides an opportunity for investment in the sector.

It is in view of the above that M/S KMM (2006) Entrepreneurs Limited have identified an under served segment of the market which provides opportunity for investment in the **production of Ready Mix Concrete** for major construction activities in the country particularly in Dar es salaam and Coast regions

Ready Mix Concrete (RMC) is a type of concrete that is manufactured in a factory according to a set recipe, and then delivered to a work site by truck mounted transit mixers. This results in a precise mixture, allowing specialty concrete mixtures to be developed and implemented on construction sites.

Ready Mixed Concrete is bought and sold by volume - usually expressed in cubic meters. RMC can be custom-made to suit different applications.

The purpose of this study is to assess the commercial viability and operational feasibility of the proposed project. Most of the data has been compiled by the promoters' own research and study in the market and is first hand information. The financials have also been worked out on the basis of current market and cost information

1.2 Project Promoters

The project is being promoted by M/S KMM (2006) Entrepreneurs Limited. The company was formed by three (3) local companies which decided to come together in order to pull resources for the project. These companies are M/s Kiluswa Building Contractors & Civil Engineers Limited (with 34 shares), M/s Mwiga General Enterprises Limited (with 33 shares) and M/s Mselem Civil Engineering & Building Contractors Limited (with 33 shares)

Since their establishments these companies have been undertaking construction works for roads, bridges, dams and general businesses. The shareholders have thus many years of accumulated working experience in the construction industry and general business undertakings to guarantee project success

1.3 Location

The manufacturing plant will be located at **Pugu Kajungeni, Kisarawe district in Coast region**. The company has purchase two (2) acres of land that will be used for construction of the plant, office block, store and parking shed. Formalization of the purchase land in order to obtain title deed in on process

1.4 Investment Cost and Financing Plan

The project is estimated to cost \$ 4,600,000 to be invested in the next five years to cover cost for purchased land, procurement of plant and machinery, purchase of concrete mixer trucks and other necessary vehicles and Initial working capital for purchase of raw materials, fuel, salaries etc

The Investment amount will be finance by both bank loan 65 % and shareholders contributions 35%

1.5 Target Market

Ready Mix Concrete product is used in the construction of high rising building and any other buildings and in the construction of bridges and dams etc. Our target market therefore is all big construction companies both local and foreign companies.

1.6 Financial Analysis

The detailed financial analyses are given in the appendices of this report. The financial statements indicate that the project is profitable and generate adequate cash and enhances the net worth of the stockholders in the Company.

1.7 Economic & Developmental Value

The following will be the benefits of the project to the economy: -

- Adequate supply of Ready Mix Concrete for the construction industry
- Job creation to about 93 people and many more indirectly
- Generation of revenue to the Government through various taxes
- New technology transfer to Tanzania
- Positive backward and forward linkages to other sectors of the economy.

1.8 Environmental Consideration

The project will not produce any hazardous impact to the surroundings environment except little dust and noise from vibrating machines which can be heard only when near the plant. All necessary precautions will be taking to minimize their impact and any unwanted materials will be properly disposed

1.9 Conclusion & Recommendations

M/S KMM (2006) Entrepreneurs Limited has prepared this business plan for submitting to Tanzania Investment Centre in order to obtain Certificate of Incentives for establishment of a plant for manufacturing of Ready Mix Concrete for the construction industry

Analysis of various project indicators shows that the project is technically feasible, commercially viable and environmentally friendly. We therefore recommend that this project be approved and granted TIC Certificate of Incentive together with its associated benefits as provided for under Tanzania Investment Act of 1997

2.0 PROJECT DESCRIPTION

2.1 The project Concept

As state above, M/S KMM (2006) Entrepreneurs Limited proposes to establish a manufacturing plant for Ready Mix Concrete for the construction industry to be located at Pugu Kajiungeni, Kisarawe district in Coast region. The product will benefit big construction companies in Dar es salaam and Coat regions

2.2 The Products

Ready-mix concrete is a type of concrete that is manufactured in a factory according to a set recipe, user's mix design or industrial standard and then delivered to a work site by truck mounted transit mixers. This results in a precise mixture, allowing specialty concrete mixtures to be developed and implemented on construction sites.

Ready Mixed Concrete is bought and sold by volume - usually expressed in cubic meters. RMC can be custom-made to suit different applications.

Advantages of Ready Mix Concrete

- A centralized concrete batching plant can serve a much wider area.
- The plants can be located in areas zoned for industrial use, and yet the delivery trucks can service residential districts or inner cities.
- Better quality concrete is produced
- Elimination of storage space for basic materials at site.
- Elimination of procurement / hiring of plant and machinery by building contractors

- Wastage of basic materials is avoided which is better for the environment.
- Labor associated with production of concrete at site is eliminated; it require less labour
- Less time is required. 1 Mobile mix truck can produce 8 yards of concrete in 8 minutes

2.3 Project Requirements

In order to accomplish this objective the company is required to do the following among others:

- Search and purchase land for construction of factory, office, stores and parking yard
- Procurement and installation of Ready Mix Concrete manufacturing plant (cement batchers, aggregate batchers, conveyors, radial stackers, aggregate bins, cement bins, heaters, chillers, cement silos, batch plant controls, and dust collectors)and equipments such as transit mixer and concrete pump.
- Procurement of raw materials (sand, cement, water aggregate-rocks, gravel, etc.),
- Acquisition of Spares and accessories for the above mentioned machines
- Procurement of utility and non utility motor vehicles for various purpose as shown below;

Motor Vehicle Requirement

Item	No.	Unit Price (\$)	Amount (\$)
Concrete mixer trucks	20	80,000	1,600,000
4WD Pick up	10	45,000	450,000
Station Wagon cars	3	75,000	225,000
Land cruiser-hard top	3	55,000	165,000
Mini buses (Staff bus)	2	50,000	100,000
TOTAL	38		2,540,000

2.4 Investment cost and Financing plan

The total cost of the proposed project is estimated at US\$ 4,600,000 to be financed by bank loan (65%) and shareholders' equity (35%). Large percentage of the Investment amount will be used to acquire Plant, Machinery and Equipments, utility and non vehicles and Initial working capital. The table below provides Investment cost breakdown

Investment Cost

Item	Amount USD
Land and Buildings- To cover cost for the purchased land, construction of factory, office, stores and parking yard	700,000
Plant, Machinery and Equipments- To cover for the purchase of concrete pump, Concrete Plant (cement batchers, aggregate batchers, conveyors, radial stackers, aggregate bins, cement bins, heaters, chillers, cement silos, batch plant controls, and dust collectors), generators and other equipments	950,000
Motor Vehicles- For purchase of 20 concrete mixing transporting trucks, 3 Station wagon cars, 3 cruiser-hard top, 10 single cabin pick ups and 2 mini bus-coaster (staff buses)	2,540,000
Furniture- For purchase of office furniture, Equipments and related items	30,000
Pre expenses- Cost for land formalization, TIC registration, legal and consultancy fees, market survey and related costs	20,000
Initial working Capital- Initial cost on raw materials (sand, cement, water aggregate-rocks, gravel, etc.),fuel, salaries, supplies, utility charges and related items	360,000
TOTAL- Total Investment cost	4,600,000

3.0 MANUFACTURING AND CONSTRUCTION SECTORS

(Information from 2010 Economic survey)

3.1 Manufacturing sector

Growth Rate

In 2010, the growth rate of manufacturing activities was 7.9 percent compared to 8.0 percent in 2009. The contribution of manufacturing activities to GDP increased to 9.0 percent in 2010 from 8.6 percent in 2009.

Production Cost

In 2010, production cost increased to shilling 2,081,934 million from shilling 1,764,351 million in 2009, equivalent to an increase of 18.0 percent. This was due to increase in production cost of food, beverages, tobacco, cigarettes and chemicals.

Production in Selected Industries

In 2010, production in selected industries such as konyagi, iron sheets, pyrethrum products, wheat flour, chibuku, beers, and beverages increased. This was attributed to the increase in domestic demand for those commodities. Production of konyagi increased from 10,201,000 litres in 2009 to 12,972,843 litres in 2010, equivalent to an increase of 27.2 percent. Production of chibuku increased by 28.6 percent from 16,141,000 litres in 2009 to 20,753,520 litres in 2010. Production of corrugated iron sheets increased by 30.7 percent from 50,664 tons in 2009 to 66,231 tons in 2010.

Production of wheat flour increased from 368,885 tons in 2009 to 388,905 tons in 2010, equivalent to an increase of 5.4 percent.

Production of beer increased from 2.84 million hectolitres in 2009 to 5.15 million hectolitres in 2010, equivalent to an increase of 81.3 percent. Production of cigarettes increased from 5,831 billion cigarettes in 2009 to 6,170 billion cigarettes in 2010, equivalent to an increase of 5.8 percent. Production in hide processing industries increased from 37.3 million square feet in 2009 to 39.7 million square feet in 2010, equivalent to increase of 6.4 percent.

Production of textile increased from 91,501,000 square metres in 2009 to 120,000,000 square metres in 2010, equivalent to an increase of 31.1 percent. Production of iron increased from 34,793 tons in 2009 to 43,882 tons in 2010, equivalent to an increase of 26.1 percent. However, sisal ropes production decreased from 7,913 tons in 2009 to 5,548 tons in 2010, equivalent to a decrease of 29.9 percent.

3.2 Construction Sector

Growth Rates

In 2010, the growth rate of construction sub-activity was 10.2 percent compared to 7.5 percent in 2009. The growth was attributed to increase in the construction and rehabilitation of: roads and bridges; residential and non- residential buildings; airports; and water infrastructures. In addition, contribution of construction activities to GDP was 8.0 percent in 2010 compared to 7.9 percent in 2009.

Housing Development

2010, National Housing Cooperation (NHC) continued with the implementation of construction projects. The projects include completion of house construction in Dar es Salaam regions – Chwaku street (2) and Dodoma – Medeli areas (20). In addition, NHC continued with house construction in Arusha – Kibla areas (48) and LDA area (4) and Dar es Salaam city – Mbwani JKT (34) and Kinondoni – Chwaka (2). Similarly, 75 joint venture projects implemented by NHC in collaboration with private sector were in various stages of implementation.

In 2010, the NHC continued with the preparation of large construction projects which include architectural drawings, feasibility studies and resource mobilization for construction. Those preparations are for the construction of 290 houses in Medeli area – Dodoma and 260 temporary houses in Dar es Salaam city. The temporary housing will accommodate occupants in identified plots to be developed for large buildings.

2010, the Government secured loan worth USD 40 million from World Bank for developing housing sector in the country. The loan will facilitate mortgage finance in the country; conducting surveys on availability of housing microfinance; conducting survey on housing market in the country; and enhancing the capacity of NHC to spearhead land development.

4.0 MANUFACTURING PROCESS

The manufacture of concrete is fairly simple. First, the cement (usually Portland cement) is prepared. Next, the other ingredients—aggregates (such as sand or gravel), admixtures (chemical additives), any necessary fibers, and water—are mixed together with the cement to form concrete. The concrete is then shipped to the work site and placed, compacted, and cured.

A **concrete plant**, also known as a batch plant, is a device that combines various ingredients to form concrete. Some of these inputs include sand, water, aggregate (rocks, gravel, etc.), fly ash, potash, and cement. There are two types of concrete plants: *ready mix* plants and *central mix* plants. A concrete plant can have a variety of parts and accessories, including but not limited to: mixers (either *tilt-up* or *horizontal* or in some cases both), cement batchers, aggregate batchers, conveyors, radial stackers, aggregate bins, cement bins, heaters, chillers, cement silos, batch plant controls, and dust collectors (to minimize environmental pollution).

The center of concrete batching plant is the mixer. There are three types of mixer, Tilt, pan, and twin shaft mixer. The twin shaft mixer can ensure even mixture of concrete and large output, while the tilt mixer offers a consistent mix with much less maintenance labor and cost.

A *ready mix* plant combines all ingredients except for water at the concrete plant. This mixture is then discharged into a ready mix truck (also known as a concrete transport truck). Water is then added to the mix in the truck and mixed during transport to the job site.

A *central mix* plant combines some or all of the above ingredients (including water) at a central location. The final product is then transported to the job site. Central mix plants differ from ready mix plants in that they offer the end user a much more consistent product, since all the ingredient mixing is done in a central location and is computer-assisted to ensure uniformity of product. A *temporary batch plant* is similar to the central batch plant but it can be constructed on a large job site. A concrete plant becomes central mix with the addition of a concrete mixer

Preparing Portland cement

- 1 The limestone, silica, and alumina that make up Portland cement are dry ground into a very fine powder, mixed together in predetermined proportions, preheated, and calcined (heated to a high temperature that will burn off impurities without fusing the ingredients). Next the material is burned in a large rotary kiln at 2,550 degrees Fahrenheit (1,400 degrees Celsius). At this temperature, the material partially fuses into a substance known as clinker. A modern kiln can produce as much as 6,200 tons of clinker a day.
- 2 The clinker is then cooled and ground to a fine powder in a tube or ball mill. A ball mill is a rotating drum filled with steel balls of different sizes (depending on the desired fineness of the cement) that crush and grind the clinker. Gypsum is added during the grinding process. The final composition consists of several compounds: tricalcium silicate, dicalcium silicate, tricalcium aluminate, and tetracalcium aluminoferrite.

Mixing

- 3 The cement is then mixed with the other ingredients: aggregates (sand, gravel, or crushed stone), admixtures, fibers, and water. Aggregates are pre-blended or added at the ready-mix concrete plant under normal operating conditions. The mixing operation uses rotation or stirring to coat the surface of the aggregate with cement paste and to blend the other ingredients uniformly. A variety of batch or continuous mixers are used.
- 4 Fibers, if desired, can be added by a variety of methods including direct spraying, premixing, impregnating, or hand laying-up. Silica fume is often used as a dispersing or densifying agent.

Transporting to site

- 5 Once the concrete mixture is ready, it is transported to the work site. There are many methods of transporting concrete, including wheelbarrows, buckets, belt conveyors,

The first step in making concrete is to prepare the cement. One type of cement, Portland cement, is considered superior to natural cement because it is stronger, more durable, and of a more consistent quality. To make it, the raw materials are crushed and ground into a fine powder and mixed together. Next, the material undergoes two heating steps—calcining and burning. In calcining, the materials are heated to a high temperature but do not fuse together. In burning, however, the materials partially fuse together, forming a substance known as "clinker." The clinker is then ground in a ball mill—a rotating steel drum filled with steel balls that pulverize the material.

After the Portland cement is prepared, it is mixed with aggregates such as sand or gravel, admixtures, fibers, and water. Next, it is transferred to the work site and placed. During placing, segregation of the various ingredients must be avoided so that full compaction—elimination of air bubbles—can be achieved.

Pumping transports large quantities of concrete over large distances through pipelines using a system consisting of a hopper, a pump, and the pipes. Pumps come in several types—the horizontal piston pump with semi-rotary valves and small portable pumps called squeeze pumps. A vacuum provides a continuous flow of concrete, with two rotating rollers squeezing a flexible pipe to move the concrete into the delivery pipe.

Placing and compacting

- 6 Once at the site, the concrete must be placed and compacted. These two operations are performed almost simultaneously. Placing must be done so that segregation of the various ingredients is avoided and full compaction—with all air bubbles eliminated—can be achieved. Whether chutes or buggies are used, position is important in achieving these goals. The rates of placing and of compaction should be equal; the latter is usually accomplished using internal or external vibrators. An internal vibrator uses a poker housing a motor-driven shaft. When the poker is inserted into the concrete, controlled vibration occurs to compact the concrete. External vibrators are used for precast or thin in situ sections having a shape or thickness unsuitable for internal vibrators.

These type of vibrators are rigidly clamped to the formwork, which rests on an elastic support. Both the form and the concrete are vibrated. Vibrating tables are also used, where a table produces vertical vibration by using two shafts rotating in opposite directions.

Curing

- 7 Once it is placed and compacted, the concrete must cured before it is finished to make sure that it doesn't dry too quickly. Concrete's strength is influenced by its moisture level during the hardening process: as the cement solidifies, the concrete shrinks. If site constraints prevent the concrete from contracting, tensile stresses will develop, weakening the concrete. To minimize this problem, concrete must be kept damp during the several days it requires to set and harden.

Quality Control

Concrete manufacturers expect their raw material suppliers to supply a consistent, uniform product. At the cement production factory, the proportions of the various raw materials that go into cement must be checked to achieve a consistent kiln feed, and samples of the mix are frequently examined using X-ray fluorescence analysis.

The strength of concrete is probably the most important property that must be tested to comply with specifications. To achieve the desired strength, workers must carefully control the manufacturing process, which they normally do by using statistical process control. Quality control charts are widely used by the suppliers of ready-mixed concrete and by the engineer on site to continually assess the strength of concrete.

Other properties important for compliance include cement content, water/cement ratio, and workability, and standard test methods have been developed for these as well.

5.0 MANAGEMENT AND ORGANIZATION

5.1 Organization Structure

The organization structure takes into account the fact that within the next five years, the company's total workforce will be more than **93 employees** of different levels of qualifications and responsibility with clear outlined duties and responsibilities. This will require a proper designed administration policy and guidelines for each work category. The structure will be wide, ranging from Boarding of directors to support staff.

5.2 Duties and Responsibilities

The duties and responsibilities of key personnel will be designed according to the company's objectives in a team approach. Each individual will be expected to accomplish the assigned duties with efficiency to the satisfaction of the company and market needs.

The Company's staff establishment philosophy will be to offer a competitive remuneration package enough to get and retain the best from the market. Each key staff shall be given a job description and scheme of services. The company will design a Human Resources Policy and Procedures that will provide among others the following: - Recruitment and appointments, Salaries, allowances and staff benefits, Staff Rules, Human Resources training and development.

Others will be discipline and disciplinary procedures, and Organization chart, job description and salary structure

5.3 Technical Expertise

The Company may find difficult to obtain local expertise in this specialized works and thus will require at least 3 expatriates to kick-start the business and training intensively local engineers.

5.4 Salaries and Fringe Benefits

The Company's establishment philosophy is to offer a competitive remuneration package enough to attract the best from the labor market and eventually be able to retain the cream for higher performance. Details of the salary and fringe benefits will be provided in the Human resource Manual which will be given to each employee.

6.0 MARKETING AND MARKET ANALYSIS

Tanzania, like any other East African countries has a very small Ready Mix Concrete capacity despite increasing demand for such services which is attributed by increasing construction projects in the country. Evaluations of the demand-supply gap have shown that there is a big demand-supply gap. This justifies the implementation of the project.

7.0 FINANCING ANALYSIS AND PROJECTIONS

7.1 Basic Assumptions

In the financial analysis the following major assumptions have been taken into considerations.

1. Capital foreign costs have been based on an exchange rate of T.shs 1,800 per one US dollar
2. Corporate tax is 30%
3. The price of raw materials is assumed at the current market rates
4. Salaries and wages have been based on the current private sector scale in the country
5. The fixed assets of the project are depreciated on scrap value method
6. Fees and other charges have been based on those levied by similar companies in the country.
7. production capacity of 160cbm/hour
8. Selling price assumed at current market rate

Based on the assumptions discussed above, Profit and Loss projections, Cash flow projections and Balance sheet projections have been prepared and are presented as under Financial Statements annex

7.2 Other Operating Costs

Other project costs have been calculated based on the current open market prices and costs as appearing under Annual Costs of Products section of the Financial Statements Appendix.

7.3 Projected profit and Loss Statements

Projected profit and loss statements for the first five years of operation have been attached to this report

7.4 Balance Sheet Projections

The Financial Statements analyses the projected balance sheet over the five year period of the project operations.

From the projections it is observed that, current liabilities are adequately covered by current assets throughout the period. Again from the perspective of the new investors, net worth of the company grows quite substantially in five years of operation as shown in the financial statements herein attached

7.5 Revenue and Profitability

Project financial evaluation shows attractive profits which are realized right from the first year of operations as shown on financial projections attached. This is based on the assumption that most of the project equipments are zero rated or bears a very small rate of Import duty

7.6 Projected Cash flows:

The projected cash flow of the project reveals a health financial position throughout the 5 years under projection as shown in attachments. However, accumulated amounts would be available for re-investment into project as found convenient by the directors.

8.0 CONCLUSION AND RECOMMENDATIONS

8.1 Conclusion

M/S KMM (2006) Entrepreneurs Limited proposes to invest in the establishment of a plant for manufacturing of Ready Mix Concrete for the construction industry

The foregoing discussion above has highlighted on the social, economic and financial dimensions of the envisaged project. The project is technically feasible, financially and economically viable also environmentally friendly.

A fast implementation of the project is highly recommended and called for to avoid cost overruns and be able to realize the benefits outlined above.

8.2 Recommendation

In view of the above and provided all other economic factors remain substantially the same; it is strongly recommended that the project be implemented with immediate effect.

It is further recommended that TIC Certificate of Investment Incentives be granted to the company in order to enjoy facilitation and tax exemptions as provided for under the Tanzania Investment Act of 1997

Financial statements

And

Other schedule

**KMM (2006) ENTREPRENEURS LIMITED
SCHEDULES**

SCHEDULE 1

REVENUE PROJECTION

PRODUCTS	YEARS				
	Y1 USD	Y2 USD	Y3 USD	Y4 USD	Y5 USD
Revenue	4,530,000	4,847,100	5,186,397	5,549,445	5,937,906
	4,530,000	4,847,100	5,186,397	5,549,445	5,937,906

SCHEDULE 2

OTHER OPERATING COST

OTHER OPERATING COST	YEARS				
	Y1 USD	Y2 USD	Y3 USD	Y4 USD	Y5 USD
Motor vehicle running expenses	120,500	126,525	132,851	139,494	146,469
Salaries and wages	562,800	590,940	620,487	651,511	684,087
Depreciation	725,000	725,000	725,000	725,000	725,000
Administrative Overhead Costs:	49,600	52,080	54,684	57,418	60,289
Marketing Costs	5,850	6,143	6,450	6,772	7,111
Utility costs	21,600	22,680	23,814	25,005	26,255
Insurance	115,000	115,000	120,750	120,750	120,750
Communication	7,850	7,850	8,243	8,243	8,243
Total costs	1,608,200	1,646,218	1,692,278	1,734,193	1,778,203

SCHEDULE 3

COST STRUTURE

PARTICULAR	AMOUNT USD
Land and Buildings	700,000
Plant, Machinery & Equipments	950,000
Motor Vehicles	2,540,000
Furniture & Fixtures	30,000
Pre expenses	20,000
Initial Working Capital	360,000
TOTAL	4,600,000

SCHEDULE 4

FIXED ASSETS SCHEDULE

NAME OF ASSETS	Y1 USD	Y2 USD	Y3 USD	Y4 USD	Y5 USD
Land and Buildings	700,000	679,000	658,000	637,000	616,000
Plant, Machinery & Equipments	950,000	760,000	570,000	380,000	100,000
Motor Vehicles	2,540,000	2,032,000	1,524,000	1,016,000	508,000
Furniture & Fixtures	30,000	24,000	18,000	12,000	6,000
TOTAL	4,220,000	3,495,000	2,770,000	2,045,000	1,230,000
DEPRECIATION	Y1 USD	Y2 USD	Y3 USD	Y4 USD	Y5 USD
Land and Buildings	21,000	21,000	21,000	21,000	21,000
Plant, Machinery & Equipment	190,000	190,000	190,000	190,000	190,000
Motor Vehicles	508,000	508,000	508,000	508,000	508,000
Furniture & Fixtures	6,000	6,000	6,000	6,000	6,000
ANNUAL DEPRECIATION	725,000	725,000	725,000	725,000	725,000
CLOSING FIXED ASSETS	3,495,000	2,770,000	2,045,000	1,320,000	505,000

SCHEDULE 5

SALARIES & WAGES

NO.	EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH USD \$	SUBTOTAL MONTHLY SALARY USD \$	ANNUAL GROSS SALARY USD \$
1	Managing Director	1	2000	2000	24,000
2	Project Manager	1	1000	1000	12,000
3	Adimin. Officer	2	700	1400	16,800
4	Engineers	5	700	3500	42,000
5	Supervisors	5	600	3000	36,000
6	Procurement officer	3	600	1800	21,600
7	Sales officers	3	600	1800	21,600
8	Accountants	2	600	1200	14,400
9	Machine operators	40	500	20000	240,000
10	Drivers	25	400	10000	120,000
11	Secretary	2	300	600	7,200
12	Security Men	4	150	600	7,200
TOTAL USD \$		93	8,150	46,900	562,800

KMM (2006) ENTREPRENEURS LIMITED

INCOME & EXPENDITURE STATEMENT PROJECTION

		Y1 USD	Y2 USD	Y3 USD	Y4 USD	Y5 USD
Revenue	note 1	4,530,000	4,847,100	5,186,397	5,549,445	5,937,906
Cost of Sales		3,090,150	3,262,770	3,447,192	3,644,228	3,854,746
Gross Profit		1,439,850	1,584,330	1,739,205	1,905,217	2,083,160
Operating Expenses:						
Administrative Overhead Costs:		49,600	52,080	54,684	57,418	60,289
Motor Vehicle running expenses		120,500	126,525	132,851	139,494	146,469
Salaries and wages		281,400	295,470	310,244	325,756	342,043
Depreciation		362,500	362,500	362,500	362,500	362,500
Marketing Costs		5,850	6,143	6,450	6,772	7,111
Utility costs		21,600	22,680	23,814	25,005	26,255
Insurance		115,000	115,000	120,750	120,750	120,750
Communication		7,850	7,850	8,243	8,243	9,243
Total Expenses		964,300	988,248	1,019,535	1,045,937	1,074,659
Profit before Tax		475,550	596,083	719,670	859,280	1,008,500
Tax (30%)		142,665	178,825	215,901	257,784	302,550
Profit After Tax		332,885	417,258	503,769	601,496	705,950

KMM (2006) ENTREPRENEURS LIMITED

PROJECTED BALANCE SHEET

	Y1 USD	Y2 USD	Y3 USD	Y4 USD	Y5 USD
<u>Fixed Assets</u>					
Long-term Assets	4,220,000	3,495,000	2,770,000	2,045,000	1,230,000
Depreciation	725,000	725,000	725,000	725,000	725,000
Total Long-term Assets	3,495,000	2,770,000	2,045,000	1,320,000	505,000
<u>Current Assets</u>					
Cash	327,035	961,547	1,622,697	2,315,722	3,038,493
Accounts Receivable	133,250	52,955	75,625	94,625	430,653
Inventory	107,480	165,640	169,617	201,884	219,393
Total Current Assets	567,765	1,180,142	1,867,939	2,612,231	3,688,540
Total Assets	4,062,765	3,950,142	3,912,939	3,932,231	4,193,540
<u>Current Liabilities</u>					
Accounts Payable	77,254	58,730	62,049	90,596	99,385
Other Current Liabilities	74,164	84,832	89,627	104,750	115,223
Subtotal Current Liabilities	151,417	143,562	151,676	195,346	214,609
<u>Long-term Liabilities</u>					
Long-term Liabilities	2,990,000	2,990,000	2,990,000	2,990,000	2,990,000
Total Liabilities	3,141,417	3,133,562	3,141,676	3,185,346	3,204,609
Net Assets	921,348	816,580	771,263	746,885	988,931

KMM (2006) ENTREPRENEURS LIMITED

CASHFLOW PROJECTION

	Y1 USD	Y2 USD	Y3 USD	Y4 USD	Y5 USD
CASHFLOW FROM OPERATIONS					
Cash from Operations:					
Cash Sales	3,850,500	4,043,025	4,245,176	4,457,435	4,680,307
VAT Receipt	906,000	969,420	1,037,279	1,109,889	1,187,581
Sales of Long-term Assets					
Subtotal Cash Received	4,756,500	5,012,445	5,282,456	5,567,324	5,867,888
Expenditures from Operations:					
Purchases	2,781,135	3,099,632	3,274,832	3,462,017	3,662,009
Additional Cash Spent	601,800	625,748	657,035	683,437	712,159
VAT payments	618,030	652,554	689,438	728,846	770,949
Subtotal Cash payment	4,000,965	4,377,933	4,621,306	4,874,299	5,145,118
CASH FROM OPERATIONS	755,535	634,512	661,150	693,025	722,770
CASH FLOW FROM INVESTMENTS:					
Purchase of Assets	4,220,000				
working capital requirement	360,000				
CASH FLOW FROM INVESTMENTS:	4,580,000	-	-	-	-
CASH FLOW FROM FINANCING:					
Owners Equity Contribution	1,610,000				
Bank Loan	2,990,000				
Interest	448,500	448,500	448,500	448,500	448,500
CASH FLOW FROM FINANCING	4,151,500	-	-	-	-
NET CASHFLOW FOR PERIOD	327,035	634,512	661,150	693,025	722,770
CASHFLOW AT START OF YEAR	-	327,035	961,547	1,622,697	2,315,722
CASHFLOW AT THE END OF YEAR	327,035	961,547	1,622,697	2,315,722	3,038,492

TANZANIA READY MIX PROJECT

CONCRETE MIXING PLANT PROPOSAL

FOR

KMM (2006) ENTREPRENEURS LTD.

 Plant
Architects

 Plant
Outfitters



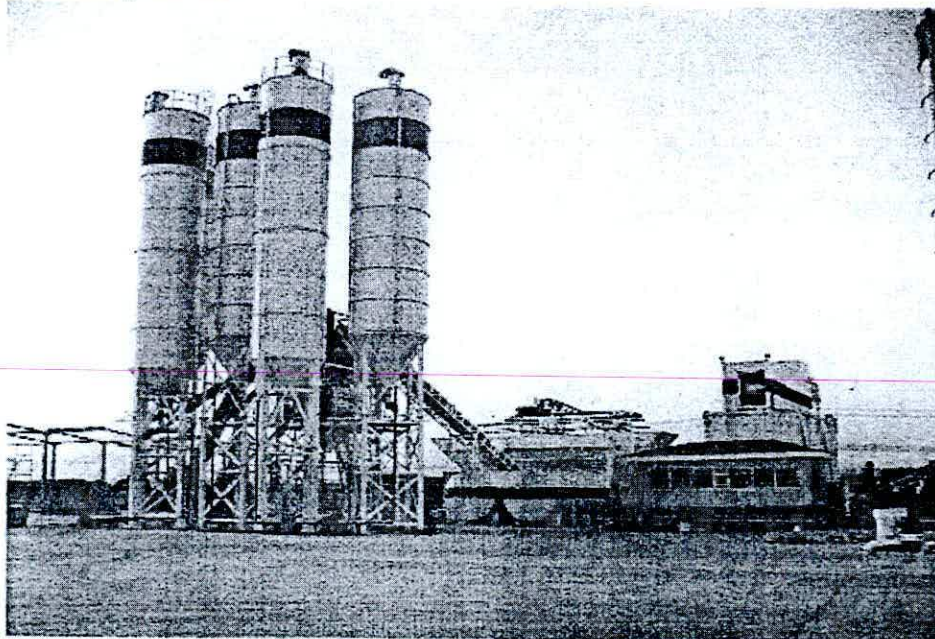
Ns. Rif. AG.105.10
M03L2

OFFER REF. NO. AG.105.10
Date 28/7/10
Pages 14

Plant Architects Inc.
300 East Sonterra
Suite 310
San Antonio, TX 78258
For: KMM (2006) Entrepreneurs Ltd.
Industrial Area
P.O.Box 276
Sumbawanga, Tanzania

Following to Your request, we thank You for Your interest and Your attention to our products. After that we would like to send You our best offer for the batching plant range "MULTIMIX 5 MIXED". **Main features of this plant include:**

- Fast aggregate discharge through double belt scale discharge to a central point
- Heavy-duty steel construction, good for many years of service
- Optional urethane liners to reduce wear even further
- Optional hot galvanizing to eliminate rust
- Top quality twin shaft mixer with extreme hard wearing liner and positive shaft seals for long mixer life with minimal maintenance
- All equipment fabricated and pre-assembled in our shop to ensure correct fit and minimum problems during erection



Yours truly,

Robin Shepherdson, Eng. President



Mr. Anyosisye T. Kiluswa
Mr. Salum S. Mselem
Mr. Gaudence C. Kipesha
KMM (2006) ENTREPRENEURS LTD.
Industrial Area,
P.O. Box 276
SUMBAWANGA,
TANZANIA

28 July 2010

Dear Sirs:

Please find herewith our firm price proposal for one (1) Oemer Concrete Mixing Plant to European (CE) and U.S. (ASTM) specifications.

The plant is designed to provide both high-quality ready mix concrete and Roller Compacted Concrete (RCC). The fully automated plant is offered specifically, under the terms and conditions set forth; however Plant Architects and Plant Outfitters are also available for Project/Construction Management services for the construction work as outlined in the attached construction estimate worksheets.

We offer our most sincere thanks for the opportunity to offer our design, manufacture and installation assistance on your exciting and important project. We are most pleased that KMM has selected Plant Architects + Plant Outfitters for your concrete plant partners.

Respectfully submitted,

Robert Ober
CEO
Plant Architects + Plant Outfitters
direct: +210.859.8723
email: Robert@robertober.com

Enclosures/

Plant Architects and Plant Outfitters

divisions of Robert Ober & Associates, Inc.
18866-103 Stone Oak Parkway, Suite Four
San Antonio, Texas 78258

www.robertober.com • office 210.569.9262 • fax 210.497.7752

Plant Architects Inc.

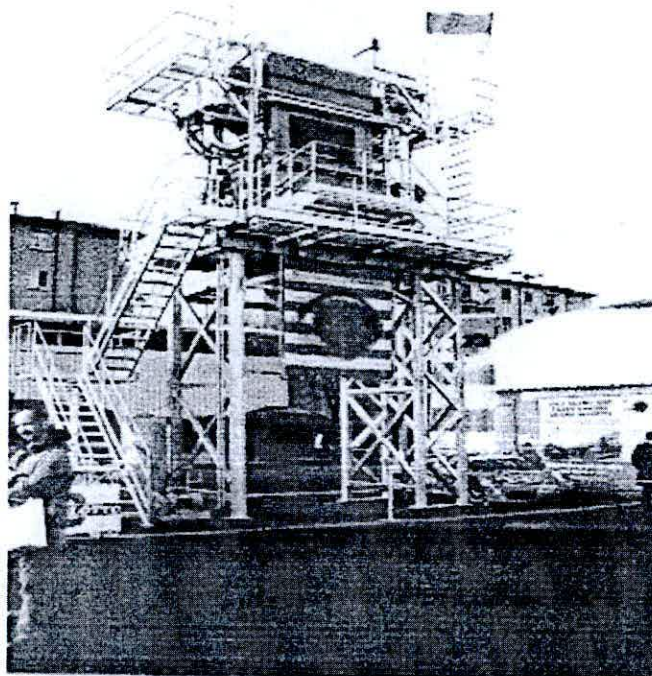
CONCRETE BATCHING PLANT

MULTIMIX 5 MIXED - wet type

Aggregate hopper feed system, refill by ramp with bucket loader

Hourly output approx.

120 m³/h



This picture and the pictures reported in the offer have to be considered purely demonstrative.

AGGREGATES SILOS

Assembly with 5 aggregates bins for aggregate storage having a heaped storage capacity of approx. 100 m³, built in steel sheet, having thickness of 4 mm, bent, electric welded and stiffened by suitable tubulars, face realized in structural steel; supporting columns with beams in parallels flanges in correspondence of each compartment's partition; everything well dimensioned. Divided into 5 compartments.

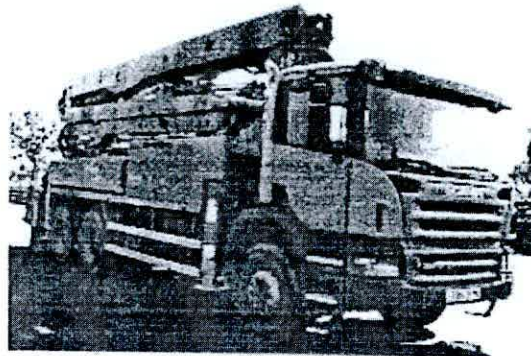
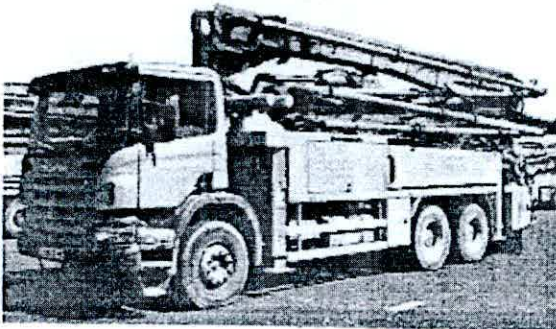
1 mtrs of extended side walls to reach aggregate storage up to 160 m³, steel sheet 3 mm thickness.

All the side boards are hinged, so that they can be easily assembled or removed

From: Andreas Wehner To: KMM Entrepreneurs
 Tel.: 0049 (0) 1727130435 Attention:
 Fax.: 0049 7127 599-9770 Mail/Fax/Tel:
 e-Mail: wehnera@pmw.de Id: 2623 Offer: 1132-10 28.07.2010

Offer for one used Machine Betonpumpe Putzmeister Scania

Chassis		Concrete pump	
Model:	P340-114	Model:	BSF 36.16 H
Initial startup:	2006	Initial startup:	2006
Approx. mileage:	37085	Approx. working hours:	1919
pollutant category:	Euro 3	Serial number:	210700875



Technical facts

Concrete pump		Boom	
Concrete output:	160 cbm/h	Reach height:	35,6 m
Concrete pressure:	85 bar	N° of arms:	4
Stroke of cylinders:	2100 mm	End hose length:	4
Ø Cylinders:	230 mm	Delivery line:	125 mm

Condition: ready to operate Net price: 165.000,00 €

Terms

Place of delivery:	EXW-Gründau	Approx. delivery date:	8 weeks after receipt of order
Payment:	Net before delivery	Warranty:	excluded

Offer is valid for 1 month

**** This offer is submitted subject to prior sale ****

The present offer is subject to the general conditions of sales and delivery of Putzmeister Concrete Pumps GmbH latest version. These conditions can be found on the official homepage in the internet: www.pmw.de.

Firmensitz/Headquarter
 Putzmeister Concrete Pumps GmbH
 Max-Planck-Strasse 10
 72531 Achraf
 DEUTSCHLAND

Tel.: +49 7127 599-0
 Fax: +49 7127 599-520

www.putzmeister.com
ppp@putzmeister.de

Bankverbindung/Banking account
 Dresdner Bank AG
 BLZ 600 800 00 Kto.-Nr. 390050500
 S.W.I.F.T.-Code DRES DE 3301
 IBAN: DE03 6008 0009 0330 0505 00
 Deutsche Bank AG Stuttgart
 BLZ 600 700 70 Kto.-Nr. 135965900
 S.W.I.F.T.-Code DEUT 3305
 IBAN: DE03 6007 0070 0135 9959 00
 Landesbank Baden-Würt., Stuttgart
 BLZ 600 501 01 Kto.-Nr. 2193800
 S.W.I.F.T.-Code SOLADE33
 IBAN: DE04 6005 0101 0002 6938 00

Geschäftsleitung/Executive Board
 Norbert Scheuch (Vorsitzender/Chairman)
 Dr. Mehmet Varlik
 Dr. Robert Abel

Aufsichtsratsvorsitzender/
 Chairman of the Supervisory Board
 Grotzner Feder

Handelsregister/Trade Registry
 Handelsregister Amtsgericht Stuttgart
 HRB-Nr. 725573
 UST-ID / VAT ID (DE) 146262105
 St.-Nr. / Tax number 7405100500

Niederlassungen/Branch Offices Phone
 Rastdorf, Berlin +49 33397 776-0
 Eching, München +49 8165 9599-0
 Kettwig, Essen +49 2054 9512-0
 Kottbus, Gera +49 36602 324-0
 Seevetal, Hamburg +49 4185 7935-0
 Gründau, Frankfurt +49 6051 4805-0

Tochtergesellschaften/Subsidiaries
 China, Dänemark, England, Frankreich,
 Indien, Italien, Japan, Portugal, Republik
 Korea, Russland, Spanien, Südafrika,
 Türkei, USA.

SALE AGREEMENT

This Sale Agreement is made this 25th day of Aug 2010

Certified true copy of the original.
Musi
5/1/2012



BETWEEN

WILSON DANIEL MJANGE of P. o Box. 12975 Dar es Salaam (hereinafter referred to as the "Vendor" which term covers and include his successors in title or any other person claims title under the deceased here below mentioned) of the one part.

AND

(2006) KMM ENTREPRENEURS LIMITED of P.o. Box. 276 Sumbawanga, (hereinafter referred to as the "Purchaser") which term where the context so admits, will include his successors in title) of the other part.

WHEREAS,

That the Vendor is the lawful owner of a land located at Pungu Kajiungeni, Kisarawe District covering two (2) acres is willing to sale to the purchases and the purchases is ready to purchase the said property under terms and conditions as here below appearing.

NOW THEREFORE THIS CONTRACT FOR SALE WITNESSES AS FOLLOWS:

- 1) That the Vendor hereby sale and the Purchase hereby buy the property described above at a consideration of TZ. SHS 100,000,0000/= (One Hundred Million Only) being the purchase price.
- 2) That the vendor accepts the receipts of the consideration as herein above stated by signing this contract.
- 3) The Purchaser undertake to process at his own costs, the transfer of the ownership documents from the original owner's names into his own, but the vendor shall give to the purchaser the requested assistance as it may be required.
- 4) That the vendor sales the property to the purchaser free from any encumbrances whatsoever, and in case there arose any dispute the purchase price shall be paid immediately back to the purchaser.

[Signature]
Richard P.

[Signature]

IN WITNESS WHEREOF parties have duly executed these presents in the manner and on the day and the year hereinafter appearing.

SIGNED AND DELIVERED at }
Dar es Salaam by the said }
WILSON DANIEL MJANGE }
identified to me by BRYSON }
M. MWASA }
the later being known to me }
personally in my presence this }
25th day of Aug 2010 }

.....
WILSON DANIEL MJANGE



Witness's Name: **JUMA A.M. NASSORO**
Postal Address: **POBOX 42948**
DAR ES SALAAM

Signature : [Signature]
Qualification: **ADVOCATE**



SIGNED AND DELIVERED at }
Dar es Salaam on behalf of M/S (206) }
KMM ENTERPRISES LIMITED by }
AN YOSISYE THOMAS KIZOSWA and }
GADENSI KIPESHA who }
has been identified to me by BRYSON }
M. MWASA the latter being }
known to me personally in my presence }
this 25th day of August 2010 }



Witness's Name: **JUMA A.M. NASSORO**
Postal Address: **POBOX 42948**
DAR ES SALAAM

Signature : [Signature]
Qualification: **ADVOCATE**



DRAWN BY
of M/S (206) }
KMM ENTERPRISES LIMITED
POBOX 276
Sumbawanga

Certified true original.
[Signature]
5/1/2012



THE UNITED REPUBLIC OF TANZANIA

CERTIFICATE OF INCORPORATION

NO.

I HEREBY CERTIFY THAT

KMM (2006) ENTREPRENEURS LIMITED

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

Given under my hand at Dar es Salaam, this day of Two Thousand and Six

.....
Registrar of Companies

SEAL

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

KMM (2006) ENTREPRENEURS LIMITED

1. The name of the Company is KMM (2006) Entrepreneurs limited
2. The Registered office of the Company will be situated in the United Republic of Tanzania
3. The objects for which the Company is established are: -
 - (a) To carry on the business of Civil engineering contracts in building and construction works, Sub-contractors, renovation, fumigation and pest control.
 - (b) To carry on the business of general merchandise, retail shops exporters electrical goods, spare parts, building materials, plant and earthwork contractors
 - (c) To promote another company for the purpose of acquiring all or any of its property or liabilities.
 - (d) To sell otherwise dispose of the undertaking and property of the Company or any part thereof, such consideration as the Company may think fit, and a particular for shares, debentures, or securities of any other company living objects altogether or in parts similar to those of this Company.
 - (e) To enter into any arrangements with any government authority (Supreme local or otherwise, that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any characters, decrees, rights, privileges and concessions which the company may think desirable and to carry out, exercise and comply with any such charters, decrees, rights, privileges and concessions.
 - (f) To construct, erect, maintain and alter any buildings, machinery, plant or works necessary or convenient for the purposes of the Company.
 - (g) To undertake and execute any contracts for work involving the supply of motor vehicles, fittings and spare parts used for the objects for which the Company is established and to carry out any work comprised in such contracts.

Stamp: TANZANIA
Company Limited by Shares
MEMORANDUM OF ASSOCIATION
KMM (2006) ENTREPRENEURS LIMITED
Handwritten: 2-2-06
Signature: [Signature]

Stamp: TANZANIA
Company Limited by Shares
MEMORANDUM OF ASSOCIATION
KMM (2006) ENTREPRENEURS LIMITED
Handwritten: 2-2-06
Signature: [Signature]




- (h) To draw, make accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, warrants, cheques, debentures, and other negotiable or transferable.
- (i) To borrow or raise or secure the payment of money in such manner as the company shall think fit, and in particular by the issue of debenture stock, certificate or other securities, perpetual or otherwise charge upon all or any other Company's rights and property (present and future) including any uncalled capital or without any such security and to purchase, redeem or pay off any such security or loan.
- (j) To amalgamate with, or enter into partnership or into an arrangement for sharing profits, union of interest, co-operation, joint venture reciprocal concession or otherwise concession or otherwise with any person or company carrying on or engaged in or about to carry on or engaged in any business or transaction which this company is authorized to carry on or engage in any business or transaction capable of being conducted so directly or indirectly to benefit this Company.
- (k) To carry on professional consultancy services to both public and private developers in town planning, building, construction, urban designing, site planning, urban transportation planning and project master planning.
- (l) To invest and deal with moneys of the company not immediately required, upon such securities and in such manner as the company may from time to time determine.
- (m) To institute, promote or undertake any educational work or training which may be advantageous to the Company or conducive to the Welfare of its employees and to pay or contribute to the expense of such education or training aforesaid.
- (n) To adopt such means of making known the business and products of the Company, as may seem expedient and in particular by advertising in the press.
- (o) To distribute among the members of the Company in kind any property of the Company, and in particular shares, debentures or securities of other companies belonging to this Company or of which this Company may have the power of disposing.
- (p) To promote another company for the purpose of acquiring all or any of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.

AND it is hereby declared that the word "Company" in this clause, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated, and whether domiciled in East Africa or elsewhere and the intention is that the objects specified in each paragraph of this clause shall except where otherwise expressed in such paragraph be independent main objects and shall in no wise be limited or restricted by a reference to or inference from the terms of any other paragraph or the name of the Company.

4. The liability of the members is LIMITED.

5. The authorized shares capital of the Company is Tanzania Shillings One billion (1,000,000,000/=) divided into one hundred (100) shares of shillings ten million shillings only, (10,000,000/=) each with such rights, privileges and conditions respective attached thereto as may from time to time be conferred by the regulations of the Company with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company, and to vary, modify or abrogate, any such rights, privileges or conditions in such manner as may of the time being be provided by the regulations of the Company.

We the several persons whose names, addresses and description are subscribes, being such formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:-

Names, Postal Addresses and Description of Subscribers	Number of Shares taken by each Subscriber	Signature of each Subscriber
1. Kiluswa Building Contractors & Civil Engineers Ltd., P.O. Box 276, SUMBAWANGA.	34	 KILUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS P. O. BOX 276 SUMBAWANGA
2. Mwiga General Enterprises Ltd., P.O. Box 276, SUMBAWANGA.	33	 MWIGA GENERAL ENTERPRISES P. O. BOX 276 SUMBAWANGA
3. Mselem Civil Engineering & Building Contractors Ltd., P.O. Box 341, SUMBAWANGA.	33	 MSELEM CIVIL ENGINEERING & BUILDING CONTRACTORS LTD. P. O. BOX 341 SUMBAWANGA

Dated at Sumbawanga this 16th day of FEBRUARY 2006

WITNESS TO THE ABOVE SIGNATURES:

SIGNATURE: Lyanyu



LE RENE K. KAMPAKASA
 QUALIFICATION: COMMISSIONER FOR OATHS
 DATE: 16th FEBRUARY 2006

Drawn by: KILUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS LTD. (PROMOTER),
 P.O. Box 276,
 SUMBAWANGA,
 RUKWA,
 TANZANIA.
 EAST AFRICA.

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

KMM (2006) ENTREPRENEURS LIMITED

TANZANIA
DUTY
STAMP
ON ORIGINAL
REGISTRATION
PRELIMINARY

Stamp Duty Office

2507/552/20-2
2507/552/20-2

1. In these regulations:
"the Ordinance" mean the Companies Ordinance Chapter 212 of the Laws of Tanzania; When any provision of the Ordinances referred to the reference in that provision as modified by law of the time being in force. Unless the content otherwise requires, the expressions defined in the Ordinance or any statutory modification thereof in force at the date at which these regulations become binding on the Company, shall have the meaning so defied.

Any words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include females, and the words importing persons shall include bodies, corporate, partnership, firms, co-operative societies, etc. The regulation of Table "A" in the First Schedule to the Companies Ordinance (hereinafter called "A" shall apply to the Company save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and the provisions under Table "A": the former shall prevail, and in addition to the substitution for the modification of the provisions of Table "A" the following shall be the regulations of the Company.

PRIVATE COMPANY

2. The Company is a private Company and accordingly: -
- (a) The right to transfer shares is restricted in manner here in after prescribed.
 - (b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of the persons who having been formerly in the employment of the Company were in such employment to be members of the Company) is limited to fifty; provided that where two or more persons holding 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 subscriber for any shares of debentures of the company is prohibited
 - (d) The company shall not have power to issue share warrants to bearer
3. The original share Capital of the Company is Tanzania Shillings 1,000,000,000/= (One Billion) is divided into 100 shares of ten million shillings (10,000,000/=) each.
4. Subject to the provisions of Section 47 of Companies Ordinance any preference shares may with the sanction of a special resolution be issued upon the terms that they are, or at the option of the Company are, liable to redeemed, on such or the shares may be special resolution determined.

5. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by or be compelled in any way to recognize (even having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share of (except only as by these articles or by law otherwise provided) are right in respect of any shares except by the holder.
6. Every person whose name is entered as a member in the register of members, shall be entitled, without payment, to receive within two months after allotment or lodgment or transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificate each for one or more of his shares upon payment of Sh. 1000/= for every certificate after the first or such less sum as the Board shall from time to time determine. Every certificate shall be under seal and shall specify the shares to which it relates and the amount paid up there on. Provided that in respect of a share or shares be 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 of several joint holders shall be sufficient delivery to all such holders.

LIEN

7. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share; and the Company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person for all money payable by him or his estate to the Company. The directors may at any share to be whole or in part except from the provisions of this regulation. The Company's lien (if any) on a share shall extend to all dividends.

CALL ON SHARES

8. The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares provided that one call shall exceed one fourth of the nominal amount of the share, or be payable at less than one month of the share, and each member shall (subject to receiving at least fourteen days notice specifying the time or times of payment) pay to the company at the time or times so specified the amount called on his shares. A call may be revoked or postponed as the directors may determine.
9. A call shall be deemed to have been made at the time when the resolution of the directors authorizing the call was passed and may be required to be paid by installments.

10. The instrument of transfer of any share may be executed by or on behalf of the transferor and transferee, and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
11. Subject to the approval of the Board of Directors any Member may transfer any of his shares by instrument in writing any usual or common form, or any other form which the Board may approve.
12. No share shall be transferred to a person who is not a member so long as any member or any near relative of a member in that order of priority is willing to purchase the same at the fair value.
13. The Directors may decline to recognize any instrument of transfer unless it is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the rights of the transferor to take the transfer, and the instrument of transfer is in respect of only one class of shares.

TRANSMISSION OF SHARES

14. In case of the death of a member the person legally entitled to the estate of the deceased, shall be the only person recognized by the Company as having any title to his interest in the shares.
15. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced may from time to time properly be required by the Board, and subject as hereinafter, elect either case have the same right to decline or suspend registration as it would have had in the case of a transfer of the shares by the member before his death or Bankruptcy as the case may be.

FORFEITURE OF SHARES

16. If a member fails to pay any or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
17. The notice shall name a further day not earlier than the expiration of fourteen days from the date of service of notice, or on before which the payment required by the notice is to be made. And shall state that, in the even of non payment at or before the appointed day, the share in respect of which the call was made will be liable to be forfeited.

ALTERATION OF SHARE CAPITAL

18. The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares for such amount, as the resolution shall prescribe.

19. The Company may from time to time by special resolution:-
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject to section 5(i) (1) (d) of the Ordinance.
 - (c) ~~Cancel shares which, at the date of passing the resolution, have not been taken or agreed to be taken by any person.~~
20. The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner with and subject to, any incident authorized, and consent by law.

GENERAL MEETINGS:

21. An Ordinary general meeting of the Company shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the last proceeding ordinary general meeting) and place as Board shall appoint. Each such meeting shall be specified as an ordinary general meeting in the notices calling it and shall be held in addition to any other general meeting in that year.
22. All general meeting other than the annual general meetings shall be called extraordinary general meetings.
23. The Board of Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened by such requisitions as provided by section 114 of the Ordinance.

NOTICE OF GENERAL MEETINGS

24. Every general meeting shall be called by twenty one days notice in writing at the least; PROVIDED that a meeting of the Company shall notwithstanding that is called by shorter notice that specified in these articles, be deemed to have been duly called if it is so agreed by all the members entitled to attend and vote thereat.

PROCEEDINGS AT GENERAL MEETINGS

25. All business shall be deemed special that is transacted at an extraordinary general meeting with the exception of declaring a dividend, the consideration of the Auditors and the appointment of, and the Board and of the Auditors and the fixing of the enumeration of the Auditors.
26. No business shall be transacted at any meeting unless a quorum is present. Three persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member is a duly authorized representative of a corporation, shall be a quorum.

29. Subject to the provision of the Ordinance, resolution in writing signed by all the members for the time being entitled to receive notice of any to attend and vote at general meeting shall be as valid and effective as if the same had been passed at general meeting of Company duly convened and held, such resolution may be contained in one document or in several documents in like form each signed by one or more of the members of duly authorized representative concerned.

VOTES OF MEMBERS:

30. Subject to any rights or restrictions for the time being attached to any class or classes or shares, every member present in person or by shall on a show of hands have one vote and an poll have for each which he is the holder.
31. No member shall be entitled to vote at any general meeting unless all calls on other sums presently by him respect of shares in share in the Company have been paid
32. The instrument appointing a proxy shall be in writing under the field of the appointer A proxy need not be a member of the Company.
33. Until otherwise determined by the Company in general meeting the Directors shall not be less than two (2) and not more than six (6).
34. The first Directors of the Company shall be:
1. **KILUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS LTD.**
 2. **MWIGA GENERAL ENTERPRISES LTD.**
 3. **MSELEM CIVIL ENGINEERING & BUILDING CONTRACTORS LTD.**
35. The remuneration of Directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The Directors may also be paid hotel allowance while in attendance and traveling allowance while going to and returning from meetings of the Company.
36. All cheques, promissory note, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for money paid to the Company shall be signed, as the case may be in such manner as the Directors shall from time to time determine by resolution.

37. The Director shall cause minutes to be made in books provided for the purpose:
- i. of all appointments of all officers made by the Directors
 - ii. of the names of the Directors present at each meeting of the Directors and of any commitment of the Directors;
 - iii. of all resolutions and proceedings at each meetings of the Company, and of the Directors, and of the committee of Directors.
38. The Director on behalf of the Company may pay a gratuity of pension or allowance on retirement of Director who has held any other salaried office of place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premium for the purchase or provisions of or allowance.

DISQUALIFICATION OF DIRECTORS

39. The office of Director shall be vacated if the Director:-
- (a) caused to a Director by virtue of section 142 of the Ordinance; or
 - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) become prohibited from being a Director by reasons or any order made under section 213 or 269 (4) the Ordinance; or
 - (d) become of unsound mind; or
 - (e) resigns his office by notice in writing to the Company.

PROCEEDINGS OF THE BOARD OF DIRECTORS

40. The Directors may meet together for the dispatch of business adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. Every Director shall have one vote. In case of an equality of votes the Chairman shall have a second.
41. The continuing Directors may act notwithstanding any vacancy in their body, but if any so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors the continuing Directors or Director to that number, or of summoning a general meeting of the Company, but for no other purpose.
42. The quorum for the transacting meetings of the Board of Directors.
43. The Managing Director shall be Chairman of all meetings of the Board of Directors.
44. A resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Board, such resolution may be contained in one document or in several documents in like form, each signed by one or more of the Directors.

MANAGING DIRECTOR:

45. The Board of Director shall appoint one of them to the office Managing Director for such period and on such terms as they think fit and may revoke such appointment.
46. The Board of Directors may entrust to or upon the Managing Director any of the powers exercise able by it upon such terms and conditions and with such restriction as it may think fit, and either collaterally with or to the exclusions of its own powers.

SECRETARY

47. The Secretary shall be appointed by the Directors for such terms at such remuneration and upon conditions as it may think fit, and any Secretary so appointed may be removed by the Directors.
48. A provision of the Ordinance or these Articles requiring or authorizing a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting on both us a capacity Director and as or a place or the Secretary.

THE SEAL

49. The Director shall provide for the safe custody or the Seal. The Seal shall be used only by the authority of the Director and every instrument to which the Seal shall be affixed shall be signed by a Director and also by the Secretary.

DIVIDENDS AND RESERVES

50. The Company general meeting may from time to time declare divided, but no such dividend shall exceed the amount recommended by the directors.
51. The Directors may from time to time pay the member such interims dividends as appear to the Directors to be justified by the profits of the Company.
52. No dividend shall be paid otherwise than out of profits.
53. The Directors may before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Directors be applicable for any purpose, to which the profit of the Company may be properly applied, and pending such application may, at like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit. The Directors may also, without placing the same to reserve, carry forward any profit which they may think prudent not to divide.
54. The Director may deduct from dividend payable by any member all sums of money (if any) presently payable by them to the Company on account of calls or otherwise in relation to the shares of the Company.
55. No dividend shall beer interest against the Company.

ACCOUNTS

56. The Directors shall cause proper books of accounts to be kept with respect to:-
- all sums of money received and expended by the Company and the matters in which the receipt and expenditure takes place.
 - All sales and purchases of goods by the company; and
 - The assets and liabilities of the company. Proper books shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
57. The books of accounts shall be kept at the Registered office or at such other place as the Directors think fit and shall always be upon its inspection by the other members.
58. The Directors shall, from time to time, in accordance with section 123 to 129 (both inclusive) of the Ordinance, cause to be prepared and to be laid before the Company in general meeting, such profit and loss accounts balance sheets, group account (if any) and reports as are referred to in those sections.
59. Auditors shall be appointed and their duties regulated in accordance with sections 123, 133 and 134 of the Ordinance.
60. A notice may be given the Company to any member either personally or by sending it by post address to him at his registered address.

WINDING UP

61. If the Company shall be wound up. The liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Ordinance, divided amongst the members in special or kind, the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he (the liquidator) deems fair upon any property to be divided as aforesaid and may determine how much division shall be carried out as between the members of different classes of members.

INDEMNITY

62. Every Director, Managing Director, Agent, Auditor, Secretary and other officers, for the time being, of the Company will be indemnified against any liability incurred by him to defending any proceeding whether civil original, in which judgement is given in his favour or in which he is acquitted or in connection with any application (under section 345 of the Ordinance in which relief is granted to him) by the court.

ALTERATIONS OR ADDITIONS

63. Subject to the provision of the ordinance and to those contained in the Memorandum of Association of the Company may, by Special Resolution, make alterations or additions and such alteration or additions so made shall be as valid and effectual as if originally contained in these articles and be subject in like manner to alteration by special resolution.

Names, Postal Addresses and Description of Subscribers

Number of Shares taken by each Subscriber

Signature of each Subscriber

1. Kiluswa Building Contractors & Civil Engineers Ltd.
P.O. Box 276,
SUMBAWANGA.

34

[Signature]
KILUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS LTD.
P.O. BOX 276
SUMBAWANGA

2. Mwiga General Enterprises Ltd.,
P.O. Box 276,
SUMBAWANGA.

33

[Signature]
MWIGA GENERAL ENTERPRISES LTD
P.O. BOX 276
SUMBAWANGA

3. Mselem Civil Engineering & Building Contractors Ltd.,
P.O. Box 341,
SUMBAWANGA.

33

MSELEM CIVIL ENGINEERING & BUILDING CONTRACTORS LTD.
[Signature]
SIGNATURE

Dated at Sumbawanga this 16th day of FEBRUARY 2006

WITNESS TO THE ABOVE SIGNATURES:



SIGNATURE: *[Signature]*
LE RENE K. KAMPAKASA

POSITION: COMMISSIONER FOR OATHS
16th FEBRUARY 2006

Drawn by: KILUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS LTD. (PROMOTER)
P.O. Box 276,
SUMBAWANGA,
RUKWA,
TANZANIA.
EAST AFRICA.

7666



09776

TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC005703

Received from : **KMM(2006) ENTERPRENEURS LTD**

No. **000461**

Address **P. O. Box Dar Es Salaam**

Received the sum of (In words): **ONE HUNDRED AND ZERO CENTS ONLY**

Being payment in respect of **REGISTRATION FEE**

Amount : **USD 100.00**

Cash / Cheque No: **D/Deposit 29/12**

Date : **29-Dec-2011**

B. Uisso

Receiving Officer



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
Website: 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 KIKUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS LTD
(director/directors/agent of KMM(2006) ENTERPRENEURS LIMITED.
(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 PLOT NO. 23, INDUSTRY
AREA, MAZWI, SUMBAWANGA - RUKWA

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. 23, MAZWI, SUMBAWANGA.
4. The Principal Officers of the Company are KIKUSWA BUILDING CONTRACTORS &
CIVIL ENGINEERS LTD, MWIGA GENERAL ENTERPRISES LTD,
AND MUSELEM CIVIL ENGINEERING & BUILDING CONTRACTORS
LTD.
5. Auditors of the Company are
6. The authorized share capital of the Company is Tshs./US\$ 1,000,000,000/=
ONE BILLION.

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is **TSh/US\$ 4,600,000.00**

8. The month and day of the financial year end is **31st DECEMBER**

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for **TSh/US\$**

100.00

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

KILUSWA BUILDING CONTRACTORS

14 CIVIL ENGINEERS LTD of Post Office Number **84276**

do solemnly and sincerely declare that I am a director/duty

authorized agent of **KMM (2006) ENTERPRENEURS 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 **5th** day of **January** 2012

[Signature]
Applicant

Before me:

[Signature]
THOMAS C. KALINGA
ADVOCATE
NOTARY PUBLIC
&
COMMISSIONER
FOR OATHS
DAR ES SALAAM
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: KMM (2006) ENTREPRENEURS LTD

Certificate of Incorporation Number: 55710. Status: NEW.

Certificate of Incorporation Date: 22/02/2006.

Post Box: 276.

Town: SUMBAWAHA

Sector: MANUFACTURING Sub-Sector: CONSTRUCTION / BUILDING MATERIALS.

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	<u>161,000.00</u>		<u>2,990,000.00</u>

Project Objectives: TO ESTABLISH A PROJECT FOR MANUFACTURING OF READY MIX CONCRETE FOR THE CONSTRUCTION INDUSTRY.

Capacity:

Employment: Foreign: Local: 93 Total: 93

Implementation Period: 5 YEARS

Project Location

Site/Plot/Block No.: UN SURVEYED AREA.

Street: District: KISARAWA Region: COAST REGION.
 (Attach sketch map showing project location)

Shareholders	Nationality	%
1. <u>KILUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS LTD.</u>	<u>TANZANIAN</u>	<u>34</u>
2. <u>MWIGA GENERAL ENTERPRISES LTD.</u>	<u>- " -</u>	<u>33</u>
3. <u>MSELEM CIVIL ENGINEERING & BUILDING CONTRACTORS LTD.</u>	<u>- " -</u>	<u>33</u>
.....
.....

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

Land/Building 700,000.00
Plant 950,000.00
Vehicles 2,540,000.00
Furniture & Fittings 30,000.00
Pre-expenses 20,000.00
Others
Working Capital 360,000.00
TOTAL **4,600,000.00**

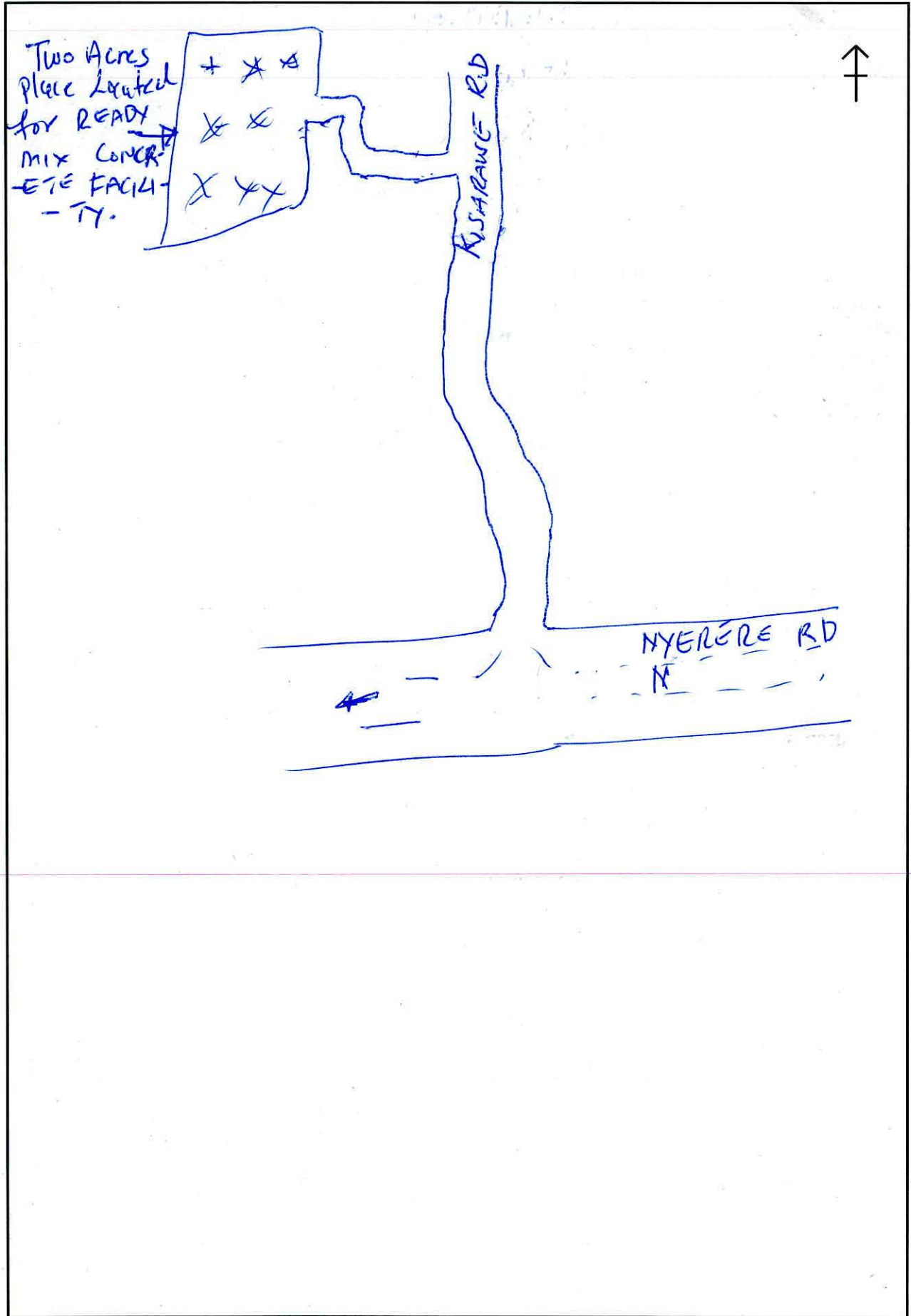
Contact Details:

Name: **KILUSWA BUILDING CONTRACTORS & CIVIL ENGINEERS LTD.** Title: **MANAGING DIRECTOR**
Telephone: **+255 715 670 222** Fax:
Email: **kmm.2006@yahoo.com**

Payments to be made payable to:

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

SKETCH MAP SHOWING PROJECT LOCATION





TIC Evaluation Report

Name of the Company
Kmm (2006) Entrepreneurs Ltd.

Post Box	Unsurveyed Area, Kisarawe	COI Number	55710-01	Contact	Mr.
Post Office	276, Sumbawanga	COI Date	22/02/2006	Designation	Managing Director
Region	Coast Region	Application F. No	09776	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0715 670 222
		Sub Sector	Building Materials	Fax	0
		File No	042157	E-Mail Address	Kmm.2006@Yahoo.Com

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Unsurveyed	<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>1.61</td> <td>0</td> <td>2.99</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	1.61	0	2.99		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	1.61		0	2.99								
Street	Unsurveyed											
District	Kisarawe											
Region	Coast (Pwani)											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	Plant
Mseleni Civil Engineering and Building Contractors Ltd.	Tanzanian	33	0.7	0.95
Mwiga General Enterprises Ltd.	Tanzanian	34	Vehicles	2.54
Kiluswa Building Contractors of Civil Engineers Ltd.	Tanzanian		Furniture & Fittings	0.03
			Pre-expenses	0.02
			Others	0
			Working Capital	0.36
			Total	4.6

Employment	93	Evaluated By	wf officer2
Capacity	xxxx	Drawn By	wf regist3
Project Turn Over		Project Type	Local

Description

To establish a project for manufacturing ready mix concrete for construction industry

Recommendations

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

Signature

Approved

[Signature]
 Ag EXD
 18/01/12

①

KMM (2006) ENTREPRENEURS LIMITED
P.O. BOX 276
SUMBAWANGA

Date: 2nd December 2011

EXECUTIVE DIRECTOR
TANZANIA INVESTMENT CENTRE
P.O. BOX 938
DAR ES SALAAM



RE: APPLICATION FOR CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF A PROJECT FOR MANUFACTURING OF READY MIX CONCRETE FOR THE CONSTRUCTION INDUSTRY

Reference is made to the captioned subject matter

M/S KMM (2006) Entrepreneurs Limited herein referred as **the Company** is a Limited Liability company registered under the company registration ordinance (CAP 212) of the United Republic of Tanzania with a Certificate of **Incorporation No. 55710** dated 22nd February 2006

The construction industry in developing countries is growing at a promising rate. In Tanzania the growth rate was 10.2% in 2010 compared to 7.5% in 2009 and the sector contribution to GDP was 8.0% in the same year. This higher growth rate provides an opportunity for investment in the sector. Our company has identified an under served segment market within the sector and have thus decided to invest in the establishment of a project for **Manufacturing of Ready Mix Concrete** for major construction activities in the country



**KMM (2006) ENTREPRENEURS LIMITED
P.O. BOX 276
SUMBAWANGA**

Date: 2nd December 2011



EXECUTIVE DIRECTOR
TANZANIA INVESTMENT CENTRE
P.O. BOX 238
DAR ES SALAAM

**RE: APPLICATION FOR CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF A PROJECT FOR MANUFACTURING OF READY MIX
CONCRETE FOR THE CONSTRUCTION INDUSTRY**

Reference is made to the captioned subject matter

M/S KMM (2006) Entrepreneurs Limited herein referred to as the Company is a limited liability company registered under the company registration ordinance (CAP 212) of the United Republic of Tanzania with a Certificate of Incorporation No. 52710 dated 22nd February 2006

The construction industry in developing countries is growing at a promising rate. In Tanzania the growth rate was 10.2% in 2010 compared to 7.5% in 2009 and the sector contribution to GDP was 8.0% in the same year. This higher growth rate provides an opportunity for investment in the sector. Our company has identified an under served segment market within the sector and have thus decided to invest in the establishment of a project for **Manufacturing of Ready Mix Concrete** for major construction activities in the country

In view of the above, we wish to **apply for TIC Certificate of Incentives for our proposed project**. To facilitate our application please find attached the following documents for your kind review and approval;

- One copy of project business plan (project proposal)
- A Board resolution to register the project with TIC
- One certified copy of Certificate of Incorporation
- One copy of Memorandum and Articles of Association
- An application form dully filled and signed
- Bank reference letter and
- Certified copies of documents showing evidence of Land ownership for the location of the project

It is our sincere hope that the submitted documents will meet your due requirements

Yours sincerely,

KMM (2006) ENTREPRENEURS LIMITED



.....
MANAGING DIRECTOR

MANAGING DIRECTOR

KWV (2008) ENKVERKENENKES LIMITED

Yours sincerely,

Requirements

It is our sincere hope that the submitted documents will meet your due

ownership for the location of the project

- Certified copies of documents showing evidence of land
- Bank reference letter and
- An application form duly filled and signed
- One copy of Memorandum and Articles of Association
- One certified copy of Certificate of Incorporation
- A Board resolution to register the project with TIC
- One copy of project business plan (project proposal)

the following documents for your kind review and approval:

our proposed project. To facilitate our application please find attached

in view of the above, we wish to apply for TIC Certificate of incentives for

3

TICC/PP.10/042157/3

20th January 2012

Managing Director,
KMM (2006) Entrepreneurs Ltd.,
P.O. Box 276,
Sumbawanga.

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF A PROJECT TO PRODUCE READY MIX CONCRETE**

We wish to acknowledge receipt of your project proposal to establish a project for manufacturing ready mix concrete for construction industry as presented in the TIC P.A. 1 Form No. 09776 and Feasibility Study with a projected investment of USD 4.6m.

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

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

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 your Certificate of Incentives is prepared. Please make deposit direct to the bank as per bank details below:-

TICC/PP.10/042157/3

20th January 2012

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

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

Yours sincerely,
Tanzania Investment Centre



B.D. Chonjo
For: Executive Director

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

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

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



TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC007518

No. 002225

Received from : KMM(2006)ENTREPRENEURS LTD

Address P. O. Box 276 Sumbawanga, RUKWA

Received the sum of (In words): ONE MILLION ONE HUNDRED NINETY TWO THOUSAND FIVE HUNDRED AND ZERO
CENTS ONLY

Being payment in respect of : CERTIFICATE OF INCENTIVE

Amount : TZS 1,192,500.00

Cash / Cheque No: d deposit 13/6

Date : 13-Jun-2012

J Simba

Receiving Officer



4

UNITED REPUBLIC OF TANZANIA

Coast Region
TEL: 2402230



LAND DEPARTMENT
P.O.BOX 28001
KISARAWA
Date: 30/07/2012

Ref:Na.KSW/3857/4

ACKNOWLEDGMENT OF PAYMENTS

To: **KMM (2006) ENTREPRENEURS LTD**
P.O. BOX 276, SUMBAWANGA

RE: RECEIPT OF PAYMENT ON PLOT NO. 10 BLOCK 'A' SURVEY REG:
PLAN NO 68499 MEASURING: 5013 Sqm. LOCATION: **PUGU HILLS,**
KISARAWA DISTRICT, COAST REGION

This is to notify you of the receipt of various fees you have effected pertaining to Plot bearing details described above, that;

	SHILINGS	ERV NO	DATE
i. Premium (if any)	50,000.00	00112202	30/07/2012
ii. Fees of Certificate of Occupancy	5,000.00	46359216	
iii. Registration fee	5,000.00		
iv. Survey fee	2,500.00		
v. Deed plan fee	6,000.00		
vi. Stamp duty	2,000.00		
vii. Land rent			
From 01/01/2012 to 30/6/2012	<u>100,300.00</u>		
TOTAL (IN T.SHS)	<u>170,800.00</u>		

Furthermore you are informed that, by virtue of these payments and within ninety days, the Commissioner for Lands or Assistance Commissioner for Lands shall prepare and issue you a certificate of Occupancy according to section 29 of the Land Act, Cap 113(R.E 2002) as amended. The Term and Conditions of the Right of Occupancy will run with effect from the date of completion of payments of bill.

COMMISSIONER FOR LANDS/AUTHORIZED OFFICER

I/We, ~~Gaudencia M. Mwanjama~~ ~~AND SALIM M. SELEM~~ (DIRECTORS) Certify that the figures relating to foretasted payments are correct.

Signature: ~~Jaha Mwanjama~~ date 1/8/2012

PHOTO/SEAL

Certified True Copy of the Original
Signature:
E. S. M. MKOBA
ADVOCATE
Date 7/8/2012

UNITED REPUBLIC OF TANZANIA

Coast Region
TEL: 2402230



LAND DEPARTMENT
P.O.BOX 28001
KISARAWÉ
Date: 30/07/2012

Ref:Na.KSW/3857/4

ACKNOWLEDGMENT OF PAYMENTS

To: **KMM (2006) ENTREPRENEURS LTD**
P.O. BOX 276, SUMBAWANGA

RE: RECEIPT OF PAYMENT ON PLOT NO. 9 BLOCK 'A' SURVEY REG:
PLAN NO 68499 MEASURING: 3321 Sqm. LOCATION: **PUGU HILLS,**
KISARAWÉ DISTRICT, COAST REGION

This is to notify you of the receipt of various fees you have effected pertaining to Plot bearing details described above, that;

	SHILINGS	ERV NO	DATE
i. Premium (if any)	50,000.00	00112202	} 30/07/2012
ii. Fees of Certificate of Occupancy	5,000.00	} 46359215	
iii. Registration fee	5,000.00		
iv. Survey fee	2,500.00		
v. Deed plan fee	6,000.00		
vi. Stamp duty	2,000.00		
vii. Land rent			
From 01/01/2012 to 30/6/2012	66,200.00		
TOTAL (IN T.SHS)	<u>136,900.00</u>		

Furthermore you are informed that, by virtue of these payments and within ninety days, the Commissioner for Lands or Assistance Commissioner for Lands shall prepare and issue you a certificate of Occupancy according to section 29 of the Land Act, Cap 113(R.E 2002) as amended. The Term and Conditions of the Right of Occupancy will run with effect from the date of completion of payments of bill.

COMMISSIONER FOR LANDS/AUTHORIZED OFFICER
I/We, **GONDENCE MIPESHU AND SALUM MBEREM (DIRECTORS)**
Certify that the figures relating to foretasted payments are correct.
Signature: *[Signature]* date **11/8/2012**..... PHOTO/SEAL

Certified True Copy of the Original
Signature *[Signature]*
E. S. M. MKOBA
ADVOCATE
Date **7/8/2012**

UNITED REPUBLIC OF TANZANIA
KARABADHI YA SERIKALI
CHIEF EXECUTIVE OFFICER

46359215

1 46-30-1754-2

KMM (2006) (A) Mena & Mwa H. G. 2006

U/O Plot No. 114, Plot No. 9, A. K. M. 2006


UNITED REPUBLIC OF TANZANIA
KARABADHI YA SERIKALI
XEROX RECEIPT

46359216

1 46-30-1754-2

KMM (2006) (A) Mena & Mwa H. G. 2006

U/O Plot No. 114, Plot No. 9, A. K. M. 2006

Certified True Copy of the Original
Signature: 
E. S. M. MKOBA
ADVOCATE
Date: 7/8/2012

MINUTES of Meeting of Board of Directors of KMM (2006) ENTREPRENEURS LIMITED held on Thursday 24th day of July 2008 in its office at 10:30 Hours

Participants:

1. Kiluswa Building Contractors & Civil Engineers Ltd - Chairman & Managing Director
2. Mwiga General Enterprises Ltd - Director / Company Secretary
3. Mselem Civil Engineering & Building Contractors Ltd - Director

1. APOLOGIES

There was no apology

2. MINUTES OF THE LAST BOARD MEETING

The minutes of the last Board Meeting were ready by Mwiga General Enterprises Ltd. All resolutions made on the last Board Meeting were duly accomplished.


3. REGISTRATION WITH TANZANIA INVESTMENT CENTRE [TIC]

After some discussions, it was resolved to register the company with **TANZANIA INVESTMENT CENTRE [TIC]** for certificate of incentive, investor in Manufacturing Sector.

4. ANY OTHER BUSINESS

There were no other businesses.

Signed this **THURSDAY 24TH day of July, 2008.**


..... Kiluswa Building Contractors & Civil Engineers Ltd
[Chairman, M. Director]


..... Mwiga General Enterprises Ltd **[Director/Secretary]**



CRDB BANK PLC
Sumbawanga Branch,
P.O. Box 367, Sumbawanga,
Tel: +255 (0)25 2802165/2802266,
Fax: +255 (0)25 2802342
Website: <http://www.crdbbank.com>

Ref.No. CRDB/SBA/BB/GC/01/2012

24th January 2012

The Executive Director,
Tanzania Investment Centre (TIC),
P.O.Box 938
Dar es Salaam.

Dear Sir/Madam,

RE: INTRODUCTION OF KMM (2006) ENTREPRENEURS LTD

Kindly refer to the mentioned heading;

We write to introduce to you and confirm that **KMM (2006) ENTREPRENEURS LTD** is our customer maintaining account number **01J1069016900** with our branch and has satisfactory conduct.

Kindly accord them with necessary assistance as it may deem appropriate to do so.

However, this certificate is issued without any alteration or any obligation on the part of the Bank.

Yours faithfully,
CRDB BANK PLC


Enoch D. Lugenge
Branch Manager

**Cc: Managing Director
KMM (2006) ENTREPRENEURS LTD**



THE UNITED REPUBLIC OF TANZANIA

00219112

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042157

This is to certify that

.....
KMM (2006) ENTREPRENEURS LTD
.....

.....
P.O. BOX 276
of address

SUMBAWANGA
.....

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

KMM (2006) ENTREPRENEURS LTD
.....

Which is located at PLOTS NO. 9 & 10 BLOCK A PUGU HILLS

KISARAWA - COAST (PWANI)
.....

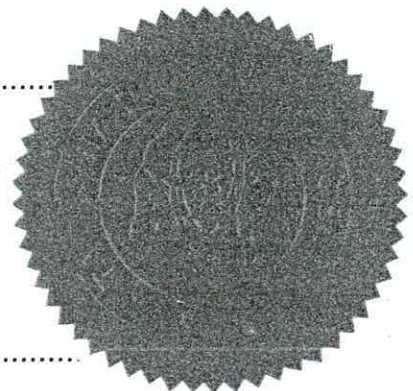
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

.....

Ag. Executive Director

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

Dated 20TH JANUARY 2012




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 (%)
Mseleni Civil Engineering & Building Contractors Ltd	Tanzanian	33
Mwiga General Enterprise Ltd	Tanzanian	33
Kiluswa Building Contractors of Civil Engineers Ltd.	Tanzanian	34
2. Proposed Activities : **To establish a project for manufacturing ready mix concrete for construction industry**
3. Sector: **Manufacturing** Subsector: **Building Materials**
4. Investment cost: Foreign **-** Local **USD 4.6m.** Total **USD 4.6m**
5. Project Financing: Equity **USD 1.61m.** Loans **USD 2.99m.** Total **USD 4.6m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:

	Foreign	Local	Total
Capital items:	-	USD 4.6m.	USD 4.6m.
8. Technology Agreement **None**
9. Date of TIC Registration: **20th January 2012**
10. Implementation period **January 2012 - December 2014**
11. Operative date **January 2014**
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 **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1977**
 - (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 
Ag. Executive Director